

# **AGREEMENT BETWEEN**

**Erick N. Cuenca, D.M.D., Inc.**

**Tracy Dental!**

**And**

**Teamsters, Local 439**

**February 1, 2009 through January 31, 2012**

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This Agreement is entered into by and between two employers, Tracy Dental! ("Tracy") and Erick N. Cuenca, D.M.D., Inc. ("Dr. Cuenca") party of the first part, at 2135 Tracy Blvd., Tracy, CA, hereinafter called the Employers, and Teamsters, Local 439, party of the second part, hereinafter called the Union. The parties agree that those individuals employed by Tracy Dental! Shall constitute a separate and distinct unit from those individuals employed by Dr. Cuenca. For purposes of administrative convenience, the parties have agreed that a single collective Bargaining Agreement will set forth the terms and conditions of employment for both bargaining units. Unless otherwise specified herein, all terms of the agreement shall be applicable to employees in both bargaining units. The Union is recognized as the sole collective bargaining agency for all employees covered by this Agreement.

## **Section 1 – Management**

The parties hereto have a mutual interest in securing efficient business operations and desire to cooperate to that end. It is the duty and right of the Employers to manage the business and to direct the working forces subject to the conditions herein set forth. This includes the right to hire, to transfer, to promote, to lay off and to discharge for proper cause, provided that this will not be done for purposes of discrimination against the employees.

## **Section 2 – Bargaining Unit**

The Employers recognize the Union as the sole collective bargaining agent with respect to wages, hours and working conditions for all employees who are employed in the classifications listed in Appendix "A" attached, hereto. Excluded from the bargaining unit are Office Manager, Assistant Office Manager, Hygienist, Lead Dental Assistant, Specialty Employees and executives having the power to hire, fire, or to otherwise effect changes in the status of employees.

## **Section 3 – Union Security**

a) Union Membership – It shall be a condition of employment that all employees of the Employers covered by this Agreement who are members of the Union in good standing on the effective date of this agreement, shall remain members in good standing, and those who are not members on the effective date of this Agreement, shall, on the thirty-first (31<sup>st</sup>) calendar day following the effective date of this Agreement, become and thereafter remain members in good standing in the Union.

It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirty-first (31<sup>st</sup>) calendar day following the beginning of such employment, become and thereafter remain members in good standing in the Union.

The Employers shall notify the Union of each new employee covered by this Agreement within seven (7) days after date of hire, giving the new employees' name, address, telephone number, social security number and date of hire.

The Employers shall, upon written request of the Union, discharge any employee, within seven (7) calendar days after receipt of such notice, who fails to tender the periodic dues and initiation fees uniformly required by the Union as a condition of requiring or retaining membership in the Union. If the Union has notified the Company in writing prior to the expiration of the seven (7) days that the employee has paid the amounts owing, the discharge shall not take place.

- b) Check-off of Union Dues – Upon receipt of a written assignment and authorization signed by the employee of a mutually acceptable form, the Employers agree to deduct the regular monthly Union dues for the subsequent month from the pay of such employee. The amount deducted shall be in accordance with the Union Constitution.

Payment shall be made to the Local Union on or before the twentieth (20<sup>th</sup>) day of the calendar month of the deduction.

The provisions of this Section shall be effective only for those employees who have attained seniority with the Employers. An employee's deductions shall begin in the first calendar month following receipt of the authorization card by the Company.

Should the Employers not deduct dues from an employee's pay because of either insufficient earnings or absence for any reason during the deduction period, it will be the sole responsibility of such employee to make the required dues payment directly to the Union office.

The Union shall indemnify and save the Employers harmless against any and all claims, demands, suits, legal proceedings, or other forms of liability that shall arise out of or by reason of action taken or not taken by the Employers for the purpose of complying with any of the provisions of this section or in reliance on any assignment furnished under such provisions. The provisions of this Section shall be effective only in accordance and consistent with applicable provisions of Federal and State law.

#### **Section 4 – Discharge/Suspension**

- a) Probationary period – A probationary period of ninety (90) days from the date of first hiring shall be established for new employees. During such probationary period, the employee may be discharged for any reason the Employers deem sufficient. No claim or grievance shall be made by the Union or the employee during such period.
- b) Cause for discharge or suspension – The Employers shall not discharge or suspend any employee without just cause, but in respect to discharge or suspension, shall give progressive discipline of the complaint against such employee to the employee in writing, and a copy of the same to the Local Union, except no warning notice need be given to an employee before he/she is suspended or discharged for proven dishonesty, gross insubordination, drunkenness, willful negligence, blatant failure to perform work as required, or for violating the Employer's house rules, which will be posted and uniformly applied to all Employees covered by this Agreement or for violating the Employers' policies as stated in the Handbook which will be provided to each employee and uniformly applied to all Employees covered by this Agreement.

Except in cases involving one of the "cardinal" infractions mentioned above, an employee who is subject to being suspended or discharged shall be allowed to remain on the job until such time as the suspension or discharge is sustained under the grievance procedure.

Discharge or suspension must be a proper written notice to the employee and the Union within ten (10) days exclusive of Saturday, Sunday and holidays, of the occurrence of the violation claimed by the Employers as the basis for discharge or suspension.

- c) Warning letters – A warning letter, either verbal or written, shall not remain in effect for a period of more than (9) months from the date of occurrence which gave rise to such warning letter. A warning letter, to be considered as valid, must be issued within (10) days exclusive of Saturday, Sunday and holidays, after the occurrence of the violation claims by the Employers in such warning letter, with a copy of such to the

Local Union. Warning letters shall be specified, not general, in nature as to alleged violation (i.e. time, date, place and nature of violation).

- d) Protest procedure – Protests to suspension or discharge must be made in writing to the Employers within ten (10) days, exclusive of Saturday, Sunday and holidays.

## **Section 5 – Seniority and Qualifications**

Seniority means the total length of service, therefore seniority rights for employees shall prevail at all times for job assignments if qualified, vacation scheduling, shift bidding and overtime assignments.

- a) Layoff – In reduction of forces due to slackness of work, the last person hired shall be the first laid off, and in rehiring, the last person laid off shall be the first person rehired, until the list of former employees is exhausted; provided the employees so retained are capable of performing the available work.
- b) Seniority will be broken by discharge for just cause, voluntary quitting, or by six (6) consecutive months unemployment.
- c) Any employee who has been laid off and recalled to work and who fails to report for work within five (5) days after the mailing of notice to report to his last known address will be considered to have voluntarily quit.
- d) Seniority shall not apply to any employee until he/she has been employed for a total of ninety (90) days in the preceding twelve (12) months (520 straight time hours worked), which shall then apply from time of first hiring.
- e) No employee may claim seniority in more than one firm at the same time.
- f) The Employers shall keep an up to date seniority list of all employees covered by this Agreement. A copy of said list of all employees covered by this Agreement. A copy of said list as constituted on January first of each year shall be forwarded to the Union no later than January 15<sup>th</sup> of each year. This provision is for the convenience of the parties and in case of any dispute concerning the accuracy of said list, the provisions of this Agreement, and not the list, shall control.

## **Section 6 – Straight Time and Working Hours**

- a) Regular work week – The regular work week at the straight time rate shall consist of five (5) eight (8) hour working days as defined in paragraph B from Monday through Saturday. Pay day will be semi-monthly for all employees.
- b) Regular work day – The regular work day for all employees, shall consist of eight (8) consecutive hours, exclusive of ½ hour meal period, as follows:

Hours will be no earlier and no later than the following daily timeframes:

- Monday – Friday 8:00am to 8:00pm
- Saturday 8:00am to 5:00pm

The starting time and quitting time may be changed by mutual agreement between the Employers and the Union. Schedule notification shall be given to employees with a two week notice in advance.

- c) Minimum hours – Employees who have seniority with their Employer and who are ordered to report to work on any scheduled work day, and who do so shall receive a minimum of four (4) hours work, or if four (4) hours work is not furnished, a minimum of four (4) hours pay, if worked more than six (6) hours shall be paid for eight (8) hours, except in for situations beyond the Employers’ control. Nevertheless, any employee desiring to leave work before the end of their regular shift and having permission to do so shall be paid for all time worked.
- d) Rest periods – All employees will be granted a fifteen (15) minute rest break approximately half way through the first half of their shift, and a fifteen (15) minute rest break approximately half way through the second half of their shift. Such rest breaks shall be taken without loss of pay and the employee shall not be required to make up such time.
- e) Emergency call back – If a regular employee, who has completed his/her normal shift for the day, is called back to work (from home), upon reporting for work, shall receive a minimum of two (2) hours work at the overtime rate (time and one-half) or if two (2) hours work is not furnished, a minimum of two (2) hours pay at the overtime rate.
- f) Lunch period – No employee shall be compelled to take his/her lunch break before he/she has been on duty three (3) hours or after he/she has been on duty six (6) hours. Any employee working over six (6) consecutive hours with out meal break shall be paid time and one-half for all for all time in excess of (6) hours.

**Section 7 – Holidays**

- a) All employees who have been on the payroll of the Employers thirty (30) days shall receive pay for the holidays listed below regardless of which day of the week the holiday falls. All qualified employees shall be paid for such holidays if no work is performed at the rate of eight (8) hours pay at the applicable hourly rate for his/her classification.

New Year’s Eve Day	Thanksgiving Day
New Year’s Day	Day after Thanksgiving Day
Memorial Day	Christmas Eve Day
Fourth of July	Christmas Day
Labor Day	Employee’s Birthday
Floating Holiday	

The employee must give a fifteen (15) day notice of the day he/she requests to observe the floating holiday. The employee may also, if mutually agreed upon by both the Employer and the employee, slide his/her birthday to another day either at the beginning or end of his/her workweek in order to enjoy a three (3) day weekend.

All work performed on the above mentioned holidays will be paid at time and one half (1 ½) the hourly rate of pay, plus eight (8) hours holiday pay.

Any holiday occurring on Sunday shall be observed the following Monday, except Christmas Eve and Christmas Day shall be observed on the day they fall.

- b) Employees must work on his/her regularly scheduled work day immediately preceding and following said holidays. It is understood that such payment shall be made if absence on such scheduled work day is with the expressed permission of the Employer or because of bona fide illness evidenced by a physician's certificate. An employee on layoff will be eligible for Holiday pay only if he/she has worked during the week of, or the week following the holiday.

## **Section 8 – Wages & Job Descriptions**

See Appendix "A" – Wages.

## **Section 9 – Straight Time, Overtime, Premium Time**

The regular rate of pay for each employee is the straight time minimum hourly rate as set forth in this Agreement for work performed within the regular work week.

Overtime is work performed in excess of the statutory maximum of forty (40) hours per week at straight time. It is paid for at one and one half (1½) times the regular hourly straight time rate. Overtime will also be paid for the sixth and seventh consecutive day of work.

Hours worked in excess of eight (8) hours in any one (1) day shall be paid at one and one half (1½) times the straight time wage rate paid for the respective classification.

## **Section 10 – Vacation**

Vacation schedule – Vacation may be scheduled in daily increments when requested. Vacation schedules will be posted for bidding by seniority by December 5<sup>th</sup> of each year, and completed by December 15<sup>th</sup> of each year.

- a) Vacation begins to accrue on the employee's hire, but is not available for use until the employee satisfactorily completes the ninety-day probationary period.
- b) Vacation pay is based on years of completed service and is earned as it is accrued in accordance with the following schedule:
- 1<sup>st</sup> year of employment: 1.66 hours per pay period (up to an annual maximum of 40 hours)
  - 2<sup>nd</sup> through 4<sup>th</sup> year of employment: 3.33 hours per pay period (up to an annual maximum of 80 hours)
  - 5<sup>th</sup> year of employment: 5.0 hours per pay period (up to an annual maximum of 120 hours)
  - 10<sup>th</sup> year of employment: 6.67 hours per pay period (up to an annual maximum of 160 hours)
  - Maximum Accrual – Employees may accrue up to two times the maximum annual accrual. Employees will stop accruing vacation when the annual balance reaches the two times maximum level.
  - Vacation pay shall be computed at forty (40) times the straight time hourly rate in each week's vacation. In computing straight time hours, as that term is used in this Section, all time paid for but not worked, such as holidays, vacations, sick leave, funeral leave and jury duty, shall be considered as time worked for the purposes of this Section.

- c) Vacation Schedule – Vacations shall be taken any time following the date of qualification for vacation allowance. When scheduling vacations, seniority will be given consideration. Due consideration shall be given the Employers, so that their business will not be crippled or seriously affected by reason of too many employees seeking vacations at the same time.
- d) Holiday within vacation – If a holiday for which the employee would otherwise be paid, falls within the employee's vacation period, he/she shall receive an extra days pay, or day off with pay.
- e) Accumulated vacation credit – No employee shall receive vacation credit or pay until he/she has completed his/her probationary period. Accrued vacation credit shall then be computed from time of hire.
- f) An employee who works less than twelve hundred (1200) hours will have vacation prorated, based on the number of hours worked in relations to twelve hundred (1200) hours.
- g) Upon termination, an employee is entitled to any vacation pay earned, but not received since the date of hire.

### **Section 11 – Business Agents**

The Business Agent of the Union shall be allowed to visit for the purpose of ascertaining whether or not this Agreement is being observed. If the Business Agent wishes to interview an employee privately, he shall be permitted to do so. The Business Agent shall not interfere with the normal conduct of work in the facility.

### **Section 12 – Sick Leave**

- a) Employees who work in a minimum of 32 hours per week will begin accruing sick time upon hire at the rate of 2 hours per pay period, not to exceed 48-hours or six days per year.
- b) Earned sick leave shall be granted only in cases of bona fide illness or accident. A doctor's certificate shall be required after an absence of three (3) consecutive work days. Employees must notify the Office Manager of their inability to report for work no later than sixty (60) minutes prior to their scheduled start time or they will not be paid sick leave for that day. Such leave with pay shall be applicable only in cases of bona fide illness or accident, and shall be paid from the first day.
- c) For the purpose of this Section, full pay shall mean pay for the regular schedule of working hours for those days which the employee would have worked had the illness or accident not occurred, calculated at straight time.
- d) In industrial injury or disability cases, workers compensation or state disability payments and sick benefit allowances shall be paid separately, but in the event workers compensation or state disability payments cover all or part of the period during which sick benefit allowances are paid, the sum of the two shall not exceed the sick benefit payable for said period, and the unused portion of accumulated sick leave will continue to be credited to the employee. The Employers may not waive integration, and any employee entitled to worker's compensation or state disability payments must apply, therefore before sick benefits are payable (in order that the principle of integration may be applied).

## **Section 13 – Funeral Leave**

In the event of a death in the immediate family, an employee who has one or more years of continuous service with the Employer, he/she, upon request, shall be granted such time off with pay as necessary to make arrangements for the funeral and to attend same, not to exceed three (3) regularly scheduled work days. This provision does not apply if the death occurs during the employee's paid vacation, or while the employee is on leave of absence, layoff or sick leave. For the purpose of this provision, the immediate family shall be restricted to parent, step-parent, brother, sister, spouse, children, mother-in-law, father-in-law, grandparents, and grandchildren. At the request of the Employer, the employee shall furnish a death certificate and proof of relationship. Funeral leave applies only in instances in which the employee attends the funeral or is required to make funeral arrangements, but it is not applicable for other purposes such as settling the estate of the deceased.

## **Section 14 – Health and Welfare**

See Appendix "B" – Health and Welfare.

## **Section 15 – Existing Agreements and Maintenance of Standards**

This Agreement shall supersede all existing agreements between the Union and the Employers, parties to this Agreement. It is not the intent of this paragraph to discontinue practices relating to classification rates or working conditions on the job which have been established by agreement between the Employers and representatives of the Union, acting on behalf of the employees on the job. The intent of this Section is not to discontinue classification rates, fringe benefits and working conditions which have been established by agreement between the parties and are more favorable to either Employee or Employer.

No changes in this Agreement or interpretations thereof (except interpretations resulting from Adjustment Board or Arbitration proceedings hereunder) will be recognized unless agreed to by the Employers and the Union. All other grievances may be finally settled at the facility level by the methods set forth in the grievance procedure hereunder.

## **Section 16 – Grievance Procedure**

All grievances arising out of the interpretation or application of the express written terms of this Agreement shall be settled in the following manner:

### **Step 1 – Grievance Discussion**

- a) **Grievance Discussion** – A discussion of the grievance shall be held within five (5) working days of the alleged event between the employee, his/her supervisor and the shop steward, if readily available. Within five (5) more working days, a second discussion shall be held including a shop steward to attempt to reach a mutually satisfactory solution. The parties shall decide whether the grievance has been resolved or not.
- b) **Timing** – Failure of the employee to follow Step One will result in a waiver of the grievance.
- c) **Exception** – If an employee has been discharged without the opportunity for discussion provided by Step One, then Step One shall be waived.

## 1. Step Two – Written Grievance

- a) Written grievance – If no solution is reached in Step One, the employee may file a written grievance, which shall include a description of the alleged violation, the section and paragraph of the Agreement alleged violated, the resolution the employee is seeking, and must be signed and dated. The grievance must be delivered to the Office Manager's office by the employee or shop steward.
- b) Timing – The time limit for filing a written grievance shall be five (5) working days after the completion of Step One.
- c) Attempt to Agree – the Union and Office Manager shall meet within ten (10) working days in an attempt to reach a just settlement. The employee, his/her supervisor and shop steward shall be present at such meeting. Failure to follow this procedure, unless mutually agreed upon, shall void the grievance.

## 2. Step Three – Board of Adjustment

- a) Selection – If the grievance is not settled under Step Two, the Union may demand that the matter be submitted to a Board of Adjustment, consisting of two (2) members appointed by the Union and two (2) members appointed by the Employers. Such Board members shall not be an employee of the local Union, nor an employee of the Employers. The decision rendered by the Board shall be final and binding upon the parties.
- b) Timing – Such demand must be made in writing within ten (10) working days of the meeting in Step Two, and the Board must convene within and an additional thirty (30) days, unless postponed by written consent of both parties. Otherwise the grievance shall be waived.

## 3. Step Four – Arbitration

- a) Procedure – any grievance not settled by Step Three may be submitted to arbitration by the Union. This award shall be final and binding upon the parties.
- b) Timing – Written notice of intent to arbitrate must be given to the Employer within thirty (30) days.
- c) Cost – the cost of arbitration shall be divided equally between the Union and the Employer.

## **Section 17 – Leave of Absence**

Any employee desiring a leave of absence for any reason, including maternity, shall secure written permission from the Employer who shall send a copy to the Union by certified mail within ten (10) days of the commencement of the leave. Except with respect to request due to pregnancy, the decision of the Employers on granting or refusing to grant a leave of absence or extension thereof shall be final and conclusive. The Employers agree to grant the benefits provided by the Family and Medical Leave Act (FMLA) to all eligible employees. Any request for unpaid time in excess of two (2) weeks will be considered a leave of absence.

During an approved leave of absence, the employee shall not engage in gainful employment. Leave of absence of five (5) days or less do not require Union notification. Such approved leaves of absence as heretofore provided shall not result in the loss of seniority rights, however, employees shall not accrue vacation, sick leave or paid holidays during a leave of absence.

## **Section 18 – Uniform Reimbursement**

The Employers shall furnish and maintain uniforms at no expense to the employee. Uniforms will be replaced on an as needed basis.

## **Section 19 – No Discrimination**

At no time while this Agreement is in force, shall the Employers refuse to hire or discharge, suspend, discipline or otherwise deal unjustly with or discriminate against, whether directly or indirectly, an employee or applicant by reason of age, sex, race, religion, color, national origin or Union activities, provided however the aforementioned reference to age shall not conflict with applicable provisions of the pension plan agreement which shall control.

## **Section 20 – Job Inquiry**

Whenever an employee who has been injured on the job and has returned to work, and is requested by his personal physician (selected and defined in accordance with applicable state law) or the Employers worker's compensation doctor, to leave work to report for treatment during working hours, the employee shall be allowed time off up to two (2) hours for such treatment without loss of pay.

## **Section 21 – Jury Duty**

Any employee who has one (1) or more years of seniority with the Employer, if selected or serving on a jury, will be entitled to the difference between jury duty pay and his/her regular daily rate of pay for each day of jury service, up to a maximum of ten (10) working days during any twelve (12) consecutive months.

Any employee scheduled to begin service on a jury before noon (12:00 p.m.) shall not be required to report to work beforehand. Any employee released from jury duty prior to 2:30 p.m. shall report to work for the balance of his/her shift.

Days of jury duty and all fees paid shall be verified by the court official responsible for issuing checks in payment of jury service. Service not paid for by the court is not covered by this Section.

## **Section 22 – Safety and Sanitary Conditions**

The Employers acknowledge their responsibility to provide a safe, healthful work environment for all employees. The Employers shall maintain the office in a healthful and sanitary condition. All areas of the office shall be kept clean and well ventilated, well lit and with a temperature not injurious to the health of the employees. The Employees shall at all times keep their work area and equipment in a clean and sanitary condition.

The Employers and employees shall conform to and abide by the California Labor Code, Rules and Regulations set forth by the State Board of Dental Examiners and laws of OSHA, and shall correct any violations when called to their attention.

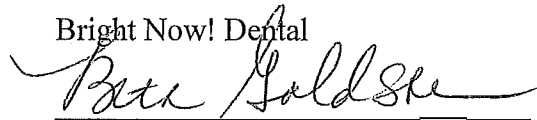
**Section 23 – Duration**

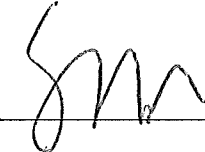
This Agreement shall be effective as of February 1, 2009, and shall remain in full force and effect until January 31, 2012. It shall be renewed from year to year, thereafter, unless either party shall serve notice in writing upon the other sixty (60) days prior to January 31, 2012, or any subsequent anniversary date of its desire to modify, to amend or to terminate the Agreement.

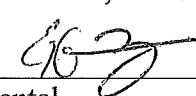
IN WITNESS WHEREOF, the parties below have hereunto have signed this Agreement the 28<sup>th</sup> day of Feb, 2009.

**FOR THE EMPLOYERS:**

**FOR THE UNION:**

Bright Now! Dental  
  
Beth Goldstein, SVP – Human Resources

BY:  \_\_\_\_\_

Erick N. Cuenca, D.M.D., Inc.  
  
Tracy Dental

BY: \_\_\_\_\_

## Appendix A – Wages

Increases: All employees shall receive the following wage increases:

February 1, 2009 – 0%

February 1, 2010 – 3.0%

February 1, 2011 – 2.5%

The following will be in the minimum hourly wage rates for each job classification:

Job Classification	Hourly Rate
Office Receptionist I	\$9.20
Office Receptionist II	\$11.49
Office Biller	\$11.25
Patient Care Coordinator	\$12.64
Treatment Counselor	\$13.91
Dental Assistant I	\$9.21
Dental Assistant II	\$9.67
Dental Assistant III	\$11.12
RDA I	\$10.37
RDA II	\$10.82
RDA III	\$12.30

Dental Assistants who successfully complete the RDA examination, will receive a rate adjustment to \$12.50 per hour. Upon successful completion of the 180-day RDA probationary period, the rate will be increased to \$13.50.

Bonus Plan – The Employer’s bonus plan will continue to be provided during the term of this Agreement.

RDA Reimbursement – Upon passing the examination for Registered Dental Assistant (RDA), and submission of receipt, the Employers will reimburse the employee for the exam costs. The Employers will also reimburse any RDA up to \$75 each year for continuing education course, upon submission of receipt. The course must be approved by the Employers.

NOTE: In certain temporary circumstances, the Employers will have need to hire the following type of employees outside the jurisdiction of this Agreement:

1. High school work study employee
2. Dental Assistant school interns
3. Temporary help not to exceed thirty (30) days of employment per year.

These employees will be hired for temporary problem solving or training purposes only. The Employers will limit the number in the office at any one time to two (2) persons, and their work will not take the place of regular Bargaining Unit work.

## Appendix B – Health & Welfare

- a) All employees who have completed their 90 day probationary period, and who work a minimum of 32 hours a week or more, shall be eligible for the Company's current health and welfare plans effective the first of the month following 90 days of employment.
- b) Medical – The medical program covered by this Agreement shall be the Employers current plan, which provides coverage for all eligible employees.

Effective February 1, 2009 through January 31, 2012

Employee only coverage will be \$25.00 per month

Dependent medical coverage will be provided by the Employers at fifty percent (50%) of the cost to those employee's dependent children eighteen (18) years of age or under, and their spouses, except children and spouses who are currently covered by another medical plan.

- c) Group Benefits- Employees who meet the eligibility criteria described in Section (a) will be eligible to participate in the group Benefits described below. Employees will select voluntary plans upon eligibility or during annual open enrollment.

### Life and AD&D Insurance

DESCRIPTION	BENEFIT
<b>Basic Life and AD&amp;D</b>	
Contribution Mix	Employer pays cost
Carrier	<b>Principle</b>
Benefit	1X Employee's annual salary (\$30,000 minimum and \$100,000 maximum).
<b>Optional Life</b>	
Contribution Mix	Employee pays cost (voluntary)
Carrier	<b>Principle</b>
Coverage Available	<p><b>Employee-</b> In increments of \$10,000 up to 5X Employee's salary with a maximum benefit of \$500, 000. Evidence of Insurability is required for amounts over \$200,000 or over 3X your salary.</p> <p><b>Spouse</b> – in increments of \$5,000 up to 50% of Employee's coverage. Evidence of Insurability is required for amounts over \$50,000</p> <p><b>Child</b> - \$5,000 or \$10,000 per child</p>
Late Enrollment	Subject to medical underwriting
Contribution Mix	Employee pays cost (voluntary)
Late Enrollment	Subject to medical underwriting

<b>OPTIONAL AD&amp;D (available only when purchasing Optional Life Insurance)</b>	
Contribution Mix	Employee pays cost (voluntary)
Carrier	<b>Principle</b>
Coverage	<b>Available to Employee and Spouse</b> in increments equal to Optional Life Insurance coverage amounts
Late Enrollment	Subject to medical underwriting.

## **DISABILITY INSURANCE**

Description	Benefit
<b>SHORT-TERM DISABILITY</b>	
Contribution Mix	Employee pays cost (voluntary).
Carrier	<b>Principle</b>
Coverage Amount	60% of weekly earning up to a maximum weekly benefit of \$2,000.
Benefit Begins	<b>1<sup>st</sup> working day of an accident or 11<sup>th</sup> working day of an illness</b>
Maximum Benefit Period	13 weeks
<b>LONG-TERM DISABILITY</b>	
Contribution Mix	Employer pays cost
Carrier	Hartford life Insurance
Coverage Amount	40% of your pre-disability earnings, reduced by deductible income (i.e., sick pay or other salary continuation, social security, workers' compensation, group disability benefits). The minimum monthly benefit is \$100.00. The maximum monthly benefit is \$6,000. Employees will have the option to buy up an additional 20% of pre-disability earnings.
Benefit Begins	After the 90 <sup>th</sup> day of disability
Late Enrollment	Subject to medical underwriting.

## FLEXIBLE SPENDING ACCOUNTS (FSA)

DESCRIPTION	BENEFIT
<b>Healthcare FSA</b>	
Contribution Mix	Employee pays cost (voluntary).
Administrator	HealthComp
Description	Allows employee to pay for eligible out of pocket medical, dental, and vision care expenses with pre-tax dollars.
Annual Maximum Contribution	Up to \$2,400 pre-tax dollars per plan year
Plan Year	January 1 – December 31. Monies must be spent in calendar year (“use it or lose it”). Calculate deductions based on the number of remaining pay periods.
<b>Dependent/Elder Care FSA</b>	
Contribution Mix	Employee pays costs
Administrator	HealthComp
Description	Allows employee to pay for eligible out-of-pocket dependent care expenses with pre-tax dollars so that Employee, or Employee and spouse, can be gainfully employed.
Annual Maximum Contribution	Up to \$5,000 pre-tax dollars per plan year
Plan Year	January 1 – December 31. Monies must be spent in calendar year (“use it or lose it”). Calculate your deductions on the number of remaining pay periods.

**401k Plan** – Eligible employees may participate in the Company's 401(k) Plan, but are not eligible to participate in the profit-sharing discretionary match program.

Description	Benefit
<b>401(K) Plan</b>	
Trustee	Fidelity Investments
Eligibility	Employee must be at least 18 years old and eligible for medical benefits, and must have completed 90 days of continuous employment
Plan Entry Date	First of the month following first 90 days of continuous employment
Employee Contributions	May contribute between 1% and 60% on a pre-tax basis. Maximum for 2010 is \$16,500.
Employer Contribution	The company-wide discretionary Profit Sharing Match Program availability and amount will be determined by the company's profit (EBIDTA) as of the last of the plan year.
Catch Up Contribution	2010 IRS allowance is \$5,500 for employees who qualify and request to contribute a catch up contribution amount.
Changes to Plan	Contribution amount can be changed monthly. Changes will be effective the first of the month following the request
Investment Options	25 funds ranging from more conservative to aggressive.
Vesting	Employee Contributions are 100% vested. Discretionary employer contributions vest at 20% per year over five years.
Withdrawals	Plan contributions may be withdrawn only in the event of Employee's retirement, death, disability, termination of service. Employee contributions may be withdrawn only for financial hardship and are regulated by the IRS.
Loans	Loans are limited to 50% of account balance with a \$1,000 minimum.
Automatic Enrollment	All eligible employees will be auto enrolled at 3% unless the employee requests non-participation or elects a different contribution amount with Fidelity directly.
Opt-Out	Employees may opt out of the 401(k) plan at any time. This action must be taken with Fidelity directly.

- d) Vision – Employees who meet the eligibility criteria described in Section (a) will be eligible to receive a \$50.00 maximum annual allowance upon proof that vision care expenses were incurred.
- e) Dental — all employees who have completed their 90 day probationary period, and who work a minimum of 32 hours a week or more, shall be eligible for the Company’s current dental benefits plan effective the first of the month following 90 days of employment. Employers will provide general dental care at the facility to all eligible employees and their qualifying dependents that are not currently covered by another dental plan.
- f) Dental (Specialty) - Eligible employees, who receive specialty (including ortho) treatment, are eligible to receive a 50% discount off usual and customary fees on specialty treatment including orthodontics.
- g) A copy of the Summary Plan Documents for all benefits will be provided to all eligible employees, and also upon request, to the Union.
- h) Compensable hours – Holidays, vacations, funeral leave, sick leave and jury duty time paid for, but not worked, shall be considered as time worked for the purpose of this paragraph.