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AGREEMENT

between

**United Food and Commercial
Workers Union Local 1444**

Professional & Health Care Employees Division



and

**Wisconsin Physicians Service
Insurance Corporation**

Effective: October 9, 2004

Expires: October 10, 2008

UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL 1444

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www.ufcw1444.org

WITHDRAWAL CARD PROCEDURES

All members of Local 1444 who are current in the payment of their monthly dues may request a withdrawal card, in writing, from the Local Union offices. A withdrawal card is necessary whenever your job status changes. This status change could be for illness, resignation, lay-off, termination, leave of absence, or any other reason that would require absence from work. Every time that anyone of the above status changes results in you not working in any one month or more, you may, upon written request, receive the withdrawal card from this Union at no charge.

Failure to request a withdrawal card, in writing from this Union could result in suspension. Suspension occurs when you become delinquent in payment of your dues for two months and according to the United Food and Commercial Workers International Unions' Constitution and the Local 1444 Bylaws you would have to pay a reinstatement fee and the two months' delinquent dues. *No fees would be required from you if you remember to get a withdrawal card.*

GRIEVANCES

To report a grievance, phone, write or contact your union immediately. Give all the facts of the grievance and your union will investigate and adjust the grievance for you.

MEETINGS

Your local union meets regularly and all meeting notices are listed in each issue of the Local's newsletter, the *Local 1444 Monitor*. You should make every effort to attend each meeting. By attending the meeting you will become informed of the activities of your local union.

In order to assure the delivery of your newsletter, make certain that you notify the Union Office of any changes in your address.

KNOW YOUR RIGHTS

YOUR RIGHT AS AN EMPLOYEE TO UNION REPRESENTATION DURING QUESTIONING BY YOUR EMPLOYER

What you say can and will be used against you.

Employees have specific rights when confronted by employers who want to question them for alleged wrongdoing. These rights were developed by the U.S. Supreme Court in the **Weingarten** case in 1975.

As with any rules, there are certain things that it covers, and there are certain things that it does not cover.

A. Your right is not automatic. **YOU MUST ASK FOR IT.** Your employer is not under a duty to advise you of your rights.

B. You have to request the union representation from the person who is doing the questioning, not from your immediate supervisor or your union representative. The questioner must be told that you do not want to proceed without union representation.

C. You **do not** have the right to a union representative if the interview is only for the purpose of informing of discipline already decided upon by the employer. However, in that case, you only need listen, you do not have to answer any further questions by your employer. Further, you can ask for union representation under those circumstances, but the employer is not required to give you union representation.

D. The rule does not apply to the normal everyday conversations between a supervisor and an employee, which pertains to performance of job duties and normal work performance.


E. The employer's rights.

Once you request union representation, your employer has three options:

1. He can grant your request and bring in a union representative.
2. He can discontinue the interview and proceed with the employer's own investigation without your participation.
3. The employer can offer you the choice of proceeding without union representation.

While an employee may waive the right to union representation, it is highly recommended that an employee **not do so**. Most of us feel that we are not guilty and that we are adequately able to represent ourselves. However, in the emotionally charged situation where you are being questioned by your employer, it is very possible that you will say things that the employer has no knowledge of which will incriminate you or will cause the employer to undertake a new investigation regarding other conduct.

Local 1444 has prepared an interrogation rights statement for you to present to your employer if you are too nervous or upset to recall your rights.



"I refuse to submit to this questioning because I fear that I may suffer severe discipline or termination of my employment, and I demand my right to have a union representative present with me before this proceeding continues, and if my demand is not acknowledged, then I refuse to participate in this process, and you may take whatever action you deem appropriate."

Keep this card with you and use it at any time you are subjected to an interrogation interview which might lead to discipline.

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A G R E E M E N T

THIS AGREEMENT was made and entered into this ninth day of October, 2004, between WISCONSIN PHYSICIANS SERVICE INSURANCE CORPORATION (hereinafter designated as "WPS") and LOCAL 1444, OFFICE EMPLOYEES DIVISION OF UNITED FOOD AND COMMERCIAL WORKERS UNION, chartered by UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, AFL-CIO (hereinafter designated as the "Union").

In entering into this Agreement, both parties recognize that a successful business is necessary to provide jobs. Accordingly, to this end the purposes of this Agreement are: to set forth herein the agreement on pay, hours and other conditions of employment; to provide a procedure for the prompt and peaceful settlement of grievances; to insure harmonious relationships among the employees, WPS and the Union; and to maintain productivity and efficient operations.

ARTICLE I

RECOGNITION

WPS recognizes the Union as the sole and exclusive bargaining agent for the purposes of collective bargaining for the following unit of employees: All full-time and regular part-time employees of Wisconsin Physicians Service Insurance Corporation performing bargaining unit work (defined as the type of work and job functions being performed by the bargaining unit employees as of December 31, 1979) at 1717 West Broadway, 1800 Engel Street, 1601 Engel Street, Monona, Wisconsin, or at any WPS facility opened in Madison, Wisconsin; Monona, Wisconsin; or within a five (5) mile radius of the home office (1717 West Broadway) to which bargaining unit work is transferred, but excluding professional and confidential employees, exempt employees under the Fair Labor Standards Act, guards and supervisors as defined in the National Labor Relations Act.

ARTICLE II

MANAGEMENT RIGHTS

Except as specifically limited by the express provisions of this Agreement, WPS exclusively retains to itself the traditional rights to manage its business and direct its employees, including, but not limited to, the following: To change, direct, plan and control operations; to introduce new or improved methods of operation; to decide what services shall be provided, how work shall be performed and what work shall be performed by employees; to establish and change the hours and/or schedules of work; to hire, promote, demote, and transfer; to suspend, discipline, and discharge for cause; to lay off employees because of lack of work or for other legitimate reasons; and to make and enforce reasonable work rules and regulations. The exercise of such authority shall not conflict with this Agreement and its purposes.

ARTICLE III

UNION SECURITY AND CHECKOFF

Section 3.1 Union Membership. All present employees who are members of the local Union on the effective date of this Agreement shall remain members of the local Union in good standing as a condition of employment. All present employees who on the effective date of this Agreement are tendering dues and fees to this local union shall remain members in good standing of the local union to the extent of payment of dues and initiation fees provided by law. All employees who are hired on or after the effective date of this Agreement shall become and remain members in good standing of the local Union as a condition of employment on or after the 91st day following the first day of their employment.

Section 3.2 Checkoff. (a) Upon presentation to WPS of a duly executed checkoff authorization (in the form set forth in Appendix A attached hereto), WPS will deduct from that employee's earnings for the first payroll period of each month, the amount of periodic dues and initiation fees, where appropriate, uniformly required as a condition of acquiring or retaining membership in the Union. WPS will remit said deductions together with a list of employees' names for whom deductions have been made to the Union within fifteen (15) days after deduction.

(b) Where an employee has no earnings or insufficient earnings for the complete deduction in the first payroll period, no deduction of any amount shall be made until the following month in which earnings are adequate to cover the required deduction, at which time such deduction shall be transmitted to the Union along with the deductions for that subsequent month pursuant to the procedure described above in Paragraph (a).

(c) No authorization shall become effective until the commencement of the next pay period following the pay

period in which the authorization is delivered to WPS. WPS shall not be required to make any deduction prohibited by any present or future law.

(d) In the event that the Union shall inform WPS in writing of the omission of a deduction as to a particular employee for whom an authorization was timely filed, the deduction shall be made out of the next pay period earnings of said employee following receipt of the notice from the Union.

Section 3.3 Indemnification. The Union shall defend, indemnify, and save WPS harmless against any and all claims, demands, suits or any other form of liability that shall arise out of or by reason of action taken by WPS for the purpose of complying with any portion of this Article of this Agreement.

ARTICLE IV

GRIEVANCE-ARBITRATION PROCEDURE

Section 4.1 Definition. For the purpose of this Agreement, a grievance is a dispute raised by an employee or the Union with respect to the meaning, interpretation, or application of the provisions of this Agreement. A disciplinary counseling may be grieved under the provisions of the Grievance-Arbitration Procedure.

Section 4.2 Time Limits. A grievance must be presented to WPS within ten (10) working days after the event giving rise to such grievance or it shall be deemed waived by the Union and the grievant. Any of the time limits referred to in this Article may be waived by mutual agreement of the parties.

Section 4.3 Settlement Procedure. A grievance shall be raised and discussed in accordance with the following procedure:

- STEP 1: The employee and/or his Union Representative shall present the grievance orally to the WPS Designee. The WPS Designee will answer the grievance orally within three (3) working days.
- STEP 2: If not settled in Step 1, to be considered further, the grievance must be reduced to writing stating the facts of the complaint, the Agreement sections involved, relief requested, dated and signed by the employee and/or his/her Union Representative, and submitted to the WPS Designee within five (5) working days after receiving the Step 1 answer from the WPS Designee. The WPS Designee shall give the Step 2 answer within ten (10) workdays after receiving the written complaint unless, during such ten (10) workdays, WPS schedules a meeting with the Union Representative and/or the grievant to discuss the complaint. In the event of a meeting, WPS' answer shall be given no later than five (5) workdays after the last Step 2 meeting.
- STEP 3: The Step 2 written answer will settle the grievance unless it is appealed to the WPS Designee in writing by the Union Representative within five (5) workdays of the receipt of the Step 2 answer. The WPS Designee will give the Step 3 answer no later than fifteen (15) workdays after the receipt of Step 3 appeal unless a meeting is scheduled between the WPS Designee and the Union Representative, in which case the Step 3 answer will be given within ten (10) workdays of the last Step 3 meeting. If the grievance is not settled in Step 3, the Union may appeal to arbitration in accordance with Section 4.4 below.

Section 4.4 Appeal to Arbitration. The Union shall serve written notice of its desire to arbitrate such grievance, specifying the issue, upon WPS within fifteen (15) workdays after the Union receives WPS' written answer in Step 3 of the grievance procedure.

Section 4.5 Designation of Arbitrator. The Union will request the federal Mediation and Conciliation Service (FMCS) to submit a panel of seven (7) acceptable arbitrators. Upon receipt of the panel, WPS and the Union shall alternately strike names, with the Union allowed the first strike, until only one name remains and that person shall be the Arbitrator. The arbitration hearing shall be held as promptly thereafter as is feasible. Either party may strike one list of arbitrators in its entirety, in which case the parties may request another list of arbitrators from FMCS.

Section 4.6 Arbitrator's Jurisdiction. (a) The function of the Arbitrator shall be of a judicial rather than a legislative nature. The Arbitrator shall not have power to add to, subtract from, ignore, or modify any of the terms and conditions of this Agreement. The decision of the Arbitrator shall not go beyond the express language, interpretation, or application of this Agreement and shall be limited to the extent necessary to determine the issue submitted by the parties.

(b) The award of the Arbitrator shall be final and binding upon the employee(s), WPS and the Union.

(c) The foregoing procedure shall govern a claim by the Union that an employee having seniority in the unit has been disciplined or discharged without just cause. In case it is determined by such procedure that the employee has been disciplined or discharged without just cause, he/she shall be reinstated with full seniority rights which may include back pay, but which shall also take into consideration interim compensation. No liability shall accrue against WPS for a date prior to the date the grievance was presented in writing, or in disciplinary cases prior to the date of discipline, provided that claims for mispayment under Section 13.1 may be made for a period up to one year prior to the date the grievance is presented.

(d) Only one (1) grievance shall be submitted to the same Arbitrator, provided however, that the parties may, by mutual agreement, submit related grievances to the same Arbitrator.

Section 4.7 Award and Expenses. The fees and expenses of the Arbitrator, the hearing room, and the transcript, if any, shall be borne equally by the Union and WPS. All testimony shall be under oath.

Section 4.8 General Review Meetings. The parties understand that some general review may be necessary regarding matters which are not alleged as violations of this Agreement (that is, grievances). Thus, should the Union

wish to discuss subjects which are related to employment but are not alleged violations of this Agreement (that is, grievances), the Union may request that a General Review Meeting be held with representatives of WPS. Such request shall be in writing and shall specify the subjects the Union wishes to have on the meeting's agenda. Upon receipt of such a request, WPS will arrange to hold a meeting at a mutually agreeable time.

ARTICLE V

UNION REPRESENTATION

Section 5.1 Union Representation. All grievance discussions and investigations shall take place at a mutually convenient and agreeable time. An employee has the right to request the presence of a Union representative or shop steward at any investigatory interview which the employee reasonably believes might result in disciplinary action.

Section 5.2 Bulletin Boards. WPS will post on its bulletin boards Union notices. Any notice must first be approved by WPS' Designated Representative.

Section 5.3 Office Stewards. Office stewards will complete legitimate Union business regarding grievance adjustment during non-working time.

However, in the event of serious differences arising which cannot possibly be resolved during a non-working period, the Office Steward may be excused by his/her supervisor for the purpose of adjusting the grievance(s), and such permission will not be unreasonably withheld.

WPS will, upon written request by the Union, grant an unpaid leave of absence to the Chief Steward for the transaction of Union business away from the premises of the Company. This applies to Union conventions, educational programs and conferences. Such leave shall be requested not less than ten (10) days prior to the effective date and shall not exceed one (1) week per calendar year. WPS will grant, under the same terms and conditions as those which apply to the Chief Steward, an unpaid leave of absence of up to one (1) day per calendar year for up to twenty (20) union stewards. The Company will continue its portion of benefit costs during the approved leave.

Section 5.4 Access. (a) Accredited Union representatives will be granted access to WPS facilities covered by this Agreement for the purpose of conducting legitimate Union business related to the administration of this Agreement in a manner not disruptive of office operations.

(b) Additionally, accredited Union representatives will be granted access to WPS facilities covered by this

Agreement on a monthly basis for the purpose of collecting dues from members who have not voluntarily authorized the checkoff of same and/or for meeting with employees who, of their own volition, desire to talk with such representatives concerning possible Union membership. Such monthly visitations shall be during non-working time and shall take place in an area mutually designated by the parties. The Union's Business Agent, or designated representative, will be given the opportunity to meet with new bargaining unit employees on non-work time at the conclusion of monthly benefit orientation sessions concerning union membership and other legitimate business. WPS hereby agrees to post advance notices on its bulletin board designating the date, time, and place where such representative(s) shall be available.

ARTICLE VI

PROBATIONARY EMPLOYEES

Section 6.1 Definition. New employees will be regarded as probationary employees for the first 90 calendar days of employment with WPS. Probationary employees may be laid off, transferred, disciplined and/or discharged. Such probationary periods shall be 120 days in the case of part-time employees, covered hereunder. Probationary employees that continue in the service of WPS subsequent to the 90 calendar days (120 days in the case of part-time employees) from the date of original hire shall receive full and continuous service credit from the last date of hiring. In cases where deemed necessary, WPS may extend the length of time of the probationary period for a period not to exceed 30 additional calendar days. Hours missed due to holidays as defined in this Agreement will count as hours worked for determining overtime premium pay.

Section 6.2 Probationary Employee Status. Probationary employees are excluded from this Agreement until satisfactory completion of their 90 day probationary period (120 days in the case of part-time employees covered by this Agreement). Probationary employees are eligible for all life, health, dental and vision benefits as of the 91st day (121st day in situations where the probationary period has been extended) after satisfactorily completing the probationary period. Upon termination of employment, an employee's benefits will end as of the last day of employment.

Section 6.3 Priority of Seniority. Whenever two (2) or more employees have identical length of service dates, their priority of seniority shall be established by the numerical sequence of the last four (4) digits of their Social Security Number, so that the employee with the lower Social Security Number shall be more senior.

ARTICLE VII

SENIORITY

Section 7.1 Definition. (a) Seniority shall consist of a regular employee's length of continuous service with WPS since the employee's last date of hire at the WPS facilities covered by this Agreement. Seniority rights are created by this Agreement and exist only to the extent expressed herein. Seniority shall not establish any right to the continuation of any work, nor to the continuation of any job classification or arrangement of duties within a classification, but serves as a qualification for benefits as expressly provided for in this Agreement.

(b) Regular employees are those who have successfully completed their probationary period and who work on a full-time basis. They accumulate seniority.

Section 7.2 Application. In all applications of seniority under this Agreement, where qualifications and ability to perform the required work are, among the employees concerned, relatively equal, seniority dates, as defined above, shall govern.

Section 7.3 Layoff. (a) An employee shall be subject to layoff on the basis of seniority as defined in Sections 7.1 and 7.2 above. For purposes of layoff there shall be three (3) separate Groups designated as II, III, and IV. Group II shall consist of employees in Medicare; Group III shall consist of employees in TRICARE; and Group IV shall consist of all remaining departments.

(b) During a reduction in force probationary employees in the affected department shall first be laid off.

(c) An employee subject to layoff in an affected classification and department may displace the least senior employee in the same department within the same Group. The employee so displaced may displace the least senior employee in his Group. The employee so displaced shall then be laid off. Employees on layoff will be recalled to the Group and department from which they were laid off or to other Groups provided they have the skill and ability to perform that work prior to the hiring of new employees on the basis of seniority as defined in Sections 7.1 and 7.2 of this Article.

(d) WPS will, when practicable, provide at least one week notice of layoff.

(e) An employee may elect to use earned vacation before being placed on layoff.

(f) Health insurance coverage will continue for a laid off employee through two (2) months following the month in which the layoff occurs.

Section 7.4 Posting. (a) When WPS determines it is necessary to fill a permanent vacancy in an existing job classification, such permanent vacancy shall be posted on WPS' bulletin boards for a period of five (5) regularly scheduled eight (8) hour working days, during which time employees desiring the position may apply for such job by completing the Bid Form obtained in the Employee Services Office. Job postings shall contain department, job title, grade, shift work hours, synopsis of job, summary of requirements, anticipated start date, job location, number of positions, and date and time of posting placement. Job postings will overlap the original week posted into the following week. A listing of unfilled jobs will be posted on WPS' bulletin boards. Additional information on unfilled jobs will be available in the Employee Services Office. Eligible bidders may bid on jobs that remain unfilled.

WPS will consider eligible employees who have completed the Bid Form prior to filling the position from outside. Where skill, qualifications, and ability are relatively equal, seniority shall be the controlling factor. Employees in grade levels 5 or below shall only be permitted to apply for higher rated jobs, or, where mutually agreed to by the parties, an employee may be permitted to apply for a comparably rated job. Employees in grade levels 6 or above with at least eighteen (18) months time-in-job shall be permitted to apply for a comparably rated job provided such position was vacated by other than a lateral transfer. No more than one lateral bidder will be selected per job posting, or, where mutually agreed to by the parties, additional lateral bidders may be selected. All bidders will be notified of their status, in writing, no later than five (5) working days following selection of the successful bidder or decision not to fill a posted job. If there are no eligible bidders, such bidders shall be notified as to why they are not eligible. WPS shall be allowed to management select in those cases where there are no eligible bidders.

(b) WPS may temporarily fill a posted vacancy until it is determined whether there are applicants with the ability to satisfactorily perform the work involved or WPS may hire a new qualified employee for the vacancy if WPS determines that there are no qualified applicants during the period of posting. The temporary filling of a posted vacancy shall not exceed the time required to fill the position on a permanent basis.

(c) Employees hired, promoted or voluntarily transferred to permanent positions in grade level five (5) and above are prohibited from applying for another job for a period of ten (10) months from the date of such hire/promotion. This ten (10) month freeze may be waived by mutual agreement between the Union and WPS. Employees involuntarily transferred to permanent positions will not be held to the ten (10) month freeze.

(d) An employee promoted or transferred under this Section shall be considered on job probationary status

during the first sixty (60) calendar days of the new job. If WPS determines at any time during said sixty (60) calendar day period that the employee is not performing or will not be able to perform the job in a satisfactory manner, such employee shall be returned to his/her former regular job if there is a vacancy, or to a comparable job if open, or to any open job, respectively, in accordance with Article VII, Section 7.2 above. If there is no suitable open job available, the employee shall be placed under the layoff procedure, Section 7.3. In cases where deemed necessary, WPS may extend the length of time of a job probationary period for a period not to exceed thirty (30) additional calendar days and will notify the steward of such extension. A "probationary" employee, as used in this Agreement, refers only to an employee who has not completed his/her probationary period under Section 6.1.

(e) An employee promoted or transferred under this Section shall be scheduled according to the shift work hours listed on the job posting. When shift hours change within a department, preference will be given on the basis of seniority as defined in Section 7.1 (a), above.

Section 7.5 Loss of Seniority. An employee shall lose all seniority rights and his/her employment relationship shall be terminated if:

- (a) The employee quits;
- (b) The employee has been discharged for cause;
- (c) The employee has been absent from work for three (3) successive working days without notifying WPS, unless excused by WPS;
- (d) The employee has been laid off for nine (9) months or for a period of time equal to his/her seniority as defined above, whichever is less;
- (e) The employee fails to report for work within three (3) working days after a certified letter, return receipt requested, has been received at the employee's last known address notifying such employee to report to work following a layoff;
- (f) The employee fails to report for work on the next regularly scheduled workday upon termination of a disciplinary layoff; or
- (g) The employee has been disabled and unable to work for 365 calendar days during an eighteen (18) month period. Thirty (30) calendar days prior to such date the employee shall be notified by certified letter, return receipt requested, at the employee's last known address that all seniority rights and employment will terminate in accordance with the Agreement.

ARTICLE VIII
HOURS OF WORK,
OVERTIME AND PREMIUM PAY

Section 8.1 Purpose. This Article is intended to be construed only as a basis for overtime and shall not be construed as a guarantee of pay or of hours of work per day or per week.

Overtime or premium payments shall not be paid more than once for the same hours worked, nor shall they be pyramided.

Section 8.2 Normal Work Time. Insofar as work is needed, the normal workday shall be eight (8) hours and the normal workweek forty (40) hours. A normal work week is defined as Monday through Friday unless specifically stated otherwise in this Agreement.

Section 8.3 Scheduling of Overtime. When WPS finds overtime work to be necessary, employees will be required to work such overtime, as described immediately below.

(a) WPS will first offer overtime work to its employees in the classification and department in which it is needed, on a voluntary basis beginning with the most senior qualified employee and proceeding down the seniority roster until the most junior qualified employee in that classification and department has been offered such overtime work. In the event that no employee volunteers for overtime work or in the event WPS determines that there are insufficient volunteers for overtime work and additional overtime work is necessary, WPS may offer to qualified employees outside the classification or department the opportunity to perform such overtime work. Further, in the event that WPS determines that there are still insufficient volunteers for overtime work and/or additional overtime work is necessary, WPS will, beginning with the most junior qualified employee in the classification and department in which such work is needed and proceeding up the seniority roster as far as necessary, require qualified employees to perform such overtime work. Employees temporarily transferred from one classification to another shall not be required to work mandated overtime in their permanent classification from which they were transferred.

(b) Mandated overtime shall not exceed two (2) hours on normal eight (8) hour scheduled workdays and eight (8) hours on unscheduled workdays. Further, mandated overtime shall not exceed ten (10) hours in any normal forty (40) hour workweek. An employee will not be required to work mandated overtime for one week following eight (8) consecutive weeks of mandated overtime worked.

(c) Employees who are on vacation, employee day, sick leave, disability leave, funeral leave, approved Family Medical Leave (FMLA), or approved personal leave of absence for two (2) or more hours on the workday mandated overtime is scheduled shall not be required to make up such overtime work upon their return to work.

(d) In any event, employees may be excused by WPS from performing such overtime work.

(e) WPS will, where practicable, notify employees seventy-two (72) hours preceding available scheduled overtime. Employees may volunteer for scheduled overtime within twenty-four (24) hours of such notice. Supervisors will notify and schedule qualified volunteers for available overtime twenty-four (24) hours preceding

available scheduled overtime.

(f) Where operational requirements permit, employees will be allowed to work fifteen (15) minutes before or following their regular shift.

Section 8.4 Overtime Premium Pay. An employee shall be paid time and one-half his/her established rate of pay for all hours worked in excess of forty (40) in any one workweek. Shift premium differentials shall be included in an employee's regular rate when calculating overtime pay. Paid hours missed due to vacation, funeral leave, holidays, employee day time, jury duty, paid sick time, hours paid for by worker's compensation, approved unpaid leaves of absence for union stewards under Article V, Section 5.3, and absences as a result of being served a subpoena will count as hours worked for determining overtime premium pay. An employee shall be paid double (2) times his/her established rate of pay for all hours worked on Sunday as such, except for employees hired or promoted to jobs whose regular workweek contains or includes Sunday as a regular workday.

Section 8.5 Lunch Period. Employees shall have a thirty-five (35) minute unpaid lunch period, the actual times of which will be established by WPS. The times for such lunch periods shall commence from the time an employee leaves his/her work station and shall terminate upon his/her return thereto.

Section 8.6 Rest Periods. Employees shall have two (2) fifteen (15) minute rest periods in an eight (8) hour workday, one during the first half of the shift and one during the second half of the shift. Employees scheduled to work one (1) or more hours of overtime in addition to their regular eight (8) hour workday will be granted an additional fifteen (15) minute rest period, to be taken outside of the normal workday, provided they perform their job duties for that one (1) or more hours. The actual times of rest periods will be established by WPS. The times for such rest periods shall commence from the time an employee leaves his/her work station and shall terminate upon his/her return thereto.

Section 8.7 Alternate Work Periods. WPS will observe Alternate Work Periods for the term of this agreement. Beginning April 1, 2005, Alternate Work Periods will be scheduled on a quarterly basis according to the following schedule:

<u>Scheduling Periods</u>	<u>Alternate Work Periods</u>
December 1 through December 31	January 1 through March 31
March 1 through March 31	April 1 through June 30
June 1 through June 30	July 1 through September 30
September 1 through September 31	October 1 through December 31

Employees will have the option of working a forty (40) hour week by working:

- Four (4) nine (9) hour work days and one (1) four (4) hour work day
- Four (4) ten (10) hour work days
- *Four (4) eight and one half (8 ½) hour work days and one (1) six (6) hour work day*

Participation in the four (4) ten (10) hour work days is subject to department objectives and customer requirements. Such hours will be individualized to meet the particular needs of employees and their work group. Where a ten (10) hour work day is approved, there will be an additional ten (10) minute paid break. The employee's supervisor, the department manager and the Union steward representing the area will meet prior to each Alternate Work Period to approve the ten (10)-hour work day schedule requested by employees. All hours will be worked under the following conditions:

- (a) In any week in which a holiday occurs, employees shall work the normal work day.
- (b) WPS will determine the schedules of work of the employees, provided that no first shift employee will commence working on his/her regular shift prior to 6:00 a.m. Employees working an Alternate Work Period whose normal work hours do not extend beyond 5:00 p.m. shall not receive a shift premium.
- (c) During the Alternate Work Period, hours missed will be charged according to the scheduled hours an employee would have worked on that particular work day.
- (d) Arrangements to work the Alternate Work Period are to be made with the employee's immediate supervisor subject to operational requirements. Seniority will be considered in approving work schedules. Employees absent during the scheduling period will need to make arrangements for Alternate Work Periods with their supervisor. If the employee does not make these arrangements, the Alternate Work Period will be scheduled based on availability. The scheduling of Alternate Work Periods will be approved in the following order:
 1. Vacation and Employee Day requested in increments of three (3) or more consecutive work days;
 2. Alternate Work Period requests;
 3. Vacation and Employee Day requested in increments of less than three (3) consecutive work days.

- (c) During Alternate Work Periods, staff levels in Customer Service will be maintained at a minimum of seventy-five (75) percent and staff levels in all other areas will be maintained at a minimum of seventy (70) percent or less depending on operational need. Recent historical actual employee absence, including all paid time off and non-paid time off, will be used in determining minimum staff levels.
- (f) If an employee forfeits an Alternate Work Period due to overtime, it may be rescheduled if the department is able to do so.

ARTICLE IX

LEAVES

Section 9.1 Military Leave. WPS hereby agrees to comply with the provisions of all pertinent statutes, laws, and regulations governing the granting of military leaves of absence and the reemployment of veterans.

Section 9.2 Personal Leave of Absence. (a) Employees with at least six (6) months of service may be granted a personal leave of absence not to exceed thirty (30) days provided a written request therefore setting forth a good cause for a leave of absence is submitted to WPS and provided such leave in the interests of operating efficiency causes a minimum of interference with operations. Such leave of absence may be extended by WPS upon receipt of a written request and for good cause shown, but in no event shall the total of such leaves exceed three (3) months. Such leave shall not be used for the purpose of seeking employment elsewhere.

(b) During such leave of absence, seniority shall be accumulated, but such employee shall not be eligible for holiday pay or the accrual of vacation or sick leave. Such employee shall be eligible for group insurance with the employee paying the cost in accordance with the following schedule:

0-2 weeks' leave	--no cost to the employee
2-4 weeks' leave	--1/2 cost paid by the employee
4 weeks' leave or more	--full cost paid by the employee

Section 9.3 Jury Duty Leave. (a) A regular full-time employee called to perform jury duty may be excused from work for each such day on which the employee serves or reports to serve and may be paid for the time necessarily lost from his/her regular work schedule due to such jury service, provided the employee furnishes proof of service of the jury summons.

(b) The pay received by the employee shall be the employee's regular straight-time rate of pay. In no event shall WPS remunerate an employee for a period in excess of two hundred (200) hours per contract term.

(c) To be eligible for such payments, an employee must, upon request, furnish WPS with a written statement

from the appropriate public official and listing the dates of jury duty service. An employee excused from jury service shall immediately report to work.

Section 9.4 Disability Leaves. (a) A disability leave of absence (which includes pregnancy) without pay due to illness or accident may be granted to a regular full-time employee who has successfully completed the probationary period and whose disability prevents him/her from performing his/her regular duties to which he/she may be assigned and whose disability is expected to exceed thirty (30) days and who plans to return to work. Such employee shall not return to work without medical examination by his/her personal physician. WPS reserves the right to require an employee to submit to a physical examination by a physician of WPS' choice, at its own expense, for the purposes of determining the employee's ability or inability to return to work.

(b) Commencement of the leave of absence may be determined by WPS in light of the recommendations of WPS' physician and the employee's personal physician. The initial leave may be granted for a period not to exceed three (3) months. One (1) month extensions may be granted based upon then current medical information up to a maximum total of twelve (12) months.

Section 9.5 Funeral Leave. When a death occurs in an employee's "immediate family" (defined as employee's grandparent, grandparent-in-law, step-grandparent, grandchild, spouse, child, stepchild, brother, sister, brother-in-law, sister-in-law, natural or stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, aunts and uncles) the employee will be excused from work up to three (3) working days. For the death of an employee's spouse, child or stepchild, the employee will be excused from work up to four (4) working days. Unless otherwise approved, the leave must be taken within seven (7) days from the date the death occurs. The employee shall receive his/her regular straight time pay per day for the scheduled hours of work missed upon written application, provided he/she attends the funeral. In the event no funeral is held as observed by religion or custom, the employee will qualify for funeral leave as provided in this Section. An employee of foreign nationality who cannot attend the funeral of an immediate family member held in a foreign country will qualify for funeral leave as provided in this Section.

Section 9.6 Physician's Recommendation. With regard to any leave situation described in Section 9.4 above where an employee's personal physician and WPS' selected physician disagree as to their recommendations or findings, these two physicians shall select a third physician whose findings, upon examination, shall be controlling with respect to the section noted above. The third physician's fees and/or expenses shall be borne equally between WPS and the Union.

Section 9.7 Family and Medical Leave. WPS hereby agrees to comply with the provisions of all pertinent statutes, laws, and regulations governing the granting of family and medical leaves.

Section 9.8 Return From Leave. Any employee returning from an approved leave pursuant to Sections 9.2 and 9.4 above will be placed back in the bargaining unit in his/her regular job if there is a vacancy or to a comparable job if open or to any open job, respectively, in accordance with Article VII, Section 7.2, above. If there is no suitable open job available, the employee shall be placed under the layoff procedure, Section 7.3. An employee placed back in the bargaining unit in a job other than his/her regular job, may upon written request, transfer back to his/her previous regular job should it become available at a later date. In such circumstances, WPS shall not be required to post that available job pursuant to the requirement of Article VII, Section 7.4, above.

ARTICLE X

VACATIONS

Section 10.1 Vacation Schedule. Vacations shall be earned by employees pursuant to the following schedule:

<u>Employee's Service Anniversary</u>	<u>Maximum Possible Days Earned As of Employee's Anniversary Date</u>
As of 6 months	3 days \ 1st year
As of 1 year	5 days / 8 days
As of 2 years	11 days
As of 3 and 4 years	13 days
As of 5, 6, 7, 8, or 9 years	16 days
As of 10, 11, 12, 13, or 14 years	20 days
As of 15, 16, 17, 18, or 19 years	23 days
As of 20, 21, 22, 23, or 24 years	24 days
As of 25 or more years	26 days

Earned vacation days will be determined based upon an employee's anniversary date of hire. Employees must work at least eighty percent (80%) of the work hours in a payroll month to receive full credit for earned vacation (all paid time off, time off due to the non-paid two (2) day sick waiting period, one week unpaid leave incurred under Article V, Section 5.3, Office Stewards, for the Chief Steward and time off for approved absences under the Family and Medical Leave Act will count as hours worked in determining the monthly vacation eligibility requirement). For each month so worked, employees will accrue 1/12 of possible earned days which they earn on their anniversary date of employment. An employee who returns to work under a light duty medical restriction and works less than

80% of the work hours in a payroll month will accrue one-half (½) of the earned vacation for each month the employee is on light duty.

Section 10.2 Vacation Pay. (a) For each week of vacation, an employee shall be entitled to an allowance of forty (40) hours' pay at the regular hourly rate of the employee at the time the employee leaves for vacation.

(b) Employees who die prior to their anniversary date will have paid to their spouse or estate all accrued vacation since their last anniversary date and earned vacation not used.

(c) Employees who retire under provisions of the WPS Employee Pension Program will be paid for all accrued vacation since their last anniversary date and earned vacation not used.

(d) An employee who terminates will be paid for earned vacation not taken.

Section 10.3 Vacation Scheduling. (a) Vacations to be taken in increments of not less than one (1) week will be scheduled as desired by employees with senior employees given the preference of time selected, subject to approval by WPS in the interests of operating efficiency so as to cause a minimum of interference with operations. In any case, notice of the requested vacation period must be submitted to the WPS Designee not less than fourteen (14) days prior to the first day of vacation, unless excused by WPS.

(b) Where a vacation is requested in less than a one (1) week increment, at least twenty-four (24) hours' notice will be given, unless excused by WPS.

(c) All requests for vacation received ninety (90) days in advance during a week in which a holiday occurs will be decided within one (1) week. Seniority will be given preference.

Section 10.4 Taking Vacations. (a) Vacations shall be taken in periods of one (1) hour or more on a daily basis. A vacation balance of less than one (1) hour may be taken. Vacations taken in excess of one (1) hour may be taken in fifteen (15) minute increments.

(b) Where an employee elects to take his/her entire vacation in one (1) consecutive period or where a vacation is taken in one (1) week increments, WPS will, upon request, have an employee's vacation check prepared for the employee on the last scheduled day prior to the employee's vacation, provided that such request is submitted at least fourteen (14) days in advance.

Section 10.5 Carryover. (a) Employees may carry over their earned vacation to a maximum of the amount earned in the preceding anniversary year according to the vacation schedule set forth above.

(b) Employees may elect to be paid up to one-half (1/2) of their vacation earned in a previous anniversary year in lieu of time off annually on their anniversary date.

ARTICLE XI

HOLIDAYS

Section 11.1 Eligibility. All full-time employees shall be granted eight (8) hours of holiday pay (unless otherwise specified) at their then current hourly rate on the following designated holidays:

New Year's Day	Thanksgiving Day
Good Friday (4 hours' holiday pay)	Day after Thanksgiving
Memorial Day	Christmas Day
Independence Day	Friday, December 24, 2004
Labor Day	Friday, December 23, 2005
	Friday, December 22, 2006
	Monday, December 24, 2007

In order to be eligible for such holiday pay, an employee must have worked the scheduled hours on the scheduled workday before and the scheduled workday immediately following the holiday, unless such absence is excused by WPS.

Section 11.2 Employee Day. (a) New employees who successfully complete their probationary period but have less than one (1) year seniority will be limited to one (1) Employee Day in that calendar year.

(b) Thereafter, employees will be entitled to two (2) Employee Days each calendar year.

(c) Employees who were employed prior to November 11, 1994 will be entitled to an additional three (3) Employee Days each calendar year beginning January 1, 1995.

(d) The Company will grant an additional Employee Day to the father of a newborn child for paternity leave purposes.

(e) Supervisors shall approve all requests submitted twenty-four (24) hours in advance, unless such approval would seriously affect operating efficiency.

(f) Employee Day time may be used in fifteen (15) minute increments. Employees who are on the payroll during the last payperiod of the year may elect to be paid for any unused Employee Day time in lieu of paid time off.

(g) Employees who retire under provisions of the WPS Employees' Pension Program will be paid for all unused employee days.

Section 11.3 Saturday or Sunday Holidays. A holiday falling on a Saturday or Sunday may be observed on the following Monday or preceding Friday, as agreed to between the Company and the Union.

Section 11.4 Holiday Work and Pay. When WPS finds holiday work to be necessary, employees will be required to work on such holiday, as described immediately below.

(a) WPS will first offer holiday work to its employees in the classification and department in which it is needed, on a voluntary basis, beginning with the most senior qualified employee and proceeding down the seniority roster until the most junior qualified employee in that classification and department has been offered such holiday work. In the event that no employee volunteers for holiday work or in the event that WPS determines that there are insufficient volunteers for holiday work and additional holiday work is necessary, WPS may offer to qualified employees outside the classification or department the opportunity to perform such work. Further, in the event that WPS determines that there are still insufficient volunteers for such work and/or additional holiday work is necessary, WPS will, *beginning with the most junior qualified employee in the classification and department in which such work is needed and proceeding up the seniority roster as far as necessary, require qualified employees to perform such work.*

(b) In any event, employees may be excused by WPS from performing such holiday work.

(c) In all cases of holiday work, WPS will, where practicable, provide employees with at least forty-eight (48) working hours' notice.

(d) An employee who performs such holiday work will receive double (2) time his/her regular rate of pay plus the holiday pay for which he/she is otherwise eligible.

Section 11.5 Holiday During Vacation. Where a holiday, as described above in Section 11.1, falls during an employee's vacation, that employee will receive holiday pay in addition to his/her vacation pay or another day off in lieu thereof provided that the employee works the last scheduled day prior to and the first scheduled day after his/her vacation period, unless such absence is excused by WPS.

ARTICLE XII

TRANSFERS

Section 12.1 Temporary Transfers. (a) When employees are temporarily transferred laterally or into a lower paying classification, such employee's current rate shall be maintained during such transfer. Any employee temporarily transferred from a lower classification to a higher classification shall receive the greater of the following rates of pay for all hours worked and for all paid time off during such transfer:

- (1) No less than \$.50 per hour; or
- (2) The corresponding minimum rate to which transferred.

(b) The Union shall be notified of temporary transfers which exceed ten (10) workdays, thirty (30) workdays

and every six months in duration thereafter. In the event an employee is temporarily transferred to another WPS facility, WPS will, where practicable, provide such employee with at least forty-eight (48) hours notice of such transfer.

Section 12.2 Permanent Transfers. Any employees transferred from a higher to a lower classification shall receive their current rate or the established maximum, whichever is lower. Such transfers will not be effectuated in an arbitrary, capricious, or discriminatory manner.

Section 12.3 Physical Inability to Perform an Assigned Job. Where an employee becomes physically unable to perform the tasks and responsibilities of his/her regular job, WPS may, upon written request, transfer that employee to an available lower or comparably rated job provided that such employee has the skill and ability to perform the tasks and responsibilities of that lower or comparably rated job. In such circumstances, WPS shall not be required to post that available job pursuant to the requirements of Article VII, Section 7.4, above.

ARTICLE XIII

WAGES

Section 13.1 Wages.

(a) The progression increase is effective on the employee's job date anniversary.

(b) The following contractual minimums, job progression, and maximums shall apply in accordance with the specific jobs employees are hired or promoted to perform:

<u>Rates Based on Time In Job</u>						
Effective October 9, 2004						
<u>Grade</u>	<u>Minimum</u>	<u>4%</u> <u>6 Months</u>	<u>8%</u> <u>12 Months</u>	<u>12%</u> <u>18 Months</u>	<u>Maximum</u>	
1	8.14	8.47	8.79	9.12	8.84	
2	8.35	8.68	9.02	9.35	9.62	
3	8.79	9.14	9.49	9.84	10.22	
4	9.48	9.86	10.24	10.62	11.11	
5	10.02	10.42	10.82	11.22	11.88	
6	10.66	11.09	11.51	11.94	12.90	
7	11.50	11.96	12.42	12.88	13.89	
8	12.30	12.79	13.28	13.78	14.84	
9	13.25	13.78	14.31	14.84	15.87	

Rates Based On Time In Job

Effective October 9, 2005

<u>Grade</u>	<u>Minimum</u>	<u>4%</u> <u>6 Months</u>	<u>8%</u> <u>12 Months</u>	<u>12%</u> <u>18 Months</u>	<u>Maximum</u>
1	8.38	8.72	9.05	9.39	9.19
2	8.60	8.94	9.29	9.63	10.00
3	9.05	9.41	9.77	10.14	10.63
4	9.76	10.15	10.54	10.93	11.55
5	10.32	10.73	11.15	11.56	12.36
6	10.98	11.42	11.86	12.30	13.42
7	11.85	12.32	12.80	13.27	14.45
8	12.67	13.18	13.68	14.19	15.43
9	13.65	14.20	14.74	15.29	16.50

Rates Based On Time In Job

Effective October 9, 2006

<u>Grade</u>	<u>Minimum</u>	<u>4%</u> <u>6 Months</u>	<u>8%</u> <u>12 Months</u>	<u>12%</u> <u>18 Months</u>	<u>Maximum</u>
1	8.63	8.98	9.32	9.67	9.56
2	8.86	9.21	9.57	9.92	10.40
3	9.32	9.69	10.07	10.44	11.06
4	10.05	10.45	10.85	11.26	12.01
5	10.63	11.06	11.48	11.91	12.85
6	11.31	11.76	12.21	12.67	13.96
7	12.21	12.70	13.19	13.68	15.03
8	13.05	13.57	14.09	14.62	16.05
9	14.06	14.62	15.18	15.75	17.16

Rates Based On Time In Job

Effective October 9, 2007

<u>Grade</u>	<u>Minimum</u>	<u>4%</u> <u>6 Months</u>	<u>8%</u> <u>12 Months</u>	<u>12%</u> <u>18 Months</u>	<u>Maximum</u>
1	8.89	9.25	9.60	9.96	9.85
2	9.13	9.50	9.86	10.23	10.71
3	9.60	9.98	10.37	10.75	11.39
4	10.35	10.76	11.18	11.59	12.37
5	10.95	11.39	11.83	12.26	13.24
6	11.65	12.12	12.58	13.05	14.38
7	12.58	13.08	13.59	14.09	15.48
8	13.44	13.98	14.52	15.05	16.53
9	14.48	15.06	15.64	16.22	17.67

Provided, however, that the grade maximums as they apply to certain EDP positions (keyplex operators, word processing operators, production control clerks) within such grades will be 5% higher than the then current contractual maximums. Positions requiring a LPN or equivalent shall be paid an additional 7 1/2% from those rates specified above. Positions requiring a RN shall be paid an additional 15% from those rates specified above. Computer operators shall receive an additional 15% from those rates identified above.

(c) Any employee returning from an approved leave pursuant to Article IX, Section 9.8, shall be credited with past time spent in the job immediately preceding such leave in determining further job progression increases.

(d) Any employee who fails to successfully complete their new job probationary period and returns to their prior job will be credited for time already spent in that job in determining further job progression increases.

(e) Any employee who permanently bids into a job they are currently performing on temporary job transfer shall have the time spent on the temporary job count in determining further progression increases.

Section 13.2 Wage Increases.

(a) Effective October 9, 2004:

(1) All employees will receive a four (4) percent increase.

Effective April 9, 2005:

(1) All employees with ten (10) or more years seniority will receive a one (1) percent increase.

(b) Effective October 9, 2005:

(1) All employees will receive a four (4) percent increase.

Effective April 9, 2006:

(1) All employees with ten (10) or more years seniority will receive a one (1) percent increase.

(c) Effective October 9, 2006:

(1) All employees will receive a four (4) percent increase.

Effective April 9, 2007:

(1) All employees with ten (10) or more years seniority will receive a one (1) percent increase.

(d) Effective October 9, 2007:

(1) All employees will receive a four (4) percent increase.

Effective April 9, 2008:

(1) All employees with ten (10) or more years seniority will receive a one (1) percent increase.

Section 13.3 Promotion Increases. Employees promoted to a higher pay grade during the term of this Agreement shall receive either of the following increases in his/her then current rate of pay, whichever is greater: no less than fifty (50) cents per hour or the minimum of the new job grade. The effective date of such promotional increase will be the first day of the new job. If the start date of the new job is delayed due to business need, the employee shall receive such promotional increase effective on the date the employee would have started the new job. Employees who do not successfully complete the probationary period shall have their rate of pay adjusted to the amount it was at immediately prior to promotion to the new job.

Section 13.4 Shift Premium. There shall be a shift premium of seventy (70) cents per hour for all work performed by computer operators in data processing on the second and third shifts, and thirty-five (35) cents an hour for those computer operators whose regular work week is Friday, Saturday and Sunday. Other employees regularly scheduled to work the second or third shift shall receive a shift premium of fifty (50) cents per hour. Employees working defined shifts whose normal work hours extend beyond 5:00 p.m. shall receive a shift premium of fifty (50) cents per hour for all hours worked.

Section 13.5 New or Combined Job Classifications. When WPS establishes a new job classification consisting of a significant part of the duties of an existing bargaining unit classification or combines existing bargaining unit job classifications, it shall inform the Union of its action(s) and the pay grade it is establishing for the new classification. If the Union objects to the pay grade being established, it may file a grievance within thirty (30) calendar days from the date the Union is notified in writing by WPS.

In the event the issue of the appropriate pay grade goes to arbitration, the Arbitrator shall decide the reasonableness of the proposed pay grade in relationship to:

- (i) its job content and responsibilities; and
- (ii) the job content and responsibilities of other classifications in the bargaining unit.

Section 13.6 Establishment or Alteration of Performance Standards. When WPS establishes or alters a performance or unit average or keystroke and accuracy standard (hereinafter referred to as an "RE": reasonable expectancy standard), it shall inform the Union of its action(s) in writing, to the Union's business representative and to the Chief Steward, within ten (10) working days of implementation. Employees will be required to meet a minimum of eighty-five percent (85%) of the production standard or RE. WPS shall not establish personal employee goals for employees who perform at 100% or more of the standard.

If the Union objects to the RE being established, it may file a grievance within thirty (30) calendar days from the date the Union is notified in writing by WPS.

In the event the issue as to the reasonableness of the RE goes to arbitration, the Arbitrator shall decide the reasonableness of the RE in relationship to:

- (i) the job content; and
- (ii) the job content of other classifications and REs in the bargaining unit.

ARTICLE XIV

PENSION AND INSURANCE

Section 14.1 Pensions. WPS hereby agrees to continue in full force and effect the current pension program under the same terms and conditions effective prior to the execution of this Agreement, except that the participant contribution will be as follows:

3% for less than eight (8) years participation

2% for eight (8) years but less than thirteen (13) years participation

1% for thirteen (13) years but less than eighteen (18) years participation

0% for eighteen (18) plus years participation.

The reduced contribution will be effective on the first full pay period following eligibility.

The benefits previously included under the loss of income insurance are hereby incorporated under the WPS Employee's Pension Plan. It is agreed that WPS will continue its benefit of sixty (60) percent of his/her wage up to a maximum of \$2,000 per month. Such disability income shall commence one (1) year following an employee's disability provided he/she is an active participant in the Employee's Pension Plan. Such benefits shall continue for the duration of the disability, or if the employee is disabled prior to age sixty (60), benefits will continue to age sixty-five (65), if the employee is disabled after age sixty (60), benefits will continue for five (5) years but not exceeding age seventy (70); if the employee is age sixty-nine (69) or older when disabled, benefits will continue up to one (1) year. Employees must be actively at work at time of enrollment into the pension plan.

Section 14.2 Life Insurance. All eligible employees, upon successful completion of their probationary period, shall be eligible for \$15,000 of life insurance, the entire cost of which shall be borne by WPS.

Section 14.3 Travel/Accident Insurance. All eligible employees, upon successful completion of their probationary period, shall be eligible for \$10,000 of travel/accident insurance when traveling on WPS business. The entire cost of such insurance shall be borne by WPS.

Section 14.4 Loss of Income (a) All employees, upon successful completion of their probationary period, shall be eligible for loss of income when disabled due to either accident or illness and shall receive sixty percent (60%) of his/her wages up to a maximum of \$2,000 per month. Such loss of income shall commence with (but no earlier than) the 31st day of such disability or after using a maximum of thirty-six (36) accumulated sick days. Such benefits shall continue for up to one (1) year, or up to age twenty-one (21), whichever is later.

(b) WPS will bear the entire costs of such loss of income.

(c) Loss of income may not be utilized simultaneously with sick leave.

(d) Employees enrolled in the WPS Employee's Pension Plan will be eligible for additional disability payments as defined in Section 14.1 Pensions.

Section 14.5 Health Insurance. WPS hereby agrees to provide in full force and effect the HMP Preferred Self Funded Plan, effective January 1, 1998, and for the duration of this agreement.

During the term of this agreement, premiums for this plan will be paid by WPS.

Section 14.6 Vision Care. Upon successful completion of the probationary period, an employee will be covered by the vision care insurance plan in effect for the bargaining unit employees. The benefits will be as agreed upon by the parties in negotiations with the maximum benefits being as follows:

<u>Materials</u>	<u>Amount</u>
Single Vision Lens (Each)	\$ 7.50
Bifocal Lens (Each)	\$11.25
Trifocal Lens (Each)	\$15.00
Lenticular Lens (Each)	\$40.00
Frames	\$12.00

This benefit shall be limited to one (1) set of lenses during any period of twelve (12) consecutive months and one (1) frame during any period of twenty-four (24) consecutive months for each participant. In the event that special glasses are necessary for video display terminal work, WPS will pay eighty percent (80%) of the employee's cost of such additional work glasses not to exceed \$100.00 in a calendar year. The employee coverage will be paid by WPS. The dependent cost will be paid by the employee.

Section 14.7 Dental. Employees, upon successful completion of their probationary period, shall be eligible

to participate in the dental plan negotiated for full-time bargaining unit employees. Diagnostic, preventive, restorative, endodontics, oral surgery, periodontics, prosthodontics, orthodontia, and ancillary benefits will apply in accordance with the group master policy that was in effect January 1, 1991. The employee will contribute fifteen (15) percent toward the premium. Plan continuation is contingent upon a minimum seventy percent (70%) employee participation rate. Eligible employees who initially decline participation may later enroll during the annual enrollment period of December 1st thru December 15th for an effective date of January 1st of the following year.

ARTICLE XV

SICK LEAVE AND PAY

Section 15.1 Earning. Sick leave is earned at the rate of four (4) hours per pay period by regular full-time employees. Probationary employees shall not be entitled to take sick days until the successful completion of their probationary period. Such earnings continue when such employee is absent from work on vacation, jury duty, holidays, funeral leave, and sick leave (until the commencement of loss of income benefits).

Section 15.2 Accumulation. Employees will be allowed to accumulate and carry over a maximum of thirty-six (36) sick days, which days shall only be usable for personal illness or personal doctor or dentist visits. Such days may be used in fifteen (15) minute increments. Employees on the payroll during the last payperiod of the year will be reimbursed at their regular hourly rate of pay for unused sick days exceeding maximum accumulation. Employees who retire under the provisions of the WPS Employees' Pension Program will be reimbursed at their regular hourly rate of pay for all earned sick days not used. In the event an employee dies during active employment, WPS will pay the employee's spouse or their estate all of the employee's unused earned sick leave, including those days which exceed the maximum accumulation, at their regular hourly rate of pay.

Section 15.3 Administration and Waiting Periods. The maximum number of sick days usable by any employee, without satisfying a two-day non-paid waiting period, will be increased from four (4) days to five (5) days per anniversary year, except that with regard to employees on the payroll as of September 25, 1977, the anniversary year shall be September 25 to September 25 for purposes of this section only. The additional day will be effective January 1, 1995 for all eligible employees. After the use of such five (5) days, an employee must satisfy a two (2) day waiting period per occurrence; that is, sixteen (16) consecutive work hours beginning when an employee leaves if during the workday. The computation of work hours specifically excludes holidays. Employees may use earned vacation or paid employee day time to satisfy the two (2) day non-paid waiting period. Employees

will not be required to satisfy a new two (2) day waiting period for sick leave that overlaps their anniversary date of hire or partial day absences for ongoing catastrophic medical treatment, such as, but not limited to, cardiac rehabilitation, radiation treatment, chemotherapy or kidney dialysis. If an employee is hospitalized as an inpatient on the first (1st) or second (2nd) day of his/her disability period, the above-described waiting period will not apply for a day which the employee is so hospitalized.

Any employee at the thirty-six (36) day accumulation level need only serve a one (1) day waiting period for the next following disability period within that calendar year. This one (1) day waiting period is allowed only once per calendar year per employee. The employee must notify the Employee Services Division of eligibility for such one (1) day waiting period.

ARTICLE XVI

PART-TIMERS

Section 16.1 Definition. (a) Regular part-time employees are those employees who have successfully completed their one hundred twenty (120) calendar day probationary period and who work on a regular weekly basis less than forty (40) hours per week but at least twenty (20) hours per week.

(b) In any event, WPS reserves the right to schedule the working hours of such part-time employees.

Section 16.2 Conditions of Employment. Only the following listed conditions of employment shall be effective for part-time employees:

(a) Seniority: Part-time employees shall not accumulate seniority pursuant to this Agreement except as follows: that, upon applying for a full-time position pursuant to Article VII, Section 7.4, of this Agreement or in the event of a layoff as described in Article VII, Section 7.3, of this Agreement, regular part-time employees will receive length of service credit by dividing the number of years and months worked for WPS in such part-time position by two.

(b) Rest Periods: Part-time employees will be entitled to one fifteen (15) minute rest period during the first four (4) hours of work and a second fifteen (15) minute rest period if they work more than seven (7) hours in any single work day.

(c) Holidays: Part-time employees will be entitled to the following designated holidays for which they will receive four (4) hours pay at their then current hourly rate of pay: New Year's Day, Memorial Day, Labor Day, Thanksgiving Day, and Christmas Day.

(d) Maternity Leave: Any part-time pregnant employee, after completion of six (6) months' continuous

service, shall be granted up to a ninety (90) day leave of absence without pay to begin whenever the employee's attending physician deems that she can no longer perform her job because of her condition and to terminate when the employee is medically able to return. Such employee shall furnish a doctor's written statement indicating the approximate date of delivery and the date such disability will begin. Such employee shall not return to work without medical clearance. WPS reserves the right to require the employee to submit to a physical examination by a physician of WPS' choice, at its own expense, for the purpose of determining the employee's ability or inability to return. Extension, in one (1) month increments, may be granted if substantiated by a doctor's certificate.

(e) Vacation and Sick Leave: Part-time employees will be entitled to earn vacation and sick leave at the rate of one-half (1/2) that rate applicable to full-time employees for which they shall be paid for each day four (4) hours of pay at their then current rate of pay.

(f) Jury and Funeral Leave: Part-time employees will be entitled to take jury and funeral leave under the same terms and conditions applicable to full-time employees for which they shall receive daily pay, prorated on the basis of hours actually worked during the six (6) preceding pay periods.

(g) Pension: WPS hereby agrees to continue in full force and affect the current pension program under the same terms and conditions effective prior to the effective date of this Agreement for all current and future part-time employees.

(h) Health Insurance: WPS hereby agrees to cover part-timers employed on September 25, 1977, with the Health Insurance Program referred to in Section 14.5.

ARTICLE XVII

NO STRIKES - NO LOCKOUTS

Section 17.1 No Strikes. During the term of this Agreement, the Union, its officers, agents, members, and all employees agree that they will not: instigate, promote, sponsor, engage in, or condone any strike, refusal to work, slowdown, picketing, or other interference with or interruption of production or the normal operations of WPS' business. The parties recognize the special responsibility of Union officials to ensure compliance with this section.

Section 17.2 No Lockouts. During the term of this Agreement, WPS agrees that it will not institute a lockout because of a labor dispute with the Union.

ARTICLE XVIII

MISCELLANEOUS

Section 18.1 Standard of Conduct. WPS and the Union agree that a reasonable standard of conduct is necessary in a business environment. In a mutual belief that employees who have completed their probationary period are capable of self-responsibility, WPS and the Union agree that just cause is the only standard for discipline.

Section 18.2 Supervisors. It is fully understood that WPS' supervisors are "working" supervisors and that they shall be permitted to perform any work necessary for the operation of WPS' business. It is likewise understood that the above provision is not intended to justify supervisory displacement of unit employees from the performance of their ordinary work under normal circumstances but is similarly not intended to restrict supervisors from performing the duties and functions of their jobs as presently constituted.

Section 18.3 Gender of Words. The masculine gender, as used herein, shall be deemed to include the feminine gender, unless, in the context of the provisions concerned, the feminine gender is clearly inappropriate.

Section 18.4 Access to Personnel Files. Upon appropriate request, any employee covered by this Agreement may review his/her personnel file and supervisory desk file at a mutually convenient time. Such review shall include but not be limited to the viewing of the following information:

Performance Appraisal(s)	Personnel Data Sheet(s)
Disciplinary Notice(s)	Employee Salary Change Form(s)
Application for Employment	Job Application Request(s)
Wage Garnishment(s)	Pension Beneficiary Election Form(s)
Attendance Summary	Insurance Beneficiary Election & Emergency Notification(s)

Such inspection, however, shall exclude a previous employer's recommendation(s) and/or any personal references and/or any other confidential material including, for example, any records relating to an ongoing disciplinary investigation. In no event shall such file be removed from the Employee Services Division or viewed without the presence of a WPS Designee.

Section 18.5 No Discrimination. WPS and the Union agree not to discriminate in the administration of this Agreement against any employee on the basis of race, handicap, creed, religion, sex, union activity, national origin, or age as prescribed by state or federal law.

Section 18.6 Effective Day of Termination. When an employee is terminated, such termination is effective on the last day worked by the employee. All benefits and provisions contained herein cease at the time of termination.

Section 18.7 Accrual Formula. In Article XV, Sick Leave and Pay, sick leave shall accrue for twenty-four (24) payperiods per calendar year. When more than two payperiods end during a month, the benefits are earned during the second and third payperiods per month.

Section 18.8 Notice of Discipline. The Company shall give an employee's steward and the Chief Steward written notice of such employee's suspension or discharge immediately following such action but no later than five (5) workdays after such action.

Section 18.9 Blood Bank. WPS agrees to continue in effect its current Blood Bank program under the same terms and conditions as were operative prior to this Agreement.

Section 18.10 Meal Allowance. WPS agrees to continue in effect its current Meal Reimbursement program. The meal allowance shall be \$3.00.

Section 18.11 Safety and Health. To further the interests of employee safety and health, the Company will establish a Safety Committee. The Union may designate a steward to serve as a representative on the Safety Committee. The function of this Committee shall be to advise management concerning safety and health matters within the work environment. In the discharge of their function, the Safety Committee shall:

- (a) consider existing practices and rules relating to safety and health;
- (b) formulate suggested changes in existing practices and rules relating to safety and health;
- (c) review accident and inspection reports and make recommendations to management of changes or corrections that could lead to improved safety and health within the workplace;
- (d) employees may submit written inquiries directly to the Safety Committee regarding safety and health matters. The Committee will review such inquiries and report back management's response concerning the inquiry.

Section 18.12 Worker's Compensation. Employees who are injured on the job and later qualify for Worker's Compensation will be paid for regular wages lost on the day of the injury.

ARTICLE XIX
CONFORMITY TO LAW AND
SEPARABILITY CLAUSE

Section 19.1 Conformity to Law. If any provision, or the enforcement or performance of any provision, of this Agreement is, or shall at any time be, held contrary to law, then such provision shall not be applicable or enforced or performed except to the extent permitted by law. In such event, the parties will, within twenty (20) calendar days, commence negotiations with the sole object of replacing such clause(s).

Section 19.2 Separability Clause. If any provision of this Agreement or the application of such provision to any person or any circumstance shall be held invalid, the remainder of this Agreement or the application of such provision to other persons or circumstances shall not be affected thereby.

ARTICLE XX
COMPLETE AGREEMENT

(a) The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of that opportunity are completely set forth in this Agreement.

Therefore, WPS and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement.

(b) No employee employed by WPS on the effective date of this Agreement shall, as a result of this Agreement, suffer any reduction in wages as a result of being placed in the Grade Range schedule pursuant to Article XIII, Section 13.1.

(c) This Agreement is in no manner intended to preclude WPS from granting or initiating additional payments or benefits to employees.

ARTICLE XXI

TERM OF AGREEMENT

Section 21.1 Term. This Agreement shall become effective as of October 9, 2004, and shall remain in full force and effect until midnight October 10, 2008, and shall thereafter be continued for yearly periods unless notice of termination is given in writing by certified mail by either party not less than sixty (60) nor more than ninety (90) days before midnight October 10, 2008, or any subsequent annual expiration date.

Section 21.2 Notices. Notices hereunder shall be given by certified mail and, if by WPS, shall be addressed to the Union at 6414 Cops Avenue, Suite 213, Madison, Wisconsin 53716, and, if by the Union, shall be addressed to WPS at its Monona, Wisconsin, office located at 1800 Engel Street, Monona, Wisconsin 53713. Either party may, by a like written notice, change the address to which such notice shall be given. Notices shall be considered to have been given as of the date shown on the postmark.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the day and year first above written.

LOCAL 1444, OFFICE EMPLOYEES
DIVISION OF UNITED FOOD AND
COMMERCIAL WORKERS UNION,
chartered by UNITED FOOD AND
COMMERCIAL WORKERS INTERNATIONAL
UNION-AFL-CIO.

By *Daniel R. Welch*
Daniel R. Welch
President, Local 1444

By *Chad Whiteside*
Chad Whiteside
UFCW Business Representative

By *Paul Whiteside*
Paul Whiteside
UFCW Secretary/Treasurer

By Union's Negotiating Committee
Kelly E. Herby
Kelly E. Herby

Cynthia M. Hosely
Cynthia M. Hosely

Ellen A. Rishel
Ellen A. Rishel

Sue M. Schmidt
Sue M. Schmidt, Chief Steward

Gaylen Sersch
Gaylen Sersch

Erlinda Valdez
Erlinda Valdez

Sharon Wade
Sharon Wade

David L. Wilie
David L. Wilie

WISCONSIN PHYSICIANS SERVICE
INSURANCE CORPORATION

By *James R. Riordan*
James R. Riordan
President & Chief Executive Officer

By Company's Negotiating Committee
William T. Bathke
William T. Bathke, Spokesperson
Executive Vice President & Chief Operating Officer

Evan W. Adams
Evan W. Adams
Manager, Employee Relations

Sandra L. Bender
Sandra L. Bender
Director, Employee Services Administration

Brian F. Brugger
Brian F. Brugger
Vice President, Support Services

Elizabeth M. Druml
Elizabeth M. Druml
Manager, Employee Relations

Charles P. Grant
Charles P. Grant
Corporate Vice President, Employee Services

Kimberly A. Schuttemer
Kimberly A. Schuttemer
Manager, Employee Relations

John E. Trochlell
John E. Trochlell
Director, Actuarial

Peter A. Windschiegl
Peter A. Windschiegl
Director, Employee Relations

APPENDIX A

CHECKOFF AUTHORIZATION AND ASSIGNMENT
LOCAL 1444

Print
Name _____
Address _____
Employed By _____
Store Location _____
Hourly Rate _____
of Pay _____

Date of
Birth _____
City _____
Scheduled To _____
Start Work On _____
Average Weekly
Hours _____

I, the undersigned member of the United Food and Commercial Workers Union, Local 1444, hereby authorize my employer to deduct from my wages and to pay the above Local Union and/or its authorized representative the equivalent of an initiation fee and regular monthly dues or fees in lieu thereof and any assessments which may be owing and, as a result of my representation by, Local 1444, and my employer or Local 1444 are further authorized to transfer this authorization to any other employer under contract with Local 1444 in the event I should change employment.

This authorization and assignment is made voluntarily and shall continue to be in effect for the term of the current collective bargaining agreement between the employer and the union, or one year from execution of this checkoff, whichever occurs sooner, and is not conditioned upon any present or future membership or non-membership in Local 1444, and shall automatically continue from year to year unless revoked in writing by the undersigned to the employer and the union, not more than fifteen (15) days nor less than ten (10) days prior to my anniversary date of checkoff authorization.

It is understood that the Employer's responsibility for the performance of this service is strictly limited to the delivery of such dues and initiation fees or fees in lieu thereof to the United Food and Commercial Workers Union Local 1444.

Signed _____

Social Sec. No. _____ Date _____

Dues paid to UFCW Local 1444 are not deductible as charitable contributions for Federal tax purposes

ADMINISTRATIVE PROCEDURES/INFORMATIONAL SHEET

Make-up Time

Absences up to four (4) hours or less per week can be made up within the week they occur. Arrangements to make up time are to be made with the employee's immediate supervisor. The intent is to provide employees an opportunity to make up time for absences of short duration such as traffic problems, parent teacher conferences, medical and dental appointments, sick child, etc., without incurring an occurrence. Repetitive absence or abuse will be reviewed on a situational basis.

Employees may make up time consistent with the above on Saturdays, if work is already scheduled on the Saturday, subject to supervisory coverage and approval.

Where practical, the company will apply the provisions of this administrative procedure allowing for up to eight (8) hours make-up time for authorized unpaid leave incurred under Article V, Section 5.3, of the Collective Bargaining Agreement.

Employees will make-up time based upon the actual production hours missed.

Employees may use make up time for funeral leave for a relative or friend who is not covered under Article IX, Section 9.5.

Mail Order Prescription Legend Drug Program

The Company has agreed to a pilot mail order prescription legend drug program. This program will allow employees to order a 90 day supply of maintenance prescription legend drugs with a co-pay at three (3) times the retail co-pay minus \$10.00 in the HMP Preferred Plan.

The Company will evaluate this pilot program at the end of the first year. If it is determined to show a cost savings the program will be extended to the second and third year of this agreement.

Flexible Spending Account

The Company has agreed to pilot a voluntary Flexible Spending Account Program for the term of this agreement. This program allows employees to pay for certain medical care expenses with pre-tax dollars. A description of the program is defined in the Brochure given to the Union during these negotiations. The company has agreed to pay the cost of administering this program.

Tuition Reimbursement

Employees are eligible for tuition reimbursement of up to \$100 per credit for relevant business related courses. The reimbursement is contingent upon course completion and a grade of "B" or its equivalent or higher from an accredited vocational/technical college or accredited university. WPS will pay for up to ten (10) HIAA courses upon successful completion of the course. The maximum reimbursement under this policy shall be \$1,000 per year.

Attendance at classes and completion of exams are on non-work time.

Active Ballot Club

WPS agrees to deduct from employee's wages authorized payroll deductions for the Union's Political Action Committee.

An annual enrollment will be held sixty days prior to the following year's contribution.

New employees may authorize payroll deductions in conjunction with Union dues and initiation fee/membership.

Authorized payroll deductions can be revoked at anytime with three weeks prior written notification to the Payroll Department, but amounts designated at the time of enrollment cannot be changed.

Deductions will be made on up to twelve (12) monthly installments taken from the paycheck following Union dues deductions.

WPS will provide the Union with a list of employees, the amount deducted, along with the check. The Company will be held harmless and it will be the responsibility of the Union to reconcile actual payments.

The Union will be responsible for providing an acceptable payroll deduction form.

It is our understanding that contributions will be voluntary and that solicitations will take place during nonbusiness hours without disruption to the work environment.

Electronic Transfer of Funds

By July 1, 1995, WPS will authorize the direct deposit or electronic transfer of funds for up to three banking transactions at the financial institution(s) of the employee's choice.

These banking transactions can include checking, savings or loan repayment to those financial institutions, including credit unions, who have the capability of receiving standardized electronic transfer of funds.

Sick Leave

During the first year of the new agreement, the two (2) day non-paid waiting period presently defined under Section 15.3 will be waived. An individual's absence due to sickness will be paid from their accumulated earned sick leave. *Should all accumulated sick leave be exhausted, requests may be made to use earned vacation and/or employee day time.* Such approval will be subject to supervisory review and authorization. Following three (3) instances of absence, an individual's supervisor and Employee Services will review the employee's attendance. If problems appear to exist, the supervisor and the steward will meet with the employee to investigate the situation further and, where appropriate, correct attendance problems. Employees who have unacceptable attendance or abuse the policy will receive progressive discipline as presently administered, not excluding the possibility of discharge.

At the end of the first year of the new agreement, the Union and the Company will meet to determine whether continuation of the program will occur or whether the existing language governing administration of the waiting periods will be employed.