

VEDO/Local 175 Contract, November 2005

**Labor Agreement Reference Book
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SECTION 1 **Safety**

A. Accident Review Policy

Policy Statement

All employees, in the normal course of work may be exposed to certain hazards inherent in operations. Each employee, in addition to observing health and safety regulations, must follow safe work practices and be aware of and responsive to hazards in the work environment. All levels of employees within Vectren Energy Delivery of Ohio share the risks presented by these hazards. However, all employees have personal responsibility to react to these recognized risks and respond accordingly.

When over the course of time an employee's work history indicates that chargeable accidents or injuries are occurring or have occurred with a frequency and to an extent that they consistently exceed the norm established by the Company, then such an employee may be considered a candidate for the Accident Review Program. In addition, candidates for the Accident Review Program will include those employees whose continual pattern of negative safety behavior such as, violating safety regulations, rules and (or) accepted industry safety guidelines/practices are considered to have a high potential for future accidents.

The Accident Review Program includes:

- The purpose is to identify injury/accident trends early to provide proactive methods to make all employees safer.
- All Vehicle Accidents, Injuries and Safety Rule Violations will be reviewed by a 4 person Accident Review Committee (immediate supervisor, Regional Manager, and a representative from the Corporate Safety Department, and the appropriate Area Representative). This group will provide the company and the employees with a fair and consistent evaluation of Chargeable Incidents. The Accident Review Committee will also take into consideration contributing factors such as but not limited to weather, road conditions, and lighting, etc.
- The Regional Manager has the final determination of "Chargeability" on a given incident.
- Reportable vehicle accidents are those defined by ANSI, and Preventable are those defined by the National Safety Council. These criteria will be applied when determining Chargeable motor vehicle accidents.
- Injuries will be classified as Chargeable if they meet the following definition. A chargeable incident is one in which, based on the facts and circumstances from a safety investigation and in the best judgment of management:
 - a) the employee contributed to an accident by failing to observe safe work practices, violating health and safety work rules or regulations, taking inordinate risks, failing to take reasonable precautions, or had demonstrated unsafe work performance, incompetence, carelessness or negligence in carrying out the duties of the job.

Additionally, other factors such as type, frequency, severity, pattern or trends of accidents may be taken into consideration.

And (or)

- b) The employee's work history demonstrates repeated negative safety behavior such as violating safety regulations, rules and (or) accepted industry safety guidelines/practices which results in discipline.
- Definition of Accident: An accident is an undesired event that results in physical harm to a person or damage to property.

The Accident Review Program is designed to provide the employee with progressive warnings of an unacceptable record, along with ample opportunity to clear the record by correcting his/her behavior regarding unsafe work practices.

- 1st Session – 2 Chargeable incidents in 36 months
- 2nd Session – a 3rd Chargeable in the next 24 months
- 3rd Session – a 4th chargeable incident in the next 18 months.

Employee can clear record after each step without having another chargeable incident in the listed timeframe. However, an employee could, on a case by case basis, be included in the program again if their record demonstrates repeated Chargeable incidents.

A review session will be held at each discussion of the Accident Review Program.

Each session must be documented and communicated with the employee using Exhibit A and Exhibit B-1, and what actions are necessary to improve an employee's unsafe behavior in a good faith manner.

- The goal for both union and management is to make Vectren a safe work environment for all employees.
- The union will work jointly with management to address safety concerns with individuals/employees.
- This program would eliminate the driver's license revocation rule following two vehicle accidents.
- Also, this program will change the existing hard hat policy to.
 - (Please see the VEDO Head Protection Policy)
- Review sessions under the Accident Review Program will not be considered disciplinary. The goal of the Program is to identify and correct problems.
- For the purpose of this settlement, the Company reserves the right to take disciplinary action under the Corrective Action provisions of this agreement.
- The Union retains its right to file a grievance on disciplinary action.

EXHIBIT A

ACCIDENT REVIEW EMPLOYEE RECORD REVIEW

NAME _____ **DATE** _____

Your incident record has recently been reviewed. The record shows that you have had the following incidents in the past 36 months:

1. _____ (Date)
2. _____ (Date)

This record has resulted in a growing concern for your safety and the potential risk to the safety of other employees. Our efforts continue to focus on accident prevention. However, as an individual employee, you are responsible for obeying safety regulations and safety rules, following safe work practices and observing all reasonable precautions in carrying out your job in order to prevent accidents. As result of your overall incident record, you have been designated in the Accident Review Program until your record in the program is cleared in accordance with the program.

cc: Employee Relations Consultant
Personnel File

EXHIBIT B-1

ACCIDENT REVIEW PROGRAM REVIEW AND CHECKLIST

NAME _____ **DATE** _____

Your safety record for your years of service at this location is as follows:
(Review in Detail)

Session I

- Complete accident record and entire employment history, if available and noteworthy.
- Accident record for last three years

Session II

- Most recent incident (s)
- _____

1. Do you dispute any of your incident record?

Response: _____

2. Do you understand that this incident/injury/safety record is unacceptable?

Response: _____

3. How do you explain your safety record?

Response: _____

4. What can management do, if anything, to assist you in working more safely?

Response: _____

5. What do you intend to do to end this repetitive pattern of incidents?

Response: _____

6. Do you have any questions?

Response: _____

7. Do you have other information that you wish to provide?

Response: _____

8. Closing management remarks.

Management should inform employee what is expected: _____

Management reviewed my safety record with me on:

(Date)

Signature of Employee

Signature of Department Head

Signature of Immediate Supervisor

Others Present

Copy of Form given to Affected Employee

[] Yes [] No, explain:

EXHIBIT B-2

MANAGEMENT REMARKS TO EMPLOYEE AT CONCLUSION OF REVIEW AND CHECKLIST SESSION

1. Management is concerned about your past safety record. If this pattern continues, the probability of serious injury to you and other employees increases and the company assumes greater risk in terms of higher costs and losses in productivity.
2. Your work record shows you to be a high risk employee. Your work history indicates that you cannot work without having an accident, getting hurt, or violating a safety rule.
3. Your repetitive pattern of incidents must stop. Your work activities will be monitored by your immediate supervisor with particular emphasis placed on safe work practices.

B. Clothing and PPE For Employees Performing Natural Gas Tasks

Purpose

The following policy has been developed to reduce potential injuries by abrasions and potential fire hazards to employees.

Clothing

All employees who are performing work activities that may expose them to potential sources of ignition must wear only company-approved clothing. The employee is to wear all natural fibers, such as cotton, silk and wool, next to their skin.

1. 100% cotton long sleeve shirts are to be worn under all jackets and sweatshirts that are not composed of 100% cotton. Optimally employees should be wearing all cotton outerwear.
2. While welding employees must be in 11 oz. or greater weight cotton clothing, leather gloves approved for welding and flame retardant fabric shirts or jackets should be worn when welding.
3. In the presence of a gaseous atmosphere, all persons must wear Flash Gear in the immediate work area of activities involved with repairing damage to, or leaks on, gas distribution facilities. All exposed skin must be protected with the flash gear.
4. 100% Cotton long sleeve shirts or flash suits are required under the following conditions:
 - During tapping operations
 - During pigging operations
 - In vaults or excavations
 - When there is a potential release of natural gas
 - When working on plastic pipe containing natural gas and squeeze off tools are being used.

No alterations to company-approved and issued clothing without written permission from the safety department.

Recommendations

1. Always wear 100% natural fabric undergarments against the skin.
2. Long sleeve shirts are preferred to short sleeve shirts as they provide protection against abrasions, sunburn, insect bites, poison ivy, and flash burns.
3. All outer garments are recommended to be worn fully gathered, fastened, buttoned, or zipped around exposed skin. Synthetic or cotton blend linings of cold weather wear is allowable if worn as described preventing exposure of the lining to electrical arc or flame.
4. All field employees regardless of job classification and work assignment are strongly encouraged to wear clothing of all natural or flame retardant fibers; synthetic fibers may be hazardous due to the flame/melting properties of these products.

Hand Protection

Employees are required to use hand protection when employee's hands are exposed to hazards such as those from skin absorption of chemicals, cuts, lacerations, abrasions, punctures, chemical or thermal burns.

1. It is recommended that employees do not wear loose hanging jewelry or rings. The wearing of rings presents a hazard when working in construction or service related jobs. Catching a ring on a tool or equipment can result in a serious injury.

2. Company approved leather or cotton gloves will be used on tasks where cut or abrasions hazards exist. The type of glove required for a particular task depends on the hazards identified.

Foot Protection

Employees in job classifications requiring safety shoes or boots will wear only footwear meeting the ANSI standard Z41-1991.

1. Footwear must be sturdy, in good condition, provide good support and have adequate tread to prevent slipping.
2. Safety shoes must be lace up or slip on with a minimum of 6" top.

Eye Protection

Employees will wear Company approved safety glasses, which meet ANSI standard Z87.1.

1. Safety glasses will be worn where there is any reasonable possibility of flying particles or flash fire entering the eyes.
2. Standard non-prescription safety glasses are available through the storeroom. Prescription Safety glasses must meet ANSI standard.
3. Company approved standard safety glasses will be equipped with side shields, or goggles will be provided to employees.
4. Welding helmets or cutting goggles with the appropriate tinted lenses shall be worn over primary eye protection when performing these jobs.
5. Employees performing grinding are required to wear a face shield.
6. Thin plastic "one size fits all" side shields are not acceptable side shield protection.

Head Protection

Hard hats and hard hat liners will be provided by the Company and will meet ANSI standard Z89.1 Type 1 Class E,G.C. Hard hats shall be worn by all employees in any area where the hazard of head injury may exist or is incidental to the job or work area.

1. Working where there is a possible danger of head injury from impact, falling or flying objects, or electrical shock and burns.
2. Working in or passing through, any "HARD HAT AREA" as posted by the Company, its contractors, its customers or other authorized persons.
3. Engaged in construction work or visiting an active construction site where work is being performed.
4. Engaged in unusual, unpredictable, or emergency work situations
5. And when employee/employees deem hard hats to be appropriate to be worn.

Additional Guidelines:

1. Cutting holes into or defacing, including riveting a hard hat (except to install approved safety devices) is not allowed. Metallic stickers or metallic markings which may effect the intrinsic electric protection of the hard hat is not allowed.
2. Bump caps are not recognized by the Company as head protection.
3. Failure by any employee to observe and abide by these rules will subject the employee to disciplinary action under the Corrective Action section of the Employee Handbook that was in effect at the time of the acquisition.

Hearing Protection

Hearing protection is required whenever an employee's noise exposure equals or exceeds an 8-hour time weighted average sound level of 90 decibels. There are no jobs in VEDO that meet this criterion. However, it is recommend that employees wear hearing protection any time they are exposed to noise levels that meet or exceed 85 dB.

1. The rule of thumb is that if someone is 3 ft. (arms length) away from you and you must raise your voice so that they can understand you then the noise level is >85 dB and hearing protection is therefore needed. Examples would include equipment operation (i.e. trencher work, back hoe operation, etc.)
2. Hearing protection is available through the company store room.
3. If in doubt as to whether or not hearing protection is needed, consult your supervisor.

Reflective Safety Vests

Vectren will provide employees reflective safety vests to be worn while:

1. Flagging traffic day or night.
2. While involved in construction/maintenance work at day or night on any roadway.
3. When required to do so by supervision.

Additional Guidelines:

1. While involved in construction/maintenance work on any roadway during daylight hours employees may wear yellow or lime-green "High Visibility Garments", provided by the employee, in lieu of the reflective safety vest.
2. Federal, state, local or municipal regulations will be adhered to when they are stricter than this policy.
3. Employees will monitor the condition of the reflective safety vest and the High Visibility Garments and will replace the items when the condition of the reflective vest or garments deteriorates and is ineffective.
4. Reflective safety vests will be provided by Vectren.

Respiratory Protection

Respiratory protection shall be made available to employees for use in certain situations. Listed below are general guidelines for respirator use in VEDO.

1. Under no circumstance is an employee to bring a respirator from home. All respirators used by Vectren employees must be supplied by Vectren.
2. Any employee wearing a respirator will be clean shaven where the respirator touches the face (the face to face-piece seal area).
3. SCBA's are made available for work in Gaseous Atmospheres where the oxygen content is less than 19.5% oxygen. Employees must be medically qualified, fit tested and trained in order to wear a SCBA.
4. 3M 8210 dust masks are made available for protection against Nuisance Dusts. These respirators may be worn on a voluntary basis once an employees receives and reads a copy of Appendix D from 29 CFR 1910.134 and signs off on documentation stating that he/she has received such information. Additional training, fit testing and medical qualification are not required for this particular respirator.

C. Safety Issue Resolution Procedure

This outline is meant to communicate the proper method for reporting unsafe situations, how they should be communicated and resolved.

Guidelines

- Safety hazards will arise in daily work activities as conditions change and it is important that these hazards are dealt with in a timely manner in order to avoid personal injury, property damage, and danger to the public.

- Whenever possible, safety hazards should be anticipated and resolved during the planning stage of a job.
- Any safety hazards arising on the work site should be dealt with accordingly by the work crew or in conjunction with their supervisor.
- Should any doubt arise as to the proper meaning, application or interpretation of a safety rule that addresses a known or unknown hazard, employees should ask their supervisor. If there is need for further clarification or additional opinions, the issue may also be brought before the Safety Consultant for interpretation. However, the supervisor is responsible and may take immediate steps to provide for safe reliable service to our customers that do not place the safety of our employees or the public in jeopardy.
- Safety of our employees and the public is paramount and will take precedence over completion of the work.
- Minor safety concerns that arise and are resolved or safeguarded by the work crew to allow work to continue should be communicated to the supervisor at the earliest convenience or at the end of the day for communication purposes. Minor safety concerns involving interpretation, application or meaning of a safety rule will be dealt with on a case by case basis by the supervisor and the employee and (or) crew.
- Anytime a safety concern arises that is seen to be imminently dangerous to life or health, work should be halted until the imminent danger can be safeguarded or eliminated. If these instances can be dealt with in a safe manner by the work crew then the issue should be resolved and work continued.
- If an imminent danger situation arises and the work crew cannot resolve the issue, they shall immediately refer their concern to their supervisor for prompt resolution. The supervisor will attempt to resolve the concern as described above. An employee may refuse to perform a job he/she considers unsafe. However, the employee must explain why he/she considers the job unsafe and help plan a way to make the job safe. The supervisor should document each occurrence. Any other employee asked to perform the same job shall be notified that the job was refused because it was considered unsafe.
- If a resolution is reached, work will continue.
- If a resolution cannot be reached, the supervisor will proceed as described above.

SECTION 2 Annual Reviews

A. Evaluation Form

PERFORMANCE REVIEW FORM						
Employee:		Date:		Department:		
Evaluation Period:			Evaluator:			
Customer Service			EE	ME	NI	DNM
1.	Employee reports daily for work assignments and gives adequate notification for time off.					
2.	Respond to overtime requests					
3.	Utilize problem solving skills to perform assigned job duties					
4.	Maintain a neat, clean professional appearance					
5.	Employee is professional and courteous when discussing Vectren policies and procedures with customers, vendors, plumbers, contractors and coworkers.					
6.	Report to work on time and adhere to company policies regarding lunch and breaks.					
Comments:						
Decision Making						
1.	Actively participate in the training of subordinates and peers.					
2.	Attend all assigned training forums.					
3.	Assume a leadership role when appropriate to assist with analyzing efforts and problem solving techniques.					
4.	Attend all safety meetings; wear appropriate PPE and initiate safety improvement processes.					
5.	Reports all accidents, incidents & injuries to a supervisor immediately.					
6.	Actively assists coworkers to achieve company goals and objectives while adapting to a changing work environment.					
Comments:						
Cost Control						
1.	Reports to daily work assignments or reporting locations in a timely manner, maximizing productively efficiently and effectively.					
2.	Identify and report vehicle and equipment problems, maintaining all company equipment in a professional manner.					
3.	Maintain efficient work practices by keeping vehicles stocked with the appropriate tools, equipment and material to complete assigned tasks.					
4.	Complete necessary documentation associated with assigned task in a concise neat professional manner.					
Comments:						
Overall Performance Evaluation This Period			EE	ME	DNM	
Comments (Employee/Supervisor):						
Employee Signature:			Date:			
Supervisor Signature:			Date:			
Manager Signature:			Date:			

B. Employee Review Protest Form

Employee Review Protest

I hereby protest my review dated _____, of 20 _____. I disagree with the evaluation and the “Does Not Meet” / “Meets” rating(s) I received.

Further facts to be presented when and if necessary.

Employee

_____ 20_____
Date

SECTION 3
Request for Union Business Form

Request for Union Business

Employee Name _____

Meeting Date _____ Time: From _____ To _____

Meeting Organizer _____

Purpose _____

Location of Meeting _____

Expected time of return _____

Actual time of return _____

Check one:

- Union Business Company Pay – xxxxGADMIN, Task 533
- Union Business Union Pay (Union Activity Fund) – 0461VGADMIN, Task 532
- Union Business No Pay (Local 175 Pays) – xxxxNONPROD, Task 089.0633

Date Requested _____

*Need to provide as much lead time as possible

Supervisor Approval _____ Date _____

Copy to: Supervisor

SECTION 4
Book of Schedules

APPROVED SCHEDULES

- 10-Hour Schedule
- Three-Shift Rotating Schedules
- Twelve-Hour Schedule
- Four 9's and One 4 Schedule
- Five Days – 8 Hours Irregular Schedule

Note:

- Where business reasons require it, any schedule from the Book of Schedules may be utilized after consultation with the employees. Every effort will be made to keep employees' schedules consistent.
- These schedules can be worked by any employee regardless of what the job description says.
- Every effort will be made to keep irregular schedule changes to a minimum.
- Employees working the 10-Hour Schedule or the four 9's and one 4 will receive holiday pay according to the schedule they are working.

IRREGULAR SCHEDULE

4 DAYS – 10 HOUR SHIFT

- Can be any consecutive four days of the week.
- Can be any hours of the day, but the 10 hours must be consecutive.
- Schedule premium language applies.
- Illness, PAD and vacation pay will be taken by hours scheduled, not to exceed entitlements.
- Holiday pay will be based on hours scheduled. Will receive eight hours pay if regular day off or if mutually agreed upon will be given an additional day off in lieu of Holiday.
- Trades - Will not result in the Company paying an overtime premium.
- Meals will be paid after working 12 consecutive hours and at five hour intervals thereafter.
- Overtime pay for scheduled days off:
 - First day off will be considered as Saturday. If it is a calendar Sunday, it will be considered as Sunday.
 - Second day off will be considered as Sunday. If the first day off was a calendar Sunday, then the second day off will be considered as Saturday.
 - Third day off will be considered as Saturday.
- If the Company desires to change an irregular scheduled employee to a different work schedule, the first shift worked on the new schedule will be paid at straight time if the employee is notified no later than the quitting time of the previously scheduled workday and the schedule change is necessitated by the absence of an employee.
- When changes in irregular work schedules are necessary for other reasons, the employee will be paid double-time for the first shift worked on the new schedule, unless notified prior to the quitting time of the last shift worked in the previous week. Such employee may be changed back to the normal schedule after the workweek has started and paid on a straight time basis.

DOCUMENTATION OF THREE (3) TRICK ROTATING SCHEDULES

In order to furnish continuous service, it is understood that some employees will have to work a three (3) shift schedule on all days during the year. In all operations where definite assigned schedules include Saturdays, Sundays, and Holidays, they shall be included in irregular work schedules and shall be rotated, if possible, in such manner as to equalize Saturday, Sunday, and Holiday work among the employees involved, unless otherwise agreed upon.

Employees assigned to irregular work schedules may have a moving Saturday and Sunday. Therefore, one day off in a workweek is considered Saturday and is treated as such and the other day off, even if not consecutive with the first, is treated as Sunday. Saturday and Sunday, as used in this Schedule, are not necessarily the calendar Saturday and Sunday but shall be the Saturday and Sunday respectively, of the irregular work schedule employee's workweek. However, when the calendar Sunday is one of the days off and **he/she** works it, **he/she** shall be paid double-time regardless of whether it is **his/her** first or second day off. It follows that if **he/she** works **his/her** other day off, **he/she** will be paid time and one-half, regardless of whether it is **his/her** first or second day off. Such employees shall receive time and one-half for work done on an employee's Saturday and double-time for work done on **his/her** Sunday.

If the Company desires to change an irregular scheduled employee to a different work schedule, the first shift worked on the new schedule will be paid at straight time if the employee is notified no later than the quitting time of the previously scheduled workday and the schedule change is necessitated by the absence of an employee.

When changes in irregular work schedules are necessary for other reasons, the employee will be paid double-time for the first shift worked on the new schedule, unless notified prior to the quitting time of the last shift worked in the previous week. Such employee may be changed back to **his/her** normal schedule after the workweek has started and paid on a straight time basis.

When the above employee works two consecutive eight-hour shifts, the second shift will be worked on an overtime basis.

DOCUMENTATION OF USE OF “E” SHIFT WORKERS

- (1) An E shift worker is defined as an employee who may be used, if the Company desires, to fill a work shift of a regularly scheduled employee for the following reasons:
 - (A) The so-called 21st shift which occurs on each operating job once per week – (“E” Day).
 - (B) Vacations, P.A. days, and leaves of absence.
 - (C) Other absences from work.
- (2) When an E shift worker is filling shifts under (1A), (B), or (C) above, the E shift worker will be considered a regular operator.
- (3) An E shift worker has no normal work schedule in the sense that A, B, C, or D worker has. **He/she** may be scheduled to work one to five days per week to fulfill any requirements of (1A), (B), or (C) above. Those scheduled shifts may be day, afternoon, or night. When there is a vacancy which would require an E shift worker to work two consecutive 8-hour shifts, occurring on different days, and, there is another qualified operator on duty who can work the vacant shift, the E shift worker shall have the option of working the vacant shift or not. If the E shift worker chooses to work it, or has to work it because of the lack of a qualified operator, it will be treated as one of **his/her** scheduled work days for that week. On days when **he/she** is filling no shift under (1A), (B), or (C) above, **he/she** will be required to perform such tasks as the supervisor may prescribe. Such tasks shall be consistent with **his/her** classification.
- (4) When not filling shifts under (1B) or (C) above, the E shift worker will have Sunday and Saturday as **his/her** off days. When filling any relief schedule, the E shift worker shall have two consecutive days off.
- (5) After the start of pay-week, the E shift worker will not be required to take off a day to avoid the payment of overtime to **him/her** or a regular operator.
- (6) The days to be worked by an E shift worker in a pay-week may be prearranged as follows:
 - a. By notifying **him/her** of the schedule before the quitting time of **his/her** last shift worked in the preceding pay-week.
- (7) It may be necessary at times to change the E shift worker’s scheduled shift. If notification is given no later than the quitting time of the previously scheduled workday, the first shift will be worked on a straight time basis; otherwise, the first shift will be worked on an overtime basis. In the latter case, if the change involves **him/her** in starting earlier than **his/her** normal starting time, **he/she** will be paid on a double-time basis. If the change involves **him/her** in starting later than **his/her** normal starting time, **he/she** will be paid on a time and one-half basis. An E shift worker will not be short-shifted twice in a 24-hour period.

- (8) When an E shift worker is assigned to vacation relief and starts a scheduled week, **he/she** will complete that one week; except, that if **his/her** job does not need to be filled after the start of the workweek, **he/she** may be used to fill any absence that may occur during that week.

The E shift worker may be scheduled to work one or more vacations of less than one week that occur during the same week. On the days of that week when no vacation is scheduled, the E shift worker may be used for any other E shift worker assignment.

- (9) Every effort will be made to divide overtime work between the E shift worker and the regular operators on an equitable basis.
- (10) The E shift worker will receive the same shift differential as regular operators. Nothing in this section shall be construed to require the Company to provide E shift workers.

12-HOUR SCHEDULE

1. Conditions

The affected Union and Management employees should first have a meeting to discuss the terms and conditions of the 12-HOUR SCHEDULE and discuss and resolve problems this schedule may create. A 70 percent agreement of the affected employees shall implement a trial period of no less than 12 months for this schedule and the schedule must be approved by the Manager/Supervisor of the Department/Area. A committee, consisting of both Company and Union employees of the respective area, shall be formed for the purpose of resolving conflicts this schedule may create. During this trial period differences which may arise from the 12-HOUR SCHEDULE that are not contractual shall not be grieved, but shall be resolved by the committee.

At any time, either during the trial period or once the schedule becomes permanent, a majority of the affected employees vote to cancel the 12-HOUR SCHEDULE or the Manager/Supervisor of the Department/Area cancels the schedule, the 12-HOUR SCHEDULE is terminated. The affected employees will then revert to the standard eight-hour, three-shift rotating schedule. Cancellation will take effect following written notification of either of these conditions 90 days after receipt of such notification. These notifications should be addressed to the **Director of Employee Relations** and President of the Union.

If, after the 12-month trial period ends, there is a 70 percent agreement of the affected employees to continue on the 12-HOUR SCHEDULE, it shall become a permanent schedule, provided the schedule is approved by the Manager/Supervisor of the Department/Area.

The 12-HOUR SCHEDULE is illustrated below:

12-HOUR SHIFT ROTATION SCHEDULE

WEEK	MON	TUE	WED	THU	FRI	SAT	SUN
1 (1 ST shift)	D	D	D	D	O	O	O
2	O	O*	O	O	N	N*	N
3 (2 nd shift)	N	O	O*	O	D	D	D
4	O	N	N	N	O	O	O

D = 7:30 p.m. (First shift on Calendar Day)

N = 7:30 a.m. (Second shift on Calendar Day)

O = Days Off

* = Designated as Sunday for Scheduling Purposes

Periods of Time off:

- 8 Days (7:30 p.m. Thursday – 7:30 p.m. following Friday)
- 3 Days (7:30 a.m. Tuesday – 7:30 a.m. Friday)
- 2 Days (7:30 p.m. Sunday – 7:30 p.m. Tuesday)
- 3 Days (7:30 a.m. Friday – 7:30 a.m. Monday)

Starting times can be established and/or changed by a majority agreement of affected employees and Management approval.

2. Compensation

Participants in the 12-HOUR SCHEDULE will work two 36-hour weeks and two 48-hour weeks in a four-week period. For the 36-hour week, the employee will receive straight time compensation. For the 48-hour week, 48 hours will be paid at straight time and a shift premium of 50% of the employee's straight time hourly rate for eight of those hours.

(a) **Shift Adjustment No. 1(SA₁)**

Because shift differential and Sunday premiums are not compensated under the 12-HOUR SCHEDULE, a weekly wage adjustment (SA₁) is added so that employees will receive equal compensation under either the three-shift rotating schedule or dividing the difference in pay by 52 weeks. The difference in pay is calculated by subtracting the annual salary under the 12-HOUR SCHEDULE (Annual Salary = (hourly wage x 2,288 hours paid per year) + holidays and paid absence days) from the annual three-shift rotating schedule salary [Annual Salary = (hourly wage x 2,236 hours paid per year based on a 42-hour week) + holidays and paid absence days].

(b) **Shift Adjustment No. 2 (SA₂)**

During the 48-hour week, an employee normally is paid 48 hours at straight time and a shift premium of 50% of the employee's straight time hourly rate for eight of those hours. If an employee is absent from work with pay during the 48-hour work week, a shift adjustment (SA₂) must be used to offset unearned pay in that the employee is receiving only straight time pay. A formula [SA₂ = (2 x hourly wage) – (2 x average shift differential)] is used for calculating that adjustment with an eight-hour maximum adjustment.

(1) Holidays – Holiday pay is eight hours of straight time. If an employee is off, he/she will receive eight hours of pay. If an employee is scheduled off in lieu of the holiday, he/she will receive an SA₂ adjustment of four pay hours [SA₂ = (4 x hourly rate) - (4 x average shift differential)] in the 36-hour week and he/she will receive an SA₂ adjustment of six pay hours [SA₂ = (6 x hourly rate) - (6 x average shift differential)] in the 48-hour week.

(2) Funerals and Jury Duty – A day off is 12 hours rather than eight hours. A shift adjustment (SA₂) will be used to offset unearned pay.

Employees working 7:30 p.m. to 7:30 a.m. will be placed on the 7:30 a.m. – 7:30 p.m. shift for jury duty. Employees working 7:30 p.m. - 7:30 a.m. with jury duty beginning the next day will work 7:30 p.m. till 12:00 MN,

and will receive jury duty allowance for the remaining hours of his/her shift. He/she will be transferred to day schedule for the next day with days off remaining the same as scheduled. Employees are not expected to report to work between 7:30 a.m. and the time jury duty starts, but will report to work if excused, dismissed, or released and can be at work by 5:00 p.m.

- (3) Worker's Compensation – Company supplemental pay is based on 48 hours of straight time pay for the 48-hour week and 36 hours of straight time pay for the 36-hour week; therefore, a shift adjustment (SA₂) will be used to offset unearned pay.
- (4) Leaves of Absence (Military Training) – The Company will pay the difference between 80 hours straight time and the amount of military pay for 15 days of duty. In addition, where the employee involuntarily loses more than 80 hours, the Company will compensate for the number of hours lost up to a maximum of 88. A shift adjustment (SA₂) will be used to offset unearned pay.
- (5) Illness Pay – Illness pay will be used in 12-hour increments. If, on the first day ill, an employee is not entitled to payment, he/she will be charged with eight hours of illness without pay (Code 1N) and four hours of continued illness (Code 1F) for a total of four hours of pay. If, on the first day ill, an employee is entitled to payment, he/she will be charged with eight hours earned pay (Code 1P) and four hours continued illness (Code 1F) for a total of 12 hours pay. A shift adjustment (SA₂) will be used to offset unearned pay.

3. **Eight Hours versus Twelve Hours**

- (a) Vacations and Paid Absence Days – All vacation and paid absence day entitlement is earned in eight-hour increments and will be considered as total hours of entitlement. Less than twelve hours can be scheduled with either a partial work day or with non-scheduled personal business to equal a twelve-hour day.
- (b) Holidays – Holiday pay is eight hours of straight time. If an employee is off, he/she will receive eight hours pay. If the employee is working, he/she will receive eight hours of straight time pay, plus time and one-half for hours worked up to twelve. Double-time will be paid after the first twelve hours worked.
- (c) Meal Tickets – Employees on the 12-HOUR SCHEDULE who are held over may obtain meals at Company expense at 13 consecutive hours and at five hour intervals thereafter. Call in and prearranged overtime situations follow the Company/Union Agreement.
- (d) Training – Employees on night shift may be placed on day shift for training while maintaining the same rotation and days off.

4. Overtime

(a) Unexpected Vacancies

- (1) If an employee to be held over is not scheduled the following day, holdover is until call-in relief can be obtained with a normal four-hour maximum.

If, however, no one can be reached to replace **him/her, he/she** can be held over up to 12 hours.

- (2) If an employee to be held over is scheduled to work the following day, holdover is until call-in relief can be obtained with a two-hour maximum.
- (3) If no one can be reached to fill these vacancies, it may be necessary in the future to establish a call-in list whereby the off shifts are required to call in one-hour prior to shift change. If this becomes necessary, the Union or the Company may elect to cancel the 12-HOUR SCHEDULE in accordance with approved procedures.

(b) Time and One-Half, Double-Time and Premium Pay

- (1) Employees shall receive overtime at the rate of time and one-half after their regularly scheduled day (12-Hours), after 48 hours worked in the 48-hour week, and after 36 hours worked in the 36-hour week.

A shift premium of 50% of the employee's regular straight time hourly rate of pay will be paid for all regular scheduled hours in excess of 40 in the 48-hour week.

- (2) All hours worked on call-in with a 48-hour notice shall be paid at time and one-half.
- (3) Saturday (first day off) is a time and one-half day for purpose of pay in overtime distribution.
- (4) Sunday is a second day off in the week if not a calendar Sunday and is paid at double-time.
- (5) Double-time shall be paid on an employee's calendar or designated Sunday, after 12 hours worked on holidays and on call-ins.
- (6) Double-time shall be paid to employees on the day shift who are held over past midnight or on the night shift who are held over past their regular quitting time.

IRREGULAR SCHEDULE

4 NINE-HOUR PLUS 1 FOUR-HOUR SHIFT

- Can be any five (5) days of the week, days to be consecutive unless mutually agreed to split.
- Can be any nine (9) hours and four (4) hours of the day, but the nine (9) hours must be consecutive and the four (4) hours must be consecutive.
- Schedule premium language applies.
- Illness, Paid Absence Days, and Vacation Pay will be taken by hours scheduled, not to exceed entitlements.
- Holiday Pay will be based on hours scheduled. Will receive eight hours pay if regular day off or if mutually agreed upon will be given an additional day off in lieu of Holiday. Employees will receive nine hours holiday pay if holiday falls on scheduled nine-hour day and seven hours holiday pay if holiday falls on scheduled four-hour day.
- Meals will be paid after working eleven (11) consecutive hours on the nine (9) hour shift and at five hour intervals thereafter.
- Trades will not result in the Company paying an overtime premium.
- Overtime pay for scheduled days off:
 - First day off will be considered as Saturday. If it is a calendar Sunday, it will be considered as Sunday.
 - Second day off will be considered as Sunday. If the first day off was a calendar Sunday, then the second day off will be considered as Saturday.
- If the Company desires to change an irregular scheduled employee to a different work schedule, the first shift worked on the new schedule will be paid at straight time if the employee is notified no later than the quitting time of the previously scheduled workday and the schedule change is necessitated by the absence of an employee.
- When changes in irregular work schedules are necessary for other reasons, the employee will be paid double-time for the first shift worked on the new schedule, unless notified prior to the quitting time of the last shift worked in the previous week. Such employee may be changed back to the normal schedule after the workweek has started and paid on a straight time basis.

IRREGULAR SCHEDULE

5 DAYS – 8 HOURS IRREGULAR SCHEDULE

- Can be any five (5) days of the week, days to be consecutive unless mutually agreed to split.
- Can be any eight (8) hours of the day, but the eight (8) hours must be consecutive.
- Schedule premium language applies.
- Illness, Paid Absence Days, and Vacation Pay will be taken by hours scheduled, not to exceed entitlements.
- Holiday Pay will be based on hours scheduled. Will receive eight hours pay if regular day off or if mutually agreed upon will be given an additional day off in lieu of Holiday.
- Meals will be paid after working ten (10) consecutive hours and at five hour intervals thereafter.
- Trades will not result in the Company paying an overtime premium.
- Overtime pay for scheduled days off:
 - First day off will be considered as Saturday. If it is a calendar Sunday, it will be considered as Sunday.
 - Second day off will be considered as Sunday. If the first day off was a calendar Sunday, then the second day off will be considered as Saturday.
- If the Company desires to change an irregular scheduled employee to a different work schedule, the first shift worked on the new schedule will be paid at straight time if the employee is notified no later than the quitting time of the previously scheduled workday and the schedule change is necessitated by the absence of an employee.
- When changes in irregular work schedules are necessary for other reasons, the employee will be paid double-time for the first shift worked on the new schedule, unless notified prior to the quitting time of the last shift worked in the previous week. Such employee may be changed back to the normal schedule after the workweek has started and paid on a straight time basis.

SECTION 5
Employee Assistance Program (EAP) Guidelines

Deaconess CONCERN: EAP Regional Referral Process: Dayton, Ohio

The following referral process is put in place in order to expedite referrals for Vectren employees (and members of their households) living in the Dayton, Ohio, area.

Normal EAP Process

- Calls should be made to the CONCERN: EAP office through the toll-free number (800-874-7104). These calls will be referred to the “Regional Coordinator”. The Regional Coordinator will speak with the client over the phone and refer him/her to a provider/counselor in the Dayton area.
- In the event that the Regional Coordinator is not available, the client may leave a message for a return call from the Regional Coordinator, or may request to speak to one of the other counselors in the office in order to be referred on to a provider/counselor in the Dayton area.
- When the call is received, the office staff will assess the urgency of the situation and try to reach the regional coordinator or one of the other counselors to handle the referral in a “timely” manner, depending on the urgency of the situation.

Special Process

- The primary provider/counselor working for CONCERN: EAP in the Dayton, Ohio, area is “**EAP Plus**”.
- Special arrangements have been made with “EAP Plus” as follows:
 - Vectren employees (and members of their households) may make direct contact with “EAP Plus” and set up an appointment with them.
 - This direct contact may be made by the client for both “routine” and “crisis” situations.
 - The phone number for EAP Plus is **937-913-1901**
 - In this situation, the caller should identify that he/she wants to use their company’s EAP benefit.
 - EAP Plus has agreed to make the appointment for the client without prior authorization from CONCERN.
 - EAP Plus will contact CONCERN: EAP in order to get authorization for services after the appointment is made.

SECTION 6 **Policies**

A. Cell Phone Usage

Cell phones are provided as tools to enhance communication capabilities and improve employee productivity. Use of Company provided cell phones is intended for business or emergency purposes only. Use for personal reasons must be specifically authorized by an employee's supervisor.

Employees are required to reimburse the Company for personal use, when such personal use causes the Company to incur a cost. If an employee needs to use the cell phone for personal reasons, he/she must notify his/her supervisor as soon as practical after the use and arrange to pay for the call(s) made.

Cell phones provided for use on the job are property of the Company. Any additional programming, applications, phone lists or other information is the property of Vectren. The employee is not allowed to download or distribute content from an external source, such as an internet site to Company owned cellular or pager device.

The Company reserves the right to review detail of usage (billing) and may request an explanation from the employee, if there are questions. Employees are responsible for the reasonable care of the cell phones which they are issued.

The employee is required to immediately return all Company issued equipment and accessories to his/her manager upon termination of employment.

B. Smoking Policy

To further its goal of providing a clean, healthy environment, Vectren prohibits smoking in all buildings owned or leased by Vectren, except where expressly permitted. In addition, smoking is prohibited in any area that would endanger the life or property of an employee, a customer, or the public, and in all meetings (either on or off Vectren Corporation facilities). Smoking is prohibited in all Vectren Corporation vehicles unless mutually agreed to by all involved individuals. These restrictions are in addition to any governmental regulations or guidelines related to smoking where the potential for fire or safety hazards exist. This policy applies to all employees, suppliers, contractors, or visitors of Vectren Corporation.

C. Educational Assistance

The Company shall maintain the Educational Assistance Program during the life of this Agreement. Any full time regular employee may apply for Educational Assistance. The Company will provide a Corporate Tuition Reimbursement Program for the cost of tuition and required textbooks up to \$5,250 per calendar year (Section 127, IRS Code, nontaxable limit.) Calendar year is based on the check process date. The course work must be directly related to the employee's current job or a generally predicated future position.

An application for educational reimbursement must be submitted to the Company before the classes begin or the test is taken. Employee reimbursement for the cost of the Corporate

Tuition Reimbursement and Educational Assistance programs will be applied in the following manner:

- The Company will provide an employee 100% of the costs if the employee receives an “A” in the course;
- 75% of the costs if the employee receives a “B” in the course;
- 50% of the costs if the employee receives a “C” in the course or passes a course taken as pass/fail; and
- No reimbursement if the employee receives a grade below a “C” in the course.

Corporate Tuition Reimbursement Program

The purpose of the Corporate Tuition Reimbursement Program is to assist employees in obtaining two and four year degrees. Reimbursement under this program applies for classes taken at any accredited college, university, technical school or business school. To be eligible for reimbursement, classes must be approved in advance by the Human Resources Department.

Educational Assistance Reimbursement Program

The purpose of the Educational Assistance Reimbursement Program is to assist employees in non-degreeed course work/classes directly related to the employee’s job. To be eligible for reimbursement, course work/classes/proficiency test(s) must be approved in advance by the employee’s supervisor by submitting an application for educational reimbursement. The supervisor may approve the enrollment in the training class and make direct payment to the educational institution upon mutual agreement with the employee and the educational institution. The employee’s supervisor will review the course selection against the job knowledge and skill requirements and inform the employee whether or not his/her application has been approved.

D. Family Medical Leave Act (FMLA)

Time away from work to deal with a personal illness, illness of a family member or the birth or adoption of a child.

Eligibility – The employee must have worked for the Company as of the date the requested leave is to begin for at least 12 months and for at least 1,250 hours during the previous 12 months.

Reasons for leave include Parental Leave, Family Medical Leave, and Employee Medical Leave.

Notice and Certification Requirements – An eligible employee must give the Company at least 30-days notice of his or her intent to take leave under the FMLA. If the employee is unable to give such notice because of the need for leave is not foreseeable, then the employee must give as much notice as practicable. Typically, this will mean giving notice to the Company within one or two working days of learning that FMLA leave must be taken. Any employee who fails to give

the requisite notice may be delayed in receiving authorization for leave. In addition, an employee requesting FMLA leave due to his/her own serious health condition or to care for a parent, spouse or child with a serious health condition, must provide a certification from a health care provider indicating that the employee requires the leave. The form for this certification will be provided to an employee when he/she requests the leave. The form shall comply with the Department of Labor Regulations. Failure to return the certification at all will preclude the employee from having the leave treated as Family Medical Leave.

Parental Leave – This type of leave can be taken by an employee to care for a new son or daughter, including by birth or by adoption or foster care placement. The leave may be taken for up to one (1) year after the birth or placement.

Family Medical Leave – This type of leave can be taken by an employee to care for the “serious health condition” of the employee’s spouse, child or parent.

Employee Medical Leave – This type of leave can be taken by the employee for his or her own “serious health condition”, if the condition renders the employee unable to perform his or her job functions. Leave under the Illness Pay provisions of this Agreement runs concurrent with leave under FMLA.

A “serious health condition” is defined as an injury, illness, impairment or any physical or mental condition that involves in-patient care, continuing treatment by a health care provider for a long term condition that is incurable or that would result in a period of incapacity of more than three (3) days if left untreated, or any period of incapacity lasting more than three (3) calendar days and which requires continuing treatment by a health care provider.

Duration of Leave – The employee is entitled to 12 weeks of leave (based on the employee’s normal hours per week) during a 12 month period. This is a 12 month period based on a rolling 12 month period from the date of the event. If leave taken due to the employee’s serious health condition, or to care for a spouse, parent or child, FMLA leave may be taken intermittently or on a reduced hours schedule if the medical necessity for such leave is documented by the health care provider.

Substitution of Paid Leave – Generally, FMLA leave is unpaid. If however, an employee also has available paid leave of other types from the Company, the Company will substitute accrued paid leave Illness Pay, unused vacation and unused Personal Holidays for FMLA leave and such paid leave will count toward the employee’s twelve (12) weeks of FMLA leave. At the employee’s request, up to ten (10) unpaid days may be taken following the leave.

Health Insurance Continuation – Employees on FMLA leave may continue to participate in Vectren’s group health insurance plans by continuing to make the employee’s portion of the premium payments. Employees should contact Human Resources to make arrangements for payment of premiums. Failure to make premium payments will result in loss of coverage. If an employee is off in an unpaid leave status, arrangement for payment of the employee’s portion of the premiums may be made upon returning to work.

Return to Work – Any employee who takes leave under FMLA and who returns to work before his or her annual FMLA entitlement has expired shall be restored to the position he or she held when the leave commenced, or to an otherwise equivalent position with respect to pay, benefits, and other terms and conditions of employment.

An eligible employee on FMLA leave due to a serious health condition should submit to the Company a medical release indicating that the employee is able to return to work. Failure to submit such a release may preclude the employee from being restored to his or her employment with the Company with respect to pay, benefits, and other terms and conditions of employment.

E. Employee Assistance Program (EAP)/Wellness

The Company and Union has established the Employee Assistance Program (EAP), a completely confidential service, designed to help the employee resolve difficult issues and problems.

Each employee and his/her dependents can utilize the services of the EAP as long as **he/she** is an employee of the Company. Even if the employee is on personal illness, on permanent/total disability, on leave of absence, or working part-time, the employee may seek the help of the EAP.

Many of the referred services and organizations are covered by the insurance company policy.

The employee may seek the services of EAP without the knowledge of anyone, because all information is confidential.

EAP services are provided at no cost to the user with a specific provider selected by the Company. The Company shall have the right to change providers at its discretion as long as substantially similar elements are provided.

For each situation the user shall receive up to six (6) counseling sessions at no charge. Any treatment requiring time off work during the first six (6) weeks shall not result in loss of pay for the employee. If the situation requires more than six (6) weeks leave the employee would be covered by his normal illness pay entitlements if applicable.

To promote healthy lifestyles and provide support for employees who seek to improve their wellness, the Company will provide the following:

- Flu shots when the vaccine is available
- Conduct at least one individual written health risk appraisal for each employee during the term of this Agreement. The results of this confidential appraisal will be made available to each participating employee.

F. Military Leave – Reserve or National Guard

If the employee is a member of the Reserves or National Guard, the employee shall be granted time off to attend required annual training. Vectren shall pay the difference between the employee's regular salary and his/her military pay, if his/her military pay is lower, for a maximum of fifteen (15) calendar days per calendar year or per military year (October 1 to September 30), whichever provides the greater benefit.

The employee should give his/her supervisor advance notice of when he/she will be away. When the employee returns, the employee must fill out a military duty certificate and submit the form and his/her military pay voucher to Payroll. If employees are scheduled to work during the

time in which they are scheduled by the military to attend training activities, the employees will be given a schedule change to allow them to attend the training, providing that they give their supervisor reasonable prior notice.

Vectren will comply with the Uniformed Services Employment and Reemployment Rights Act (USERRA) should an employee be required to leave his/her civilian job to perform service in the uniformed service.

The Company shall grant a military leave of absence to any employee who leaves the Company to enlist in the Armed Forces of the United States or if activated. For such employees, the Company will provide paid medical insurance coverage for the employee's spouse and family members for up to 90 days if this coverage is not provided by the military or from other sources, i.e., spouse. The Company will also provide basic (\$50,000) life insurance for the employee during the time that he/she is on active duty. Accidental Death and Dismemberment coverage will not apply, if the employee is activated. The Company will also continue dependent life insurance, provided that the required premiums are paid. Life insurance coverage for dependents will not apply however, if the dependent is activated into the military service.

The employee on military leave is not eligible to contribute to the Employee Savings Plan 401(k) during his/her leave. However, previously chosen deductions shall be reactivated upon the employee's return and he/she shall have the opportunity to make contributions for those missed during the military leave.

G. Commercial Drivers License/Operator's License and Fees

Employees, whose jobs require that they drive, must maintain a valid driver's license at all times. The license must be appropriate for the type of vehicle driven.

It is the employee's responsibility to maintain a current operator's license or CDL if this requirement is part of the essential job requirements of his/her job.

If an employee's license is suspended or revoked, he/she must notify the appropriate supervisor immediately.

The following process is effective on November 1, 2005 and any Company action in response to an employee's driver's license suspension or revocation will be cleared from the employee's file on November 1, 2005.

Loss or suspension of operator's license

First Occurrence

1. (a) The Company will accommodate the employee by assigning the employee work that does not require driving or by modifying the employee's work assignment to accommodate the conditions of a suspended or revoked license for up to 60 days.
(b) An extension beyond the 60 days will be granted in 7 day increments with proof that there is an active appeal in progress toward reacquiring the license.
2. If the loss or suspension of the license is more than 60 days, without extension as described in 1(a) above, or the appeal process fails and the conviction is upheld, the

employee will be placed on unpaid leave of absence for up to 120 days to again allow the employee time to regain his/her license. The employee may return to work at any time during 120 days, if the employee is able to reacquire his/her full operator's license. If the employee is unable to reacquire his/her license during the 120 day period, he/she will be subject to disciplinary action up to and including discharge.

Second Occurrence within 3 Years

The employee will be placed on an unpaid leave of absence for up to 120 days. The employee may return to work at any time during 120 days, if the employee is able to reacquire his/her full operator's license. If the employee is unable to reacquire his/her license during the 120 day period, he/she will be subject to disciplinary action up to and including discharge.

Third Occurrence

The third loss or suspension of an operator's license and (or) CDL will subject the employee to disciplinary action up to and including discharge.

Maximum Accommodation due to Driving Infractions

No more than four (4) employees in the VEDO territory or more than two (2) per operating center at any one time, required to hold a CDL may be accommodated and (or) absent on unpaid leave associated with reacquiring his/her CDL license. However, the Company may reassign or move employee(s) to accommodate this requirement at no additional cost to the Company.

Clear the Record

1. Employees who have worked a rolling 3 year period since the last occurrence will clear their record of the steps outlined above.
2. If the conviction which resulted in the loss or suspension of the license is dismissed, resulting in the reinstatement of operator's license or CDL, the employee's driving record will be cleared of the occurrence.

A permanent suspension or revocation of an operator's license or CDL because of a physical or mental condition that precludes the employee from maintaining a passenger or CDL shall be covered by the Permanent Condition as described in Employees Physically/Mentally Unable to Perform Essential Functions of their job provisions of this Agreement.

After the employee completes his/her probationary period as set forth in this Agreement, the Company shall pay for Commercial Driver's Licenses (CDLs) for employees who are in a job requiring a CDL and for employees renewing existing CDLs as described below:

- The Company shall pay the difference between the cost of the CDL and the employee's State of Ohio Operator's License.
- The full cost of the physical examination (excluding any, and all, required treatment) shall be paid by the Company.
- The full cost of any required testing and training that is previously approved by the Company, shall be paid by the Company.

- The Company agrees to pay for applicable training and testing associated with acquiring a CDL for existing employees, only. New (Probationary) employees whose job requires a CDL will be required to possess a valid Class A CDL with the applicable endorsement, if required, upon hiring or within 60 days at their expense for testing and training but with no loss of straight time pay.
- Whenever practicable, the Company will make available a vehicle for utilization in taking the required driving test at a location approved by the Company.

H. Seat Belts

Vectren employees and all occupants of Company vehicles must wear seat belts or safety restraints while the vehicle is in motion. The Company definition of vehicles shall include any passenger vehicle, such as cars, trucks, crew trucks or any material handling equipment such as end loaders, dozers, backhoes, and forklifts equipped with seat belts.

SECTION 7 **Benefit Eligibility for New Employees**

The following is a summary of new employees' eligibility for benefits.

An employee's participation in the Company's Health Care Benefits begins on the first day of the month following one full month of full-time Company service. For example, if the employee is hired on March 1, he/she is eligible for coverage beginning April 1. If he/she is hired on March 2, he/she is eligible for coverage beginning May 1.

Employees are eligible to receive personal illness payments during a short-term illness or injury after they have completed six months of service as a full-time employee.

New employees are automatically covered by basic life and accidental dismemberment insurance (AD&D) on the first day of the month after completing 30 days of Company service. Every employee must complete an enrollment card listing beneficiaries for this basic coverage.

New employees will be paid for Company observed holidays starting on the first day on the job.

SECTION 8
Separation Agreement

This Agreement is by and between _____ (the "Company"), and the undersigned employee ("Employee"), with the acknowledgment and approval of _____ (the "Union").

1. Last Day of Employment. Employee's employment will end on _____, 20____, the ("last day of employment"), which will be the last day that Employee will be permitted or required to render services for the Company. On or before the last day of employment, Employee shall return all Company property. Employee waives reinstatement or rehire.

2. Separation Benefits. Employee will receive the following separation benefits, which are contingent upon Employee's execution of this Agreement and full compliance with the terms of this Agreement.

a. Severance Pay. Employee will be paid separation pay in the amount of \$_____, less required taxes and withholdings.

b. Vacation. Employee will be paid _____ for unused vacation days.

3. Complete Agreement. This Agreement is the entire understanding and agreement between the parties. It is understood and agreed that the pay and benefits listed in this Agreement are in lieu of any notice, and Employee acknowledges no entitlement to any other payments, compensation or benefits under any other agreement, program, plan or practice of the Company or any predecessor, parent or affiliated company. Provided, nothing in this Agreement is intended to affect or diminish any rights or benefits to which Employee is entitled under the terms of any retirement or savings plan maintained by Company or any predecessor employer. Provided further, nothing in this Agreement is intended to alter or diminish any rights or benefits to which Employee is otherwise entitled under applicable state workers' compensation laws.

4. Release and Waiver. In consideration for the payments received under this Agreement, Employee (including Employee's agents, heirs and assigns) forever releases and waives as against the Company and the Union, and its and their parent organizations, affiliates and subsidiaries, limited and general partners, officers, directors, agents and employees, and successors and assigns, any and all rights, claims or causes of action in any way relating to Employee's employment with or termination from the Company, including but not limited to, claims or lawsuits alleging discrimination or any other violation of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, the National Labor Relations Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, [insert applicable state laws] or any other federal, state or local law, rule or regulation, or claim or grievance involving the Company or Union arising under the collective bargaining agreement.

5. Cooperation. Employee agrees to cooperate with the Company as needed for an orderly transition, and not to disparage or disrupt the Company, its operations or its business.

6. Employee Acknowledgment. I have carefully read and am voluntarily agreeing to the above terms. I acknowledge that the Company advised me to, and afforded me the opportunity

to, consult with the Union and/or legal counsel regarding the terms of this Separation Agreement before signing it. I further acknowledge that the Company gave me a period of at least twenty-one (21) days within which to consider this Separation Agreement. The terms of this Agreement will not become effective or enforceable until seven (7) calendar days following the date that I sign this Agreement, during which time I understand that I may revoke this Agreement by notifying (insert name, title and address) in writing by: (A) facsimile transmission to _____ on or before the seventh (7th) calendar day following the date I sign this agreement, with telephonic confirmation of receipt by _____; (B) certified mail postmarked on or before the 7th calendar day following the date I sign this Agreement; or (C) nationally recognized overnight carrier, such that the notice is received by the Company on or before the 8th calendar day following the date I sign this Agreement.

Employee's Signature

Employee's Printed Name

Date: _____

Acknowledgement and Approval

Authorized Union Representative

SECTION 9
**Employee Borrow/Loan of Tool, Part, or Equipment
Release Agreement**

This Release Agreement is made and entered into by and between, _____, whose principal address is _____, his successors and assigns (hereinafter "Employee"), and Vectren and its affiliates whose principal address is One Vectren Square, Evansville, Indiana (collectively, the "Parties").

1. In consideration for the use of the tool, part or equipment, Vectren, Employee, on behalf of himself and all those acting on his behalf, releases, acquits and forever discharges Vectren, and its agents, employees, officers, directors, affiliates, and all those acting on its behalf, from all claims and causes of action, whether known or unknown, foreseen or unforeseen, which Employee has or may have in the future, arising out of, connected with, or in any way relating to the use of the tool, part or equipment, including but not limited to call claims for personal injury, property damage or death arising from use of the tool part or equipment.
2. In further consideration for the use of the tool, part or equipment from Vectren, Employee agrees to indemnify, defend and hold harmless Vectren for all loss, damage or expense arising out of or in any way connected with claims for death, injury or damage to person or property related to the use of the tool, part or equipment subsequent to the date of this Release Agreement, unless said claim arises out of the sole negligence or intentional misconduct of Vectren.
3. Employee hereby agrees to abide by all local, state and federal laws, rules, orders and regulations regarding the use of the tool, part or equipment. Employee hereby agrees to indemnify, defend, protect and hold Vectren, its parent companies, subsidiaries and affiliates, harmless from and against any and all claims, demands, damages, losses, fines, penalties or expenses, including attorneys fees, arising from or attributed in any way to Employee's alleged non-compliance with any local, state or federal laws, rules, orders or regulations applicable to the use of the tool, part or equipment.
4. By the acceptance hereof, Employee acknowledges the condition of the tool, part or equipment and agrees to return the tool, part or equipment to Vectren in like condition after usage with Vectren reserving the right to have necessary repairs performed by a party(s) approved by Vectren at the employee's expense. Employee understands that Vectren makes no warranty, express or implied, as to the condition, merchantability, or its fitness for any use or purpose.
5. The parties agree this Release Agreement shall remain in effect as enforceable and as a full and complete release of all claims described herein notwithstanding the discovery or existence of different or additional facts relevant to those claims.
6. This Release Agreement contains the entire agreement of the Parties. There are no other written or oral agreements. No waiver, modification or amendment of any terms, conditions or provisions of this Release Agreement shall be valid or have any force or effect unless made in writing and signed by the Parties.

7. The provisions of this Release Agreement are severable and, if any part of it is ever found to be invalid or unenforceable, in whole or in part, the Release Agreement shall remain fully valid and enforceable as to all other claims and circumstances.

Signature of Employee

Date Loaned/Borrowed

Date Returned