

TABLE OF CONTENTS

	Page
Global Changes – Workers or Workman replace; strike Operations Specialist	3
Article V, Section 2, (e) – Pre-arbitration Process	4
Article VII, Section 1 – Welder Helper	10
Article VIII, Section 7(a) – Seniority	12
Article VIII, Section 6 – Seniority (LTD/WC)	13
Article XV, Section 8(b)(2) – Emergency Call Out-Overtime	15
Article XVI, Section 4 – Vacation Chart	16
Article XVI, Section 4 – Vacation	17
Article XVI, Section 7-10 – Vacation	18
Article XXI, Section 2 (a) – Special Allowance	19
Article XXI, Section 2(b) to (e) – Funeral Leave	21
Article XXI, Section 3 – Benefits	24
Article XXII, Section 2(a) & Section 4 – Severance Pay	27
Article XXIV – Progressive Discipline	31
Article XVI, Section 4, (a) – DOT Driver	33
Article XXX – Successorship	34
Article XXXII (New) – Joint Safety Committee	35
Exhibit “A” – Classification and Rate Brackets	37
Exhibit “A” – FN1	38
Exhibit “A” – FN2	39
Exhibit “A” – FN6	40
Exhibit “A” – FN 10	43
Exhibit “B” – Bumping Boundaries	44
Memorandum of Understanding, p88-89 – Increase Font	45
MOU – (New) TEGs/SERs	46
MOU – (New) New Hires	47

Summary of Negotiated Preliminary Agreement between Panhandle and the USW, Local 348

1. Global Change throughout Agreement:

- Strike all references to “Workman’s” or “workmen” and replace with “Worker”
- Strike all references to the following – “or Operations Specialist”

2. ARTICLE II, Term of Agreement

Changed term of agreement to reflect a three year term: from May 29, 2019 to May 28, 2022.

3. ARTICLE V, Grievance Procedure and Arbitration

Modified Article V as follows:

Section 1. All grievances and disputes as to interpretation, application, or alleged violation of any of the provisions of this Agreement, except those concerning a general wage increase, shall be settled in accordance with this Article. The Employer and the Union agree that it is in the best interest of both parties to resolve disputes at the lowest possible level of this procedure.

Except as provided in Section 3, no grievance or dispute will be considered unless the following grievance procedure is implemented within twenty (20) days from and after the date of the incident giving rise to such grievance or dispute, or the date from and after which the bargaining unit employee learned, or should have learned of the incident. All “days” referred to in this Article V are “calendar days.”

Section 2. OPERATIONS DEPARTMENT.

(a) Any bargaining unit employee having a grievance or dispute arising out of this Agreement shall first seek adjustment of such grievance or dispute through oral discussion with his immediate Operations Manager ~~or Operations Specialist~~. If he so desires, the bargaining unit employee may be accompanied and assisted by his ~~committeeman~~ Union Representative. The Operations Manager ~~or Operations Specialist~~ shall give an oral answer to such grievance or dispute within seven (7) days.

(b) If the bargaining unit employee does not obtain what he believes to be a satisfactory adjustment of his grievance or dispute, he may then, within ten (10) days thereafter, present the grievance or dispute, in writing, to his immediate Operations Manager ~~or Operations Specialist~~ for the attention of the Area Director with a copy thereof to his local committee. The Area Director shall give written reply to such written grievance or dispute within seven (7) days, with a copy thereof to the bargaining unit employee's local committee and Region Committeeman.

(c) If such written answer fails to satisfy the bargaining unit employee, he may then request that his local committee investigate such grievance or dispute. Such committee, after investigation of the grievance within thirty (30) days after receiving the Area Director's written answer, may submit such grievance in writing to the appropriate Division Vice President, sending a copy to the ~~appropriate Senior~~ Vice President of Operations and President of the General Workman's Committee. The submission of the grievance or dispute to the appropriate Division Vice President shall be accompanied by a letter from the local committee clearly indicating that it is dissatisfied with the answer of the Area Director and that the decision of the appropriate Division Vice President is sought by a meeting or written reply. The appropriate Division Vice President shall have the option of holding a meeting. At the request of the Union, the Region Committeeman may attend such meeting, if any. If it is determined that a

meeting will be held, within seven (7) days of receipt of that grievance in the Division Office, the appropriate Division Vice President shall set a date for such meeting with the local committee in the area affected. Within seven (7) days after such meeting or if no meeting is held, within seven (7) days after receipt in the Division Office of the written grievance, the appropriate Division Vice President shall make a written decision. A copy of such decision shall be forwarded to the General Workman's Committee and the International Representative.

(d) In the event the procedures outlined in paragraphs (a), (b) and (c), above, have not resulted in an adjustment of the grievance or dispute that is satisfactory to the local committee, the President of the Workman's Committee may, within thirty (30) days after receipt of the decision, request a meeting with the ~~appropriate~~ Senior Vice President of Operations. Such meetings will be held in a mutually agreeable location on a quarterly basis pursuant to a mutually agreeable schedule determined on an annual basis for the term of the Agreement. The Company will compensate up to three members of the General Workman's Committee for three days of pay at their regular straight time rate to attend said quarterly meetings. A written decision shall be rendered by the ~~appropriate~~ Senior Vice President of Operations within twenty (20) days of such meeting.

(e) For discharge grievances only, following the written decision of Senior Vice President of Operations, either Employer or Union may request a joint meeting to discuss the grievance decision and the Company's basis for the decision. Such meeting will be held on a mutually agreed upon date and shall take place within thirty (30) days of the issuance of the written decision by the Senior Vice President of Operations. The meeting may be conducted in any manner (i.e., telephonically, in person, etc.) that is most practicable for Employer and Union at the time requested. The Company shall compensate one member of the General Workman's Committee at their regular straight time rate to attend the meeting.

(f) Pursuant to paragraphs (a), (b), (c) and (d) certain information is required to be delivered in writing. Any such requirement to deliver information in writing hereunder may be satisfied by delivery of an email, provided, such email is delivered in a timely manner in accordance with the applicable requirements set forth above and that the party sending the email can provide confirmation of sending of the email or the party receiving the email provides acknowledgement of receipt of such email.

Section 3. The President of the General Workman's Committee may file a class action grievance within twenty (20) days from and after the date of the initial incident giving rise to such grievance or dispute with the ~~appropriate~~ Senior Vice President of Operations. A meeting with the ~~Sr. Vice President~~ Senior Vice President of Operations may be requested. Such meeting will be held on a mutually agreed upon date in a mutually agreeable location. A written decision shall be rendered by the ~~Sr. Vice President~~ Senior Vice President of Operations within twenty (20) days thereafter. If the Union disagrees with the decision it may proceed to arbitration as provided in Section 4.

Section 4. If the Union disagrees with the decision rendered as a result of the procedures described in Section 2(d) and Section 3 within thirty (30) days from the date of the decision, it may refer the grievance or dispute to the Federal Mediation and Conciliation Service for handling according to the voluntary labor arbitration rules then pertaining. The parties shall then jointly request the Federal Mediation Service to submit a list panel of seven (7) arbitrators. Each party shall have the right to reject one panel of arbitrators. Strike of the first name shall be determined by the flip of a coin and then the parties shall alternately strike a name until one arbitrator is left. The arbitrator shall be notified of his selection by a letter from the Company requesting that he set a time and place for the hearing, subject to the availability of the Company and the Union representatives. The parties hereto agree to abide by the award subject however, to such rules and regulations as any Federal agency having jurisdiction may impose. All

expenses of any such arbitration shall be borne equally by the parties hereto.

The arbitrator is restricted to interpreting, applying, and determining any violation of the provisions of this Agreement and cannot add to, modify, delete, or otherwise change any provision of this Agreement.

Section 5. All grievances arising under these Articles as written or as amended or supplemented and which are to be adjusted pursuant to the terms hereof, shall involve only the terms of this Agreement as they are written at the date of the incident giving rise to the grievance or dispute and shall not involve any amendment, supplement, or future Articles of Agreement that may have been or may be entered into by the parties hereto.

Section 6. In the event of discharge or layoff of any regular bargaining unit employee, any such regular bargaining unit employee desiring to file a complaint concerning his discharge or layoff must present such complaint within ten (10) days after the effective date of his discharge or layoff. The complaint must be made through his local committee to the appropriate Division Vice President. The adjustment of the complaint may proceed from such initial step to those steps provided for in Section 2(d). In the event it is determined that he was unjustly discharged or laid off, he shall be reinstated with all rights and benefits retroactively to the date of discharge except that if;

(1) it is determined by the Company that some discipline is necessary, he may be reinstated subject to other disciplinary action, or

(2) the grievance is decided by Arbitration, ~~the Arbitrator shall be limited only to determining just cause. The Arbitrator must sustain the discharge or disciplinary layoff if he finds it to be for just cause, otherwise he must order reinstatement with all rights, benefits, and back pay and shall not have authority to otherwise modify the discharge or disciplinary action to make it less severe.~~

When any such employee is discharged or laid off, he shall be given, either personally or by registered mail to his last known address, a written notice dated and signed by his Operations Manager or ~~Operations Specialist~~ or other representative of Employer setting forth the reason for such discharge or layoff.

Section 7. Only the time limits specified in Sections 1, 3, and 6 of Article V shall be considered by the arbitrator with respect to the timeliness of a grievance, dispute or complaint, The time limits specified in Section 2 and 4 are generally to be followed, but the Company and the Union recognize that delays can sometimes occur and agree to extend such time limits upon request of either party for a reasonable period.

4. ARTICLE VII, Classification Changes

Modified Article VII as follows:

Section 1. If work of a higher paid classification is required by any bargaining unit employee, he shall receive the wages of the position to which he has been assigned as long as he occupies that position, provided such assignment is for one (1) hour or more. However, the Welders Helper classification is a training position; therefore, there shall be no upgrading to this classification unless the bargaining unit employee holds a stencil.

Section 2. If a regular bargaining unit employee is shifted temporarily to a classification paying a smaller wage than his regularly assigned classification, no reduction in wages shall be made.

Section 3. If a regular bargaining unit employee is demoted from his regular classification through no fault of his own, he shall receive his former rate of pay for the first week worked after such a demotion.

Section 4. All work unique to any classification shall be assigned to that classification except in cases of emergency. Bargaining unit employees in all classifications shall perform all duties assigned to them in the department in which they are regularly employed including work planning, coordinating resources, reporting and documentation of work. Employer will not assign administrative duties unrelated to the bargaining unit employee's classification or other non-bargaining unit duties. No arbitrary changes in present classifications will be made for the purpose of or with the result of reducing the rate of pay of any classified job.

Section 5. No Operations Manager or Operations Specialist with authority to hire or to discharge shall perform any work unique to any classification the performance of which would cause any employee to suffer a layoff or loss of pay.

5. ARTICLE VIII, Seniority

Modified Section 7(a) to read as follows:

Section 7 (a). All regular assignments are to be made by means of job bulletins, except as otherwise herein provided.

When the Company determines that it will fill a regular job assignment, it may poll local bargaining unit employees for general interest in the job assignment, if interest exists such assignment shall be available to be bid upon during the first five (5) calendar days after posting, as hereinafter described, only by bargaining unit employees regularly assigned to the reporting location where the open assignment exists, including bargaining unit employees currently on leave of absence from that reporting location. The open assignment shall be filled in accordance with seniority and qualifications, and, except as limited by the last paragraph of this Section 7, may be ~~filled~~ filled by a lateral or downward bid. If no interest exists or if, after such five (5) day period, no qualified bidder has been awarded the position at the location, the open assignment will be posted as soon as practicable system wide and shall be subject to the job bidding requirements hereinafter set forth in Section 7(b) below.

6. ARTICLE VIII, Seniority

Modified Section 6 to read as follows:

Section 6. Seniority and the employment relationship shall be broken and terminated if a bargaining unit employee:

- (a) Quits or retires.
- (b) Is discharged for just cause
- (c) Is absent from work for three (3) consecutive working days without notification to the Company, unless the bargaining unit employee cannot notify the Company because of a proven physical or mental disability or act of God proven to the satisfaction of the Company.
- (d) Fails to return to work within five (5) working days after notifying the Company of intent to return to work after receipt of a notice of recall from layoff.

(e) Performs no work for the Company for a period of two (2) years, Who commences receiving Long-Term Disability Benefits. However, any such bargaining unit employee who is on Long-Term Disability Benefits will have up to two (2) years to be recalled to active employment provided the bargaining unit employee meets all requirements of the position to which he/she is returning and shall have all seniority earned before termination reinstated.

(f) Who is on Worker's Compensation for more than three (3) years. with the exception that a bargaining unit employee who is on Worker's Compensation will have up to three (3) years to return to active employment provided the bargaining unit employee meets all requirements of the position to which he/she is returning.

(g) Works for another employer during a leave of absence which he requested. This subsection shall not be applicable for leaves of absence granted to bargaining unit employees engaging in work pertaining to the business of the General Workman's Committee of the Union or to become a full-time employee of the Union.

(f) Fails to report for work at the termination of a leave of absence or any authorized extension thereof.

If a former bargaining unit employee is re-employed subsequent to his termination for an above stated cause, he shall be considered a new bargaining unit employee.

7. ARTICLE XV, Emergency Call-Outs-Overtime

Modified Section 8(b)(2) to read as follows and renumber remaining subparagraphs of Section 8(b):

~~"This subparagraph deleted."~~

8. ARTICLE XV, Emergency Call-Outs-Overtime

Section 9(c) and (d) shall be updated to reflect the following:

- Year 1 – increase (c) and (d) to \$27.00
- Year 2 – increase (c) and (d) to \$28.50
- Year 3 – increase (c) and (d) to \$30.00

9. ARTICLE XVI, Vacations

Modified Section 4, Chart, to read as follows:

Years of Service	Full-Time	Accrual Per Pay-Period <u>Month</u>
0-4	2 Weeks	6.67 hours
5-9	3 Weeks	10 hours
10-19	4 Weeks	13.33 hours
20+	5 Weeks	16.67 hours

10. ARTICLE XVI, Vacations

Modified Section 4 to read as follows:

(e) Bargaining unit employees shall be permitted to use the vacation time that they will accrue in a calendar year prior to the accrual of the vacation time. If a bargaining unit employee leaves the Company and has taken more vacation than accrued in a calendar year, then the amount of used but un-accrued vacation time shall be deducted from the bargaining unit employee's final paycheck. A bargaining unit employee cannot borrow vacation time from the next calendar year.

11. ARTICLE XVI, Vacations

Modified Sections 7-10 to read as follows:

Section 7. Bargaining unit employees may designate up to a maximum of eight (8) hours of day-at-a-time vacation to be used in one (1) hour increments.

~~Section 7~~ Section 8. No bargaining unit employee shall be forced to take his vacation because of a shutdown.

~~Section 8~~ Section 9. Vacation compensation shall be based on the regular straight-time day scheduled for the work week then in effect.

~~Section 9~~ Section 10. Any bargaining unit employee voluntarily leaving the service of the Employer who is entitled to vacation shall be compensated for the same, but such bargaining unit employee shall, to the extent to which the same is reasonably practicable, give Employer two (2) weeks' notice of his intention to quit.

~~Section 10~~ Section 11. If a regular bargaining unit employee is on sick leave under doctor's care for a period of time of five (5) or more days and has not been released to return to work before scheduled vacation is to start, the bargaining unit employee's scheduled vacation may be re-scheduled pursuant to Article XVI of the agreement and local vacation scheduling guidelines once the bargaining unit employee returns to work. Should the bargaining unit employee be unable to schedule and use the previously scheduled vacation by year's end, then the bargaining unit employee may schedule and use up to forty

(40) hours of the previously scheduled vacation by March 31 of the next year; otherwise such vacation is forfeited.

12. ARTICLE XXI, Benefits

Modified Section 2(a) to read as follows:

(a) Special Allowance. During a calendar year any regular bargaining unit employee having accumulated six (6) months or more of seniority may be allowed time off for family illness of a member of a bargaining unit employee's immediate family upon application to the appropriate supervisor as early as possible, but at least by the start of the workday. Such time off shall be available to bargaining unit employees having six (6) months or more seniority in the amount of five (5) days. The term "Family Illness" shall be defined as illness of a member of the bargaining unit employee's family that requires the attention and care of a ~~medical doctor, oral surgeon or PhD psychologist~~ Health Care Provider. ~~In these cases the medical doctor, oral surgeon or PhD psychologist must actually see the ill family member. Provided, however, that the Company may waive the requirement that the ill family member sees the medical doctor, oral surgeon or PhD psychologist for one (1) of these days if it is shown to its satisfaction that the ill family member made a valid attempt to see the doctor, oral surgeon or PhD psychologist and was unable to do so through no fault of his own. A bargaining unit employee who uses three (3) or more consecutive days of this time off shall be required to provide a note from a Health Care Provider to their Operations Manager on the day they return to work.~~

13. ARTICLE XXI, Benefits

Modified Section 2(b) to (e) as follows:

(b) During a calendar year any regular bargaining unit employee having six (6) months or more of seniority will be allowed five (5) days off due to the death of a spouse, child or the legally adopted child of either the bargaining unit employee or spouse, or the father or mother or stepfather or stepmother of either the bargaining unit employee or the bargaining unit employee's spouse. Three (3) days off will be allowed to attend the funeral of any of the other covered relatives listed below in Sections 2(c) and (d). In no event shall a bargaining unit employee receive more than ten (10) days of Funeral Pay Special Allowance in a calendar year, however, in no given year may a bargaining unit employee use more than ten (10) days total of Family Illness and Funeral Pay Special Allowance combined.

(c) For purposes of the family illness provisions herein "family" shall be defined as:

- (1) Spouse of the bargaining unit employee;
- (2) Father or mother of either bargaining unit employee or bargaining unit employee's spouse;
- (3) Sister or brother of either bargaining unit employee or bargaining unit employee's spouse;
- (4) Children, stepchildren, legally adopted children, or children for whom legal adoption proceedings have been initiated of either bargaining unit employee or bargaining unit employee's spouse;
- (5) Stepmother or stepfather of either bargaining unit employee or bargaining unit employee's spouse.

(d) For purposes of the provisions herein concerning death of a family member "family" shall be defined as:

- (1) Grandmother or grandfather of either bargaining unit employee or bargaining unit employee's spouse;
- (2) Grandchildren of bargaining unit employee;
- (3) Son-in-law or daughter-in-law of either bargaining unit employee or bargaining unit employee's spouse;
- (4) Spouse of bargaining unit employee's brother(s) or sister(s);
- (5) Those persons listed in Subsection (c) above.

(e) Effective September 1, 2019, any regular bargaining unit employee having six (6) months or more of seniority shall be allowed to take one (1) day off, or two (2) consecutive days off in the event that overnight stay is required, to attend funeral services in the event of the death of an aunt, uncle, brother-in-law, or sister-in-law of the bargaining unit employee or bargaining unit employee's spouse. Any leave taken pursuant to this Section 2(e) shall be included in the ten (10) total days of Funeral Pay Special Allowance or the ten (10) total days of combined Family Illness and Funeral Pay Special Allowance under Section 2(b) of this Article.

(f) The bargaining unit employee and the Company agree to comply with the provisions established by the Family medical Leave Act (FMLA) and the bargaining unit employee will file and submit all FMLA requested documents/claim materials received through a provider/vendor designated by the Company. FMLA leave will run concurrently with any other paid or unpaid leave available to the bargaining unit employee.

14. ARTICLE XXI, Benefits

Modified Section 3 to read as follows:

(a) Except as specifically set forth otherwise in this Agreement, the Company agrees to provide bargaining unit employees covered by this Agreement with the same benefits (i.e., medical, vision and dental coverage, 401(k) savings plan, life insurance, accident and disability insurance, long-term disability insurance) (hereinafter "the Employee Benefit Plans") on the same terms and conditions as offered to Company employees. Any future changes, ~~including any changes made by the Company in response to the Patient Protection and Affordable Care Act of 2010, as amended,~~ to the Employee Benefit Plans during the term of this Agreement shall be consistent with those applied to Company employees. All Employee Benefit Plans are subject to the specific provisions of the plan documents maintained by the Company pertaining to each benefit provided to eligible bargaining unit employees. The terms of the Employee Benefit Plans, as interpreted and applied by plan administrators, shall govern bargaining unit employee participation and their decision shall be final and binding in all cases. The right to amend or otherwise change the terms and conditions of the Employee Benefit Plans shall remain vested in the Company.

~~(b) The Company will direct the Health Plan Administrator to administer the Medical Plan in the following manner for the term of this Agreement:~~

~~1) Eliminate the requirement of both in-network and out-of-network deductible to be met. If~~

~~the employee uses the medical plan benefit provided by either in-network or out-of-network providers, the employee will be required to meet one combined deductible, not to exceed the out-of-network deductible, but not both.~~

~~2) Employees that reside in an area that does not have a network provider or facility available for the procedure required, will be eligible to receive medical plan benefits as if they were in-network. If the network providers are available within twenty-five (25) miles of the employee's work location zip code, the employee will be required to seek the services of a network provider to receive in-network benefits.~~

3) (b) Plan Design

~~(A) (1) Bargaining unit employees shall participate in the same provisions and/or features of the medical, dental, life and vision plans available to the Company employees as of January 1, 2013. As of December 31, 2012, Company will eliminate the current medical, dental, life and vision plans available to the bargaining unit employees.~~

~~(B) (2) The Company retains the right throughout the term of the Agreement to modify provisions and/or features of the medical, dental, life and vision plans offered to employees in a manner that is consistent for all bargaining unit and Company employees ("me too" benefits).~~

~~(C) (3) Any modification to provisions and/or features of the medical, retiree medical, dental, life and/or vision plans during the term of the Agreement will apply consistently to all Company bargaining unit employees and Company employees.~~

4) (c) Premiums:

~~(A) (1) Bargaining unit employees shall (1) contribute/make the same premium contribution (via payroll deduction) amounts as the Company employees for medical, dental, life and vision plans offered by the Company.~~

~~(B) (2) The Company retains the right throughout the term of the Agreement to modify premium contributions required for all participating (bargaining unit employees and Company) employees.~~

~~(C) (3) Any modification to premium contributions by the Company during the term of the Agreement required for participation in the medical, dental, life and/or vision plans shall apply consistently to all participating Company (bargaining unit employees and Company) employees.~~

~~(D) (4) Premium contributions will be adjusted by the Company no more than once annually on January 1 of each calendar year, beginning January 1, 2013.~~

~~(E) (5) The Company agrees to cap bargaining unit employee maximum contribution on premiums to 25% of total cost for coverage for the term of the Agreement.~~

(d) All health and welfare benefits "me too" changes, including but not limited to premium contributions, plan design changes, etc. shall be effective January 1, 2013.

15. ARTICLE XXII, Severance Pay

Modified Article XXII to read as follows:

Section 1. When any reduction of work or other circumstances, other than retirement under the Employer's Retirement Plan, requiring laying off bargaining unit employees through no fault of such bargaining unit employees (such character of lay-off being hereinafter referred to as "so laid-off"), any such bargaining unit employees who have one (1) or more years' continuous service with Employer shall receive forty-five (45) calendar days advance notice of such lay-off. Such notices shall be referred to as "abolishment notices."

Section 2. That as to any bargaining unit employee who, having been laid-off and having received severance pay in accordance with the following schedule of severance payments, is re-employed there shall be deducted by Employer from each of such bargaining unit employee' pay checks received by such bargaining unit employee after his return to regular employment, an amount equal to one-fourth (1/4) of the total amount of each of the bargaining unit employee's pay checks until the difference between the total severance pay received and the severance pay for the number of weeks of layoff shall have been recouped by Employer. If such bargaining unit employee is again laid off, such bargaining unit employee shall be entitled to receive the same severance pay that he would have been entitled to receive under the schedule of severance payments listed below had his continuous service not been interrupted by the previous lay-off LESS such amount of severance pay theretofore paid by the Employer to such bargaining unit employee and not recouped by the Employer at the time of such most recent lay-off.

(a) In the event Employer gives abolishment notices and the abolishment notices will result in an overall reduction of headcount at the reporting location, any bargaining unit employee at the same reporting location (with first preference provided to the bargaining unit employee receiving the abolishment notice) may voluntarily elect to terminate his employment and at the same time he must elect to waive his seniority rights and receive severance in accordance with the provisions of Sections 2(b) and (c); provided, however, that the number of bargaining unit employees at a reporting location making an election under this Section 2(a) may not exceed the total number of abolishment notices issued at the same reporting location; provided, further, that if the number of bargaining unit employees making an election under this Section 2(a) exceeds the number of bargaining unit employees who have received abolishment notices at the same reporting location, bargaining unit employees shall exercise their elections by order of seniority; provided, further, that the number of voluntary terminations at a reporting location shall be reduced by the number of open vacancies at the reporting location, including any vacancies that arise after an abolishment notice is issued but prior to the abolishment date set forth therein.

(b) In addition, such bargaining unit employee shall receive severance pay at the rate of one (1) week's pay for each year of service to a maximum of twenty (20) weeks of severance pay.

(c) Any such bargaining unit employee who is willing to waive his seniority rights under Article VIII, Section 10 at the time of such lay off and terminate his employment shall receive additional severance pay at the rate of one (1) weeks' pay for each year of service. Such bargaining unit employee shall be entitled to a minimum of eight (8) weeks' severance up to a maximum of forty (40) total weeks of severance pay. Such waiver shall be in writing on a form prescribed by Employer.

Section 3. Any regular bargaining unit employee who has been displaced for any reason beyond his control and does not exercise his demotional rights within thirty (30) days after being displaced shall then receive severance pay in accordance with this article.

Section 4. Notwithstanding anything to the contrary in this Article or any other Article in this Collective Bargaining Agreement, no bargaining unit employee shall receive severance when there is no overall reduction in headcount at such bargaining unit employee's reporting location due to the issuance of any abolishment notices, including those at another location (such abolishment hereinafter referred to as a "No Headcount Reduction"). If a bargaining unit employee is retained in a lower classification than the bargaining unit employee held prior to an abolishment as a result of a No Headcount Reduction, then the bargaining unit employee's rate of pay shall be maintained at the rate of pay for the higher classification that the bargaining unit employee held prior to the abolishment. Further, the Company shall provide a reasonable amount of time (not to exceed a maximum of twenty-four (24) months) for the bargaining unit employee who is assigned to a vacant position, as a result of a No Headcount Reduction, to train and qualify in their new classification.

~~Section 4~~ Section 5. No bargaining unit employee who is entitled to a vacation shall be required to accept his severance pay in lieu of his vacation and such vacation pay shall be paid at the same time he receives severance pay.

16. ARTICLE XXIV, Discharge

Modified Article XXIV to read as follows:

ARTICLE XXIV

~~Discharge Because of Accidents~~ Discipline

Section 1. Employees are expected to act in a professional and responsible manner at all times. Disciplinary action taken will depend upon the individual circumstances of a situation, including the seriousness of the offense and the previous record of the bargaining unit employee. The disciplinary steps include:

- Verbal counseling
- Written notification
- Final warning notification and/or suspension
- Termination

The level of discipline shall be determined based on the severity and nature of the conduct, the frequency of the offense, and the potential damage to Company property and/or harm to fellow employees. If the Company uses a final written notification in lieu of a suspension, then the next step is termination. The Company reserves the right to initiate discipline at any one of the above steps depending on the severity of the offense.

Section 2. Any records of a verbal counseling, written notification, or final warning and/or suspension shall be retained in a bargaining unit employee's personnel file indefinitely. However, any written notification or suspension shall become inactive and shall not be considered in assessing future discipline if a bargaining unit employee has not engaged in any other misconduct for twenty-four (24) consecutive months.

Section 3. Bargaining unit employees shall not be discharged because of accidents, if physically and mentally capable of continuing their duties, unless such accidents were caused by negligence, carelessness, or malicious intent of such bargaining unit employees.

17. ARTICLE XXVI, Transportation

Section 2 shall be updated to reflect the following:

- per diem of fifty six dollars (\$56.00) for the period from ratification to May 29, 2020
- per diem of fifty eight dollars (\$58.00) for the period from May 30, 2020 to May 29, 2021
- per diem of sixty dollars (\$60.00) for the period from May 30, 2021 through the end of the Agreement

18. ARTICLE XXVI, Transportation

Modified Section 4(a) to read as follows:

(a) Except for the driver of a Department of Transportation regulated vehicle, Any bargaining unit employee reporting to a designated work site shall not receive compensation for the first thirty (30) minutes of commuting time between his temporary living quarters and such designated work site. In addition, bargaining unit employees shall not receive compensation for traveling to or from a designated work site within a 30 minute commute of their official reporting location. The provisions of this subsection 4(a) shall not apply to bargaining unit employees in a company vehicle responding to call-outs under Article XV, Section 8. In addition, nothing in this provision shall prevent a bargaining unit employee from being compensated for time spent performing a Department of Transportation - required vehicle inspection.

19. ARTICLE XXX, Successorship

Modified Article XXX to read as follows:

~~In~~ In the event of a sale of all or substantially all of the equity interests or assets of the Company to a third party or a merger, consolidation or contribution thereof to a joint venture involving a third party (each, a "Transfer"), the Company will require the purchaser or other successor entity (each, a "Successor") to recognize the Union as the exclusive representative of the bargaining unit employees.

As part of any Transfer, the Company shall require any Successor to assume the then current Agreement for the bargaining unit employees and, effective upon assumption thereof, the Company shall have no further liability or obligation under this Agreement. As a condition for the undertakings set forth in this paragraph, the Union shall not intervene in opposition to a Transfer in any regulatory or other proceeding relating thereto.

20. New ARTICLE XXXII, Safety Committee

Create new Article XXXII to read as follows:

Article XXXII **Safety Committee**

Both the Company and Union recognize that safe working conditions and safe work practices are essential in the promotion of a healthful and safe work environment. The well-being of employees is a concern of both the Company and the Union. The goal of our health and safety effort is the elimination of unsafe acts and conditions in compliance with Company and regulatory requirements. The parties feel

that these efforts will result in reduced accidents and injuries. Therefore, the parties agree to operate under the following:

Section 1. The Company and the union agree to the formation of a joint health and safety committee. The goal of the committee is to work together to promote safety on the job for all employees. The committee will be comprised of no more than three (3) representatives from each party. The Company and Union shall select their representatives to appoint to the committee.

Section 2. The joint committee will meet three (3) times per year, March, July and November. The meetings are designed to jointly review and discuss:

- Health and safety conditions and practices
- OSHA Safety statistics
- Results of investigations of safety incidents
- Other matters pertaining to health and safety

Section 3. Any employee who discovers an unsafe condition shall report it to their immediate supervisor and other employees in the immediate area affected by the unsafe condition.

Section 4. The Company will provide health and safety training for employees to help maintain their skills at a level which meets Company and regulatory requirements.

21. Exhibit “A”, Classification and Rate Group Brackets

The wage group schedules shall be updated to reflect the following:

- Year 1 – 2.5% increase to all classifications
- Year 2 – 3% increase to all classifications
- Year 3 – 3.5% increase to all classifications

22. Exhibit “A”, Classification and Rate Group Brackets

- The Company agrees to add the pay increase amount/percentage (as applicable) to the wage table.

23. Exhibit “A”, Classification and Rate Group Brackets

Modified Footnote 1, Repairman Progression Guidelines, to read as follows:

Level 4. In order for a Level 3 Repairman to achieve Level 4, bargaining unit employee must qualify for a Class I, Class II, or EHS Coordinator ~~or Fieldman~~ position as designated by the Company and will participate in the work planning process for the location. This must be accomplished in a maximum of 24 months from the attainment of Level 3. Completion of this requirement includes successfully passing any applicable qualification tests or progressions style qualifications for the classified position.

24. Exhibit “A”, Classification and Rate Group Brackets

Modified Footnote 2, Equipment Operator, to read as follows:

Equipment Operator classification will include the use of:

Backhoes (e.g. track, rubber tired, or vehicle mounted)

Dozers (e.g. Caterpillar D-2 and larger)

Pipe Layers (e.g. 561, 572, 583)

Road maintainers

Trucks over 26,000 lbs. licensed GVW

Telecruiser telescopic boom unit with 40' minimum extension.

Trenchers (e.g. Ditch Witch Model R-40)

Skid Loader greater than 50 horsepower

Note: Other brand name equipment equivalent or greater in size than the aforementioned are included.

25. Exhibit “A”, Classification and Rate Group Brackets

Modified Footnote 6 to read as follows:

~~The parties have agreed that effective May 27, 1980, or as soon thereafter as feasible, that~~ The Employer shall establish written criteria Skill Evaluation Records (SER's) for the periodic evaluation of the qualifications of bargaining unit employees desiring to enter the ~~classifications listed below~~ classifications subject to this footnote. Such criteria shall be similar in intent and usage as those criteria presently in effect for Equipment Analysts, Maintenance Mechanic, Operator "A," EHS Coordinator, and Regulatorman and shall provide for the periodic reevaluation, at the Employer's sole discretion, of bargaining unit employees in the following ~~listed~~ classifications:

Maintenance Mechanic

Operator "A"

Equipment Operator

Regulatorman

Equipment Analyst

Fieldman

Welder

EHS Coordinator

~~As a consequence, after the actual date of promulgation of such criteria,~~ All bargaining unit employees entering into the ~~a classification~~ classification with an established SER listed above shall be required to complete ~~such criteria~~ the SER to qualify for the classification before being considered qualified to do so. The criteria are in no way to be misconstrued as a means of disqualifying bargaining unit employees already in such classifications, but, as to bargaining unit employees in such classifications, the criteria shall be used to determine where they may need additional training.

If the senior bidder has not passed the ~~qualification exam or~~ SER evaluation required for the classification on which he has bid (or the qualification exam for a classification in which an SER has not yet been developed), the Company will ~~administer the qualification exam or~~ conduct an SER evaluation ~~to him~~ (or administer the qualification exam if no such SER exists). If this senior bidder fails the ~~qualification exam or~~ SER evaluation on his first attempt, the Company will allow one (1) ~~retest~~ reevaluation (or if no such SER exists, then the Company will allow one (1) retest if the senior bidder fails the qualification exam). ~~Such retest~~ A reevaluation will be conducted no sooner than the second work day following the completion of the first ~~exam~~ evaluation (or in the event of a qualification exam, no sooner than the second work day following the completion of the first exam). Additionally, the ten (10) day award period may be extended for the time based on the availability of the evaluator necessary to complete such testing or evaluation and in no case not to exceed 30 days. However, if the bargaining unit employee should fail the reevaluation or retest, then he will not be eligible to rebid in the same classification for a period of six (6) months.

When a bargaining unit employee is displaced for any reason beyond his control the Company will test him once, either during the forty-five (45) day notice of abolishment period or the three (3) day bumping period. There shall be no retesting. The bargaining unit employee will only be allowed to test for a classification for which he could exercise his demotional rights.

Once a bargaining unit employee has been notified that he has been bumped he must submit a written request to his supervisor no later than the third scheduled working day following such notification that he desires a qualification exam or SER evaluation. The exam or SER evaluation will be scheduled as soon as practicable following receipt of the bargaining unit employee's written request to supervision.

When a qualification exam or SER evaluation has been requested by a bargaining unit employee who has been bumped, his three (3) day bumping period will commence the day following notification of the results of the exam or evaluation.

~~The Company agrees to test, within sixty (60) days of receipt of a written request, any bargaining unit employee who desires to upgrade to a classification, provided the bargaining unit employee has held or upgraded to that classification at any time since January 1, 1984, and was not previously disqualified from the desired classification. Bargaining unit employees who have failed a qualification exam or SER evaluation may request a retest after six (6) months from the date of the previously failed test/evaluation. Retesting within six (6) months is solely at the discretion of the Company.~~

26. Exhibit "A", Classification and Rate Group Brackets

The Incentive Bonus Target for bargaining unit employees shall be updated as follows:

- ten percent (10%)

27. Exhibit "A", Classification and Rate Group Brackets

Modified Footnote 10 to read as follows:

Employees in any classification may perform the duties associated with the ordering and receiving of materials.

28. Exhibit "B", Bumping Boundaries for Term of Agreement

Modified as attached hereto as Exhibit A.

29. Memorandum of Understanding, effective July 29, 2016 (Process for Filling Temporary Vacancies)

- The Company agrees to increase the font size of the MOU to the same sized font used throughout the printed collective bargaining agreement book.

30. New Memorandum of Understanding, effective as of the date of the Agreement (Skill Evaluation Records and Training & Evaluation Guide)

- Agreed to new Memorandum of Understanding as attached hereto as Exhibit B.

31. New Memorandum of Understanding, effective as of the date of the Agreement (New Hire Meeting)

- Agreed to new Memorandum of Understanding as attached hereto as Exhibit C.

**2019 Contract Negotiations - PEPL
Company's Response to Union Proposal #15
As Proposed on May 1, 2019**

Modify Exhibit B as follows:

Exhibit "B"

Bumping Boundaries for Term of Agreement

Central Division

Area 1

Liberal Station
Greensburg
Borchers

Area 2

Haven
Alva
Cashion
Seiling

Area 3

Louisburg
Olpe

Area 4

Centralia
Houstonia
Pleasant Hill

5/2/19 GT

5-2-19 WE

5-2-19 VF

Midwest Division

Area 5

Glenarm
Waverly
Tuscola
Bartonville
~~Cimie Warehouse~~

Area 6

Zionsville
Montezuma
Muncie

Area 7

Howell
Edgerton
Maumee
Jackson
Lee 8 (Olivet)

32. Ratification Bonus

- Following the ratification of the contract on or before the end of July 8, 2019, the Company will pay a \$500 ratification bonus (minus applicable taxes) to each current member of the bargaining unit.

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MEMORANDUM OF UNDERSTANDING
BETWEEN

PANHANDLE EASTERN PIPE LINE COMPANY, LP
AND
THE UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING,
ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL,
AFL-CIO, LOCAL 348

This Memorandum of Understanding ("MOU") is entered into by and between Panhandle Eastern Pipe Line Company, LP ("Company") and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International, AFL-CIO, Local 348 ("Union") (collectively, "Parties").

The Company and Union hereby specifically agree as follows:

Within a reasonable amount of time, which the Parties will use their best efforts to keep within nine months of the effective date of this Agreement, the Company and the Union shall establish the Training & Evaluation Guide (TEG) and the Skill Evaluation Record (SER) for the remaining positions of Welder, Equipment Operators and Fieldman using the same process that has been used to develop the current TEGs and SERs for other bargaining unit positions. Local management will review the TEG and SER for any new job classification or changes to an existing TEG and SER (including changes to the TEGs and SERs for the three remaining job classifications after they are implemented as described above) with senior management and the Company's Technical Training/OQ group prior to providing the TEG and SER to the Union for review. Any recommended changes by the Union after this review will be implemented if approved by local management and/or senior management and the Company's Technical Training/OQ group. The Company will revise the current PEPL Bargaining Unit Job Standards Administrative Manual, revised December 8, 2008 ("Current Manual"), to incorporate the terms of this MOU, however the current process and the Current Manual will apply to the establishment of TEGs and SERs for the three remaining positions described above.

The terms of this MOU, including the changes identified above, will be subject to the Grievance and Arbitration process of the Agreement.

The Parties, by and through their duly authorized representatives, and intending to be legally bound, accept and agree to this MOU which will be effective as of the effective date of the Agreement.

By the Company:


Yeechun Su
VP & Associate General Counsel
Management Chairperson

5/23/19
Date

By the Union:


Gregory Tate
International Representative

5-23-19
Date


Wilber Engelhardt
President - Workman's Committee

5-23-19
Date

**MEMORANDUM OF UNDERSTANDING
BETWEEN**

**PANHANDLE EASTERN PIPE LINE COMPANY, LP
AND
THE UNITED STEEL, PAPER AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE
WORKERS INTERNATIONAL, AFL-CIO, LOCAL 348**

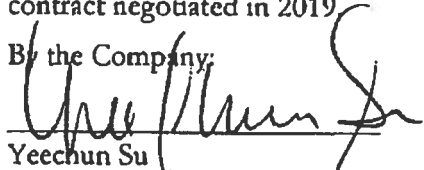
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The Company and Union hereby specifically agree as follows:

1. The Company shall provide notice of a new hire's start date to the Union and shall provide the Union Committeemen or Steward responsible for the new hire's location with an opportunity to spend no more than thirty (30) minutes to meet and greet the new hire during his or her first week of employment ("New Hire Meeting"). The Company further agrees to provide notice to the new hire that the Union Committeemen or Steward shall be available if he or she would like to meet with the Union Committeemen or Steward.
2. The Union agrees to bear all costs related to the travel time to and from the New Hire Meeting. The Company agrees to compensate the Union Committeemen or Steward for the time spent in the New Hire Meeting.
3. The Union agrees that releasing the Union Committeemen or Steward shall not interfere with the work and efficient operation of the Company and the Company agrees to refrain from unduly denying this opportunity to the Union Committeemen or Steward.


The Parties, by and through their duly authorized representatives, and intending to be legally bound, accept and agree to this MOU effective as of the effective date of the contract negotiated in 2019.

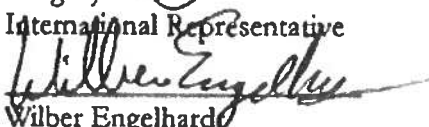
By the Company:


Yeechun Su
VP & Associate General Counsel
Management Chairperson

5/23/19
Date

By the Union:


Gregory Tate
International Representative


Wilber Engelhardt
President - Workman's Committee

5.23.19
Date

5.23.19
Date

Settlement Agreement - May 22, 2019
2019 Negotiations Between PEPL and USW Local 348

Wages

Year 1, an hourly wage increase of 2.5 percent (2.5%).

Year 2, an hourly wage increase of 3 percent (3%).

Year 3, an hourly wage increase of 3.5 percent (3.5%).

Contract Term and Expiration:

Term	Expiration
3 Year Contract	5/28/2022

Article XV, Section 9 (Emergency Call-Outs-Overtime - Overtime Meals)

Year 1, increase (c) and (d) to \$27.00

Year 2, increase (c) and (d) to \$28.50

Year 3, increase (c) and (d) to \$30.00

Article XXVI, Section 2 (Transportation - Per Diem)

per diem of fifty six dollars (\$56.00) for the period from ratification to May 29, 2020

per diem of fifty eight dollars (\$58.00) for the period from May 30, 2020 to May 29, 2021

and a per diem of sixty dollars (\$60.00) for the period from May 30, 2021 through the end of the Agreement.

Exhibit A, EN 9 (Annual Bonus Plan Target)
Increase Bonus Target to ten percent (10%)

Following the ratification of the contract on or before the end of June 21, 2019, with the Union's endorsement of this agreement for ratification by the workforce and all other open Union proposals not agreed to being withdrawn, the Company will:

- 1) Pay a \$500 ratification bonus (minus applicable taxes) to each current member of the bargaining unit following ratification of the Agreement

All other items that have been tentatively agreed to by the Company and Union during negotiations

For Company

Name Mike Munch Date 5/23/19
Name John Munch Date 5-23-19

For USW Local 348

Name Bob Set Date 5-23-19
Name Bob Set Date 5-23-19