

**Agreement**  
BETWEEN  
**CUNA Mutual Insurance Society**  
AND  
**Office & Professional Employees  
International Union - Local 39**



**April 1, 2008 – March 31, 2012**

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## **AGREEMENT**

This Agreement is entered into this 1<sup>st</sup> day of April, 2008, between Office and Professional Employees International Union, AFL-CIO, Local No. 39 (hereinafter "Union"), and CUNA Mutual Insurance Society (hereinafter "Employer"), its successors or assigns.

## **PREAMBLE**

The parties hereto desire to cooperate in establishing conditions which will tend to secure to the Employees concerned, a living wage and fair and reasonable conditions of employment and to provide methods for fair and peaceful adjustment of all disputes which may arise between them, so as to secure uninterrupted operations of the Employer.

## **RECOGNITION**

The Employer recognizes the Union as the exclusive bargaining representative for all Employees employed by the Employer under the Classified and Professional pay categories in Madison, Wisconsin and Middleton, Wisconsin; but excluding all officers of the Employer, attorneys in the Office of General Counsel, confidential secretaries, field personnel, all members of the Management Staff performing the functions of Management, and all other positions that are not part of the bargaining unit. Consistent with applicable law, any individuals employed in other offices shall have the option to be represented by the Union but only if the Union demonstrates majority support and secures recognition in an appropriate unit consistent with the National Labor Relations Act and the administrative processes and procedures of the National Labor Relations Board.

## **ARTICLE I**

### ***MANAGEMENT RIGHTS***

The management of the Employer and the direction of the working force are vested exclusively in the Employer. Such management and direction shall include rights to hire, recall, transfer, promote, demote, suspend and discharge for just cause, and to layoff Employees because of lack of work or for other legitimate reasons.

The Employer shall have the prerogative to establish rules of employment, assignments of work including temporary assignments, to change or modify methods, procedures and controls for the performance of work, and to establish work standards. Monitoring work standards will be at the sole discretion of the Employer; provided that such monitoring shall not be unreasonable.

### **SECTION 1 – WORKPLACE RULES**

CUNA Mutual Group's workplace rules are intended to protect the health and safety of all Employees, as well as the good will and property of the company. The rules are published to ensure that Employees are aware of personal standards of conduct expected



at work. The list, while not all-inclusive, is provided as a guide to Employees. Failure to follow the rules or maintain proper conduct may result in disciplinary action.

### **Key Components**

The following list of work rules pertains to all Employees of the CUNA Mutual Group:

1. Employees must be at their assigned work areas, ready to work (within flexible working hours for first-shift Employees) within Employee's scheduled hours of work, at the beginning of his/her shift, and after break and lunch periods.
2. Employees unable to report for, or perform, work due to illness or other justifiable cause must report the expected absence to his/her supervisor or designated manager as soon as possible and, in any event, prior to the Employee's starting time with the exception of emergency or other unique situations.
3. Employees are to wear appropriate clothing suitable to a professional business atmosphere.
4. Employees shall not conduct personal business during working hours.
5. Employees must report any injury or accident to the Human Resources Disability Manager immediately.
6. Employees shall not interfere with others in the performance of their job duties.
7. Employees while at work shall not use profane or abusive language.
8. Employees shall not breach the confidentiality of company records or business.
9. Employees' unauthorized use of access card to gain entry to CUNA Mutual Group is cause for disciplinary action.
10. Employees' consumption of food and snacks during working hours will be permitted only so long as good housekeeping can be maintained.
11. Employees are required to wear their Identification Access Card at all times while on the premises of CUNA Mutual Group.
12. Smoking is permitted only in designated areas during break and lunch period.
13. Excessive tardiness is cause for disciplinary action.
14. The Occupational Safety and Health Act imposes strict requirements on a company to maintain and enforce safe working conditions. Any violation of established safety rules will subject Employees to disciplinary action.

15. Parking rules and regulations have been established for the safety and protection of Employees and must be observed at all times.
16. Any sexual harassment, including but not limited to, unwelcome sexual advance, request for sexual favors, graphic materials, gestures, or other verbal or physical conduct of a sexual nature, is prohibited. This also includes sexual material on electronic media. Nor will we tolerate Prohibited Harassment, which is harassment of our Employees based upon race, color, religion, disability, age, sex, national origin, sexual orientation or any other status or basis protected by applicable federal, state or local law.
17. Gambling during working hours is prohibited. Gambling on company premises is prohibited at all times.
18. Possession, use or being under the influence of intoxicating beverages, controlled substances, or non-prescribed drugs while on company premises is prohibited.
19. Falsifying reports or records, including, but not limited to, personnel, attendance, sickness, and production records, is prohibited.
20. Misappropriation, misuse or removing company property, records, data or other materials from the premises without prior authorization is prohibited.
21. Unauthorized possession of company property or another Employee's property is prohibited.
22. Insubordinate conduct or refusal to follow a supervisor's orders is prohibited.
23. The telephones at CUNA Mutual Group are important for company business and are not for personal use. Please ask your friends not to call you at work unless it is an urgent matter. Incoming personal phone calls to Employees while working should be treated in the most expeditious manner possible.
  - Outgoing, non-urgent personal phone calls are to be avoided. In cases where it's necessary to make an occasional personal phone call, please obtain prior approval from your manager.
  - Long distance personal phone calls are not to be made from CUNA Mutual Group telephones.
24. Monitoring may be used to measure individual performance and the Employer may exercise its right under Article XII of this Agreement.

These rules are not intended to be all-inclusive. CUNA Mutual Group may, when it deems appropriate, establish additional rules to govern Employees' conduct as deemed reasonable and appropriate to meet operational requirements.

**ARTICLE II**  
**DEFINITIONS**

**SECTION 1 – EMPLOYER**

The term “Employer” as used herein means CUNA Mutual Insurance Society at offices designated in the Recognition clause.

**SECTION 2 – EMPLOYEE**

- A. The term “Employee” as used herein shall mean all full-time, and part-time persons in the Bargaining Unit regularly employed by the Employer.
- B. Part-time Employees will not be scheduled for less than 1,000 hours per calendar year, nor will they be scheduled for fewer hours than when originally placed in this position unless agreed to by the Employee, Union and the Manager.
- C. A “Temporary Employee” is not an Employee as defined in this Agreement. With respect to temporaries:
- The Employer agrees not to use temporary employees to avoid filling permanent positions or to avoid creating new permanent positions.
  - Temporary assignments are for a period not to exceed 12 months.
  - Upon completion of a temporary assignment, the temporary employee may work in another temporary assignment in another department.
  - The amount paid to a temporary employee shall not exceed the minimum of the salary range of the job grade in which the work is normally assigned.
  - Temporary positions will not be extended without approval from the Chief Steward of the Union or designee.
- D. The term “Classified Employee(s)” shall mean all Employees in positions one hundred twenty (120) through one hundred thirty-six (136) as covered in Exhibit B.
- E. The term “Professional Employee(s)” shall mean all Employees in positions two hundred five (205) through two hundred forty-five (245) as covered in Exhibit A, C and D.
- F. The job classification Contact Center Sales Representative shall mean all Employees in position CLL as covered in Exhibit E.

**SECTION 3 – WORKING DAYS**

Working days shall be defined as days the office is officially open for business.

**ARTICLE III**  
***UNION SECURITY AND CHECKOFF***

**SECTION 1 – SECURITY**

The Employer agrees that all Employees covered under this Agreement shall as a condition of employment, remain members of the Union in good standing. For purposes of this Article, membership in the Union shall require no more than that which is permitted by State and Federal laws.

The Employer agrees that all Employees covered by this Agreement and new Employees hired subsequent to the effective date of this Agreement, after completing their qualifying probationary period of one hundred twenty (120) working days from the date of employment, except for the time the employee is on unpaid time off, shall as a condition of employment, become and remain members of the Union in good standing. (Reference Article X, Section 1.)

**SECTION 2 – CHECKOFF**

- A. The Union agrees to file an initiation fee and dues deduction assignment with the Employer for each Employee prior to such deductions.
- B. The Employer agrees to deduct Union initiation fees and dues from the wages of each Employee who has signed a proper authorization form. The Employer agrees to forward such initiation fees and dues to the Union's authorized representatives.

**SECTION 3 – INDEMNITY**

Except where the Employer has made a clerical error in the deduction for dues which will be adjusted promptly by the Employer, any question as to the correctness of the amount deducted shall be settled between the Employee and the Union, and the Union shall indemnify the Employer and hold harmless against any and all suits, claims, demands and liabilities that should arise out of, or by reason of, any action that shall be taken by the Employer for the purpose of complying with the provisions of this Article or in reliance on any authorization form or information furnished to the Employer under such provisions.

**SECTION 4 – INFORMATION**

The Employer agrees to submit to the Chief Steward of the Union, on at least a monthly basis:

- A listing of all newly hired Represented Employees and employees of CUNA Mutual entering or re-entering the Union with the Employee's name, address, date of hire, date of birth, position title, grade, department name, employee ID number, shift, standard hours, full-time or part-time status, annual salary rate, exempt or non-exempt status.

- A listing of all temporary employees with their names, general description of assignment, date of hire into assignment, dates of any extensions, date of termination from assignment, department, supervisor's name, hourly pay, and billing rate.
- Notification of changes in a represented employee's job title, new position and wage change.
- Notification when a represented Employee's employment is terminated whether through resignation, retirement, layoff or discharge.
- A listing of Employees on a Leave of Absence.

**SECTION 5 – ORIENTATION**

The Union will be permitted to meet with new Employees on company time to a maximum of one (1) hour per month for the purpose of providing orientation information.

**ARTICLE IV  
*SCHEDULES AND HOURS OF WORK***

Office hours are intended to provide the best possible support and/or access for our customers. Due to changing business requirements, there may be specific cases where the hours or schedules being worked do not meet the needs of our business. Because of this, it may be necessary at times to modify an Employee's hours of work or work schedule to address our business needs. Employees and their managers will work together to address coverage issues to meet the demonstrated needs of the business.

**SECTION 1 – SCHEDULES**

For purposes of this Article, hours are defined as the times during which an Employee is working. Schedules are defined as the arrangement of hours, including but not limited to the days worked and shift worked by an Employee during a pay period. Managers will make reasonable efforts to accommodate Employees' needs, subject to the following guidelines:

- A. When it is determined that business needs are not being addressed, the following steps will be taken:
1. The manager will explain the coverage needs to the affected Employees.
  2. Employees will be asked to volunteer for the new hours or work schedule, or to work out among themselves a way to manage the coverage needs.
  3. In the event there are no volunteers, Management reserves the right to assign the hours, or work schedules based upon the business needs of the

department. Where all other factors are equal, such assignment will be made on an inverse seniority basis.

4. If management assigns schedules and/or hours of work, Employees will have up to fifteen (15) working days to adjust their schedule and/or hours to accommodate the new schedule and/or hours.
  5. Written copies of the hours changes will be provided for the Employee, Manager, Labor Relations and the Union.
  6. If the Employee can demonstrate that the change will cause a financial hardship, the company will address the issue and make reasonable efforts to reduce the financial hardship.
  7. No Employee will be given a 15 working day notice of intent to unilaterally change his/her work schedule more than once in a rolling nine (9) month period.
- B. In the event an Employee demonstrates a need to modify his/her work schedule, and/or hours, managers will make a reasonable attempt to accommodate the request subject to business needs.
- C. Work schedules which may be agreed to, include but are not limited to the following models:
1. The normal work week for pay purposes shall be thirty-seven and one-half (37.5) hours (no paid breaks), Monday through Friday. Part time non exempt Employees will have their schedules adjusted proportionately to reflect a work week based upon 37.5 hours (no paid breaks). Exempt Employees will work the number of hours necessary to complete their assignments.
  2. Exempt Employees – Absences. An exempt Employee's salary is predetermined and will not vary depending on the number of hours worked. However, if an exempt Employee is absent for an entire day, the Employee will have to use a full day of vacation, personal leave, or sick leave (if the reason for the absence is one for which sick leave can be used).
  3. Summer/Winter Hours:  
Summer Hours: Begin the last scheduled working Monday in the month of April and end the last scheduled working Friday in the month of October.  
  
Winter Hours: Begin the first Monday after the end of Summer Hours and end the last scheduled working Friday before Summer Hours begin.

4. Nine Day/Biweekly:  
     Week A: 5 work days  
     Week B: 4 work days
  5. Four Day Work Week: Any variation of four (4) days of work, not including Saturday and Sunday and not exceeding thirty-seven and one-half (37.5) hours (no paid breaks) per week. All benefits shall be earned as though the Employee working this schedule had worked 37.5 hours (no paid breaks), unless otherwise agreed upon. The 4-day week will be balanced between Monday – Thursday and Tuesday – Friday to maximize staffing on Friday afternoons while minimizing Monday shortages.
  6. Fixed Hours Positions are those with specific and fixed starting and ending times.
  7. For purposes of shift differential calculation only, shift hours shall be as set forth in Article XVII, Section 6.
- D. Positions will be posted indicating that the schedule that may be required (9-day, 4-day, Summer/Winter, Fixed hours, preferred hours or flextime), or that the hours will be discussed at the interview.
- E. When an Employee leaves a position and creates a vacancy that is budget authorized to be filled, the manager determines the appropriate hours and schedule and offers those hours and schedule to current Employees, by seniority within the same job title, prior to posting any vacancy.

**SECTION 2 – OVERTIME COMPENSATION**

The Fair Labor Standards Act divides Employees into those who are entitled to overtime (non-exempt) and those who are not (exempt).

- A. Exempt Employees are paid a predetermined salary regardless of the number of hours they work each week.
- B. Non-Exempt Employees. The Employer shall have the right to schedule overtime, with the consent of the Employee involved, provided that:
  1. Full-Time – All hours worked in excess of regularly scheduled hours for full-time Employees in any one day shall be paid for at the rate of time and one-half (1 ½).
  2. Part Time – Overtime pay will not be paid to part-time Employees unless their time exceeds the greater of:
    - a. Seven and one-half (7.5) hours (no paid breaks) per day, or,

- b. The number of hours the Employee is normally scheduled to work that particular day.
  3. Overtime will be paid to part-time Employees in accordance with Article IV, Section 2 of this agreement.
- C. Non-Exempt Employees. Weekly overtime for working a sixth (6<sup>th</sup>) or seventh (7<sup>th</sup>) day during a week shall be counted as set forth below:
  1. Employees who are not required to work Saturday and/or Sunday as part of their normal workweek shall be paid the applicable overtime rate of time and one-half (1 ½) for any Saturday or sixth (6<sup>th</sup>) day hours worked and double time (2) for any Sunday or seventh (7<sup>th</sup>) day hours worked, regardless of the number of hours worked within that workweek.
  2. Employees who are required to work Saturday and/or Sunday as a part of their normal workweek shall not receive overtime for working on Saturday or Sunday as such. However, when an Employee who is required to work Saturday and/or Sunday as part of his or her normal workweek works a sixth (6<sup>th</sup>) or seventh (7<sup>th</sup>) day during the workweek, the Employee shall be paid the applicable overtime rate of time and one-half (1 ½) for any sixth (6<sup>th</sup>) day hours worked and double time (2) for any seventh (7<sup>th</sup>) day hours worked, regardless of the number of hours worked within that week.
- D. Non-Exempt Employees. Employees determined to be non-exempt will be paid overtime in accordance with this Article IV unless, prior to working overtime, the Employee requests, and the manager agrees, to the use of compensatory time off in lieu of paid overtime.

If compensatory time off is requested and approved, the Employee shall be granted hour-for-hour compensatory time off for such overtime hours, which when added to the Employee's non-overtime hours, do not exceed forty (40) hours in the workweek in which the overtime hours were worked. To the extent the overtime hours when added to the Employee's non-overtime hours exceed forty (40) hours in the workweek, the Employee will be granted one and one-half hours of compensatory time off for each hour of overtime worked. Compensatory time off for all hours worked in excess of forty (40) hours in a workweek must be used during the pay period in which it was earned. Compensatory time off granted for hours which do not exceed forty (40) hours in a work week may be accumulated, by the Employee, up to thirty-seven and one-half (37.5) hours, and used as scheduled with the Employee's manager.

Non-exempt Employees shall be paid overtime for all business travel outside regularly scheduled hours. Compensatory time is time off granted to an Employee in lieu of cash payment for overtime worked. Compensatory time is used for purposes of computing overtime compensation. In case of death or



voluntary separation of employment, any accumulated compensatory time will be paid at that time.

- E. Other overtime earned by non-exempt Employees may be taken as Compensatory Time. (See D above).
  - 1. Call-In Compensation. If a non-exempt Employee is called in for overtime work, the Employee shall receive a minimum of two (2) hours overtime compensation. The Employee may be required to work the two (2) hours to complete the call-in.
  - 2. Phone Call Compensation. If a non-exempt Employee is paged or receives a work-related phone call and is not required to come in or dial in, the Employee shall receive one-half hour of appropriate compensation time for each unrelated work phone call.
  - 3. Dial-In Compensation. If a non-exempt Employee is required to dial-in for overtime work, the Employee shall receive a minimum of one-half hour of appropriate compensation. If the call which initiates the dial-in occurs between 10:00 p.m. and 7:00 a.m., the Employee shall receive a minimum of two (2) hours of appropriate compensation. This time is in addition to any previous unrelated phone calls initiated by a representative of the company.
- F. Holidays, Vacation, Sick Leave, Compensatory Time and Personal Leave shall be considered as hours worked when computing overtime.
- G. There shall be no pyramiding of overtime.

**SECTION 3 – EXEMPT EMPLOYEE DISCRETIONARY BONUS**

In recognition of exempt Employees whose jobs routinely require them to work well beyond the normal schedule and/or on the 6<sup>th</sup> or 7<sup>th</sup> days, or to reward for outstanding performance, managers may consider providing the Employee with an appropriate monetary discretionary bonus.

In providing a discretionary bonus, managers must consider, as a material factor, among others, the extent to which an exempt Employee is required to work beyond his/her normal schedule and/or a 6<sup>th</sup> or 7<sup>th</sup> day. In applying this factor, Employees who are assigned to work in the category of “on call primary/secondary support” work or “time critical support” work will be treated relatively equally within the applicable category based upon frequency of being on call, duration or number of hours, and number and duration of responses.

**SECTION 4 – BREAKS**

Breaks are intended to contribute to the well being of Employees and shall be used on the day earned. However, Employees may be allowed to use lunch and breaks for the

purpose of making up Sick Leave as provided for in Article VII, Section 6.

Paid and unpaid breaks for IT Employees shall be governed by Exhibit P. Full time Employees (other than IT Employees) shall receive thirty (30) minutes of unpaid break daily but shall not receive any paid breaks. A full time Employee may, if approved by the Employee's manager as part of the Employee's regular schedule, receive an additional thirty (30) minutes of unpaid break daily. Notwithstanding any other provisions of this Article, Employees on nine (9) or four (4) day schedules shall receive a ten (10) minute paid break daily.

Breaks for part-time Employees shall be as follows:

- Part-time Employees will not receive any paid break.
- Employees working six (6) or more hours shall receive thirty (30) minutes of unpaid break daily.

Paid time off shall be considered as hours worked for the purposes of earning daily breaks.

Break time shall not be used during the first or last hour of the scheduled workday except that up to one-half (1/2) of the allotted break time may be used in the Corporate L.I.F.E. SITE during the first or last hour of the scheduled workday with pre-approval of management.

#### **SECTION 5 – BUSINESS RELATED CALLS**

It is understood that managers may call Employees at home during the Employees' normally scheduled work hours to address and discuss business-related concerns when an Employee is on paid time off (vacation, sick leave, and personal leave).

**ARTICLE V  
HOLIDAYS**

**SECTION 1 – HOLIDAY SCHEDULE**

All Employees shall receive the following Holidays with pay:

<b><u>Holiday</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>
New Years Day		1/1/09 (TH)	1/1/10 (F)	12/31/10 (F)	1/2/12(M)
Good Friday*		04/10 (F)	4/2 (F)	4/22 (F)	
Memorial Day	5/26 (M)	5/25 (M)	5/31 (M)	5/30 (M)	
Independence Day	7/4 (F)	7/3 (F)	7/5 (M)	7/4 (M)	
Labor Day	9/1 (M)	9/7 (M)	9/6 (M)	9/5 (M)	
Thanksgiving Day	11/27 (TH)	11/26 (TH)	11/25 (TH)	11/24 (TH)	
Day After Thanksgiving Day*	11/28 (F)	11/27 (F)	11/26 (F)	11/25 (F)	
The Final Scheduled Workday Before Christmas*	12/24 (W)	12/24 (TH)	12/24 (F)	12/23 (F)	
Christmas Day	12/25 (TH)	12/25 (F)	12/27 (M)	12/26 (M)	
*– Business Holidays. In order to provide full business coverage on business holidays (noted in the chart above with an *) the Company may require up to 7% of the Employee group to work on holidays when the New York Stock Exchange is open.					

Part-time Employees shall be entitled to a proportionate number of Holiday hours compared to those for full-time Employees in the ratio that the number of scheduled hours of work bears to the number of hours scheduled for full-time Employees.

If a holiday falls on an Employee’s scheduled day off, 9-day Schedule Employees shall receive their holiday on the workday scheduled immediately before or after the holiday. The manager will determine the appropriate day off, after consideration of the Employee’s preference, and communicate the decision to the Employee by the end of November. If the manager is unable to communicate the appropriate day by the end of November, the day off will default to the workday immediately preceding the holiday.

The schedule for non-exempt, full-time Employees working the Summer Hours Schedule all year and for the “summer” portion for non-exempt, full-time Employees working the Summer/Winter Hours Schedule will be adjusted for those weeks in which a holiday falls on a Friday (or other “short day” if the Employee’s short day is other than a Friday). The schedule shall be determined between the Employee and his/her manager. The schedule shall consist of thirty (30) hours to be worked Monday through Thursday (or the remaining four work days if the Employee’s short day is other than a Friday) of the week in which the holiday occurs. The number of hours for IT staff in Exhibit P remains at thirty-two (32) hours.

**SECTION 2 – HOLIDAY PAY**

All Employees who work on a Holiday shall receive holiday pay plus time-and-one-half for hours worked or time-off equal to one-and-one half the hours worked.

**ARTICLE VI  
VACATIONS**

**SECTION 1 – ACCRUAL SCHEDULE**

Employees accrue vacation based on their hire or adjusted hire date according to the schedule below. Each Employee’s ePaystub or payroll check stub will reflect the vacation accrued as determined by this schedule.

Employees hired after March 31, 2008 will accrue vacation according to the schedule below, however, they will have a maximum annual accrual of 4 weeks (150 hours).

**ACCRUAL SCHEDULE:**

<b>Length of Employment</b>	<b>Annual Accrual</b>
0 through 8 <sup>th</sup> Year	3 Weeks
9 <sup>th</sup> through 18 <sup>th</sup> Year	4 Weeks
During and after the 19 <sup>th</sup> Year	5 Weeks

Employees in the 14<sup>th</sup>, 15<sup>th</sup>, 16<sup>th</sup>, 17<sup>th</sup>, and 18<sup>th</sup> years of employment as of January 1, 2006 will maintain their existing vacation accrual schedule (see table below) until they reach the 19<sup>th</sup> year of employment. During the 19<sup>th</sup> year, they will accrue vacation as indicated in the table above:

During 14 <sup>th</sup> Year	4 Weeks
During 15 <sup>th</sup> Year	4 Weeks, 1 Day
During 16 <sup>th</sup> Year	4 Weeks, 2 Days
During 17 <sup>th</sup> Year	4 Weeks, 3 Days
During 18 <sup>th</sup> Year	4 Weeks, 4 Days

Part-time Employees shall be entitled to a proportionate number of vacation hours compared to those in the above schedule for full-time Employees in the ratio that the number of hours worked bears to the number of hours scheduled per year for full-time Employees.

Vacation is accrued only when the Employee is actively at work or on a paid leave. Employees do not accrue vacation for absences or leave without pay. Therefore, taking time off without pay will reduce the amount of vacation accrued in a year.

**SECTION 2 – USAGE**

- A. All Employees may use vacation as soon as it is accrued subject to business needs and manager approval. All Employees may save a portion of their accrued

vacation for use in another calendar year. When entering a new calendar year, any vacation hours remaining from the old calendar year, not exceeding twenty (20) days, will automatically be carried over to the new calendar year. The maximum carry over is twenty (20) days. Employees will lose any vacation that is over the twenty (20) day maximum carry over.

- B. Employees may not be required to take more vacation hours off per day than what they are normally scheduled to work. A full-time Employee is encouraged to take a minimum of one (1) week vacation in one block during the calendar year.
- C. The minimum amount of vacation which may be taken is one-half (1/2) day except a maximum of ten (10) hours in any one calendar year may be taken in any time segment desired. Employees may take up to ten (10) one-half days of vacation provided such half-days are taken Monday through Thursday. The balance of vacations must be taken in full days.
- D. During the Summer Hours schedule, each Employee on the Winter/Summer schedule is allowed to take one Friday off for each week of vacation accrued that calendar year. A full week of vacation taken during the summer would not affect this allotment.
- E. Vacation usage rules pertaining to part-time Employees are based on the proration language addressed in Section 1 of this Article and Exhibit F.
- F. Full-time Employees who transfer to part-time positions will be paid for any banked vacation in excess of their prorated maximum unused carryover hours. This payment will be based on their previous salary rate.
- G. Vacation Planner – The initial scheduling of Employees' vacation will be completed by November 30<sup>th</sup> of each year, and will be done by work area as determined by first level supervisor on an Employer-wide seniority basis.

The planner will be sent initially to the most senior Employee who will have the right to schedule up to two (2) weeks of her/his vacation. It will proceed down the seniority list with each Employee having the ability to also schedule up to two (2) weeks of vacation. After all Employees have scheduled their initial two (2) weeks vacation, the planner will be approved by the manager.

The planner will then be returned to the most senior Employee for the scheduling of her/his remaining vacation. Each Employee will schedule their remaining vacation according to their seniority. Upon completion of all scheduling, the manager will review and approve vacation schedules by January 31<sup>st</sup>.

After the vacation planner is approved, all subsequent requests for vacation will be on a first come first serve basis.

- H. Vacation requests require notice to the supervisor. 'Reasonable notice' is defined as no more notice than the amount of time being requested. The Employer reserves the right to reschedule vacations in the event there is inadequate coverage or Employees cannot reconcile their vacation schedule differences. Seniority will be the determining factor if prior approval has not been given by the supervisor.
- I. Vacation may be borrowed before accruing it, but an Employee may not take more than they will accrue by the end of the year. (Example, an Employee carries over 20 days into January and will accrue 20 days in that calendar year. The Employee will be able to schedule and use all 40 days as of January 1<sup>st</sup>).

### **SECTION 3 – TERMINATION PAYOUT**

In case of death or separation of employment, any accumulated and accrued hours of vacation would be paid as vacation due at that time.

### **SECTION 4 – PRIOR SERVICE CREDIT**

See Exhibit N.

### **SECTION 5 – ILLNESS DURING VACATION**

An Employee, who is confined because of personal injury or illness while on vacation, will terminate vacation leave on the day of confinement and resume it on a later date agreed to by the Employer and the Employee. The Employer may require the Employee involved to supply medical verification of the time of illness or injury and the degree and period of time for which the Employee was incapacitated.

## **ARTICLE VII *SICK LEAVE***

### **STATEMENT OF INTENT**

Sick Leave is provided to recognize the mutual needs of the Employee and the Employer. Sick Leave is a contractual benefit which provides for a leave from scheduled work to attend to the health problems of the Employee or members of the Employee's immediate family as defined in Article IX, Section 8.

### **SECTION 1 – USAGE AND NOTIFICATION**

Usage – Accrued and 'Available to Borrow' Sick Leave may be requested to attend to health problems in accordance with Article VII, Sick Leave Statement of Intent, in increments consistent with current practice.

Notification – Sick Leave notification must be given to the manager or designated supervisor as soon as possible prior to the Employee's starting time with the exception of emergency or other unique situations. Notification can be made by phone, E-mail, or voice mail. Management shall not call the Employee to verify illness unless:

1. The Employee is absent and has no sick leave balance, or

2. Employee has specifically requested to be called, or
3. Following consultation between the manager and HR Generalist, it has been determined that there may be a questionable use of sick leave.

## **SECTION 2 – ACCRUAL SCHEDULE**

During the first year of Continuous Service, each Employee accrues a fraction of Sick Leave each pay period up to a maximum of eight (8) days per year.

Upon completion of the first year of employment and each succeeding year thereafter, the Employee will be credited in advance with eight (8) days of sick leave. Such days of Sick Leave may be accumulated without limitation.

- A. Part-time Employees shall be entitled to a proportionate number of hours for Sick Leave compared to those for full-time Employees in the ratio that the number of hours worked bears to the number of hours scheduled per year for full-time Employees.
- B. Sick leave may be borrowed before accruing it, but an Employee may not take more than they will accrue by the end of the calendar year.
- C. Sick leave is accrued only when the Employee is actively at work or on a paid leave. Employees do not accrue sick leave for absences or leave without pay. Therefore, taking time off without pay will reduce the amount of sick leave accrued in a year.

## **SECTION 3 – DEFINITIONS**

In evaluating an Employee's absence record, the following definitions shall apply:

- A. Sick Leave – Any absence coded to Sick Leave.
- B. Absent Without Pay – An absence without pay after all Sick Leave is used.

## **SECTION 4 – SICK LEAVE USAGE REVIEW PROCESS**

The Sick Leave Usage Review Process is intended to apply to Employees who are out of sick leave, both accrued and available to borrow or are approaching absence without pay, and have not established an on-going medical reason for future absences charged.

- A. Sick Leave Usage Review – When an Employee is absent without pay or is approaching an absence without pay, the manager and the Employee may:
  1. Review the amount of Sick Time used.
  2. Review when Sick Leave will be renewed.
  3. Review the possibility of absences without pay.
  4. Review the fact that medical validation may be required for future absences.

If medical validation is required then management may require the Employee to provide medical validation of sick leave absence from a certified/licensed health care provider. Medical validation is required on the day the Employee returns to work.

- B. Discipline – A questionable Sick Leave Absence without medical validation may subject the Employee to Disciplinary Probation without the benefit of progressive discipline.

If there is a second questionable absence without the requested verification within twelve (12) months of the first action, the prior disciplinary documentation may be used in a progressive disciplinary action up to and including termination.

- C. Bidding – Refer to Article XI, Section 3B.

#### **SECTION 5 – HOLIDAY DURING SICK LEAVE**

In the event a Holiday, as listed in Article V, occurs during any effective period of Sick Leave, for which leave benefits are payable, the Employee shall be paid for this Holiday, and this day shall not be deducted from the Sick Leave benefits accumulated by the Employee.

#### **SECTION 6 – SICK LEAVE MAKE UP**

The Intent of Sick Leave Make Up time is to recognize the mutual needs of the Employee and the Employer.

Employees may, with their manager's approval, make up time used for medical appointments, including those for immediate family members as defined in Article IX, Section 8, within the following guidelines:

1. Time must be made up within the same pay period Sick Leave was taken.
2. The date and time for the make up must be mutually agreed to by the Employee and Manager. It will not be considered time worked for the payment of overtime even if the hours fall on the sixth or seventh consecutive work day.

#### **SECTION 7 – TERMINATION PAYOUT**

- A. All Employees hired on or after April 1, 1983 and all Employees hired prior to April 1, 1983 who have made such election, shall upon qualified retirement, convert seventy percent (70%) of their unused accumulated Sick Leave into a non-cash account for payment of future group health premiums except sick leave accrued after December 31, 2005 will not be eligible for retiree health.

The amount of sick leave that may be used for retiree medical is the balance the Employee has at termination but not greater than the balance on 12/31/2005.



B. Employees hired prior to April 1, 1983 who have so elected, shall be paid for unused accumulated Sick Leave upon termination subject to the five (5) year continuous service requirement as follows:

- Employees commencing with the sixth (6<sup>th</sup>) year through the tenth (10<sup>th</sup>) year shall be paid unused accumulated Sick Leave in an amount that shall not exceed sixty (60) days upon termination of employment.
- Employees with continuous service commencing with the eleventh (11<sup>th</sup>) through the nineteenth (19<sup>th</sup>) year shall be paid unused accumulated Sick Leave in an amount that shall not exceed eighty (80) days upon termination of employment.
- Employees with twenty (20) years or more of continuous service shall be paid unused accumulated Sick Leave in an amount that shall not exceed one hundred (100) days upon termination of employment.

If a Leave of Absence has been granted, the Employee shall work an additional period equal to the length of the Leave of Absence, if needed to satisfy the above requirement before this provision shall become effective as to such Employee.

Upon termination, payment for unused accumulated Sick Leave will be on an accrued basis at the rate of 5 hours per month. All Sick Leave payments shall be paid on the base salary of the Employee exclusive of shift differential or overtime. If an Employee terminates and has used unaccrued Sick Leave, that amount will be deductible from the Employee's final paycheck or be collectible from the Employee. Employees on Extended Leave of Absence shall not use unaccrued Sick Leave.

## **ARTICLE VIII PERSONAL LEAVE**

### **SECTION 1 – USAGE AND NOTIFICATION**

Personal Leave may be used when an Employee requests its use, for any personal reason the Employee feels necessary, provided the Employee receives approval of management.

### **SECTION 2 – ACCRUAL SCHEDULE**

Each employee accrues a fraction of personal leave each pay period up to a maximum of five (5) days per calendar year. Personal Leave may be borrowed before accruing it, but an Employee may not take more than they will accrue by the end of the year.

Part-time Employees shall be entitled to a proportionate number of hours for Personal Leave compared to those for full-time Employees in the ratio that the number of hours worked bears to the number of scheduled hours per year for full-time Employees.

Personal leave is accrued only while the Employee is actively at work or on a paid leave. Employees do not accrue personal leave for absences or leave without pay. Therefore, taking time off without pay will reduce the amount of personal days accrued in a year.

### **SECTION 3 – HOLIDAY DURING PERSONAL LEAVE**

In the event a Holiday, as listed in Article V, occurs during any effective period of Personal Leave, for which leave benefits are payable, the Employee shall be paid for this Holiday, and this day shall not be deducted from the Personal Leave benefits accumulated by the Employee.

### **SECTION 4 – TERMINATION PAYOUT**

Upon termination, an Employee will be paid for Personal Leave accrued and not used. All Personal Leave payments shall be paid on the base salary of the Employee exclusive of shift differential or overtime. If an Employee terminates and has used unearned Personal Leave, that amount will be deductible from the Employee's final paycheck or be collectible from the Employee. Employees on Extended Leave of Absence shall not use unearned Personal Leave.

### **SECTION 5 – CONVERSION**

The Employer will initiate a conversion process in January of each year. The Employee's Personal Leave balance will be converted to Sick Leave.

### **SECTION 6 – INCLEMENT WEATHER**

On days of inclement weather, when the office remains open and some Employees are not able to come to work, the Employee may choose to use vacation time, personal time or time without pay. When the office is officially closed, the Employees at work at the time of the closure will be excused with pay for the period of time that the office is closed. Those Employees with a shift start time occurring during the period of closure who are prevented from reporting to work will be excused with pay for the period of time that the office is closed.

Employees required or asked to work when the office is closed shall be granted compensatory time off for hours worked up to the end of their normal work schedule. Hours worked beyond the normal work schedule shall be paid according to the overtime provisions of Article IV, Section 2.

**ARTICLE IX**  
***LEAVES OF ABSENCE***

Leaves of Absence are provided to Employees who require extended absences from work.

**SECTION 1 – FEDERAL FAMILY AND MEDICAL LEAVE ACT**

The Employer agrees to abide by the provisions of the Federal Family and Medical Leave Act and the Wisconsin Family and Medical Leave Law for Employees domiciled in Wisconsin. The Employer further agrees to abide by the provisions of the Federal Family and Medical Leave Act and law in states other than Wisconsin for Employees domiciled in those states.

With respect to the administration of leaves under the Federal Family and Medical Leave Act the following apply:

- Nothing in this Agreement shall prevent the parties from discussing both statutory and contractual aspects of leave of absence; however, only matters that are within the Grievance Procedure definition of arbitrable matters shall be subject to grievance arbitration under this Agreement.
- For leave taken under the Federal Family and Medical Leave Act each eligible Employee is entitled to 12 weeks in any 12 month period and this period will commence on the date that the Employee first takes FMLA leave, except as may be required by law.
- Notwithstanding the provisions of the Federal Family and Medical Leave Act or any state laws, the Employer agrees to apply the provisions of the Act to all Employees in the bargaining unit, except for Employees who are in their first eight (8) calendar months of employment.

Additionally, notwithstanding the provisions of the Federal Family and Medical Leave Act:

- An Employee may substitute any accumulated paid leave for the first eight (8) weeks of any leave he or she is entitled to under law. For leave in excess of the eight (8) weeks the Employer reserves its right to require that the Employee substitute paid leave.
- An Employee may voluntarily take FMLA leave to care for a newborn child or an adopted child on an intermittent or reduced schedule basis for the first eight (8) weeks of the leave. For leave in excess of the eight (8) weeks the Employer reserves its right to reject the use of intermittent leave.

- During any period when an Employee is taking FMLA leave, the Employer will continue Health Insurance (including Dental and Vision) and Basic Life at the same level and under the same conditions as before the leave.
- Except temporarily for reasons of physical impairment, the Employer shall not transfer an Employee taking FMLA leave for planned medical treatment on an intermittent or reduced schedule basis to another position during the period of that FMLA leave.
- For the purpose of determining an Employee's right to take leave under FMLA, the Company will abide by the law which allows two (2) certifications at Employer expense. These certifications are separate and distinct from any disability independent medical exams the Long-Term Disability carrier may obtain.

## **SECTION 2 – DISABILITY LEAVE**

Disability Leave is a leave for that period of time that Employees are unable to perform their jobs because of a medically determinable physical or mental condition. The rules for all leaves because of Disability are as follows:

- A. Whenever possible, an Employee must notify the Employer through the Manager of Disability and Rehabilitation at least one (1) month prior to the departure for such leave, or sooner, and at least two (2) weeks prior to the return from such leave.
- B. The Employer reserves the right to require medical information from the attending health care provider or from an independent health care provider verifying the Disability which is the basis of such leave; in the absence of such required medical information, the Employer may discontinue authorization for such leave or any benefit relating thereto and the Employee and the Chief Steward of the Union will be advised of such action.
- C. Such leaves of absence shall be without pay except that the Employee may use accumulated Sick Leave, Personal Leave, compensatory time, or vacation or may use any Short-Term Disability or Long-Term Disability benefit that may be in effect, subject to its terms.
- D. Authorized unpaid leaves of absence of ninety (90) calendar days or less will apply toward Continuous Service.
- E. Positions vacated due to authorized leaves of absence for Disability less than one hundred twenty (120) days may be filled, temporarily only, for the period of such leave, and the Employees returning from such authorized leave will be reinstated to their former positions, provided they are able to perform the work within the attending health care provider's medical restrictions.

### **SECTION 3 – EXTENDED LEAVE OF ABSENCE**

- A. Employees with two or more years of seniority will be granted unpaid Leaves of Absence from six (6) months to eighteen (18) months for Formal Education, Extended illness of an immediate family member as defined in Section 8 of this Article or for Child Care immediately following expiration of Disability Leaves of Absence for the birth of a child or the adoption of a child or for Dependent Care (for an immediate family member as defined in Section 8 of this Article). Employees requesting such leaves shall specify the length of the leave in their application for such leaves and submit this application to the Human Resources Disability Manager. An Employee on such leave who wishes to return to work early shall have the right to bid for posted positions while on leave. Upon expiration of that leave, the Employee shall have six (6) months during which bids may be submitted for posted position openings. If the Employee is not a successful bidder by the end of this six (6) month period, the Employee shall be terminated.
- B. For Employees on such Leaves of Absence, all contractual rights shall be suspended except accumulated bid seniority to the date of the leave. If Employees are successful bidders, the rights suspended will be reinstated on the date of return to work and their service dates will be adjusted to reflect loss of seniority for the period of time between start of such leaves and reinstatement.
- C. Subsequent unpaid Formal Education, Extended illness or Child Care Leaves may not be granted unless or until Employees earn at least one (1) additional year of seniority.
- D. The returning Employee's base rate of pay shall be that which the Employee had been paid when taking such leave, plus any negotiated salary adjustments with any adjustment thereto being made in accordance with current transfer, promotion, and demotion contract provisions.

### **SECTION 4 – MILITARY LEAVE**

The Employer agrees to abide by the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994 with respect to Leaves of Absence due to Military Leave. The Employer may provide an enhanced program of benefits.

### **SECTION 5 – JURY DUTY**

- A. Employees who are scheduled to work on days they are called for jury duty will be excused from working their shift that day and will be granted their regular rate of pay, including shift differential, provided they are required to serve four (4) or more hours of jury duty that day. Employees must report for work on scheduled work days when not required to serve or when required to serve less than four (4) hours.
- B. An Employee who has been subpoenaed to serve as a witness will be allowed to use any accumulated leave time or may take unpaid leave.

**SECTION 6 – LEAVES FOR UNION BUSINESS**

Upon written request to Labor Relations, Stewards will be granted leaves of absence not to exceed ten (10) consecutive working days to attend Union conventions or educational conferences. The request for leave must be made in writing, presented at least five (5) working days prior to the start of the Leave, and state the length of time needed. The Employee may use accumulated leave time or take leave without pay.

**SECTION 7 – ALL OTHER LEAVES**

The Manager of Disability and Rehabilitation may grant a Leave of Absence (without pay) for other reasons for up to one hundred eighty (180) calendar days, but for a Leave of Absence in excess of ninety (90) calendar days, the Employee shall cease to accumulate seniority until the Employee returns to work.

**SECTION 8 – BEREAVEMENT LEAVE**

An Employee will be granted up to three (3) excused days with pay, upon the death of an immediate family member, including father or mother (natural, step or in-law), brother or sister (natural, step or in-law), husband or wife, son or daughter (natural, step or in-law), grandchild (natural, step or in-law), grandparent (natural, step or in-law), or significant other/domestic partner.

**ARTICLE X**

***SENIORITY AND QUALIFYING PROBATIONARY PERIOD***

**SECTION 1 – QUALIFYING PROBATIONARY PERIOD**

Newly hired Employees shall be considered on a qualifying probationary basis for a period of up to one hundred twenty (120) working days with no extensions from the date of hire except for time the Employee is on unpaid time off. Such Employees may be discharged or laid off at any time during this period with or without just cause and shall not be subject to the grievance procedure.

When a non-represented Employee is awarded a represented position and has actually performed work for CUNA Mutual Group on at least 120 working days, the Employee has immediate representation rights.

When a non-represented Employee is awarded a represented position and has not previously actually performed work for CUNA Mutual Group on at least 120 working days, he/she will serve a Qualifying Probationary Period of one hundred twenty (120) working days. This Employee will not have representation rights until the expiration of the Qualifying Probationary Period of 120 working days.

**SECTION 2 – CONTRACT RIGHTS**

Upon satisfactory completion of the qualifying probationary period, Employees shall be entitled to all rights and privileges of this Agreement and such Employee's seniority shall be effective as of the date of employment as a permanent Employee.

**SECTION 3 – SENIORITY**

Seniority shall mean length of Continuous Service (the most recent period of uninterrupted employment) with the Employer and shall be cumulative on an Employer-wide basis. However, for the purposes of Job Bidding rights and layoff, Seniority shall mean length of service in the Bargaining Unit.

**SECTION 4 – ACCUMULATION & LOSS OF SENIORITY**

- A. Seniority shall continue to accumulate if an employee is on:
  - 1. Paid time off,
  - 2. An Employee on Leave of Absence authorized by the Employer shall not have Continuous Service interrupted except to the extent of the Employee's absence without pay. Such absence in excess of ninety (90) calendar days will result in an adjusted anniversary date beginning with the 91<sup>st</sup> day and seniority will not continue to accumulate after the 91<sup>st</sup> day of the unpaid leave.
  
- B. Seniority ceases to accumulate when:
  - 1. An Employee is on an unpaid leave of absence longer than 90 calendar days,
  - 2. An Employee has been Laid-off and is in recall status.
  
- C. Seniority is lost when an Employee (subject to prior service credit under Article VI):
  - 1. Voluntarily quits,
  - 2. Is discharged unless the Employee is reinstated and as part of the reinstatement it is agreed or ordered that seniority will be restored,
  - 3. Is in recall status for more than 24 months,
  - 4. Fails to return to work within fifteen (15) working days of notice to recall.
  
- D. Prior Service Credit: Employees shall receive prior service credit for seniority purposes if all of the following conditions are met:
  - 1. The Employee must have worked for the Employer on a continuous basis at least five (5) years prior to termination.
  
  - 2. The Employee must resume employment with the Employer on a continuous basis within ten (10) years from the date of termination; however, this condition is waived for all Employees with prior service who are employed by the Employer as of April 1, 1977.
  
  - 3. The Employee must complete five (5) years of continuous service for the Employer after resumption of employment.

**SECTION 5 – SAME UNION SENIORITY DATE**

For Employees who have the same union seniority date, the Company will use the last four (4) digits of the Employees’ Social Security number to determine the least senior Employee.

For the purpose of bidding, bumping, layoff, vacation planner and hours scheduling an Employee whose last four digits of their Social Security number is the lowest (smallest) will be considered the least senior.

**ARTICLE XI**

***FILLING POSITIONS, PROMOTIONS, DEMOTIONS AND TRANSFERS***

**SECTION 1 – VACANCIES**

- A. Vacancies within the Bargaining Unit are created in several ways:
  - 1. A new position is created, evaluated and posted (reference Article XVIII, Job Evaluation).
  - 2. An additional position is posted with an existing Job Description.
  - 3. An Employee leaves and creates a vacancy and the position is budget authorized to be filled.
  - 4. Temporary vacancies. Temporary vacancies can be created for the following reasons: Leave of Absence coverage, Disability Leave coverage or any other reason determined by Management.
  
- B. If a vacancy is created, it may be filled temporarily by the Employer, but must be posted for competitive selection within thirty (30) calendar days. If the vacancy is not posted, the Chief Steward of the Union shall be notified in writing by the thirtieth (30<sup>th</sup>) calendar day with the reason. In the event a vacancy is not posted for competitive selection due to re-evaluation and/or rewriting of the position, such vacancy will be posted for competitive selection within sixty (60) calendar days.
  
- C. The Employer shall fill job vacancies from within the company before hiring new Employees, whenever possible.

**SECTION 2 – POSTINGS**

- A. Positions must be posted for competitive selection for five (5) working days. A copy of the posting must be sent electronically to the Chief Steward’s mailbox at the time of posting. Postings must accurately reflect the Job Descriptions and minimum requirements. Any changes made to job descriptions, minimum requirements and job postings will be presented to the appropriate Job Evaluation Committee, with the exception of tests or test measurements. Tests will be consistently administered in the job classification. Postings must reflect the one grade level to be filled, and the Union will be notified of any exceptions. If tests are to be waived, it will be noted on the posting. All positions posted must be



filled unless there are no bidders who meet the minimum requirements. In the event of a reorganization, budget considerations or change in leadership, management reserves the right not to fill a position and the Chief Steward will be notified. All repostings will include notification that it is a reposting.

B. Vacancies will be posted intradepartmentally in writing for five (5) working days with a copy sent to the Chief Steward of the Union in the following situations:

1. If a job is being changed from one shift to another, Employees working on the same job shall be notified by written memo by the manager and shall be given preference by seniority in filling the vacancy prior to the job being posted or the job changing shifts. Movement under this clause is not subject to any restrictions except management retains the right to restrict movement of Employees on written warning or more severe discipline.
2. When a department fills a position(s) but does not increase its full-time Employee count due to reorganization.
3. When filling temporary vacancies:
  - a. In the event of a temporary vacancy, it may be filled intradepartmentally by competitive selection in accordance with Section 4 of this Article. As temporary vacancies occur, existing Employees will be used first to fill the temporary vacancy by intradepartmentally posting the vacancy for five (5) working days through a memorandum from the supervisor to all Employees in that department. Temporaries will be brought in at the lowest grade level possible.
  - b. Employees filling temporary vacancies intradepartmentally shall not have permanent right to such position and shall occupy such position subject to the rights of the former holder of such position.
  - c. Employees filling such temporary vacancies shall be given their former position without any loss of seniority but at the salary rate paid to them in their former position plus any negotiated salary adjustment.
  - d. Temporary vacancies shall not exceed twelve (12) months in length. Vacancies extending beyond twelve (12) months may be posted as permanent positions. When the permanent position is posted or in the event that the vacancy will not be posted, the Chief Steward will be notified.

### **SECTION 3 – BIDDING**

All Employees may bid on any position posted for competitive selection, however:

- A. The Employer will not accept a bid from an Employee who is still within the Qualifying Probationary Period.
- B. The Employer also retains the right not to consider a bid from an Employee who has received a written warning or greater degree of discipline over the last six (6) months or two or more written warnings or greater degree of discipline over the past 12 months. The period of time is calculated from the date of posting back six or 12 months, respectively. In addition, written warnings received after the date of the posting shall be reviewed by the hiring manager as to relevance to the position.
- C. The Employer retains the right not to consider a bid from an Employee who has not occupied their current position for a period of time equal to one hundred twenty (120) working days, unless:
  - 1. The bid is from within the Employee's department, or
  - 2. It was the only qualified bid received by the Employer and it is a bid for promotion.
- D. Late bids will be accepted from Employees who were on paid time off or away from the office on company business during the entire time of the posting, up to three (3) working days after returning to work, provided the job has not been awarded. The Employer will reserve the right to consider other late bids when there are no qualifying bids for a position. Early bids will be allowed by Employees up to thirty (30) calendar days in advance for position openings specified by the Employee.
- E. Temporary Employees and contract workers will be considered outside applicants for bidding purposes.
- F. When applying for multiple positions, it is the Employee's responsibility to apply for all positions.

#### **SECTION 4 – AWARDING POSITIONS**

In reviewing bids submitted, the following procedure will be followed:

- A. The bidders will be listed on the Bid Analysis Sheet including their Bargaining Unit Seniority.
- B. The supervisor/manager will determine in a non-arbitrary manner which bidders are qualified according to the minimum requirements of the job.
- C. After the interview process is complete, the supervisor/manager will review applications submitted in writing by Employees. Consideration will be given to

(a) qualifications, and (b) seniority. If qualifications of the applicants are reasonably equal, seniority shall govern.

At the time of acceptance, unsuccessful bidders will be notified within two (2) working days in writing and informed of the reason(s) they were not successful.

If, as the result of a grievance, it is found that a position was improperly awarded, and the Employee originally awarded the position is displaced from the position, he/she will be returned to their former position at their former rate of pay plus any negotiated salary increases, if it is available, or placed in another position equivalent to their former position at their former rate of pay plus any negotiated salary increases, if one is available. If no position is available, the Employee will have full layoff rights under Article XX.

- D. A copy of the Bid Analysis Sheet along with the name of the Employee awarded the position will be forwarded to the Chief Steward of the Union within 1 business day of acceptance.

The Employer has the right to review performance evaluations when filling positions, however, categorical numerical values from performance evaluations will not appear on bid analysis sheets and shall not alone be used to disqualify a bidder.

#### **SECTION 5 – EDUCATION/EXPERIENCE TRADE-OFF**

All related work experience, both internal and external, will be considered when reviewing an Employee's application for a posted position.

Such experience will be traded off for educational requirements on a year-for-year basis for two- and four-year post high school degrees and month-for-month on shorter educational programs.

Experience cannot be traded off for requirements which are defined by law, professional certification or other specific course requirements (e.g. LOMA, HIAA).

#### **SECTION 6 – TESTS**

The Employer has the right to test Employees provided:

- A. The passing grade is to be posted on the job description.
- B. Tests must be applied and administered to all interviewees unless current test scores are available.
- C. The test is relevant to the job duties.
- D. Test scores will be available to the Employee and the Union.

## **SECTION 7 – TRAINING PERIOD**

Training Period is the time for an Employee occupying a trainee position to meet the minimum requirements of the position. This period is subject to reduction or increase by mutual agreement between Management and the Chief Steward of the Union or designee.

Positions for which there are no qualified bids may be filled with an Employee in a Training Period subject to the following guidelines:

- A. The Employee who does not meet the qualifications of the position at the end of the Training Period:
  - May have the Training Period extended, or
  - Receive a comparable position.
- B. The Employee's wages shall be governed according to Article XVII.
- C. Training Periods may be used according to the following:
  - Up to nine (9) months for Professional grades 205, up to and including 215, and Classified grades 131 through 136.
  - Up to twelve (12) months for Professional grades 220, up to and including 230.
  - Up to eighteen (18) months for Professional grades 235 and higher.
- D. Training Programs (which are designed to involve a group of Employees for a particular job) will be filled by Employees according to Section 4-C of this Article.

## **SECTION 8 – HIRING NEW EMPLOYEES**

In the event there are no qualified bids for a position posted for competitive selection, the hiring manager reserves the right to hire a new Employee from outside CUNA Mutual Group. Within 1 working day of this determination, all candidates will be notified that there are no qualified bidders, external candidates will be considered. Such new Employee will be the most qualified candidate applying for the position.

## **SECTION 9 – POSITION CHANGE PROBATIONARY PERIOD**

Any Employee awarded a position as a result of competitive selection shall be entitled to up to sixty (60) working days as a position change probationary period to meet the performance requirements of the position. There shall not be a position change probationary period as the result of a position change in grades when reevaluated. In the event an Employee does not successfully pass the position change probationary period, such Employee may be given the Employee's former position or shall be given a

comparable position, but at the rate of salary paid to such Employee while in the former position, plus any negotiated salary adjustment.

#### **SECTION 10 – CAREER PROGRESSION POSITIONS**

- A. Career progression vacancies and newly created positions will be posted for five (5) working days at the entry level whenever possible and will comply with Sections 1 – 9 of this Article. The posting shall indicate that the position is a career progression. A vacancy within the career progression system exists only when a position cannot be filled by the normal career progression within the Department.
- B. Employees who meet the requirements set forth in the Career Progression may be advanced to the higher level. Whenever movement to a higher level is restricted in any way, the position will be posted and filled according to this Article. In the event there is no addition to staff, the position may be posted intradepartmentally.

#### **SECTION 11 – BIDS FROM AFFILIATES**

The Employer agrees to accept bids on positions posted for competitive selection from the Employees of the CUNA Mutual Insurance Society without prejudice. The Employer also agrees to accept bids from Credit Union National Association, Inc., World Council of Credit Unions, CUNA Supply and CUNA Credit Union but Employees hired shall be treated as a new hire with respect to seniority for longevity bonus, bumping and bidding. Vacation rights transferred shall be at the Employee's previous seniority level but in no event will the rights be greater than ten (10) years and shall increase from that level annually. Accumulated Sick Leave will be transferred but will not be used as an accumulation to the non-cash account for payment of Group Health Premiums upon qualified retirement.

### **ARTICLE XII *DISCHARGE AND DISCIPLINE***

#### **SECTION 1 – DEFINITIONS**

- A. Discipline – The Employer's normal disciplinary process will progress from oral warning, to written warning, to disciplinary probation to discharge. Management may enter the disciplinary process at any step depending on the severity of the situation. The Employer agrees to notify the Chief Steward of the Union of any disciplinary action, written warning or greater.
- B. Discharge – It is hereby agreed that the Employer has the right to discharge for sufficient and just cause, but no Employee will be dismissed with less than two (2) weeks pay unless the discharge is due to dishonesty, physical assault, threat of physical harm or felony on the job. Absences without authority for a period of five (5) consecutive working days shall be grounds for immediate discharge without pay. The Employer agrees to notify the Chief Steward of the Union, or designee, of any discharge and the reasons therefor within one (1) working day.

**SECTION 2 – TERMINATION NOTICE**

All Employees are encouraged to provide a minimum of two (2) weeks notice if they desire to terminate their employment.

**ARTICLE XIII  
*STRIKES AND LOCKOUTS***

The Employer agrees that there shall be no lockout of its Employees and the Union agrees that it will not cause or take part in any strike or work stoppage while this Agreement is in effect. In the event of any strike or work stoppage, which is unauthorized by the Union or any of its officers or agents, the Union, upon notice thereof given in writing by the Employer shall:

- A. Within four (4) hours after notice from the Employer, publicly declare that such action is unauthorized.
- B. Within four (4) hours after notice from the Employer, instruct its members to return to work.
- C. Not question the unqualified right of the Employer to discipline or discharge Employees engaging in unauthorized strike action, except that any issue of fact, as to participation, shall be subject to the grievance procedure.
- D. In the event of a duly authorized strike against the Employer by a bargaining unit properly certified to the Employer, Union Members shall not be required to pass through picket lines established by such union.

**ARTICLE XIV  
*MEDICAL, DENTAL, VISION, DISABILITY,  
GROUP LIFE, PENSION AND 401(k) PLANS***

**SECTION 1 – MEDICAL**

**For the Period Prior to January 1, 2009:**

The Employer will maintain a flexible benefit plan. This is a plan that allows Employees to choose between the various providers, coverage and dependent categories. The FlexBenefit Plan will allow Employees to waive medical coverage.

The Employer agrees to maintain Flexible Spending Plans (FSA) together with any modifications thereto which the Employer elects to make.

The Employer will offer the CUNA Mutual Consumer Directed Health Plan. The plan includes the following:

- A deductible of \$1,000 for Employee only coverage; \$1,500 for Employee and Spouse or Employee and Child(ren) coverage and \$2,000 for Family coverage, with a Health Reimbursement Account (HRA) equal to 50% of the deductible for in-network or out-of-network services.
- The deductible amount shall not be changed during the term of this contract.
- Coinsurance for inpatient and outpatient (90/10% in-network- Employee pays 10%. 70/30% out-of-network- Employee pays 30%).
- Coinsurance Maximum (not including any deductible) for in-network services of \$500 for Employee Only coverage, \$750 for Employee and Spouse or Employee and Child(ren) coverage and \$1,000 for Family coverage. Out-of-network coinsurance maximums (not including any deductible) are \$1,500 for Employee Only coverage, \$2,250 for Employee and Spouse or Employee and Child(ren) coverage and \$3,000 for Family coverage.
- \$2,000,000 Lifetime Maximum.
- Prescription drugs included, both retail and mail order.

The Employer will offer the CUNA Mutual Preferred Provider Organization (PPO) Plan which includes the following benefit levels:

- \$250 individual deductible, \$750 family deductible for in-network service.
- \$500 individual deductible and \$1,500 family deductible for out-of-network service.
- Coinsurance levels of 90% for network providers and miscellaneous services (Employee pays 10%) and 70% for out-of-network providers (Employee pays 30%).
- \$10.00 adult office visit co-payment.
- \$2,000,000 Lifetime Maximum.
- Includes the Retail and Mail Order Prescription Drug Card Program with co-pays of \$5.00 generic / \$20.00 formulary brand name / \$35.00 non-formulary drugs.

The Employer will offer the Physicians Plus HMO plan which includes the following benefits:

- \$10.00 adult office visit co-payment.
- \$2,000,000 Lifetime Maximum.
- Prescription Drug Plan with co-pays of \$5.00 generic / \$20.00 formulary brand name / 50% for non-formulary drugs.

The Employer will offer as an alternative HMO to Physicians Plus, Group Health Cooperative plan to those Employees who were enrolled in Group Health Cooperative in plan year 2005. No new enrollees will be allowed. The plan includes the following benefits:

- \$10.00 adult office visit co-payment.
- Unlimited Lifetime Maximum.
- Prescription Drug Plan with co-pays of \$5.00 generic / \$20.00 formulary brand name.

If the cost of any medical plan offered increases by more than 15% in any one calendar year, the Employer and the Union shall meet to consider changes, replacement or discontinuance of the medical plan(s). Such meetings will commence no later than August 15 of any calendar year. The Employer and the Union shall mutually agree to any such changes, replacement or discontinuance of any medical plan(s) by September 15 of any calendar year. In the event mutual agreement is not reached, the medical plan(s) will remain in effect.

For the Period prior to January 1, 2009, the premium contributions for full-time Employees will be:

Plan Type	Physicians Plus (Option 1)	PPO	Consumer Directed Plan (Option 1)	GHC
Employee Only	\$33.34	\$106.30	\$21.64	\$40.66
Employee/Spouse	\$83.46	\$212.58	\$50.52	\$81.34
Employee/Children	\$90.10	\$220.72	\$50.52	\$85.76
Family	\$168.68	\$327.06	\$115.52	\$126.42
Add on for Domestic Partner	\$50.08	\$106.30	\$28.88	\$40.66

**Beginning January 1, 2009:** The Employer will maintain a flexible benefit plan. This is a plan that allows Employees to choose between the various providers, coverage and dependent categories. The flexible benefit plan will allow Employees to waive medical coverage.

The Employer agrees to maintain Flexible Spending Plans (FSA) together with any modifications thereto which the Employer elects to make.

Beginning January 1, 2009, the Employer will offer the CUNA Mutual Consumer Directed Health Plan with the following three options:

**Consumer Directed Option #1**

- A deductible of \$1,000 for Employee Only coverage, \$1,500 for Employee and Spouse or Employee and Child(ren) coverage and \$2,000 for Family coverage with a Health Reimbursement Account (HRA) equal to 50% of the in-network and out-of-network deductible.
- The deductible amounts shall not be changed during the term of this contract.



- Coinsurance for inpatient and outpatient (90/10% in-network- Employee pays 10%. 70/30% out-of-network- Employee pays 30%).
- Coinsurance maximum (not including any deductible) for in-network services of \$500 for Employee Only coverage, \$750 for Employee and Spouse or Employee and Child(ren) and \$1,000 for Family coverage. Out-of-network coinsurance maximums (not including any deductible) are \$1,500 for Employee Only coverage, \$2,250 for Employee and Spouse or Employee and Child(ren) coverage and \$3,000 for Family coverage.
- \$2,000,000 Lifetime Maximum.
- Prescription drugs included, both retail and mail order.

### **Consumer Directed Option #2**

- A deductible of \$1,500 for Employee Only coverage, \$2,250 for Employee and Spouse or Employee and Child(ren) coverage and \$3,000 for Family coverage, with a Health Reimbursement Account of \$500 for Employee Only coverage, \$750 for Employee and Spouse or Employee and Child(ren) coverage and \$1,000 for Family coverage.
- Coinsurance for inpatient and outpatient (90/10% in-network- Employee pays 10%. 70/30% out-of-network- Employee pays 30%).
- Coinsurance maximum (not including any deductible) for in-network services of \$1,000 for Employee Only coverage, \$1,500 for Employee and Spouse or Employee and Child(ren) coverage and \$2,000 for Family coverage. Out-of-network coinsurance maximums (not including any deductible) are \$3,000 for Employee Only coverage, \$4,500 for Employee and Spouse or Employee and Child(ren) coverage and \$6,000 for Family coverage.
- \$2,000,000 Lifetime Maximum.
- Prescription drugs included, both retail and mail order.

### **Consumer Directed Option #3**

- A deductible of \$2,000 for Employee Only coverage, \$3,000 for Employee and Spouse or Employee and Child(ren) coverage and \$4,000 for Family coverage, with a Health Reimbursement Account of \$500 for Employee only coverage, \$750 for Employee and Spouse or Employee and Child(ren) coverage and \$1,000 for Family coverage.
- Coinsurance for inpatient and outpatient (90/10% in-network– Employee pays 10%. 70/30% out-of-network- Employee pays 30%).
- Coinsurance maximum (not including any deductible) for in-network services of \$1,500 for Employee Only coverage, \$2,250 for Employee and Spouse or Employee and Child(ren) coverage and \$3,000 for Family coverage. Out-of-network coinsurance maximums (not including any deductible) are \$4,500 Employee Only coverage, \$6,750 for Employee and Spouse or Employee and Child(ren) coverage and \$9,000 for Family coverage.
- \$2,000,000 Lifetime Maximum.

- Prescription drugs included, both retail and mail order.

Beginning January 1, 2009, the Employer will offer the Physicians Plus HMO Plan with the following two options:

**Physicians Plus Option #1:**

- \$10.00 adult office visit co-payment.
- Unlimited Lifetime Maximum.
- Prescription Drug Plan with co-pays of \$5.00 generic / \$20.00 formulary brand name / 50% for non-formulary drugs.

**Physicians Plus Option #2:**

- \$20.00 primary care office visit co-payment; \$40.00 specialist office visit co-payment; \$50.00 co-payment per scan.
- \$2,000,000 Lifetime Maximum.
- Inpatient/Outpatient Deductible \$250 single / \$500 Employee and Spouse, Employee and Child(ren) or Family, if not performed at Meriter; no deductible if performed at Meriter.
- Prescription Drug Plan with co-pays of \$10.00 generic / \$30.00 formulary brand name / 50% for non-formulary drugs.

The Company will conduct a Request for Proposal process in 2008 to evaluate alternatives to existing medical plans. The Union will designate a representative to fully participate on the team conducting this process.

The Employer will offer as an alternative HMO to Physicians Plus, the Group Health Cooperative Plan to those Employees who enroll in the Group Health Cooperative Plan during the Autumn, 2008 open-enrollment period (coverage effective January 1, 2009). Thereafter, no new enrollees will be allowed into the plan. The plan will include the following benefits:

- \$10.00 adult office visit co-payment.
- Unlimited Lifetime Maximum.
- Prescription Drug Plan with co-pays of \$5.00 generic / \$20.00 formulary brand name.

If the cost of any medical plan offered increases by more than 15% in any one calendar year, the Employer and the Union shall meet to consider changes, replacement or discontinuance of the medical plan(s). Such meetings will commence no later than August 15 of any calendar year. The Employer and the Union shall mutually agree to any such changes, replacement or discontinuance of any medical plan(s) by September 15 of any calendar year. In the event mutual agreement is not reached, the medical plan(s) will remain in effect.

Full-time Employees will contribute the following percentages of the total medical premium of the medical coverage selected by the Employee (whether Employee Only; Employee and Spouse; Employee and Child(ren); Family; or Domestic Partner and whether a Consumer Directed option, a Physicians Plus option or the Group Health Cooperative plan).

Beginning January 1, 2009	13%
Beginning January 1, 2010	15%
Beginning January 1, 2011	18%
Beginning January 1, 2012	18%

The amount that part-time Employees (scheduled to work at least 20 but less than 30 hours per week) will pay, will be calculated by crediting the Employee with 80% of the amount the Employer contributes for a full-time Employee for the same option.

**SECTION 2 – DENTAL**

The Employer will offer the CUNA Mutual Dental Plan to Employees, which will be the only dental plan available to Employees. For each eligible family member, the Plan will provide the following benefits:

Dental Plan	
Preventive/Diagnostic Services (e.g., exams, cleaning, x-rays)	Plan pays 100% of Maximum Plan Allowance charges up to two times per year (once every six months).
Basic Dental Services (e.g., fillings, root canal, dentures)	Plan pays 80% of Maximum Plan Allowance after deductible.
Major Restorative Treatments (e.g., bridges, crowns)	Plan pays 50% of Maximum Plan Allowance after deductible. Twelve month waiting period for coverage.
Annual Maximum	\$3,000 per person.
Orthodontia	Plan pays 50% of Maximum Plan Allowance up to a maximum of \$75 per month and \$1,500 in lifetime benefits per person. Six month waiting period for coverage.

If the cost of the Dental plan offered increases by more than 15% in any one calendar year, the Employer and the Union shall meet to consider changes, replacement or discontinuance of the dental plan(s). Such meetings will commence no later than August 15 of any calendar year. The Employer and the Union shall mutually agree to any such changes, replacement or discontinuance of the Dental plan by September 15 of any calendar year. In the event mutual agreement is not reached, the dental plan will remain in effect.

**For the period prior to January 1, 2009:**

Full-time monthly contributions for 2008 are \$3.86 for Employee, \$7.72 for Employee/Spouse, \$8.02 for Employee/Child(ren), \$13.64 for Family, and a \$3.86 add-on for Domestic Partner. Part-time monthly contributions for 2008 are \$9.40 for Employee, \$18.82 for Employee/Spouse, \$19.56 for Employee/Child(ren), \$33.26 for Family, and a \$9.40 add on for Domestic Partner.

**Beginning January 1, 2009:**

Full-time and part-time represented Employees will be required to make a contribution equal to that required from non-represented full-time and part-time Employees with similar plans.

However, in no event will Employee contributions increase more than 15% in any year.

**SECTION 3 – VISION**

The Employer shall provide a Vision Care Plan having the following benefits:

Vision Plan (All benefits shown are on a per person basis)	
Annual Deductible	None
Exams	\$55 per year
Lenses. (Benefits will be paid for a maximum of two (2) lenses per calendar year. This means that an Employee will not receive benefits for more than two lenses in any calendar year, except for disposable contacts.)	
Single	\$35/lens per year
Bifocals	\$45/lens per year
Trifocals	\$60/lens per year
Contacts	\$55/lens per year
Disposable contacts	\$55/per eye per year
Frames	\$50 once every two calendar years

The benefits described above are the minimum benefits that will be payable whether the Employee uses an in-network provider or a provider that is not part of the network. Benefits may be greater if an in-network provider is used.

VDT/CRT users will be monitored by the Human Resources Disability Manager in the Home Office under the Employer’s April 1997 Guidelines and Exhibit H. This includes supplying special glasses when needed. VDT/CRT users in other offices will have the same guidelines and be monitored by the Management staff of that office.

**For the period prior to January 1, 2009:**

Full-time Employees will not be required to make any premium contribution for Employee-only coverage. Full-time Employees will be required to make monthly premium contributions of \$5.56 for Spouse; \$5.88 for Children; \$8.82 for Spouse and Children; and a \$5.56 add on for Domestic Partner coverage. Part-time Employees electing coverage under the Vision Care Plan will be required to make monthly premium contributions of \$1.13 for Employee coverage; \$6.68 for Employee/Spouse coverage;

\$7.06 for Employee/Children coverage; \$10.58 for Employee/Spouse/Children coverage; and a \$5.56 add on for domestic partner coverage.

**Beginning January 1, 2009:**

Full-time and part-time represented Employees will be required to make a contribution equal to that required from non-represented full-time and part-time Employees with similar plans; provided that full-time Employees will not be required to make any premium contribution for Employee-Only coverage.

However, in no event will Employee contributions increase more than 15% in any year.

**SECTION 4 – FULL-TIME EMPLOYEE**

For purposes of determining the premium contribution payable under Sections 1, 2, and 3 of this Article XIV, an Employee will be treated as full-time if the Employee:

- Is scheduled to work 30 or more hours per week, or
- Has been in Part-time status since on or before April 1, 1982.

**SECTION 5 – DISABILITY**

The Employer shall provide a Long-Term Disability (LTD) Plan and a Short-Term Disability (STD) Plan at no cost to Employees.

The Long Term Disability Plan will include:

- Employees will have a one hundred twenty (120) day waiting period.
- 60% of the Employee's annual benefit base rate.
- Employee may purchase a 70% program on a pre-tax basis.
- Employees are unable to use sick leave or other paid time off after eligibility for LTD benefits (120 days) begins.

The Short-Term Disability Plan will include:

- Employees will have a twenty-eight (28) day waiting period.
- 80% of the Employee's annual benefit base rate from day 29 through 120.
- Employees may use sick leave, vacation and personal leave pay to supplement the remaining 20% of salary during a STD period.
- Benefits are paid bi-weekly.

**SECTION 6 – GROUP LIFE**

The Employer shall provide a Group Life Plan at no cost to Employees. The amount of coverage shall be equal to two (2) times the Employee's annual benefit base rate to a maximum of \$500,000. The cost of Group Life coverage amounts over \$50,000 is considered taxable income by the IRS.

Employees shall have the option to apply for additional coverage, up to three (3) times their annual salary, at their own cost.

Spousal Group Life and Dependent Children Group Life coverage will also be made available.

**SECTION 7 – PENSION AND 401(k) PLANS**

The Employer will provide a Cash Balance Pension Plan to all Employees. Employees will receive a contribution to their account of a percentage of their Compensation (includes base salary, lump sum across the board (ATB), and Corporate Success Sharing Plan (CSSP) and sales incentives) based on the number of Years of Service with employers of the CUNA Mutual Group.

Years 0-9	4% of Compensation
Years 10-19	5% of Compensation
Years 20 or more	6% of Compensation
Additional 1% for Compensation above the Social Security Taxable Wage Base.	

Grandfathered Benefit:

Employees hired prior to the effective date of the Cash Balance Pension Plan (September 1, 2005) will receive the greater of the benefit determined under the Cash Balance plan and the benefit they would have accrued under the prior Defined Benefit Pension Plan. Employees who are rehired after September 1, 2005 will receive the benefit of rehired Employees as defined in the Pension Plan.

401(k) Plan:

The Employer will provide a 401(k) Plan for the Represented Employees which will be identical in design to the CUNA Mutual 401(k) Plan for Non-represented Employees. Changes to the Represented Plan will be made identical to and at the same time as changes are made to the Non-Represented 401(k) Plan.

**SECTION 8 – PLAN TERMS**

Any Plan described in this Article is subject to the terms and conditions of such Plan.

**SECTION 9 – PLAN MODIFICATIONS REQUIRED BY LAW**

Notwithstanding anything in this Article, the Employer shall have the right to establish, operate and maintain all of its benefit plans, or make any amendments or modifications thereto, so as to comply with any applicable requirements of the law including any requirements for maintaining the qualified or favorable tax status of such plans. These changes shall be discussed with the Union, before any changes are made.

**SECTION 10 – CHANGES TO DEDUCTIBLES/BENEFITS**

No change shall be made in specifically negotiated deductibles and maximum payments in this Article except for any requirements of law or as may be necessary to maintain the

qualification or favorable tax status of such plans, or unless initiated by an HMO as part of a change to their overall plan offerings. In the case of a change initiated by an HMO as part of a change to its overall plan offerings: (a) If the HMO continues to offer the negotiated deductible or maximum benefit, the negotiated maximum benefit or deductible that the HMO is proposing to change will not be changed absent agreement of the parties; (b) If the HMO no longer offers the deductible or maximum benefit in question, the parties will meet to discuss available options. Absent agreement, the available deductible or maximum benefit that most closely approximates the negotiated deductible or maximum payment option will be offered.

**SECTION 11 – RETIREE MEDICAL**

This policy applies only to Qualified Retirees who retire on or after January 1, 1982 and while this policy continues in effect. It does not affect other retirees, Employees or former Employees. Retirees who retired previously are governed by any continuing policy which was in effect at the time they retired.

For purposes of this policy, a qualified retiree is a CUNA Mutual Group former Employee who continues to be covered under the Group Health Contract who either:

1. Retired while (a) entitled to an immediately payable or deferred vested CUNA Mutual Pension Plan Benefit, (b) disabled for purposes of the CUNA Mutual Long-Term Disability Plan, and (c) having completed continuous service\* of at least five (5) years; or
2. Retired or died while an Employee entitled to an immediately payable CUNA Mutual Pension Plan Benefit and while fitting within any one of the following age and minimum years of continuous service\* combinations:

Age & Minimum Years of Continuous Service		Portion of Premium Payable by Former Employer
Age Bracket	Service	
50 to 54	20 Years	30%
55 to 59	15 Years	40%
60 to 64	10 Years	50%
65 and Over	5 Years	60%

\*As determined for purposes of benefit accrual under the CUNA Mutual Pension Plan.

While this Policy continues in effect, a CUNA Mutual Insurance Group former Employer will pay a percentage of the premium for coverage of a Qualified Retiree under the Group Health Contract, which percentage shall be that shown for the Qualified Retiree’s status in the table displayed under (2) above except it shall be for 60% if the Qualified Retiree is eligible under (1) above. For purposes of the Policy: “coverage of a Qualified Retiree”

includes coverage for a spouse, surviving spouse, children, surviving children to the extent in each case the former Employer would be paying the premium for them if the Qualified Retiree were then its active full-time Employee; and eligibility as a Qualified Retiree under (1) above shall continue only so long as the disability continues.

**CUNA MUTUAL RETIREE MEDICAL REDESIGN**

Effective September 1, 2005:

**Retiree Health Reimbursement Account (HRA):**

- Beginning at age 35, Employer contributes \$2,000 annually, increased by 3% per year for inflation (\$1,600 for part-time). Contribution for 2005 will be \$2,060 for full-time and \$1,648 for part-time.
- Account is credited with 4% interest.
- At retirement (age 50 with 10 years) Employee uses fund to pay for up to 60% of retiree medical premiums.
- If Employee terminates before retirement, account is lost.

**Transition:**

- Employees age 50 with 10 years on the effective date are grandfathered into old contribution schedule. (See Section 11 – Retiree Medical)
- Beginning balances for all other Employees equal to \$2,000 (\$1,600 part-time) plus 4% interest for each year of service after age 35.

**Plan Choices:**

- CMG options are the same as active medical options.
- Funds can be used for outside plans or Medicare.

**Other Retiree Plans**

**Dental/Vision:**

May be continued for 18 months through COBRA.

**Group Life:**

Continues during retirement at 20% of active amount.

		Description	Amount
HRA Account Activity for Active Employee (1) (4) (7)	1	Starting Balance as of 09/01/05	<ul style="list-style-type: none"> <li>• Age at 09/01/05 minus 35 times \$2,000 (3)</li> <li>• Plus compounded interest at 4% for each year</li> </ul>
	2	Plus, annual contributions on Jan 1, beginning 09/01/05	<ul style="list-style-type: none"> <li>• \$2,060 on 09/01/05 (3)</li> <li>• \$1,648 for part-time</li> <li>• \$2,060 / \$1,648 plus 3% inflation each Jan 1 thereafter (3)</li> </ul>
	3	Plus, annual interest earned on 12/31 each	<ul style="list-style-type: none"> <li>• 4% interest on account</li> </ul>



		year	balance
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HRA Account Activity for Retired Employee	1	Plus, annual interest on 12/31 each year	• 4% interest on account balance
	2	Less, company portion of paid insurance premium	• Up to 60% of insurance premium (Employee's option), not to exceed HRA balance (5) (6)

Payment of Retiree Health Insurance Premiums (2)	1	Company payment of insurance premiums (through FSA System)	• Up to 60% of insurance premium (Employee's option), not to exceed HRA balance (5) (6)
	2	Employee payment of insurance premium (through the Repetitive Payment System)	1. Cash, and/or 2. Grandfathered Sick Leave as of 12/31/05 for Represented Employee

**Notes:\***

1. Must be 35+ years of age and not eligible for Grandfathered benefits to be eligible for HRA contributions.
2. Must be 50+ years of age with 10+ years of service to receive payment of health insurance premium benefits.
3. For full-time Employees only (30+ hours per week). Part-time Employees (20-30 hours per week) is 80% of full-time amount. Full-time / Part-time status is determined as of January 1 each year. Contribution is determined by Employee status on January 1 each year.
4. Maximum annual contribution is limited to 30 years.
5. Employee elections for amount of HRA reimbursements will be allowed annually, except if sick leave balances run out.
6. HRA account can only be used for health insurance premiums, including drugs and Medicare. It cannot be used for uncovered health expenses, or insurance for dental, vision, Long Term Care Insurance or other specific disease coverage.
7. Any health insurance premium is eligible for a benefit; Medicare, individual, other employer's group insurance / self-funded, CMIS' group insurance / self-funded.
8. Employees on LTD become eligible and accrue a benefit the same as an active Employee.
9. If an Employee is rehired, the HRA account will be reinstated to the full value at the time the Employee left the Company. Contributions to the HRA account will follow the above rules (annual interest at the end of the year the Employee is rehired, full annual contributions at the beginning of the year following re-hire).

10. A spouse or domestic partner of the deceased retiree may continue to receive benefits until the account balance is totally used up.
11. A spouse of domestic partner of the deceased retiree who had been converting sick leave as of the date of death may continue to convert sick leave.
12. HRA account balances are forfeited upon the death of surviving spouse or domestic partner.
13. If the retiree chooses not to participate in CMIS' group health plan at time of retirement, they will not be allowed to participate at a later time.

**Eligibility Change Effective 04/01/2008:**

Effective April 1, 2008, an Employee must be 55+ years of age with 10+ years of service to receive payment of health insurance premium benefits from the HRA account and grandfathered sick leave account. (This change does not apply to Employees who were grandfathered into the old contribution scheduled on 09/01/2005.)

**Transition:**

Employees who meet the following age and service requirements on 03/31/2008 will continue to be eligible to receive payment at 50+ years of age with 10+ years of service.

AGE	YEARS OF SERVICE				
50	10 or more	9	8	7	6
51	10 or more	9	8	7	
52	10 or more	9	8		
53	10 or more	9			
54	10 or more				

**ARTICLE XV  
BULLETIN BOARD**

A bulletin board will be made available for the exclusive use of the Union by the Employer for the purpose of posting Union notices relating to meetings, dues, entertainment, health and safety and general Union activities. All usual notices are subject to the Employer's approval, but such approval shall not be withheld unreasonably by the Employer. A bulletin board will be located outside the Union office, if there is one. One bulletin board will be provided at each location where there are ten (10) or more Bargaining Unit Employees (5710 Mineral Point Road, 5810 Mineral Point Road, 5910 Mineral Point Road, Murphy Drive and Ultratech).

**ARTICLE XVI**  
***NONDISCRIMINATION***

**SECTION 1 – UNION ACTIVITY**

The Employer will not discriminate against an Employee because of the Employee's activity as a member of the Union.

**SECTION 2 – WORKING CONDITIONS**

Working conditions heretofore existing in the office of the Employer shall not be lowered in violation of the express terms of this Agreement.

**SECTION 3 – LEGAL COMPLIANCE**

Neither the Union nor the Employer in carrying out their obligations under this contract shall discriminate in matters of hiring, training, promotion, transfer, layoff, discharge or otherwise because of race, color, creed, national origin, sex, age or handicap, which are inconsistent with any federal, state or local law.

**ARTICLE XVII**  
***WAGES***

**SECTION 1 – INCREASES/PROGRESSIONS**

The Pay Schedules set forth in Exhibits A, B, C and D shall apply for the term commencing April 1, 2008 and terminating at midnight on March 31, 2012 to the respective Employees included in each such Exhibit, except that any first year increases under the terms of this Agreement shall be effective April 1, 2008.

The Pay Schedules in Exhibits A, B, C and D of this Agreement reflect the salary ranges for 2008, 2009, 2010, and 2011.

- All Bargaining Unit Employees covered by this Agreement who were employed prior to March 31, 2008, and who are still employed within the Bargaining Unit on the date this Agreement is ratified, shall receive an increase in base salary, in the amount of two percent (2%) of base salary.
- All Bargaining Unit Employees covered by this Agreement who are employed prior to March 31, 2009, shall receive an increase in base salary, effective with the payroll period closest to April 1, 2009, in the amount of three percent (3%) of base salary.
- All Bargaining Unit Employees covered by this Agreement who are employed prior to March 31, 2010, shall receive an increase in base salary, effective with the payroll period closest to April 1, 2010, in the amount of

three percent (3%) of base salary.

- All Bargaining Unit Employees covered by this Agreement who are employed prior to March 31, 2011, shall receive an increase in base salary, effective with the payroll period closest to April 1, 2011, in the amount of three percent (3%) of base salary.

Notwithstanding any other provision of this Agreement, the base salary increases effective April 1, 2008, April 1, 2009, April 1, 2010, and April 1, 2011 shall apply without regard to maximum rates in the Pay Schedule Exhibits attached hereto. The increases in base salary are summarized in the table below.

April 1, 2008	2% All Employees
April 1, 2009	3% All Employees
April 1, 2010	3% All Employees
April 1, 2011	3% All Employees

Employees hired on or after April 1, 2008 will not be allowed to receive increases to base salary over the maximum Pay Schedule Exhibits attached hereto.

### **SECTION 2 – LONGEVITY SCHEDULE**

Longevity payments shall be made to qualified Employees on a lump-sum basis for the contract years of this Agreement in accordance with the following Longevity Schedule through December 31, 2008. Beginning January 1, 2009, no new Employee will be added to or qualify for Longevity payments. Longevity payments beginning January 1, 2009 and continuing through December 31, 2011 will be made based on the Employee's payment percentage as of December 31, 2008.

Anniversary Year of Employee as of December 31, 2008	Percent of Employee's Salary
10 <sup>th</sup> – 14 <sup>th</sup> Year	Three Percent (3%)
15 <sup>th</sup> – 19 <sup>th</sup> Year	Four Percent (4%)
20 <sup>th</sup> – 24 <sup>th</sup> Year	Five Percent (5%)
25 Years and Over	Seven Percent (7%)

As of January 1, 2012, Longevity payments will no longer be available.

### **SECTION 3 – SALARY ADMINISTRATION FOR JOB CHANGES**

- A. An Employee placed in a higher grade within the same job classification (Classified, IT, Professional Exempt and Professional Non-Exempt) through promotion, bidding, transfer, bumping, or reevaluation, shall receive a salary increase which results in:
1. For a one (1) step increase:

- a. Not less than three and one-half percent (3½ %) for Classified positions.
- b. Not less than four and one-half percent (4½ %) for Professional Non-Exempt, IT and Professional Exempt positions.
- 2. For a two (2) step increase: Not less than five percent (5%).
- 3. For a three (3) or more step increase: Not less than seven and one-half percent (7½ %).

The Employer reserves the right to give an increase greater than the suggested minimum increases above.

- B. An Employee placed in a lower grade within the same job classification (Classified, IT, Professional Exempt and Professional Non-Exempt) through bidding or transfer, shall receive a salary decrease as follows:

- 1. For a one (1) step decrease:
  - a. Not more than three and one-half percent (3½ %) for Classified positions.
  - b. Not more than four and one-half percent (4½ %) for Professional Non-Exempt, IT and Professional Exempt positions.
- 2. For a two (2) step decrease: Not more than five percent (5%).
- 3. For a three (3) or more step decrease: Not more than seven and one-half percent (7½ %).
- 4. There may be exceptions to the above for the following:
  - a. Employees whose new salary would exceed the maximum of the new grade will have their salary reduced to the maximum of the new grade.

The Employer reserves the right to give a decrease lesser than the suggested maximum decreases above.

- C. When placed in a position in a different job classification through promotion or bidding, the Employee's salary change will be calculated as follows:

The midpoint salary of the Employee's former grade will be compared to the midpoints of the job classification salary structure to which the Employee is moving. The midpoint in the new structure that is closest to the midpoint of the former grade will become the base for determining the number of steps to the grade of the new position. The number of steps will then determine the applicable percentages shown below. If there are no steps, there will be no change in salary. If the former midpoint is exactly half way between two (2) midpoints, the midpoint in the new classification most favorable to the Employee will be used. Once the applicable number of steps has been determined, the appropriate salary increase or decrease will be administered as follows:

- 1. For one (1) step: Three and one-half percent (3½%).

2. For two (2) steps: Five percent (5%).
  3. For three (3) or more steps: Seven and one-half percent (7½%).
  4. There may be exceptions to the above for the following:
    - a. Employees whose new salary would exceed the maximum of the new grade will have their salary reduced to the maximum of the new grade.
    - b. Employees whose new salary would be below the minimum of the new grade will have their salary increased to the minimum of the new grade.
    - c. Employees in a Career Progression which crosses classifications will receive 5% for one or two steps and 7½% for three steps.
- D. If a position is reevaluated into a different job classification resulting in a one or more step increase, the Employee's salary will be increased according to Section 3-C. If the reevaluation results in a step decrease, then Section 3-C will apply. If there is no step change there will be no change in salary.
- E. If a position is reevaluated and lowered within a classification, the salary of the Employee will not be reduced. However, if the salary exceeds the maximum for the new grade, there will be no further increase except for the negotiated increases concerning Employees over maximum.
- F. No Employee shall be paid more than the maximum wage of the grade in which the position is classified unless:
- The Employee is being paid over the maximum as a result of a decrease in the maximum of the salary range of the job grade in which the Employee is working.
- G. Trainee rates shall apply to existing Employees promoted to a position for which full qualifications are absent but capabilities to learn the duties of the position are evident.

Employees in trainee classifications shall be evaluated quarterly. Salary increases totaling no more than four percent (4%) from the trainee rate to the minimum may be granted during the training period with consideration for such increase every three (3) months. After successful completion of the training period, the Employee's salary shall be adjusted according to Section 3-A of this Article.

#### **SECTION 4 – JOB PERFORMANCE APPRAISAL**

All Employees shall, on an annual basis, receive an accurate individual job performance appraisal by the Employee's immediate supervisor. As indicated on the annual review form, Employees will be afforded the opportunity to write a rebuttal statement that will be added to the review. Management rebuttals will not be allowed. The optional Employee Self Review form will be clearly marked as optional and will not be used against the Employee. Annual performance review forms will not be changed without

discussion with the Chief Steward of the Union. The Employer shall furnish the Union with a copy of all Annual Performance Review Forms currently in use by the Employer.

**SECTION 5 – PAYMENT AND DEDUCTIONS**

All Employees shall be paid bi-weekly. Net earnings shall be deposited biweekly by Electronic Funds Transfer (EFT) to the financial institution designated by the Employee. At the Employee’s written request negotiable demand checks will be mailed to the Employee’s home address. Wages shall not be withheld for any cause whatsoever nor shall Employees be subject to any wage deductions except as may be required by State or Federal law or as authorized by the Employee in writing.

**SECTION 6 – SHIFT DIFFERENTIAL AND HOURS**

Employees who work the second shift shall be paid a five percent (5%) differential and Employees who work the third shift shall be paid a nine percent (9%) differential. Employees who work a regular shift but whose hours extend into either the second or the third shift by at least fifty percent (50%) of the hours of such shift shall be paid a differential of four percent (4%).

The modified shift begins between 10:00 a.m. and 2:00p.m. Full-time Employees working a modified shift shall receive a 3% shift differential for all hours worked.

The second shift is 4:00 p.m. to midnight and the third shift is 11:00 p.m. to 7:00 a.m.

**SECTION 7 – WAGE REOPENER**

At any time during the Term of this Agreement, if the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) on a twelve (12) month moving average exceeds eight and one-half percent (8½%) the Agreement will reopen for negotiations on wages only for the remaining term of the Agreement.

**SECTION 8 – CORPORATE SUCCESS SHARING PROGRAM (CSSP)**

Bargaining Unit Employees shall be eligible to participate in the CUNA Mutual Group Corporate Success Sharing Program (CSSP). Please refer to Exhibit I for details. The basic provisions of the Plan for calendar years 2008, 2009, 2010 and 2011 are:

- 0% - 5% payout
- Threshold 1%
- Target 2.5%
- Superior 5%
- 100% Based on Corporate Results

Payable on or before March 31 of the year following the calendar year on which the CSSP payment is based.

**ARTICLE XVIII**  
***JOB EVALUATION***

**SECTION 1 – COMMITTEE**

When a new position is created or substantial revisions are made in an existing position, it will be subject to evaluation to determine the proper grade on the Wage Schedule by an Evaluation Committee for the specific classification (Classified or Professional). The company will notify the Chief Steward of any modifications or changes to the current evaluation system. In addition, the company will provide to the Union, training and documentation of the modifications or changes.

The Management Committee shall consist of the HR Compensation Consultant and the HR Generalist assigned to the specific business unit. The Union does reserve the right to review all job evaluations.

The Chief Steward of the Union shall be provided the job description(s) of the job(s) scheduled for evaluation prior to the Committee meeting which will evaluate the jobs in question. The HR Compensation Consultant or HR Generalist will advise management of which grade the job in question should be classified.

Evaluation results which include evaluation point sheets will be communicated via hard copy or electronic copy to the Chief Steward within twenty-four hours of the committee meeting.

Minor changes made to job descriptions, minimum requirements and job postings will be presented in writing via hard copy or electronic copy to the Chief Steward for review.

Reevaluation of a Bargaining Unit position out of the Bargaining Unit will not occur.

**SECTION 2 – REEVALUATION**

- A. The Employer reserves the right to review for reevaluation any substantial changes to existing job duties or responsibilities. If such review results in a salary increase, such increase shall be effective thirty (30) working days to the closest beginning of a pay period after the written request for reevaluation has been received by Human Resources.
- B. An Employee, through the Union, shall have the right to request in writing a review of his/her job description, if the Employee feels there has been a substantial change in job responsibilities. The Employee will prepare a revised statement of duties subject to review by his/her manager and Human Resources for any necessary adjustments. The reevaluation should be completed within thirty (30) working days after written request is received by Human Resources. If such review is not completed within thirty (30) working days and results in a salary increase, such increase shall be effective thirty (30) working days to the closest beginning of a pay period after the written request for reevaluation has been received by Human Resources.



**SECTION 3 – MISCELLANEOUS**

- A. In the event of the creation of a new position within the Bargaining Unit, after evaluation, such position, other than career progression positions, shall be made available for competitive selection according to Article XI, Section 1, Filling Positions, Promotion, Demotions and Transfers.
- B. Filled existing positions which are revised and the position evaluation changed shall not be subject to competitive selection.
- C. Bargaining Unit Job Evaluations in all offices of the Employer will be reviewed through the Madison, Wisconsin office.

**ARTICLE XIX  
GRIEVANCES**

**SECTION 1 – DEFINITION**

A grievance within the meaning of this Agreement shall be a dispute arising between the parties hereto relating to matters of wages, hours and working conditions, involving interpretation or application of any provision of this Agreement.

**SECTION 2 – INVESTIGATION**

When conducting grievance investigations and/or meetings, the Employer shall recognize the Chief Steward, Negotiating Stewards and Area Stewards as the Union representatives of the Employees in the respective groups or departments for which they are duly elected. The Employer shall not discriminate against any Union Steward, nor shall the Employer or its representatives interfere in any way with any Union Steward's investigation of a grievance or with their participation within the grievance procedure.

Stewards must ask their supervisors for permission to leave their jobs to investigate and adjust grievances, and such permission will be granted without unreasonable delay. The Employer shall compensate Stewards according to Article XIX, Section 10 when conducting union business.

**SECTION 3 – TIMELINESS**

An affected Employee shall present an issue under Step 1 of Section 4 of this Article within twenty (20) working days of its discovery or the date the Employee should have reasonably discovered the issue, or such issue will be deemed waived by the Employee, the Union and the Employer.

**SECTION 4 – STEPS**

Step 1 The aggrieved Employee shall discuss the matter with the Employee's immediate supervisor. The Employee may have this discussion with or without his/her Steward present. It is the intent of the parties to allow enough time to satisfactorily resolve grievances at this step while still

trying to resolve disagreements in a timely manner. If the issue is not resolved, it is the responsibility of the Union to reduce the issue to writing within a reasonable period of time and request an answer from the Employee's immediate supervisor. The supervisor will have five (5) working days to provide a response.

Should the Union wish to proceed to Step 2, the grievance must be reduced to writing and submitted to the grievant's immediate supervisor and the office of the Vice President – Human Resources.

The written grievance shall set forth the nature of the dispute, the suggested relief sought and shall refer to the specific article and section of the contract alleged to be violated.

Step 2 At this step the grievance will be heard by the office of the Vice President – Human Resources. The Vice President – Human Resources or his/her designee must discuss the grievance with up to two (2) stewards, grievant and appropriate department Management. The initial meeting must be held not later than five (5) working days after receipt of the written grievance. The office of the Vice President – Human Resources will give a written answer to all parties in attendance within five (5) working days after the close of the Step 2 meeting. If the grievance is denied, the answer must include the reason for the denial.

Step 3 If the grievance is not settled in the preceding step, either party may appeal the grievance to arbitration by giving written notice of the desire to arbitrate to the other party within twenty (20) working days after the date of the Employer's final answer in the above step. If the issue is arbitrated, the suggested relief and the article and section cited by the Union no later than twenty (20) working days before the issue is heard in arbitration, shall be considered a formal framing of the issue for remedy.

Time limits in this article may be extended by mutual agreement of the parties.

#### **SECTION 5 – ARBITRATION**

When a grievance is appealed to arbitration, the parties shall first meet within 10 working days of the date of the written notice of desire to arbitrate and try to agree upon an arbitrator. Failing such agreement, the parties shall, within five (5) working days of the meeting, jointly request the American Arbitration Association to submit a panel of seven (7) arbitrators. Each party shall have the right to reject one panel of arbitrators. On an alternate basis, one party shall strike one (1) name from the list, and the other party shall then strike one (1) name, and so on in succession. The person whose name remains shall be the arbitrator. The arbitration service shall be notified within 10 working days of the selection by a joint letter from the parties or the grievance will be deemed to have been withdrawn.

The decision of the arbitrator shall be final and binding upon the Employer, the Union and the Employee(s) presenting the grievance. The arbitrator's fees shall be borne equally by the Employer and the Union. The filing fee shall be borne equally by the Employer and the Union.

It is agreed between the Employer and the Union that the arbitrator shall not change, but shall interpret only, the terms of this Agreement.

#### **SECTION 6 – EXPEDITED ARBITRATION**

Both parties may agree to an expedited arbitration procedure. The expedited procedure will be the same as provided for in Section 5 of this Article except for the following:

- A. The award shall be rendered as a bench decision or within 48 hours,
- B. A written award within 48 hours without a written opinion,
- C. The parties shall not submit briefs.

#### **SECTION 7 – DISCHARGE GRIEVANCE**

If a discharged Employee files a grievance claiming the discharge as unjust, the grievance shall commence with the third step of the procedure.

#### **SECTION 8 – TIME LIMITS**

The Employer and Union agree that time constraints listed in this Article may be waived only by mutual agreement.

#### **SECTION 9 – UNION REPRESENTATIVES**

Business Representatives or International Representatives of OPEIU Local 39, shall be permitted to attend and participate in any formal grievance meeting with Representatives of the Employer held for the purpose of discussing a grievance. Such Union Representatives shall have access to the Employer's real property for the purpose of investigating disputes and grievances at all reasonable and scheduled times.

#### **SECTION 10 – STEWARD UNION BUSINESS HOURS ACCOUNT**

For the duration of this Agreement, CUNA Mutual Group agrees to create an hours account for the purpose of conducting union business during working hours. Union Stewards including the Chief Steward utilizing the hours account will be compensated at their regular rate of pay.

**Chief Steward** – The Chief Steward shall have an account of hours equivalent to ½ of her/his work schedule for conducting union business during work hours which will not result in a reduction of pay. If unused, such hours shall not be carried over to subsequent months.

**Union Stewards** - All other Union Stewards shall have an account of a total aggregate of 30 hours per month for conducting Union business during work hours. If unused, such hours shall not be carried over to subsequent months. In addition, the Chief Steward will be responsible for maintaining a monthly usage report of his or her hours usage as well as hours utilized by all other Stewards. The aforementioned report will be submitted to the

Manager of Labor Relations the first week of each month. Usage of these hours will be counted as time worked in computing service and attendance records.

**Union Office** – The Union may have an office on the premises of the Employer for the purpose of conducting Union business. In addition, the Union will be responsible for the cost of office furniture, office supplies and other equipment required to conduct Union business.

The office space will be of standard design. The Employer may revoke the above office space arrangement at its discretion with seven calendar days notice.

## **ARTICLE XX LAYOFF PROCEDURE**

The Employer has the right to subcontract, transfer, or outsource work. In the event that the Employer decides to subcontract, transfer, or outsource work, the following procedure shall apply:

Thirty-nine (39) or Fewer Affected Employees by Business Unit:

In the event the Employer decides to subcontract, transfer, or outsource work and the subcontract, transfer, or outsource decision will result in a reduction in force of thirty-nine (39) or fewer bargaining unit Employees, the Employer shall give four (4) weeks notice to the Union. There will be no restrictions or obligation to bargain over the decision to subcontract, transfer, or outsource work or the effects of such subcontracting, transfer of work, or outsourcing. Provided, however, the Employer is prohibited from any subcontracting, transfer, or outsourcing of work as described in the Letter of Intent (for period April 1, 2008 to March 31, 2009).

Forty (40) or More Affected Employees by Business Unit:

In the event the Employer develops tentative plans to subcontract, transfer, or outsource work and the planned subcontracting, transfer of work, or outsourcing will result in a reduction in force of forty (40) or more bargaining unit Employees, the Employer shall give fifty (50) calendar days notice to the Union of the Employer's tentative plans to subcontract, transfer, or outsource work. If it is the Union's intent to bargain over the Employer's tentative plans to subcontract, transfer, or outsource such work, the Union must request decision bargaining within five (5) working days after receipt of the Employer's notice. The period for decision bargaining will begin within five (5) working days after receipt of the Union's request and will be limited to thirty-five (35) calendar days. Information requests will be limited to requests relevant to the decision bargaining topic. Provided, however, the Employer is prohibited from any subcontracting, transfer, or outsourcing of work as described in the Letter of Intent (for period April 1, 2008 to March 31, 2009).

Business Unit is defined as Asset Accumulation, Products, International, Customer Operations, Finance, Sales and Marketing, IT (Information Technology), and Miscellaneous (Corporate and Legislative Affairs, Executive, HR, Legal).

Business Units are further clarified as follows:

<p><b><u>CUSTOMER OPERATIONS</u></b>          PRODUCT ADMINISTRATION          CLAIMS          CONTACT CENTERS          CUSTOMER OPS - MADISON SITE          CUSTOMER OPS TRANSFORMATION          CUSTOMER OPERATIONS SUPPORT          CUSTOMER SERVICE BUS PROC TEAM</p> <p><b><u>HUMAN RESOURCES</u></b>          ORG EFFECTIVENESS &amp; TRANSFORMATION</p> <p><b><u>SALES &amp; MARKETING</u></b>          SALES          CORPORATE B2B MKTG</p> <p><b>ASSET ACCUMULATION</b></p>	<p><b><u>PRODUCTS</u></b>          MARKETING          CPO CHIEF UW          CHIEF PRODUCT OFFICER          CONSUMER PRODUCTS          COMMERCIAL PRODUCTS          CU MEMBERS SOLUTIONS GROUP          CU LENDING SOLUTIONS GROUP          CU EMPLOYEE SOLUTIONS GROUP</p> <p><b><u>FINANCE</u></b>          SUPPLY MANAGEMENT</p> <p><b><u>INTERNATIONAL</u></b></p> <p><b>INFORMATION TECHNOLOGY</b></p>
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**SECTION 1 – PROCEDURE**

If the Employer exercises its prerogative to implement a major reduction (40 or more Bargaining Unit Employees within a business unit), the parties will meet to discuss a transition plan aimed at placement of the displaced Employees. Employees who are not placed into jobs or are otherwise severed as a result of these efforts may be laid off following the procedures outlined below.

If the Employer exercises its prerogative to implement a lesser reduction (39 or fewer Bargaining Unit Employees within a business unit), the following procedure shall be adopted:

The Union and the Employer may agree to allow Employees within one or more of the affected Job Titles to volunteer to be laid off. Unless such agreement is reached and a sufficient number of Employees volunteer to be laid off, the Employee or Employees who will be laid off will be determined in accordance with the provisions of this section.

The Employee with the least amount of seniority in any Job Title, within a business unit, will be the first laid off from that job, subject to any State or Federal law. The Employee, in turn, may replace any Employee with lesser seniority within their current business unit within the bargaining unit (or non-bargaining unit Temporary, Limited Term or Student Employees), providing the Employee has the qualifications to satisfactorily perform the

job. Employees who are displaced from their jobs as a result of such bump back procedure may themselves bump back and replace any Employee with less seniority within their current business unit, providing such Employee has the necessary qualifications. (Displaced is defined as any Employee who has been bumped off a job, who has not been returned to a job in the same, higher or lower wage classification.) Employees shall retain full seniority irrespective of the bumping process. Employees who are laid off will retain full seniority for the two year recall period.

Notwithstanding the preceding paragraph, any Employee with five (5) or more years of Continuous Service who would otherwise be laid off as a result of subcontracting, transferring work, or outsourcing, shall be entitled to replace any Employee with less than five (5) years of Continuous Service within the bargaining unit, providing the more senior Employee has the qualifications to satisfactorily perform the job.

When there are multiple incumbents within a specific job, the laid off Employee will bump the least senior incumbent, (full-time to full-time; part-time to part-time).

## **SECTION 2 – NOTICE OF IMPENDING LAYOFF**

An Employee targeted for layoff shall receive written notice of impending layoff as soon as the determination is made. A copy of this notice shall be given to the Chief Steward. If the notice is given earlier than the four (4) week period referred to in Section 3, the Employee may request assistance from Human Resources in such areas as:

- Resume writing.
- Behavior based interviewing.
- Job skills assessment.
- Attendance at in-house classes.
- Computer based training.

## **SECTION 3 – LAYOFF NOTICE**

An Employee to be laid off shall receive at least four (4) weeks written notice. If less than four (4) weeks notice is given, the Employee shall receive regular salary after layoff for an amount of time up to four (4) weeks equal to the time such notice is less than four (4) weeks. Employees who receive notice of layoff shall have the option of either exercising bumping rights as outlined in Section 1 and 12, or may elect to take the Severance Package (See Exhibit L).

## **SECTION 4 – VACATION AND SICK LEAVE**

In the event of a layoff, the Employee may take vacation, and if vacation is elected, shall receive vacation pay for accumulated earned vacation. Unused accumulated earned Sick Leave shall not be available to the Employee until termination of employment or return to work.

## **SECTION 5 – RECALL LIST**

Any Employee laid off shall be placed on the recall list for a period of two (2) years.

## **SECTION 6 – INSURANCE COVERAGE**

The Employer agrees to pay for the cost of the applicable Group Medical, Dental, and Vision and Basic Group Life coverage for the laid off Employee for a period of one hundred eighty (180) calendar days following layoff. At the end of such one hundred eighty (180) day period, the Employee may elect to continue these coverages (except Group Life Plan) by paying the entire premiums for the balance of the 18 month COBRA period. At the end of such one hundred eighty (180) day period, the Employee may convert the Group Life Plan under the provisions of the Group Life Contract.

## **SECTION 7 – HIRING DURING LAYOFF**

The Employer agrees that no new Employees will be hired into the Bargaining Unit while Union members are on layoff status unless none of the laid off Employees are substantially qualified to perform the work required. If the Employer finds it necessary to increase the number of Employees or to fill temporary vacancies in the Bargaining Unit:

- A. The most senior Employee who was displaced or laid off will be offered any job opening for which the Employee requested notification and is qualified.
- B. The Employee may decline any job offer without losing recall rights.
- C. Should the most senior qualified Employee decline the job offer, the procedure will be continued on a seniority basis until all qualified Employees have been offered the job vacancy, or the job is filled, whichever occurs first.
- D. If no displaced or laid off Employees accept the job offer, the job opening will be filled in accordance with Article XI.
- E. The Employer may post a job vacancy company-wide at the same time notification of the vacancy is sent to an Employee on layoff status. An Employee on layoff status who bids on a job vacancy, will be considered before current Employees. Should the Employee(s) in layoff status be deemed qualified and accept the position, internal bidders will be notified according to Article XI, Section 4.
- F. All new job classifications created while Employees are laid off or displaced from their job classification shall be posted in accordance with Article XI.

## **SECTION 8 – REINSTATEMENT**

An Employee recalled and reinstated to the former position held shall receive the former rate of pay in addition to any wage increases which were applied to the Employee's job classification during the period the Employee was on the recall list.

## **SECTION 9 – NOTIFICATION OF REEMPLOYMENT**

Any notice of reemployment to an Employee who has been laid off shall be made by registered mail to the last known address of such laid off Employee.

**SECTION 10 – RECALL RULES**

Employees recalled to work shall return to work at the time specified by the Employer or notify the Employer within twenty-four (24) hours of the time directed to report of their inability to do so. The time specified by the Employer to return to work shall not be less than fifteen (15) working days commencing on the date the notice is sent to the Employee. If the same or comparable job is offered, an Employee who fails to report as directed or who fails to notify the Employer shall be considered as having resigned.

The Employer agrees to notify the Employee of the same or comparable job or any lesser job for which the Employee is qualified for a period of two (2) years from the date of layoff, provided the Employee first gives notice to the Employer of the level and type of job of which the Employee wishes to be notified. If the Employee has not returned to work within such two (2) year period, the Employee shall be considered as having resigned.

**SECTION 11 – BASE RATE OF PAY**

When a displaced or laid off Employee bumps into a lower job, the base rate of pay for that Employee shall be the Employee’s current base rate of pay or the maximum of the lower grade, whichever is lower.

**SECTION 12 – BUMPING TEMPORARY OR STUDENT EMPLOYEES**

Employees who bump a Temporary or Student Employee will be considered to be part of the bargaining unit until the end of the temporary assignment, and will retain all contractual benefits of a bargaining unit Employee (as defined in Article II, Section 2-A). At the end of the temporary assignment, there will be no bumping or recall rights, the Employee’s employment will be terminated, and the Employee will be offered the severance benefit described in Exhibit L.

**ARTICLE XXI  
*TRANSFER OF OPERATIONS***

Employees shall have the right to apply for open positions if their work is moved to another city. If such Employees are qualified, they will receive preferential consideration for hire before outside applicants. They will be hired under the wage and benefit plans of the location where they are being hired. They will not be eligible for relocation or severance.

Bargaining Unit work will not be moved out of the offices currently performing that work without discussion with the Chief Steward of the Union.



**ARTICLE XXII**  
***USE OF UNION LABEL***

The Union agrees to supply the Employer with the official stamp of the Union. The Employer is hereby granted the right to affix this Union label to all of the Employer's office correspondence and any other work during the period of the Employer's compliance with this Agreement.

**ARTICLE XXIII**  
***LABOR-MANAGEMENT COUNCIL***

The Employer and the Union agree that it is the best interest of sound management relations and for the growth and economic progress of the Employer and its Employees that a periodic exchange of ideas should be initiated between the Union and Management.

The Labor Management Council shall meet at least quarterly to discuss changes that may be under consideration by the Employer or those occurring in the industry. The Council shall consider and discuss changes planned by the Employer as they affect the Employees. It will serve the purpose of answering questions and eliminating rumors and misunderstandings. It will provide ways and means for communicating information as to how these changes will be put in effect. Union representation on the Council will consist of four (4) Union Stewards. The Business Agent of OPEIU Local 39 may also attend.

**ARTICLE XXIV**  
***MONITORING***

Different types of observations may be made at the discretion of management for the purposes of:

1. Training and instructional observations for the specific purpose of helping the Employee improve their skills.
2. Service management observations which are oriented toward evaluation of service issues such as:
  - Evaluating new or changed practices and procedures,
  - Evaluating customer acceptance, and
  - Evaluating problems in the customer service delivery system.

**ARTICLE XXV**  
***DRUG TESTING***

There will be no implementation of any drug testing policy without the active participation of the Union.

**ARTICLE XXVI**  
***SEPARABILITY PROVISION***

If any Section of this Agreement is held to be invalid, the remainder shall not be affected thereby and the parties shall enter negotiations forthwith to draft a new provision to supplement the one held invalid.

**ARTICLE XXVII**  
***DISASTER RECOVERY ESSENTIAL EMPLOYEES***

The Employer's Disaster Recovery Plan contains various Represented Positions that are categorized as "Essential" to the quick recovery of Business Operations. On days where the Employer has implemented the Disaster Recovery Plan, other than a drill, the Employees who fit into this category will report to work when called.

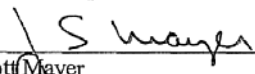
In the event the disaster extends into the community(s) around the office location and affects the homes and/or families of these Essential Employees, Employees called but unable to comply due to personal disasters will be excused from their roles in the Recovery.

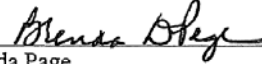
**ARTICLE XXVIII  
TERM OF AGREEMENT**


**THIS AGREEMENT** signed at Madison, Wisconsin, shall become effective April 1<sup>st</sup>, 2008, and shall remain in full force and effect until midnight, March 31<sup>st</sup>, 2012, and shall continue in full force and effect immediately thereafter, provided, however, that either the Union or the Employer may terminate this Agreement at any time after March 31<sup>st</sup>, 2012 by giving the Union or the Employer sixty (60) days' prior written notice by registered mail of its election to terminate.


Agreed this 1<sup>st</sup> day of April, 2008.

For the Company:

  
\_\_\_\_\_  
Scott Mayer  
VP Total Rewards

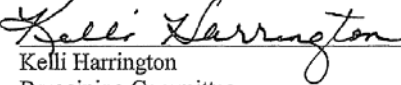
  
\_\_\_\_\_  
Brenda Page  
Director, Labor Relations

  
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Jack Meyer  
Lead Attorney

  
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Carl Bruscato  
Sr. Labor Relations Representative

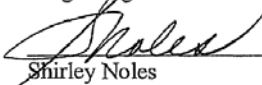
For the Union:

  
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Kathryn Bartlett-Mulvihill  
Chief Steward

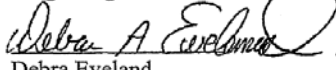
  
\_\_\_\_\_  
Kelli Harrington  
Bargaining Committee

  
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Charles Manley  
Bargaining Committee

  
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Karen Maund  
Bargaining Committee

  
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Shirley Noles  
Bargaining Committee  
President, OPEIU Local 39

  
\_\_\_\_\_  
Jim Rasmussen  
Bargaining Committee

  
\_\_\_\_\_  
Debra Eveland  
Business Agent, OPEIU Local 39

**EXHIBIT A*****PROFESSIONAL NON-EXEMPT***

As Of	Grade	Training Rate	Minimum/Hourly	Midpoint	Maximum
4/1/08	205	20,370	21,592/11.07	27,347	33,101
4/1/09	210	21,897	23,211/11.90	29,512	35,814
4/1/10	215	23,678	25,099/12.87	31,963	38,827
4/1/11	220	25,248	27,268/13.98	34,698	42,128
	225	27,487	29,686/15.22	37,716	45,745
	230	29,990	32,390/16.61	42,527	52,665
	235	31,578	35,367/18.13	47,322	59,276

**EXHIBIT B****CLASSIFIED**

As Of	Grade	Training Rate	Minimum/Hourly	Midpoint	Maximum
4/1/08	120	18,500	19,240/9.86	22,260	25,281
4/1/09	121	19,547	20,329/10.42	23,856	27,384
4/1/10	122	20,583	21,406/10.97	25,902	30,398
4/1/11	123	21,621	22,486/11.53	28,242	33,999
	124	22,791	23,702/12.15	29,604	35,506
	125	23,956	24,914/12.77	31,267	37,620
	126	25,127	26,133/13.40	32,627	39,121
	127	26,424	27,481/14.09	34,805	42,129
	128	27,725	28,834/14.78	36,533	44,231
	129	29,025	30,186/15.48	38,865	47,543
	130	30,446	31,664/16.23	40,656	49,649
	131	31,869	33,144/16.99	42,607	52,069
	132	33,303	34,635/17.76	44,402	54,169
	133	34,989	36,389/18.66	46,633	56,876
	134	36,679	38,146/19.56	48,712	59,278
	135	38,359	39,893/20.45	50,644	61,396
	136	40,175	41,782/21.42	52,791	63,801

**EXHIBIT C*****PROFESSIONAL EXEMPT***

As Of	Grade	Training Rate	Minimum	Midpoint	Maximum
4/1/08	230	29,990	32,390	42,527	52,665
4/1/09	235	31,578	35,367	47,322	59,276
4/1/10	240	34,466	38,602	53,155	67,708
4/1/11	245	37,596	42,108	58,972	75,837

**EXHIBIT D*****IT PROFESSIONAL***

As Of	Grade	Training Rate	Minimum	Midpoint	Maximum
4/1/2008	225	34,931	37,725	47,929	58,133
	230	38,112	41,161	54,043	66,927
	235	40,129	44,945	60,136	75,329
	240	43,800	49,055	67,549	86,042
	245	47,777	53,510	74,941	96,373
As Of	Grade	Training Rate	Minimum	Midpoint	Maximum
4/1/2009	225	35,804	38,668	49,127	59,586
	230	39,064	42,190	55,394	68,600
	235	41,132	46,069	61,639	77,212
	240	44,895	50,281	69,238	88,193
	245	48,972	54,847	76,814	98,783
As Of	Grade	Training Rate	Minimum	Midpoint	Maximum
4/1/2010	225	36,699	39,634	50,356	61,076
	230	40,041	43,245	56,779	70,315
	235	42,161	47,220	63,180	79,143
	240	46,017	51,538	70,968	90,398
	245	50,196	56,218	78,735	101,252
As Of	Grade	Training Rate	Minimum	Midpoint	Maximum
4/1/2011	225	37,616	40,625	51,615	62,603
	230	41,042	44,326	58,198	72,073
	235	43,215	48,401	64,760	81,121
	240	47,168	52,826	72,743	92,658
	245	51,451	57,624	80,703	103,783

**EXHIBIT E**

***CALL MARKETING REPRESENTATIVE COMPENSATION PLAN***

- I) The position of Call Marketing Center Representative is established to provide credit union members with access to high quality financial service products. A \$1,000 salary increase will be paid to new Representatives achieving two consecutive calendar quarters at 100% of target. Eligible quarters begin after the first six months of participation in the plan. All Call Marketing Center Representatives must be licensed within 60 calendar days of being appointed to sell Life, Accident and Health Insurance by the State of Wisconsin. The following salary schedule for Call Marketing Center Representatives applies as indicated:

	<u>Min</u>	<u>Max</u>
Call Marketing Center Representative	\$21,760	\$35,667

Annual across the board increases will be calculated by including incentive compensation with base salary to determine the amount of the increase, which will then be applied to the base salary.

- II) All Provisions of the Collective Bargaining Agreement apply to Call Marketing Center Representatives unless otherwise modified by this exhibit.
- III) The Call Marketing Center Representative Compensation Plan is based on 85% Salary and 15% Incentive. For the duration of this agreement, reporting periods for this compensation plan will be calendar years. The Call Marketing Center Representative Compensation Plan is based on 50% Individual Performance and 50% Team Performance. On an annual calendar basis during subsequent years of this agreement, management will determine during the annual business planning process revenue goals and expense allowances. Management will adjust revenue goals as necessary to ensure the integrity of 85% salary and 15% incentive objective and the business goals of the corporation.
- IV) Plan Participation
- A) A rep begins participating in the plan on the first of the month following the month being hired as a permanent representative.
  - B) Rep's initial goal is 75% of an established rep's goal for the first 6 months that they participate in the plan.
  - C) Pay out Eligibility Requirements
    - 1) Must be a permanent rep.
    - 2) A rep leaving the Call Marketing Center and CMG voluntarily during the quarter receives a bonus payment.



- 3) A rep leaving the Call Marketing Center and CMG involuntarily during the quarter does not receive either an individual or team bonus payment.
- 4) Reps transferring from Call Marketing Center to another area of CMG will receive a bonus payment based on the EAs they earned during the quarter that they left.

V) Steps To Determine Bonus EAs

- A) Definition: Net Annualized Premium is the Annualized Premium less any first year premiums that are not paid due to the policy becoming cancelled, lapsed, or surrendered.
- B) Inbound Premium
  - 1) Reportable Bonus Premium requires four conditions to be met:
    - (a) Sold by a Call Marketing Center Rep.
    - (b) At least one payment has been received.
    - (c) 1<sup>st</sup> Payment has been Earned and Entered into Admin. System.
    - (d) Able to determine a Bonus Date, which is the later of the recorded ‘Transaction Entry Date’ or ‘Effective Date of the policy’. If that date is on or before the Report Date, then the premium is credited on the Bonus Report.
  - 2) Net Annualized Premium credited to Rep by Product grouping:
    - (a) CMG Proprietary Products.
    - (b) Brokered Products.
  - 3) Mutual Funds and Securities (including Annuities) are calculated based on “Deposited Dollars”. Dealer Concessions are determined by the fund families. As a general rule, for the majority of mutual fund families a Dealer Concession of 4% is calculated on the deposits made. Depending upon the fund family there are break points, which can affect the amount of Dealer Concession. For example, a deposit over \$100,000 the Dealer Concession may be only 3.0%. The EA calculation is 80% of the Dealer Concession for both the initial and all subsequent deposits.
- C) Outbound “Verified” TARP is calculated by waiting for 1 month after the actual or expected effective date of the upgrade, then checking for a period of 2 months to determine if changes have occurred. The change in Net Annualized Premium will be credited to the rep.
- D) The Net Annualized Premium or Deposited Dollars depending upon the product sold will be multiplied by the appropriate EAs (or Expense Allowances) for each product, then added together for all the products sold to determine the Total Rep EAs for the reporting period.

VI) Rep and Team Goals

- A) Each Individual rep’s goals can be adjusted for the following reasons:
  - 1) The rep is in their first 6 months of employment.

- 2) The rep can have the goal prorated (e.g. part-time Employee, qualified leave of absence or for sick leave absences of 5 consecutive days or more).
- B) Team Goals
- 1) Is the sum of the goals of the individual rep's goals.
  - 2) If an Employee leaves CMG during the quarter:
    - (a) The premium they earned during the quarter is credited to the team.
    - (b) The goal for that Employee is calculated based on the percentage of the quarter that they were employed, which is included in the team target.
- C) Goal Proration
- 1) Reps participating in the Plan that are part-time (less than 37.5 hours per week):
    - (a) There will be no proration of premium.
    - (b) The goal will be prorated based on the % of FTE calculated each month during the quarter.
  - 2) Reps participating in the Plan; leaves current position and remains at CMG:
    - (a) The goal will be prorated based on the % of FTE calculated each month during the quarter.
    - (b) Inbound Premium will be based on the applications recorded as received and sent to underwriting that are issued during the reporting period.
    - (c) Outbound Premium will be 100% of the Verified Outbound paid premium recorded during the quarter.
    - (d) Inbound and Outbound premium that is paid/verified in subsequent reporting quarters will be treated as orphan premium and credited to the team that the rep left.
  - 3) Plan Participating Rep terminates employment at CMG during current quarter:
    - (a) Applies to Voluntary/Involuntary termination from CMG.
    - (b) The goal for the current reporting period will be prorated similar to part-time rep.
    - (c) All current and future premiums will be treated as orphan premium and credited to the team that the rep left.
  - 4) Approved Leave of Absence
    - (a) Only applies to Approved Leave of Absences (including "Family Leave Act" and Military Leaves) that are greater than one week in duration.
    - (b) For representatives participating in the plan and taking an approved Leave of Absence there will be a pro-ration of the individual rep's goal. The proration will begin 10 weeks after the rep begins the leave, and the length of the pro-ration period should be equal to the length of the leave.

VII)

Calculating the Pay Out

- A) Bonus payments will be calculated and paid on a calendar quarter basis.
- B) Percentage of Target attained is calculated by dividing the Total EAs by the Total Goal for the quarter.
- C) Individual Rep Pay out calculation:
  - 1) If rep's percentage of Target is less than 85%, then bonus pay out is zero.
  - 2) If rep's percentage of Target is equal or greater than 85% using a rep that is full-time and participated in the plan for the entire quarter:
    - (a) The portion of the pay out between 85% and 100% will be at \$40.00 for each FULL percentage point (or 1.0%) of Target above 85%.
    - (b) The portion of the pay out above 100% will be at \$30.00 for each FULL percentage point (or 1.0%) of Target above 85%.
    - (c) The Total Individual Pay out equals (a) PLUS (b).
- D) The Team portion is calculated using the same formulas as the reps.
- E) A rep's total pay out is equal to the rep's portion PLUS the Team portion.

VIII)

Liberty Mutual Referrals

- A) A flat \$6 payment will be made for each qualified referral, limited to one payment per household.
- B) The Company will discuss any additional compensation for any additional programs with the Chief Steward of the Union.

***PART-TIME EMPLOYEES***

**SECTION 1 – BREAKS**

Breaks are intended to contribute to the well-being of Employees and shall be used on the day earned. However, Employees may be allowed to use lunch and breaks for the purpose of making up Sick Leave as provided for in Article VII, Section 6.

Part-time Employees shall earn breaks as provided in Article IV, Section 4 – Breaks.

**SECTION 2 – OVERTIME COMPENSATION**

Overtime will be paid to part-time Employees in accordance with Article IV, Section 2 of this Agreement.

**SECTION 3 – HOLIDAY PAY AND PERSONAL LEAVE**

Part-time Employees shall be entitled to a proportionate number of holiday hours compared to those for full-time Employees in the ratio that the number of scheduled hours of work bears to the number of hours scheduled for full-time Employees.

Part-time Employees will have their Personal Leave prorated in the ratio that the number of hours worked bears to the number of hours scheduled per year for full-time Employees.

**SECTION 4 – VACATION AND SICK LEAVE**

Sick Leave reference Article VII, Section 2, Accrual Schedule.

Vacations reference Article VI, Section 1, Accrual Schedule.

Full-time Employees who transfer to part-time positions will be paid for any banked vacation in excess of their prorated maximum unused carry over hours. This payment will be based on their previous salary rate.

**SECTION 5 – PREMIUM CONTRIBUTION**

Reference Article XIV, Section 1 – Medical, Section 2, Dental, Section 3 – Vision,

Section 4 – Full-Time Employee.

**SECTION 6 – PART-TIME TO FULL-TIME STATUS CHANGE**

The original approval of a part-time position must include a statement of intended hours (on a weekly basis) to be worked. If that individual is consistently working more hours than approved, it will be necessary for the position to be re-submitted for budget approval of additional hours with notification to the Union.

Requests for change from part-time to full-time status must have budget approval. The full-time job will be posted for competitive selection, unless the part-time incumbent has been in the position for twelve (12) or more months and elects to assume full-time employment with notification to the Union.

If a part-time incumbent (over twelve (12) months) does not elect to go full-time, then a part-time position will be created.

If a part-time incumbent (under twelve (12) months on the job) is not the successful bidder, the part-time incumbent shall be subject to layoff.

**SECTION 7 – HOURS OF WORK**

Hours of Work reference Article IV, Section 1.

Part-time Employees will not be scheduled for less than 1,000 hours per calendar year, nor will they be scheduled for fewer hours than hired for unless agreed to by the Chief Steward of the Union.

**SECTION 8 – JOB SHARE**

Existing job share positions as of the first day of the payroll period immediately following ratification of this Agreement will be converted into part time positions, without loss of pay or benefits.

***STUDENT EMPLOYEES***

The hiring of student employees shall serve both as a recruiting device and as an opportunity to evaluate prospective Employees. The three categories of student employees are:

- Intern Students
- Co-op Students
- Summer Students

Student employees shall not be used to avoid filling permanent positions.

A listing of all student employees shall be forwarded to the Chief Steward of the Union upon request. The listing shall include:

- Employee name
- Assigned department
- Hire and completion dates
- Wages and stipend amounts
- Indication of the related degree field where applicable

**INTERN STUDENTS**

Intern students are post-high school students who are enrolled in an accredited business or insurance industry related degree program or course that is fundamentally basic to the business or that is directly related to the work being performed for CUNA Mutual. The Union may request and will be provided information on intern students regarding this provision.

The hourly rate paid to Intern Students is not to exceed the minimum of the Professional salary grade equivalent to the work they are performing.

A discretionary lump sum performance stipend between \$0-\$500 may be paid to Intern Students based on the assessment of work performed. Stipends are a one time payment per period of employment.

**CO-OP STUDENTS**

Co-op students are students who are employed during the school year and receive credit for employment at CUNA Mutual.

The hourly rate paid to co-op students is not to exceed the minimum of the salary grade equivalent to the work they are performing.

**SUMMER STUDENTS**

Summer students are student employed during the months of June through September.

The hourly rate of Summer students is not to exceed the minimum of the salary grade equivalent to the work they are performing.

***CUNA MUTUAL GROUP VDT GUIDELINES***

The CUNA Mutual Group has adopted the following guidelines for the use of VDTs. These guidelines should be implemented by department managers within their respective area. Consideration must be given to these guidelines with proper concern for expense control.

**Lighting**

1. Departments using VDTs will have room lighting in the range of 30 to 50 foot candles to reduce eye fatigue. Light fixtures in A, G, and H wings with parabolic diffusing louver and light intensity adaptability need no change. VDT users in these wings will be advised to use one or two tube lumination.
2. Overhead lighting in B, C and D wings will eventually be reduced to 30 to 50 foot candles.
3. Lighting considerations will be assessed before moving Employees and/or departments to new locations.
4. Whenever possible, VDTs will be positioned perpendicular to windows.

**Equipment**

1. Older VDTs will be replaced by attrition through lease arrangements with newer models having both title and rotational flexibility and movable keyboards. Ideally, VDTs should be perpendicular with the desk surface. However, ten (10) to twenty (20) degrees of backward tilt of the screen is acceptable providing the angle doesn't cause additional glare.
2. VDT screens should be even or no more than fifteen (15) degrees below visual level.
3. Screen surfaces will have neutral density or similar glare reducing coatings.
4. Anti-glare screens will be provided on an "as needed" basis.

**Furniture**

1. Task lights will be provided on an "as needed" basis. They will be both adjustable, movable, and louvered to reduce potential reflective glare.
2. Seat height should allow elbows, wrists and keyboard to be parallel with the floor. After adjusting the seat height, feet should be flat on the floor and upper legs parallel to the floor. Back support should be present with support focused on belt

line.

3. Employees transferring information from written materials to VDTs should be encouraged to use vertical holders placed the same level as the VDT screen.
4. Chairs for VDT operators will meet corporate ergonomic standards and have adjustable features for height, tilt, swivel, and back height support. Chairs with arms are not recommended for Employees who key more than 2 hours per day. Employees will be instructed in proper positioning and adjusting of chairs by their department managers.
5. All new furniture will be site tested prior to purchase.

### **Eye Examinations**

1. Initial and yearly eye exams will be conducted for all users on VDTs more than 30 percent of the workday. Facilities in the Medical Department are adequate for yearly screenings on a scheduled basis (block times).
2. Eye examinations done outside CUNA Mutual Group will be scheduled on the Employee's own time.

### **Break Periods**

1. Periodic eye rest breaks are desirable. Flexible interval breaks will be available under the discretionary control of the Employee's supervisor. Breaks periods for eye rest are not convertible into longer exercise periods.
2. Periodic overtime work for users of VDTs is a recognized necessity, but should be limited to two (2) hours a day or ten (10) hours a week with the exception of emergency situations. Excess hours will contribute to fatigue factors resulting in decreased productivity.

### **Miscellaneous**

1. Reflected glare will effectively be reduced by using darker hued carpeting, louvered diffusers, and matte surfaces of keyboards and desk tops. Use of vertical window blinds is less effective than current drapes, but will diffuse light and allow distant vision relaxation.
2. Hard copy printers will be placed in areas not proximal to VDTs to reduce noise distraction or hearing injury with concern for space limitations.



***CORPORATE SUCCESS SHARING PROGRAM (CSSP)***

**POLICIES AND PROCEDURES**

**I. ELIGIBILITY**

- A. All represented CUNA Mutual Employees are eligible for participation in the CSSP on a calendar year basis.
- B. The CSSP is effective with the plan year beginning January 1, 2008 and is in effect throughout the duration of this contract.
- C. Future eligibility is a negotiable issue and subject to collective bargaining.

**II. CSSP PAYMENT COMPUTATION**

- A. CSSP payments are calculated on gross earnings paid during the year excluding supplemental pay (e.g., last year's CSSP, holiday gift, discretionary bonuses and other supplemental pay).
- B. CSSP payments are subject to State and Federal taxes and FICA.
- C. The amount of the CSSP payment could vary each year according to variations in achievement of the overall results of the CUNA Mutual Group. It will range from 0% to 5% each year according to those results.
- D. CSSP payments will be paid in one lump sum on or before March 31 of the year following the calendar year on which the CSSP payment is based.
- E. To be eligible for a CSSP payment, Employees must be on the payroll (including paid leaves of absence) or unpaid Medical Leaves of Absence at the time the checks are actually issued. (Exceptions: Retirement, Section III-B; and Death, Section III-D; Laid Off Employees, Section III-F).

**III. EMPLOYEE STATUS/PRORATIONS**

- A. New hire: Full-Time or Part-Time Employees

Full-time or part-time Employees who are hired during the plan year will be eligible to receive a CSSP payment based on earnings paid from the date of hire excluding supplemental pay (e.g., last year's CSSP, holiday gift and other supplemental pay). Proration based on the date of hire is unnecessary since the CSSP payment is based on actual earnings paid

during the year.

B. Retirement

Employees retiring during the plan year (normal, early or disability retirement) will be eligible to receive a CSSP payment based on earnings paid through the termination date excluding supplemental pay (e.g., last year's CSSP, holiday gift and other supplemental pay). Any Employee who takes severance and subsequently or simultaneously retires is not eligible to receive a CSSP payment.

C. Termination

Employees terminating, voluntary or involuntary during the plan year, will not be eligible to receive payment.

D. Death

The estate of any Employee who dies during the plan year will be eligible to receive a CSSP payment based on earnings paid through the date of death excluding supplemental pay (e.g., last year's CSSP, holiday gift and other supplemental pay).

E. Suspended Employees

Any Employee suspended by the company at the day of payout is eligible to receive a CSSP payout based on the earnings paid excluding supplemental pay (e.g., last year's CSSP, holiday gift and other supplemental pay), upon returning to active status.

F. Laid Off Employees

A prorated CSSP payment based on the employee's earnings for the period of time they worked, shall be paid if the employee is laid off due to a position elimination or reduction in workforce, subject to the following conditions:

- The employee has worked for at least six months in the calendar year;
- The employee does not voluntarily quit prior to the scheduled termination date; and
- The employee is not terminated for performance or misconduct.

Payment of the CSSP bonus will be made in accordance with Exhibit I., Section II, Paragraph D.

G. Management/Represented Transfer

An Employee who transfers from a management to a represented position will receive a prorated payment based on the transfer date (full month).

***TRAINING PROGRAM TIME UTILIZATION POLICY***

1. 100% Company Time

This applies to courses approved by the Manager for current job purposes only. These courses may be technical and/or general in nature. This also applies to all mandatory courses, e.g., Insurance and Credit Unions, New Employee Orientation (all Employees), Practical Management, Management Orientation (Management Employees). Courses taken on 100% company time must be for acquiring skills and/or knowledge that is directly applicable to the current job, as determined by the department manager.

2. 50% Company Time

This applies to courses taken for career advancement or career progression within an Employee's functional career path and/or for a career change to another functional area upon the suggestion of a career counselor. Employees may use personal or vacation time to fulfill their 50% or may make up time within the flex hours.

3. 100% Employee Time

Courses not approved by the Employee's Manager will be 100% on the Employee's time.

***BENEFITS AND COVERAGES DURING LAYOFF***

**THE FOLLOWING IS A SUMMARY OF BENEFITS DURING LAYOFF**

**STATUS:** (Note, this summary applies to Employees who do not elect severance.)

**MEDICAL** – The Employer agrees to pay the costs of the applicable Group Medical Insurance that the Employee elected during annual enrollment for 180 calendar days. Group Medical coverage is provided through COBRA continuation.\* After the 180 calendar days if the Employee wishes to continue this coverage the Employee will be responsible for 100% of the premium for the balance of the COBRA period.

**DENTAL** – The Employer agrees to pay the cost of the applicable Dental Insurance that the Employee elected during annual enrollment for 180 calendar days. Group Dental coverage is provided through COBRA continuation.\* After the 180 calendar days if the Employee wishes to continue this coverage the Employee will be responsible for 100% of the premium for the balance of the COBRA period.

**VISION** – The Employer agrees to pay the cost of the applicable Vision Insurance that the Employee elected during annual enrollment for 180 calendar days. Vision coverage is provided through COBRA continuation.\* After the 180 calendar days if the Employee wishes to continue this coverage the Employee will be responsible for 100% of the premium for the balance of the COBRA period.

**BASIC LIFE INSURANCE** – The Employer will provide the Employee with the Employee's Basic Life Insurance for 180 calendar days. After the 180 calendar days the Employee can convert this coverage and the Employee will be responsible for 100% of the premium.

The Employee will receive written notice of the Employee's right to convert this coverage.

For the three coverages below the Employee will receive written notice of the options to continue or convert these coverages. Continuing these coverages will require the approval of the Insurer.

**OPTIONAL LIFE INSURANCE** – The Employer will allow Employees to continue the Optional Life Insurance coverage that the Employee elected during annual enrollment for 180 calendar days. The Employee will be responsible for 100% of the premium. Please contact the Employee Resource Center for premium and payment schedule. After 180 days the Employee has a right to convert this coverage to a permanent form of insurance.

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\* Employee must file a timely election to continue coverage under COBRA.

**SPOUSE LIFE INSURANCE** – The Employer will allow Employees to continue the Spouse Life Insurance coverage that the Employee elected during annual enrollment for 180 calendar days. The Employee will be responsible for 100% of the premium. Please contact the Employee Resource Center for premium and payment schedule.

**DEPENDENT LIFE INSURANCE** – The Employer will allow Employees to continue the Dependant Life Insurance coverage that the Employee elected during annual enrollment for 180 calendar days. The Employee will be responsible for 100% of the premium. Please contact the Employee Resource Center for premium and payment schedule.

**COVERAGE THAT STOPS IMMEDIATELY UPON LAYOFF STATUS:**

**CUNA MUTUAL SHORT-TERM AND LONG-TERM DISABILITY** – Ends on the last day of work, no continuation rights.

**CUNA MUTUAL BUSINESS TRAVEL ACCIDENT POLICY** – Ends on the last day of work, no continuation rights.

**CUNA MUTUAL VOLUNTARY ACCIDENTAL DEATH AND DISMEMBERMENT POLICY** – Ends on the last day of work. Coverage can be converted. Conversion information is provided at time of layoff.

**CUNA MUTUAL PENSION PLAN** – Hours of service are not credited during unpaid layoff status. Benefits are not payable during layoff status. The Employee must terminate employment and/or retire in order to receive benefits.

**CUNA MUTUAL 401(k) PLAN** - There will be no contributions or match made by the Company or by the Employee to this Plan.

**Loan(s) to the 401(k) Plan**

- 401(k) loans must be repaid within sixty (60) days of the layoff/termination date or the unpaid balance will be deemed a taxable distribution, if an Employee elects severance or recall.

**VACATION, SICK LEAVE, PERSONAL DAYS** – Accruals stop on the day of layoff.

If the Employee successfully bumps into a new position within the 4 week bumping period, the Employee's participation in these plans will continue without interruption.

Questions on Benefits should be directed to the Employee Resource Center.

## EXHIBIT L

### *CUNA MUTUAL GROUP VOLUNTARY SEVERANCE PLAN*

The purpose of the CUNA Mutual Group Voluntary Severance Plan is to provide a severance option for Employees employed by CUNA Mutual Insurance Society who are being laid off as a result of the reduction of bargaining unit staff.

1. **Eligible Employee.** An “Eligible Employee” is an Employee as defined in Article II, Section 2, Subsection A. of the parties’ 2008 collective bargaining agreement who:
  - (a) (i) Is employed by CUNA Mutual and receives a notice of lay off from CUNA Mutual; or (ii) was on a medical leave of absence, had his or her position eliminated or was bumped while out on the medical leave of absence, and was released by his or her treating health care provider to return to work within one year of the date on which the medical leave began; and
  - (b) Submits (i) a resignation which is irrevocable unless it is subsequently determined by CUNA Mutual that the Employee is not eligible for a severance benefit under this Plan and (ii) a written application for severance to the Labor Relations Consultant in CUNA Mutual’s Human Resources Division by the date which is four (4) weeks after he or she receives written notice of lay off. A person described in section 1(a)(ii) above must submit his or her resignation and application for severance within four (4) weeks after being released by his or her health care provider to return to work and receiving notification that his or her position is filled or eliminated.
  - (c) In any event, an Employee who is or who might otherwise be an Eligible Employee shall cease to be an Eligible Employee at the time he or she successfully bumps another Employee.
2. **Severance Pay.** An Eligible Employee who files an application for a severance benefit and provides CUNA Mutual a waiver and release, will receive severance payments in an amount equal to two (2) weeks salary multiplied by the Eligible Employee’s number of full years of Continuous Service; provided, however, that the minimum amount of severance pay shall be eight (8) weeks if the Eligible Employee has at least one full year of Continuous Service; seven (7) weeks if the Eligible Employee has at least ten (10) full months of Continuous Service; five (5) weeks if the Eligible Employee has at least seven (7) full months of Continuous Service; and three (3) weeks if the Eligible Employee has less than seven (7) full months of Continuous Service. The maximum amount of severance pay shall be equal to fifty-two (52) weeks of salary. The period of time for which severance pay is

payable shall be known as the Severance Period. For purposes of calculating an Eligible Employee's severance pay, the term "salary" shall include only base compensation, and shall not include overtime, shift differential, bonuses, incentive compensation, fringe benefits, or any other compensation or payments to the Eligible Employee. The salary of part-time Employees will be determined by hours reflected in CUNA Mutual's records. If a dispute arises concerning a part-time Employee's salary or work hours, it will be resolved by examining actual hours worked during the 13 week period immediately prior to the Employee's termination. The term "Continuous Service" shall be calculated in accordance with Article X, Sections 3 and 4 of the collective bargaining agreement, except that employment with any company within the CUNA Mutual Group shall be treated as employment with the Employer. The severance pay will be subject to deductions which are either required by law or authorized by the Employee.

The severance pay will be paid in bi-weekly installments, with each installment being in an amount equal to the Eligible Employee's bi-weekly salary at the time the Eligible Employee terminated employment with CUNA Mutual; provided, that if an Eligible Employee is entitled to an odd number of weeks of salary (3, 5 or 7), either the first or the final severance pay installment will be in an amount equal to one-half of the Eligible Employee's bi-weekly salary at the time the Employee terminated employment with CUNA Mutual. The first installment of severance pay will be paid within thirty (30) days after the later of (a) the date the Eligible Employee delivers a properly-executed waiver and release to CUNA Mutual; or (b) the Eligible Employee's last day of work at CUNA Mutual. However, CUNA Mutual has the right to combine two or more installment payments. In the event an Eligible Employee dies before receiving all the severance pay installments due the Eligible Employee, the remaining installments will be paid to the Eligible Employee's estate, with CUNA Mutual retaining the right to pay the remaining installments in a lump sum.

In the event the Eligible Employee becomes re-employed by CUNA Mutual prior to receiving all of the severance pay installments to which he or she would otherwise be entitled, no further severance pay installments will be due or paid to the Eligible Employee.

3. **Health Benefits.** If an Eligible Employee who provides a waiver and release has group medical, dental and/or vision coverage in effect at the time the Eligible Employee terminates employment with CUNA Mutual, CUNA Mutual will continue, for the duration of the Severance Period, the medical, dental and/or vision coverage that the Eligible Employee had in place at the time his or her employment terminated, subject to the Eligible Employee paying the premium for such coverage to the same extent as is required of similarly-situated, actively employed Employees. The amount of the required contribution will change as the amount required of similarly-situated, actively



employed Employees changes. In the event that at some point during the Severance Period, the medical, dental or vision coverage that the Eligible Employee had in place at the time of termination is no longer available to Employees, the Eligible Employee will be offered coverage which is the same as or substantially similar to the coverage then being offered to similarly-situated, actively employed Employees, at a cost equal to the cost required of similarly-situated, actively employed Employees. In the event the medical, dental or vision provider requires that coverage for terminated employees be continued under COBRA, then if the Eligible Employee wishes to continue the medical, dental or vision coverage, such coverage will have to be continued pursuant to COBRA; the Eligible Employee will have to complete the appropriate COBRA continuation form(s); and the Eligible Employee will have to pay the premium for the COBRA-continued coverage to the same extent as is required of similarly-situated, actively employed Employees who are enrolled in the program covering active employees.

All compensation paid to an Eligible Employee for waiving coverage for group medical, dental or vision will cease to accrue and no further payments will be paid after the date the Employee terminates employment.

4. **Life Insurance.** For an Eligible Employee who provides a waiver and release, CUNA Mutual will continue, subject to the terms, conditions and provisions of the applicable plans, the Eligible Employee's life insurance coverage which was in place at the time of the Eligible Employee's termination of employment for the duration of the Severance Period. As a condition to continued coverage under this Section 4, an Eligible Employee must make such premium contributions as are required to be made from time to time by similarly-situated, actively-employed Employees. For purposes of this Section 4, the coverages which continue, subject to an Eligible Employee's paying the applicable premium therefor, include basic life insurance, optional Group Term Life Insurance, Spouse/Dependent Term Life Insurance, and Voluntary Accidental Death and Dismemberment Insurance. When the extended coverage period under this Section 4 terminates, the Eligible Employee will have such continuation or conversion rights as may be provided by law or CUNA Mutual's plan(s).
5. **Other Benefits.**
  - (a) **Time-Off Benefits.** An Eligible Employee's right (if any) to receive payment for any accumulated time off benefits and an Eligible Employee's right (if any) to use accumulated sick leave to pay for a portion of the Eligible Employee's retiree medical coverage will be governed by the terms of the Collective Bargaining Agreement in effect at the time the Eligible Employee terminates his or her employment, and will not be affected by an Eligible Employee's decision to take a severance benefit.

(b) Outplacement. An Eligible Employee who provides a waiver and release will be eligible to receive the basic level of outplacement assistance from an outplacement firm or consultant selected by CUNA Mutual. If the Eligible Employee wishes to use the outplacement assistance, the Eligible Employee must utilize the benefit within one month after his or her employment terminates.

6. **Bridging to Qualified Retirement Events.** If an Eligible Employee who provides CUNA Mutual with a waiver and release has a “Qualified Retirement Event” that occurs within the Severance Period, CUNA Mutual will place the Eligible Employee on paid leave of absence for such period of time (the “Leave Period”) as may be necessary for the Eligible Employee to reach his or her Qualified Retirement Event. The sole purpose of the Leave Period is to enable the Eligible Employee to attain his or her Qualified Retirement Event. The Eligible Employee will not be required to (and shall not) perform any labor or service for CUNA Mutual during the Leave Period. Once the Eligible Employee has attained his or her Qualified Retirement Event, the Eligible Employee will be taken off of paid leave status and his or her employment will officially be terminated; however, the Eligible Employee will continue to be eligible for the benefits outlined in Paragraph 2, 3, 4 and 5 for the balance of the Severance Period.

During the Leave Period segment of the Severance Period, in addition to the benefits outlined in Paragraphs 2, 3, 4 and 5, the Eligible Employee will also continue to participate in CUNA Mutual’s retirement plans for Represented Employees and will also continue to accrue vacation, sick leave and personal leave. Other than as described above, the Eligible Employee will not participate in any CUNA Mutual benefit plans nor will he or she be eligible to receive any bonuses (Longevity, CSSP, Holiday, other) that might otherwise be payable within the Leave Period.

For purposes of this Paragraph 6, a Qualified Retirement Event is defined as, and limited to, one of the following: the date on which an Eligible Employee first (a) attains Magic 85 under the Defined Benefit Pension Plan; (b) becomes eligible for an Early Retirement benefit under the Defined Benefit Pension Plan; (c) attains “Qualified Retirement” for retiree medical purposes; or (d) becomes vested under the Defined Benefit Pension Plan.

*Example of Bridging:* An Eligible Employee with 24-1/2 years of Continuous Service would become eligible for Magic 85 twenty weeks after her employment would terminate in the absence of the special bridging feature. If the Eligible Employee opts for a severance, the first 20 weeks of the Severance Period will be treated as a Leave Period. At the end of the Leave Period, the Eligible Employee would have 28 weeks remaining in the

Severance Period.

7. **Seniority on Rehire.** This is a voluntary severance program. Persons who receive benefits under this Plan have voluntarily resigned from CUNA Mutual. Should such persons become rehired by CUNA Mutual, they will be treated as persons who had previously voluntarily resigned their employment.
  
8. **Waiver of Rights.** The parties agree that Eligible Employees who elect this severance have voluntarily resigned their employment with CUNA Mutual. Therefore, severing Employees do not have contractual rights afforded under the collective bargaining agreement to Employees who are involuntarily laid off. This includes, but is not limited to, loss of bumping, notice and recall rights. Further, Eligible Employees who elect a severance are not Employees of CUNA Mutual after the last day they are actively at work even though they may be receiving severance pay or other benefits under this Plan.

As a condition precedent to receiving any benefits under this Plan, an Eligible Employee is required to sign the waiver and release in a form determined by and provided by CUNA Mutual.

9. **Term of Agreement.** This Severance Plan shall be in full force and effect for the term of the collective bargaining agreement.

***TUITION REIMBURSEMENT POLICY AND PROCEDURE  
COLLEGE AND TECHNICAL EDUCATION***

CUNA Mutual Group encourages and supports your professional development. The Company helps fund your participation in an accredited business or insurance industry related degree program or course that is fundamentally basic to our business or that is directly related to your current job responsibilities.

**Enrollment and Eligibility**

- You must be employed by CUNA Mutual Group on a regular basis. Temporary/Flex, Summer/Co-Op Students are not eligible.
- Before registering for course:
  1. Manager and Employee meet to discuss the degree program.
  2. Manager meets with the HR/LR Consultant to review the program.
  3. If approved, manager and Employee complete the Course/Degree Approval for Tuition Reimbursement Form.
  4. Employee meets with his/her HR/LR Consultant to review a copy of the curriculum from the school. Click on the following to access the HR/LR Consultant List:

**LR/HR Consultant List**

- If you change educational institutions or make a change to curriculum and/or degree program, you will need to complete a new Course/Degree Approval for Tuition Reimbursement form.
- You have the flexibility to select an educational institution that is accredited by one of the six regional accrediting associations in the United States, e.g., North Central Association of Colleges and Schools. HR Benefits will evaluate all other alternatives on a case-by-case basis.
- If your CUNA Mutual Group employment ends for any reason, with the exception of layoff or as the direct result of the expiration of a medical leave, before you complete the course or its final exam, you will not receive reimbursement for costs covered under this policy.
- Courses normally covered under this policy will not be reimbursed if a non-represented Employee is at the Employment At Risk Notice step of the Non-Represented Process Guidelines for Correcting Employee Performance on the last day of the course.

- If you're a bargaining unit Employee and are on a written warning or greater at the time the course or exam is approved or started, you will not be reimbursed for the costs for that semester. A written warning or greater discipline is in effect for six months from the date it is issued. For Employees who have received two or more written warnings or greater, these disciplines will be in effect for 12 months from the date the Employee received the discipline(s).
- Unless required to fill a degree requirement, technical courses that are available in-house through the Learning Center are not reimbursed under this policy.
- This policy can change at any time and Employees are subject to these changes regardless of where they are in their particular program. It is the Employee's responsibility to keep abreast of any and all changes made to this policy as the reimbursement amounts could change during the course of one's studies.
- All Employees who are in the Tuition Reimbursement program must remain in the employ of CUNA Mutual Group for at least 12 months (18 months for the evening MBA Program and 24 months for the Executive MBA Program) following any tuition reimbursement or one-half of the entire tuition reimbursement paid out by the Company as of the date of the Employee's resignation or termination must be repaid. An exception to this repayment would be in the case of layoffs or a termination due to the expiration of a medical leave.
- An Employee will not be reimbursed for tuition if they are voluntarily or involuntarily terminated in the middle of the class as they are no longer Employees at the time reimbursement would be made (except in the case of layoffs). If an Employee is on an approved leave (e.g., FMLA, medical, worker's compensation), reimbursement will still be made. However, there will be no tuition reimbursement if the leave is a personal leave.
- There is a \$35,000 lifetime maximum on reimbursement of eligible expenses. Note that this maximum applies to reimbursement for only one program at each level (e.g., bachelor's degree, master's degree). This figure may be adjusted in the future to reflect changes in tuition costs.

### **Reimbursement of Tuition Expenses for all CMG Employees**

- An annual maximum of \$6,000 is available toward reimbursement of tuition expenses only. The annual maximum does not apply to books, registration/enrollment fees, student service fees, lab fees, parking fees, supplemental fees, material fees or allowances from any outside source such

as GI Benefits, scholarships or tuition reimbursement. The annual maximum covers reimbursements processed from January – December of any given year. If a course ends in December, but is not processed through payroll until January of the next year, the tuition expense is deducted from the next year’s maximum.

- Associate/Bachelor Degree – If you are a full-time Employee, you will receive 60% reimbursement, up to the annual maximum, for a “C” or better grade.
- Masters Degree – If you are a full-time Employee, you will receive 60% reimbursement up to the annual maximum, for a “B” or better grade.
- Part-time Employees will receive a pro-rata portion of the tuition reimbursement given to full-time Employees. The amount is based on your scheduled hours (excluding overtime) during the time the course was in session.

**To Request Reimbursement**

Steps	Action
Step 1	After course completion, complete the “Tuition Reimbursement” form, available in Connect HR Benefit Forms.
Step 2	Attach your grade report and tuition receipt to the “Tuition Reimbursement” form and send to HR Benefits.
Step 3	Tuition reimbursements are added to payroll. To get reimbursement on the next pay period, the deadline is the Thursday before.
Step 4	Submit tuition requests no later than 3 months after the last day of class. If submitted after this time, the reimbursement will not be given.

**When You Graduate**

When you graduate, a copy of the diploma should be sent to HR Benefits.

**Income Tax on Tuition Reimbursement**

The reimbursement that you receive may be excluded from your taxable income if certain conditions are met. Under an Educational Assistance Program, up to \$5,250 annually may be excluded from taxable income for undergraduate-level courses. An Educational Assistance Program does not cover graduate-level classes. In order for a reimbursement for graduate-level classes to be excluded from taxable income, the course to which the reimbursement relates must be related to the recipient’s current job. Education is “job-related” if it:

- Maintains or improves skills required for your current job position or

- Meets the express requirements of CUNA Mutual Group or requirements of applicable law for retention of your job status or rate of compensation.

Tuition reimbursement for graduate-level classes – education assistance cannot be excluded from your taxable income if the reimbursement was provided so that you can meet the minimum educational requirements for employment or if the education was preparing you for a new job position. You must have each graduate-level course evaluated to determine if the course is job-related. Your supervisor/department manager will make the determination as to whether the course is or isn't "related." HR will follow up with the manager prior to reimbursing any tuition. You are encouraged to meet with your supervisors and department managers to discuss the content of graduate-level courses before registration so that this determination can be made on a fully informed basis.

***EMPLOYEE TRANSFERS OR REHIRES***

The following describes the procedure governing the employment and benefits provisions applicable to Employees transferring within or being rehired to CUNA Mutual Group Companies from a position outside of the bargaining unit to a position in the bargaining unit. Such transfer or rehire will include being covered under the standard benefit programs of CUNA Mutual Insurance Society. For certain plans, credit will be given for prior service with CUNA Mutual Group Companies.

Prior Service Credit is defined as the amount of time the Employee has been employed by the previous employer within the CUNA Mutual Group Companies and all companies herein, as determined by the previous employer at the time of transfer or rehire. The following is a summary of how benefits will be maintained as a result of such a transfer or rehire:

**Sick Leave:** An Employee's unpaid sick leave balance accrued at your previous CUNA Mutual Group's Companies' employer as of the transfer will be carried over and placed in your account with CUNA Mutual Insurance Society. Sick leave accrued after the date of transfer or rehire will NOT be eligible for retiree health. CUNA Mutual Insurance Society non-represented Employees who had a grandfathered sick leave balance on December 31, 2001, and CUNA Mutual Insurance Society represented Employees who had a grandfathered sick leave balance on December 31, 2005 will retain that balance for purposes of retiree health. An Employee will begin to accrue sick leave under the CUNA Mutual Collective Bargaining schedule upon transfer or rehire. Accrual is unlimited.

**Vacation:** An Employee's accrued vacation as of the transfer date will be carried over and placed in your account with CUNA Mutual Insurance Society and can be used upon transfer subject to management approval. The Employee will begin to accrue vacation under the CUNA Mutual Collective Bargaining Agreement schedule upon transfer or rehire. The Employee may use vacation as soon as it is accrued, with manager permission. The Employee will receive Prior Service Credit for purposes of your vacation accrual schedule, but not for purposes of the vacation planner.

**401(k) Plan:** An Employee will be given Prior Service Credit for purposes of vesting under the CUNA Mutual 401(k) Plan for Represented Employees. An Employee is entitled to begin contributions immediately upon transfer of employment or rehire.

**Pension Plan:** The Employee will be given Prior Service Credit for purposes of eligibility, vesting and eligibility for early retirement including "Magic 85" under the CUNA Mutual Pension Plan for Represented Employees. Prior Service Credit is not given for purposes of benefit accrual, except for the accrued benefit for grandfathered participants under the CUNA Mutual Insurance Society plan as of December 31, 2001 or under the CUNA Mutual Pension Plan for Represented Employees as of August 31, 2005.



Service Recognition: Prior Service Credit is given for purposes of the Corporate Service Recognition Program.

Union Seniority: Prior Service Credit is not given for purposes of union seniority except as provided in Article X of the Collective Bargaining Agreement.

Qualifying Probationary Period: In accordance with Article X of the Collective Bargaining Agreement, the Employee will be considered on a qualifying probationary basis for up to one hundred twenty (120) working days, with no extension, from the date of transfer or rehire. Service credit is not given for purposes of fulfilling the qualifying probationary period except as provided in Article X of the Collective Bargaining Agreement.

Exhibit N applies retroactively to any Employees who transferred or have been rehired within the CUNA Mutual Group Companies into the bargaining unit prior to April 1, 2004.

***IT CONTRACT WORKERS***

The purpose of this exhibit is to describe the current state of affairs concerning IT Contract Workers. This exhibit applies to IT Contract Workers whose assignment at or for the Employer began on or after April 1, 2008, and does not restrict CUNA Mutual Group's use of contractual workers but does clarify that they are temporary employees.

- Contract Workers are necessary to meet future special work needs defined as:
  - Projects for which there is inadequate staff within the bargaining unit, or
  - When skills are needed and missing within the bargaining unit.In addition, IT Contract Workers may be used to fill temporary vacancies resulting from absences, recruiting or other similar needs.
- IT Contract Workers are not employees as defined in our current Collective Bargaining Agreement.
- IT Contract Workers are temporary employees, however, they are not restricted under Article II, Section 2 C, nor are they restricted as to the amount that can be paid a temporary employee.
- They cannot be used to avoid filling permanent Bargaining Unit positions.
- IT Contract Worker assignments are for a period not to exceed twenty-four (24) months. Such assignments will not be extended without discussion with and approval of the Chief Steward.
- CUNA Mutual will provide monthly to the Union a listing which will include the contract worker's name, manager's name, officer's name, vendor name, original start date, assignment and projected assignment end date.

**EXHIBIT P*****IT BREAKS***

IT represented professional staff in the following job titles shall not forego their thirty (30) minute paid break as provided in Article IV, Section 4 of the 2008 – 2012 Collective Bargaining Agreement.

**Job Titles List**

<b>Grade</b>	<b>Job Code</b>	<b>Title</b>
225	000811	Information Systems Developer
230	4636M	Network Operations Specialist I
235	4646M	Network Operations Specialist II
230	3406M	Technical Services Specialist I
235	3416M	Technical Services Specialist II
230	3636M	Information Technology Management Analyst
235	3646M	Information Technology Management Senior Analyst
230	3826M	Information Security Specialist I
235	3836M	Senior Information Security Specialist
230	4026M	Business System Developer
235	4036M	Business System Analyst
235	4616M	Database Administrator
235	000965	Customer Fulfillment Technology Analyst
240	000964	Customer Fulfillment Technology Consultant
245	000966	Customer Fulfillment Senior Technology Consultant
240	3426M	Technical Services Analyst I
245	3436M	Technical Services Analyst II
240	3656M	Information Technology Management Consultant
245	3666M	Information Technology Management Senior Consultant
240	3846M	Corporate Security Consultant
245	3856M	Senior Corporate Security Consultant
240	4046M	Business System Consultant
245	4056M	Senior Business System Consultant
240	4656M	Network Operations Analyst
245	4666M	Network Operations Senior Analyst
240	4936M	Senior Database Administrator
245	5046M	Database Administration Analyst
235	003397	Technology Integration Analyst, ITS
240	003398	Technology Integration Consultant
245	003399	Technology Integration Senior Consultant
240	003402	IT Security Engineer
245	003403	IT Security Architect
230	003950	Infrastructure Architect Specialist, ITS

This Agreement shall apply to all Employees who occupy the above job titles during the term of this Agreement. In the event that the above jobs are modified or new IT represented positions are created, those jobs shall be subject to the terms of this Agreement.

***RETIREMENT & INVESTMENT SERVICES CENTER  
INCENTIVE COMPENSATION PLAN***

- I) All Provisions of the Collective Bargaining Agreement apply to participating Employees in the RISC department unless otherwise modified by this exhibit.
- II) The annual across the board increase in Article XVII will be calculated by including incentive compensation with base salary to determine the amount of the increase, which will then be applied to the base salary.
- III) Gross Dealer Concessions (GDC) will be earned according to the Product Rate Schedule – GDC, which will be made available to all participating Employees.
- IV) Beginning at the completion of the second quarter of 2008, participating employees will be eligible for a GDC incentive, at the GDC Incentive Rate shown in the table below, based upon the representative’s Calendar Year to Date GDC after the threshold amount is met. At the end of each quarterly calendar period the representative’s GDC incentive will be determined by applying the GDC Incentive Rate to the current Year to Date GDC produced by the representative after threshold is met. The GDC dollars that have already been applied to pay incentive compensation to the Employee will be subtracted from the Year to Date GDC in order to determine the amount now payable to the Employee. On an annual basis, during subsequent years of this agreement, management will determine the threshold for commission and GDC Incentive Rate.
- V) Threshold must be met to start receiving commission. For 2008, the threshold will be 50,000.00 GDC dollars and commission will start at 50,000.01. For every GDC earned beginning at 50,000.01 through 300,000.00 the participating Employee will receive a flat 10% payout. For every GDC beginning with and over 300,000.01 the participating Employee will receive a flat 7% payout.

Example – The Employee earns the following GDCs: 1<sup>st</sup> Quarter = 60,000 GDCs, 2<sup>nd</sup> Quarter = 30,000 GDCs, 3<sup>rd</sup> Quarter = 40,000 GDCs, 4<sup>th</sup> Quarter = 35,000 GDCs, total 165,000 GDCs. The Employee would receive \$1,000 for the 1<sup>st</sup> Quarter, \$3,000 for the 2<sup>nd</sup> Quarter, \$4,000 for the 3<sup>rd</sup> Quarter and \$3,500 for the 4<sup>th</sup> Quarter.

Year to Date GDC	Max for Range	
0.00 – 50,000.00	0%	Base Salary
50,000.01 – 300,000.00	10%	Base + 10%
300,000.01 – over	7%	Base + 7%

- VI) Plan Participation
- A) If a participating Employee moves into another position within CUNA Mutual during the quarter and has earned enough GDCs at the time of their position change to qualify for a payment, they will receive a payment for that quarter for the GDCs they had earned prior to leaving the RISC department.
  - B) If a participating Employee terminates employment with CUNA Mutual, either voluntarily or involuntarily, during the quarter they will not be eligible to receive a payment.
- VII) Employees will be provided time to make the necessary contacts to ensure compliance with any guidelines set by the Securities & Exchange Commission (SEC), Financial Industry Regulatory Agency (FINRA) or any other regulatory agency with oversight over their transactions.

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
CUNA MUTUAL INSURANCE SOCIETY  
AND  
OFFICE & PROFESSIONAL EMPLOYEES INTERNATIONAL UNION  
LOCAL 39**

**(IT Contract Workers)**

**April 1, 2008**

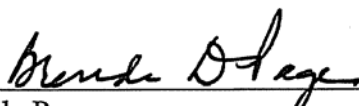
This "Agreement" is entered into April 1, 2008 by and between Office & Professional Employees International Union, AFL-CIO, Local 39 ("Union") and CUNA Mutual Insurance Society ("CUNA Mutual").

The Employer and the Union agree to the following:

- HR will monitor the application of the Exhibit O language to new IT Contract Workers.
- HR will provide the union with IT Contract Worker information monthly.
- Union can request informational meeting to discuss.
- Company will aggressively work to fill open bargaining unit positions, increase the employee referral bonus to \$2,500 through 3/31/09.
- Company will provide the union with monthly updates on status of open positions.
- Company will work to increase bargaining unit population in Testing Center of Excellence (TCoE) by 20 employees.
- Company will work to increase bargaining unit population in Application Development by 40 employees.
- Company will develop a skills/ knowledge database for IT employees.
- Company commits to continuing to provide opportunity for skill and knowledge enhancement.
- Company will hold quarterly business updates by IT management.
- The union can challenge existing IT Contract Workers (IT Contract Workers who were already on assignment at or for CUNA Mutual on the effective date of the 2008 – 2012 Collective Bargaining Agreement) on the grounds that the individuals are currently engaged in activities in violation of the 2005 – 2008 Collective Bargaining Agreement. Each such challenge shall be discussed and resolved by the union and the company. In the event a resolution is not reached within thirty (30) working days of the challenge the issue will be submitted to arbitration.

This agreement represents the entire agreement of the parties. Subjects not specifically referred to herein are not part of this agreement. There are no oral understandings, statements, promises, or inducements contrary to the terms of this agreement. In addition, this agreement shall not set a precedent. This agreement will expire with the term of the current Collective Bargaining Agreement.

For the Employer:

  
\_\_\_\_\_  
Brenda Page  
Director, Labor Relations

For the Union:

  
\_\_\_\_\_  
Kathryn Bartlett-Mulvihill  
Chief Steward OPEIU Local 39

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
CUNA MUTUAL INSURANCE SOCIETY  
AND  
OFFICE & PROFESSIONAL EMPLOYEES INTERNATIONAL UNION  
LOCAL 39**

**(Employee Buy Out)**

**April 1, 2008**

CUNA Mutual Insurance Society (Company) and Office & Professional Employees International Union, Local 39 (Union) enter into this Agreement for an Employee Buy Out. The provisions of such Employee Buy Out are as follows.

The Company will provide two (2) voluntary termination options to eligible Employees under the provisions of this Memorandum of Understanding. Eligible Employees are defined as those Employees who are eligible for Longevity payments as of December 31, 2008.

Eligible Employees will be provided the opportunity to choose a voluntary termination and receive a buy out payment under one of the following two options:

- Option 1 – One (1) week of pay for every full year of service, with a maximum eligibility of fifty-two (52) weeks. Payments will be made on a bi-weekly basis and Health Benefits and Life Insurance Benefits will be provided on the same basis as in Exhibit L for the duration of buy out payments.
- Option 2 – One (1) week and one (1) day of pay for every full year of service, with a maximum eligibility of fifty-two (52) weeks. Payment will be made in a lump sum and no benefits will be provided.

There will be three (3) selection windows and three (3) corresponding termination windows as follows:

Selection Window

April 28, 2008 – June 7, 2008

July 28, 2008 – August 23, 2008

November 3, 2008 – December 6, 2008

Termination Window

June 9, 2008 – August 15, 2008

October 20, 2008 – December 20, 2008

January 5, 2009 – March 31, 2009

Employees can self nominate to the Union during any selection window on a first come basis. The Company reserves the right to limit the number of nominations to 75 per window and to 165 in total. The Company may choose to allow participation above either number. The Company reserves the right to determine the date an employee will terminate within the termination window.

Employees who terminate under this Employee Buy Out provision will receive the same CSSP treatment as a laid off employee, per the terms of the Agreement.

Employees eligible to receive a Longevity payment whose Longevity anniversary falls within the timeframe of the selected termination window will be paid a Longevity payment on the Employee's anniversary date, regardless of the date the Employee's work assignment ends.



If an Employee who elects Option 1 becomes eligible for Magic 85, as defined in the Pension Plan, within the period of time that buy-out payments are being made to the Employee, the Employee will be bridged to the date the Employee first becomes eligible for Magic 85 provided the Employee selects Option 1 and also selects a Termination Window during which the Employee will become eligible to be bridged to Magic 85.

Example of Bridging: An Eligible Employee with 24-1/2 years of Continuous Service would become eligible for Magic 85 twenty (20) weeks after her employment would terminate in the absence of the special bridging feature. If the Eligible Employee opts for a buy-out under Option 1, the first twenty (20) weeks of the period during which buy-out payments are made will be treated as a Leave Period. At the end of the Leave Period, the Eligible Employee would have four (4) weeks of buy-out payments remaining.

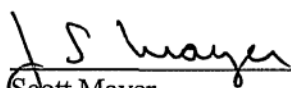
If an Employee elects Option 1 and also selects a Termination Window during which the Employee would have become eligible to be bridged to Magic 85, but the Employer selects a termination date prior to the date on which the Employee would have become eligible for bridging to Magic 85, the Employee can elect to use the Employee's paid time off balances to fill the gap between the end of the buy-out period and the date on which the Employee would become eligible for bridging to Magic 85. Available paid time off balances will be used in the following order:

- Vacation
- Personal
- Sick

Example of Bridging using paid time off balance: Employee selects the June – August termination window knowing that a termination date of August 1 in addition to the duration of buy-out payments would bridge the Employee to Magic 85 eligibility. Company decides to end the Employee's work assignment two weeks prior to August 1. Employee would use paid time off balances in the appropriate order to bridge the period from the end of buy-out payments to the date eligibility for Magic 85 eligibility is reached.

This Agreement represents the entire agreement of the parties. Subjects not specifically referred to herein are not part of this Agreement. There are no oral understandings, statements, promises, or inducements contrary to the terms of this Agreement. In addition, this Agreement shall not set a precedent.

For the Company:

  
Scott Mayer  
VP, Total Rewards

For the Union:

  
Kathryn Bartlett-Mulvihill  
Chief Steward OPEIU Local 39

April 4, 2008

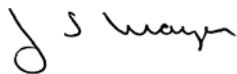
Kathryn Bartlett-Mulvihill  
Chief Steward  
OPEIU Local 39

Dear Kathryn,

The purpose of this letter is to state the Company's guarantee to Local 39 regarding the laying off of Bargaining Unit Employees as the result of transferring, outsourcing or subcontracting of bargaining unit work.

There will be a moratorium on any reductions in force as the result of transferring, outsourcing or subcontracting bargaining unit work for the period of April 1, 2008 through March 31, 2009.

Sincerely,



Scott Mayer  
VP-Total Rewards  
CUNA Mutual Insurance Society

April 1, 2008

Kathryn Barlett-Mulvihill  
Chief Steward  
OPEIU Local 39

Dear Kathryn,

During the 2008 negotiations, the parties discussed the benefit of employee participation in a continuous quality improvement process. We agreed that further pursuit of a culture that invites the participation of all employees would result in the continuous quality improvement of our services and processes thus providing further value to our customers.

The Company commits to take the following actions as a first step in continuous quality improvement.

- Complete an engagement/culture survey in May.
- Engage Tom Mosgaller as an independent resource
- Share survey results with the organization and hold leaders accountable for involving employees in building plans for quality improvement in their respective areas.
- Meet periodically with Union leadership to gauge progress, receive feedback and generate additional ideas for improvement

Sincerely,



John McWilliams  
SVP, Organization Effectiveness  
And Transformation

**CUNA MUTUAL INSURANCE SOCIETY  
AND  
OFFICE & PROFESSIONAL EMPLOYEES INTERNATIONAL UNION  
LOCAL #39**

**April 4, 2008**

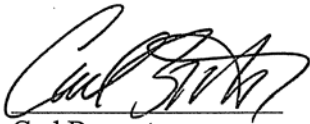
(Workforce Management, Quality Assurance and Vacation)

The parties agree that they will meet to discuss and resolve the issues regarding Workforce Management and Quality Assurance in the Sales & Marketing Interaction Center (SMIC). The parties will meet no later than May 1, 2008 unless otherwise agreed by both parties.

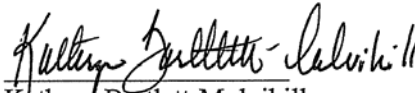
All Employees in SMIC will be permitted to take one full week of vacation per year. The parties will meet to discuss the implementation of this agreement for vacation scheduling in 2008 and discuss a process for subsequent years of the Agreement to ensure that all Employees in the department are able to take one full week of vacation.

For the Company:

For the Union:



Carl Bruscato  
Sr. Labor Relations Representative



Kathryn Bartlett-Mulvihill  
Chief Steward OPEIU Local 39

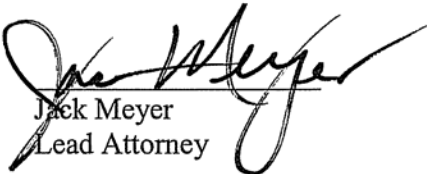
**CUNA MUTUAL INSURANCE SOCIETY  
AND  
OFFICE & PROFESSIONAL EMPLOYEES INTERNATIONAL UNION  
LOCAL #39**

**April 4, 2008**

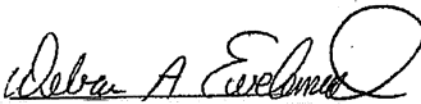
(Pay for Performance)

The parties agree to discuss Pay for Performance in the 1<sup>st</sup> quarter of 2009 to determine whether a study committee should be established to set-up a process for Pay for Performance.

For the Company:

  
Jack Meyer  
Lead Attorney

For the Union:

  
Debra A. Eveland  
Business Agent OPEIU Local 39

March 29, 2008

Kathryn Bartlett-Mulvihill  
Chief Steward  
OPEIU Local 39

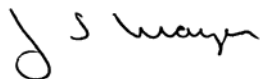
Dear Kathryn,

It is CUNA Mutual Group's desire and intent to work with Local 39 OPEIU to build a stronger working relationship. Accordingly, the following actions will begin during the second quarter of 2008:

- Facilitated relationship building sessions to air issues and concerns, build trust and understanding, and improve the relationship between Local 39 leadership and the Labor Relations Team. (Ongoing as deemed necessary).
- Similar meetings between Local 39 leadership and the HR Generalists supporting represented employees at CMG.
- Quarterly meetings between the Chief Steward and the Sr. VP, Human Resources to review the above process and progress and develop new initiatives as necessary.
- Quarterly state of the business meetings with Local 39 leadership, featuring various members of CMG's senior management.

As CMG's Chief Negotiator in the negotiation of our 2008 – 2012 Agreement, I fully appreciate the importance of this initiative. Therefore, I will remain concerned with all aspects of this process and am dedicated to its ultimate success.

Sincerely,



Scott Mayer  
VP, Total Rewards

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