

A G R E E M E N T

BY AND BETWEEN

CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA

EQUAL OPPORTUNITY EMPLOYER

AND

COMMUNICATIONS WORKERS OF AMERICA (A.F.L.-C.I.O. AFFILIATED)

EFFECTIVE MAY 16, 2005 2008 THROUGH MAY 15, 2008 2011

THIS AGREEMENT is made and entered into this 16th day of May, ~~2005~~ **2008**, by and between CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA, its assigns or successors, hereinafter referred to as the "Company" or "management," and the COMMUNICATIONS WORKERS OF AMERICA, Affiliated with the A.F.L.- C.I.O., hereinafter referred to as the "Union."

It is the intent and purpose of the parties hereto that this Agreement will promote and improve working relations between the employees and management, and will set forth herein the basic agreement covering rates of pay, hours of work, and conditions of employment to be observed between the parties. The Company will advise all new regular employees, who are covered by this Agreement, that there is a collective bargaining agreement in existence and will furnish each such employee with a copy of the Agreement. During the new employees' orientation, the Company and Union will bring to the attention of those employees the relationship between the parties and the Union's role as the bargaining representative.

ARTICLE I: RECOGNITION

1.1 In as much as the majority of the employees of the Company within the bargaining unit herein described have designated the Union as their exclusive bargaining agency to represent them concerning their hours, wages and all other conditions of employment with the Company, the Company agrees to recognize the Union for collective bargaining purposes as the exclusive bargaining agency for all its employees in the following listed exchanges, in the job classifications shown in the Appendix.

Exchanges

Albion	Columbus	Kearney	Newman Grove	Riverdale
Alma	Duncan	Leigh	Orchard	Stamford
Amherst	Edison	Lindsay	Ord	Sumner
Battle Creek	Franklin	Madison	Orleans	Tilden
Beaver City	Genoa	Miller	Palmer	Wilsonville
Bertrand	Greeley	Monroe	Platte Center	
Bloomington	Heartwell	Naponee	Pleasanton	
Brunswick	Hildreth	Neligh	Republican City	

ARTICLE 2: TERM OF AGREEMENT

2.1 This Agreement, when signed by the authorized representatives of the Company and the Union, shall become effective on the 16th day of May, 2005 ~~2008~~, and shall remain in full force and effect until and including the 15th day of May, ~~2008~~ **2011**. If this Agreement is to be terminated or modified by either party, a written notice must be sent to the other party at least sixty (60) days prior to the termination date of this contract or not less than thirty (30) days prior to any date thereafter on which such termination or modification is to become effective.

2.2 This Agreement contains the entire agreement between the Company and the Union, except that changes to this Agreement mutually agreeable to the authorized representatives of the parties may be made at any time during the tenure of this Agreement. No changes shall be effective until reduced to writing and signed by authorized representatives of the parties.

2.3 Nothing in this Agreement shall be construed to require either of the Parties to act contrary to any State or Federal Law, governmental authority or declaration. In the event any such condition arises, it is agreed that this Agreement shall be deemed as modified in respect to either or both Parties to the extent necessary to comply with the law, order or declaration.

ARTICLE 3: COMPANY—UNION RELATIONS

3.1 The Company will not discriminate against any employee because of membership in or lawful activity on behalf of the Union, nor will the Company interfere with the right of any employee to become a member of the Union. The Union will not intimidate, coerce, or otherwise discriminate against any employee who chooses not to join the Union.

3.2 The Company shall provide a seniority list to the Union in April and October of each year. In the event of a layoff, the Company will provide an updated seniority list within thirty (30) days of the layoff date. In the event the Union does not question the lists and their contents within thirty (30) days after furnished, any action taken by the Company in reliance thereon will not result in any liability on the part of the Company.

3.3 It is agreed that neither the Company nor the Union will discriminate against any employee because of race, color, religion, sex, national origin, age, or because they are handicapped, disabled veterans, or veterans of the Vietnam Era.

3.4 Except as specifically limited by this Agreement, the management of the business and the direction of the work force shall remain with the Company including, but not limited to, the right to hire, discipline and discharge for cause, layoff, assign, promote and transfer employees, to decide the number of employees needed at any particular time or place, to use improved methods or equipment, and to be the sole

judge of the types and standards of communications service rendered the public. The Company, however, shall not contract out any work covered by this Agreement if, as a result thereof, it would become necessary to lay off or reduce to part-time any employees in job titles performing core business functions. Job titles considered to be core business functions are:

COMMUNICATIONS SALES & SERVICE TECHNICIAN I¹
COMMUNICATIONS SALES & SERVICE TECHNICIAN II
FACILITIES ASSIGNER

Employees in the following titles employed prior to 16 May 2005 shall not be laid off or reduced to part-time as a consequence of sub-contracting or outsourcing during the term of this contract:

SALES AND SERVICE CONSULTANT

3.5 In any instance where the Company intends to meet with an employee and anticipates suspending or discharging the employee, it shall provide the Union advance notification. At any meeting between a representative of the Company and an employee which could result in disciplinary action (including, warnings which are to be recorded in the personnel file, suspension, demotion, or discharge for cause) a Union representative may be present if the employee so requests.

ARTICLE 4: NO STRIKE-NO LOCKOUT

4.1 The Company and the Union agree that during the term of this Agreement there shall be no lockouts. The Union and the Company agree that during the same period, neither the Union nor its agents, nor its members will authorize, instigate, aid, condone, or engage in any work stoppage, sympathy strike, slowdown or strike.

ARTICLE 5: PAYROLL DEDUCTION OF DUES

5.1 Collection of union dues by payroll deduction for any employee will proceed only on the basis of specific written authorization signed by the individual employee and sent to the Human Resources Department. Such written authorization shall be on a form determined by the Company. This Authorization will continue in effect only during such period as this Agreement is in effect and the authorization remains unrevoked by the employee. A copy of the Dues Deduction Authorization form is included at the end of the contract book.

5.2 The Company will, if furnished a written individual payroll deduction authorization form, voluntarily executed by an employee covered under the terms of this agreement, deduct from the wages of such employee in the amount so indicated on the form, which then will be paid to the Union for the purpose of funding the CWA COPE Program.

¹ Formerly BZT, CZT I, Switching Systems Installer.

5.3 The Union will indemnify and save harmless the Company from any and all claims, liabilities, and disputes arising out of or by reason of any action against the Company under this article. The Union agrees that the Company assumes no responsibility in connection with the deduction of dues except that of forwarding money deducted as set forth in this article.

ARTICLE 6: UNION BUSINESS

6.1 The Company will grant to any employee designated by the Union the necessary time off, without pay, and without loss of seniority, to handle Union business, including attendance at Union meetings or conferences. It is agreed that not more than six (6) employees shall be so engaged at any one time. The Company shall be given reasonable notice in advance of the beginning date and of the probable duration of such absences. The Company will not discriminate against any such employee absenting himself/herself for any of the above reasons. This provision does not include time spent in joint meetings dealing with grievances or other meetings held by mutual agreement and concerned with the normal administration of this Agreement.

6.2 The Company agrees that employees duly designated by the Union to take part in labor negotiations, not to exceed four (4) such employees, shall suffer no loss in regular pay as a result of such participation.

ARTICLE 7: DEFINITIONS

7.1 Accredited Service: The aggregate time of active employment as determined by the Company and recognized for pension and benefit purposes.

7.2 Attendance for the purpose of absenteeism excludes the following: jury duty, paid death in the family, paid or unpaid Union business, surplus time, military duty, reasonable civic duty, approved departmental leave of absence, pre-arranged absences for which make-up time is worked, witness under subpoena per contract, and absence for on-the-job injury.

7.3 Differential: Special compensation in addition to basic rates in recognition of job duties or tasks assigned.

7.4 Employees: Workers of the various classifications in the different exchanges of the Company as set out in this Agreement. Excluded are supervisors, cashiers, secretaries, professional employees, confidential employees, guards, watchmen, and all other personnel not performing bargaining unit work.

7.5 Occasional Employee: A person engaged to perform work or irregular assignments wherein there is no regular schedule of work and who temporarily fills in for, or supplements the work of, regular employees on an occasional employment basis. Occasional employees are employees only on the specific individual days for which work assignments are scheduled.

7.6 Premium: Special compensation in addition to basic rates in recognition of the time that work is performed in terms of days of the week or hours of the day.

7.7 Probationary Employee: Any worker within the first ~~twelve (12)~~ **nine (9)** months of continuous employment. Probationary employees may be terminated during this period at the discretion of management, and such terminations will not be subject to the arbitration provisions of this Agreement. Work schedules and assignments for probationary employees will be determined by their ability to perform the duties required for their work classifications. **When a probationary employee is not placed into the normal work schedule within nine (9) months, the Company will notify the Union as to the reason.**

7.8 Regular Full Time Employee: ~~A person engaged for full time work whose employment is expected to continue for more than one year.~~ **Those employees who have been employed by the Company for more than nine (9) months and who have successfully completed their respective probationary periods.**

7.9 Regular Part Time Employee: A person who ordinarily works less than full time and whose employment is expected to continue for more than one year.

7.10 Regular Pay: The basic hourly rate as shown in the wage schedules contained in the appendix.

7.11 Seniority: See Article 13.

7.12 Temporary Employee: A person engaged for a specific project, or for a definite period of time not to exceed one (1) year.

7.13 Workweek: A workweek shall be within the period beginning 12:01 a.m. Sunday and ending at midnight Saturday.

7.14 Force Reduction Area: The exchanges into which an employee may bump, as identified at the end of the contract book (printed prior to the Letters of Understanding).

7.15 Session: Sessions are the two parts into which a tour is divided for the day under consideration.

7.16 Temporary and occasional employees shall not be eligible for such benefits as holidays, vacations, health and life insurance, pensions, telephone concession service, disability pay, funeral leave, jury duty pay, or any other benefit.

ARTICLE 8: GRIEVANCES

8.1 A grievance is an alleged dispute or controversy arising from the interpretation or application of the various provisions of this Agreement or involving alleged unfair treatment of an employee or group of employees. A grievance must be in writing and may be filed by an employee, group of employees for whom the Union is the bargaining

agent, or by an authorized Union representative. Grievances must be filed and appealed within the time limits specified in this article.

8.2 Once a grievance has been presented, management shall not attempt to adjust the grievance with the aggrieved employee or group of employees without affording the appropriate Union representative an opportunity to be present.

8.3 The Union shall be considered the representative for grievance representation purposes of employees laid off, discharged, or otherwise separated from the payroll until the limits of the grievance and arbitration procedures have been exhausted. Any suspension or discharge requires written notification of such act be given to the employee and simultaneously a copy of the written notification shall be forwarded to the local Union president.

8.4 All complaints or prospective grievances shall ordinarily be taken up informally at the first level of management in an effort to resolve the matter. If a satisfactory settlement is not reached, a written grievance may be presented to the supervisor, providing it is filed within fifteen (15) working days of the date of the action causing the grievance. Grievances may, however, by mutual consent be taken up at any level of the grievance procedure.

8.5 Grievances presented to management shall be answered at each level within the maximum time limits set out below for the initial and appeal steps of the procedure:

Grievance Level No. 1: State Vice President or functional Department Head, or their representative (fifteen working days)

Grievance Level No. 2: Labor Relations Manager and/or their representative (fifteen working days).

8.6 Appeals by the Union from the Company's decision in one step to the succeeding step shall be presented to the appropriate management representative at the appeal level within the following time limits after receipt of the Company's answer.

1. Step 1 to Step 2 (fifteen working days)

Grievance meetings between authorized Union and Company representatives shall be held within a reasonable time after the grievance is presented. The parties shall keep each other informed in writing of the representative authorized to handle grievances.

8.7 Authorized employee union representatives, not to exceed two (2) in number, investigating circumstances in respect to grievances may do so on Company premises and shall receive the Company's cooperation. Such employees shall suffer no loss in regular pay as a result of time lost from regular work.

8.8 Authorized Union representative, not to exceed two (2) in number, and, when it is deemed necessary by the Union, the aggrieved employee, meeting with the Company in respect to grievances, shall suffer no loss in regular pay as a result of time lost from regular work.

8.9 The parties may waive the time requirements as outlined in this article by mutual agreement.

ARTICLE 9: ARBITRATION

9.1 Should the Union wish to submit a grievance to arbitration, such notice to the Company must be made in writing within fifteen (15) calendar days from the date of the Company's second-level reply.

9.2 If the parties are unable to mutually agree within five (5) days upon an impartial arbitrator to hear the dispute and render a decision, then the American Arbitration Association shall be contacted. The selection of the arbitrator and conduct of the hearing shall be in accordance with the rules of the American Arbitration Association.

9.3 The compensation and other expenses of the arbitrator shall be shared equally by the Company and the Union. Each party shall bear the expense of preparing and presenting its own case.

9.4 The arbitrator shall have no authority to add to, subtract from, alter or modify in any way the provisions of the Agreement. He/she shall also be limited to rendering a decision on only the specific grievance submitted.

ARTICLE 10: SAFETY AND HEALTH

10.1 The Company shall at all times make reasonable provision for the safety and health of its employees during hours of their employment and the Union and employees shall cooperate in complying with such rules.

ARTICLE 11: BULLETIN BOARDS

11.1 The Union shall have the use of designated space on Company bulletin boards for posting of material essential to the conduct of its affairs. The Union agrees to post only that material which is in good taste.

ARTICLE 12: ABSENCE FROM DUTY

Extended Leave of Absence

12.1 Extended leaves of absence shall be without pay and loss of previous seniority, and may be granted by the Company for good cause and for reasonable periods of time provided the service requirements will permit. Employees desiring a leave of absence must submit a written request to their immediate supervisor at least one (1) month in

advance of the date the leave is to begin. Each such request shall be considered on an individual case basis and will be approved or disapproved, depending upon the merit of the case. Extensions may be granted if circumstances so warrant. At the end of the leave or upon release to work by a physician, in the case of medical leaves, the individual will be reinstated to active employment in the employee's former job, if vacant, or any vacancy then existing in the exchange, provided the employee is qualified. Should no vacancies exist into which the individual can be placed, the individual will be reinstated in a suitable vacancy that develops within a period of six months thereafter. Refusal to accept such offer terminates the Company's obligation. Seniority will not continue to accrue while the employee is on leave of absence.

Personal Leave of Absence

12.2 A personal leave of absence is for a period of thirty (30) days or less. The same terms and conditions applicable to extended leave of absence apply to a departmental leave, except the employee shall be granted seniority credit for the absence, providing the employee returns to work within the thirty (30) day period. While a personal leave is in effect, no regular replacement will be assigned to fill the vacancy.

Paid Absences

12.3 Family and Medical Leave: Employees shall be excused from duty for appropriate periods of time in accordance with the terms of the Family and Medical Leave Act 1993 as amended (FMLA or the Act) and any applicable state law. Eligibility shall be in accordance with the terms of the FMLA and appropriate time shall be in accordance with the terms of the FMLA and appropriate time shall be in accordance with the Act using a rolling twelve-month time frame. An employee eligible for sick leave (per Article 12.6), vacation (per Article 20), or Personal Holidays (per Article 21) shall use such leave concurrently with Family and Medical Leave and be paid accordingly. However, an employee may, at his / her option, retain up to five (5) days of his / her vacation entitlement.

The provisions of this Section 12.3 are not subject to the provisions of Article 9 except for the application for reinstatement by employees from such leave.

12.4 Employees may be excused from duty for reasonable periods to serve on jury duty, or when subpoenaed by a court as a witness (except when the subpoena results from outside employment) and on boards of election. If the time required for such service is less than a full day, the employee will be required to return to work for the remainder of the day, providing it is reasonable to do so. Such absences during regular scheduled work time will be compensated by whatever amount represents the difference between the amount paid for such services and the amount normally paid by the Company had they been at work during the period of absence, should the latter be greater. Administration of this provision will be in accordance with Company policy.

12.5 Employees may be excused from duty to participate in recognized peacetime training or emergency duty with the National Guard and for training in the Reserve of

the Armed Services of the United States. Such absences during regular work time will be compensated by whatever amount represents the difference between the amount paid for such services and the amount normally paid by the Company had they been at work during the period of absence, should the latter be greater. This provision is limited to two (2) weeks in the instances of training with the National Guard and the Reserve of the Armed Services. Leaves of more than two (2) weeks will be in accordance with the Company Military Leave of Absence policy.

12.6 In the case of death in the immediate family, a funeral leave with pay of up to three (3) regularly scheduled work days shall be granted to attend necessary affairs surrounding the death, providing circumstances require that amount of time. In the case of unusual or extenuating circumstances, management shall have sole discretion to grant additional paid time off, and such decision shall not be subject to the grievance or arbitration provisions of this Agreement. Immediate family shall be defined as the employee's mother, father, domestic partner, mother-in-law, father-in-law, brother, sister, spouse, child, grandparent and grandchild, and shall also include any other relative residing in the employee's immediate household. In the case of the death of any other relative not residing in the employee's household, absence with pay not to exceed one (1) day for the purpose of attending the funeral shall be allowed.

Short Term Disability (STD):

12.7 Employees shall be eligible for short-term disability when absent due to illness/disability and, as a consequence, unable to work. Coverage begins on the 6th consecutive working day of an employee's absence. The first five (5) consecutive working days of absence due to illness/disability are deducted from an employee's available PTO. If an individual does not have any PTO time available, these first five (5) days are unpaid.

12.8 STD provides 100% pay from the 6th consecutive workday of absence through the 30th consecutive calendar day of that illness/disability. All workdays of absence during the 31st through 90th calendar day are paid at 75% of regular base pay. **All workdays of absence during the 91st through 180th calendar day are paid at 67% of regular base pay.** On all workdays of absence occurring during and after the 91st 181st calendar day of consecutive absence, the employee shall apply for coverage under the Company's long-term Disability (LTD) plan. Employees may use available PTO (and vacation available per Section 20A.6) to supplement the 75% STD to 100% and **67% STD to 100%.**

12.9 If, within twelve (12) months of returning to work from an illness/disability, an employee is determined to have a reoccurrence or other illness/disability directly related to the prior absence, and the employee is not then eligible for LTD, the employee will not be required to use PTO for the first five (5) days of absence but will be placed directly on STD. If the employee's return to work breaks the waiting period for LTD eligibility, a new ~~90-day~~ **180 day** period of STD shall commence.

12.10 Any employee who reports for scheduled work and becomes ill on the job after working one (1) hour or more, and is excused from duty because of such illness, shall receive pay at the basic hourly wage rate for the remainder of the session during which the illness occurs. For the purpose of the article, sessions are the two (2) parts into which a tour is divided for the day under consideration.

12.11 On-the-job injury (regular full-time and regular part-time) employees will be allowed disability benefit pay when incapacitated by physical injury determined to be compensable. Such payment will be in an amount equal to the difference between Workers' Compensation and the employee's daily wage at the basic hourly wage rate. The daily wage will be determined in proportion to the amount of time worked during the previous calendar year. Such payment will be made from the first day without any waiting period at the rate of 82% of the employee's daily wage for 260 working days.

ARTICLE 13: SENIORITY

13.1 Seniority as used herein shall mean the period of net accredited service as determined by the records of the Company, accumulated by an employee while a member of this bargaining unit or another bargaining unit as provided in Section 13.3 below.

13.2 When a former employee of the Company is re-employed following a break in service and accumulates one thousand (1,000) hours of accredited service, then the break in the employee's employment shall be bridged and there shall be added to the accredited service which has accumulated since his/her reemployment, each period of accredited service which the employee had previously accumulated that equaled or exceeded one thousand (1,000) hours. Official Company records shall be used for the verification of all prior service.

13.3 Employees transferring into Nebraska from another system company having reciprocal seniority rights or from another bargaining unit within Citizens Communications of Nebraska having reciprocal seniority rights, will carry their seniority into Nebraska. All other transferees will have a seniority date of the first day worked in Nebraska.

13.4 Seniority shall be the determining factor, subject to the specific provisions in this Agreement, on the assignment of hours (not days) on work schedules, vacations, layoffs, recall after layoffs, transfers, and promotions insofar as service requirements will permit. Part-time employees may exercise their seniority after full-time employees have exercised their seniority.

13.5 In the event the seniority date of two (2) or more employees is identical, then the older in age shall be deemed to have the greater seniority.

13.6 The seniority for regular part-time employees shall be determined by the accumulation of the actual hours worked exclusive of overtime. Net accredited service

for regular part-time employees shall be determined by the same method.

13.7 Bargaining unit employees who are promoted into management shall retain all seniority accrued in the bargaining unit, but shall not continue to accrue seniority while in management beyond July 1, 1980. When an employee returns to the bargaining unit, Section 18.9 of Article 18 may not be applied during the initial job assignment except when there are no other bids.

13.8 Employees who have retired and who return to work for the Company will not be eligible to bridge any seniority prior to retirement. The employee's rehire date will be used for the purposes associated with customary applications of seniority such as: selection of vacations, shift selections, promotions, transfers, and force adjustments.

ARTICLE 14: LAYOFFS / BUMPING

14.1 If a reduction in forces is necessary, the Company shall give affected employees as much notice as possible, but in no case less than thirty (30) working days. Surplussed employees so notified must advise the Company within five (5) working days of their intention to claim another job within the Company or to terminate employment. Employees who are moved out of their job classification by bumping will, in turn, be given five (5) working days to exercise their rights.

14.2 When management determines that a force reduction is necessary in a job classification and location, temporary and occasional employees, and contractors (if employees are qualified to do the work and/or if the Company has the necessary equipment for the work) in that classification/location shall be terminated first. If further reductions are necessary, and before any regular employees are laid off, management shall, in order of seniority, offer affected employees temporary or permanent transfer to other vacant positions, if available, in the force reduction area, for which the employees are qualified. It is agreed that vacancies offered here are those that would constitute a lateral or downward move. Vacancies in higher classifications will be filled in accordance with Article 18, Job Transfers & Bidding.

14.3 A surplussed employee, as one of their options has the opportunity to claim a job held by a less-senior employee through a process hereinafter referred to as "bumping". A surplussed employee may bump the least senior employee in the same or lower wage schedule within the Force Reduction Area or State² where the retained employee has the ability and qualifications to do the work within a reasonable period not to exceed twenty (20) working days. Employees may not bump into higher job classifications. A ~~Communications Technician II Function b. cannot bump into Communications Technician II Function a.~~

14.4 Employees who are moved out of their job classification through bumping shall be permitted to bump in accordance with Section 14.3 above.

² Force Reduction Area or State information appears at the end of the contract book (printed prior to the Letters of Understanding).

14.5 Any moving expenses associated with relocation under this article shall be borne by the employee.

14.6 Employees may exercise their seniority to claim a job in accordance with paragraph 14.3 or they may elect to take termination pay. However, an employee who accepts termination pay will not retain recall rights.

ARTICLE 15: RECALL

15.1 Recall after layoff of regular full-time employees shall be according to seniority provided the employee is available, has kept the Company informed of any change of address, is capable of performing the job available at time of recall, and the period of layoff for such former employee has not exceeded the following table.

<u>Term of Employment</u>	<u>Must be Re-engaged Within</u>
Less than Two Years	6 months
Two Years and Over	1 Year

15.2 It is understood that employees shall have recall rights to the classification and force reduction area from which they were originally bumped and any job subsequently held through the exercise of bumping rights.

15.3 Notification of recall, as provided for above, shall be by telephone with a letter of confirmation sent to the employee and a copy to the Union. If management is unable to reach the employee by telephone, notification of recall shall be by certified letter with a copy to the Union. An employee must indicate acceptance of reemployment within seven (7) calendar days of notice and report for work within two (2) weeks after receipt of notification³ or the employee shall forfeit recall rights. Exception shall be extended when temporary personal disability prevents acceptance of offered reinstatement.

15.4 An employee may elect to take termination allowance at any time during the recall period, thus canceling the remaining time he/she would be subject to recall.

15.5 When an employee has not been recalled within his/her recall period, he/she will then receive the termination allowance.

ARTICLE 16: TERMINATION PAY

16.1 The Company will provide termination pay for employees who are laid off due to force surplus, contracting or technological change. The termination pay shall be in the form of a lump sum as shown in the schedule below, provided however, that employees whose service is terminated shall first be expected to accept reassignment to an

³ Notification is defined as the date the employee signs the receipt for the certified letter. The employee is responsible for obtaining the certified letter in a timely manner.

existing vacancy for which they are qualified in lieu of termination pay if such assignment is available within a fifty (50) mile radius of his/her reporting location. Should an employee decline to accept such an assignment, no termination pay shall apply.

Net Accredited Service	Number of Weeks Regular Pay
Less than 1 year	None
1 year but less than 2 years	1
2 years but less than 3 years	2
3 years but less than 4 years	4
4 years but less than 5 years	6
5 years but less than 7 years	9
7 years but less than 10 years	12
10 years but less than 15 years	20
15 years but less than 18 years	26
18 years and over	2 weeks additional pay for each year over 17 up to a maximum termination pay benefit of 52 weeks regular pay

For employees laid off as a consequence of technological change or contracting, the above number of weeks shall be doubled, subject to the maximum termination pay benefit of fifty-two (52) weeks regular pay.

16.2 Such termination pay shall be in addition to earned pay and vacation pay to which employees may be eligible.

16.2.1 A "week of regular pay" for the purpose of the termination pay allowance referred to above shall be the basic rate of pay of the employee for the week immediately preceding the date of termination. However, if such employee had, within the previous six months, been reclassified to a lower paying classification due to layoff or bumping, the termination pay shall be fixed at the employee's last hourly rate prior to the original reclassification, or his/her present hourly rate, whichever is higher.

16.2.2 An employee who has once been paid termination pay in accord with the above schedule, has been rehired and again laid off, shall receive payments computed on the basis of net accredited service less the payments previously received.

16.2.3 Should an employee be rehired during the period for which he/she may have originally been eligible for recall, had they not accepted termination pay, the employee shall have his/her former service bridged upon rehire.

16.2.4 Should a terminated employee be rehired before the expiration of the period covered by the termination pay, the employee shall repay the Company, within fifteen (15) days of his/her reemployment, that amount of termination allowance which covers the period after his/her return to regular payroll.

16.3 No termination allowance shall be due an employee who retires on pension, where termination is the result of death, transfer between companies, resignation, or dismissal for cause.

ARTICLE 17: WORKING RULES

17.1 Eight (8) hours shall constitute a regular day's work to be worked normally between the hours of 8:00 a.m. and 5:00 p.m. with one (1) hour intermission for lunch; except that a work day may also be composed of eight (8) hours beginning and ending at such other times as the demands of the service may require.

17.1.1 The lunch period will normally be a period of one (1) hour unless specifically scheduled otherwise. All noon lunch periods will start and end at the employee's work site.

17.2 Forty (40) hours shall constitute a regular workweek for employees covered by this Agreement.

17.3 Five (5) days shall constitute a regular week's work normally scheduled from Monday to Friday inclusive, except that a workweek may also be composed of any five (5) days within the calendar week as the demands of the service may require. Subject to service requirements, regularly scheduled Sunday and Holiday coverage shall be by seniority except that such coverage may be rotated among those employees within a work group who agree to rotate. However, if there are no volunteers within the work group who agree to rotate, an employee will be assigned by inverse seniority on a rotating basis.

17.3.1 Non-consecutive day workweeks will be maintained at a minimum consistent with the needs of the business. Where such practice prevails, work schedules may be rotated among those employees within a work group who agree to rotate; otherwise, shall be assigned according to seniority.

17.4 Work schedules showing days and hours for employees shall be posted in each reporting location not later than Thursday noon of the week preceding the week to which the schedules apply. When work requirements permit, the Company may grant employees' requests for changes in scheduled days or hours of work, providing such changes will not result in an additional expense to the Company. An employee who is given twenty-four (24) hour's notice of a change in work hours will receive regular pay for such changed hours.

17.5 The schedule of hours and shifts to be worked by employees shall be determined by the management of the Company and changed from time to time to meet the requirements of the service. ~~and where practicable~~ In the assignment of hours, ~~and shifts~~ **and days of the week**, preference shall be given to the ~~employees' senior-in-point of service~~ **senior employee** within the exchanges where they work. Trades of ~~tours or sessions~~ **hours, shifts or days** initiated by employees may be granted if service

requirements permit. When work requirements permit, the Company may grant employee's requests for time off if such requests are made two (2) days prior to posting of the schedule.

17.6 When the demands of service allow, the Company may permit an employee to make up time. When an employee agrees to make up time, he/she shall be paid at regular pay.

17.7 In certain work groups a four-ten schedule (ten-hour day, four-day workweek) may be desirable. Management will select the employees, locations and occasions where the four-ten schedule will apply. Implementation will be in accordance with the following provisions:

17.7.1 Overtime will be paid for hours worked in excess of ten (10) in any one-day or forty (40) in any workweek.

17.7.2 Payment for excused time off for jury duty, Reserve or National Guard and attendance at funerals will be based on up to ten (10) hours per day rather than eight (8).

17.7.3 Scheduled workdays shall be consecutive except in weeks containing a holiday (including personal days). In such case, four (4) days will be scheduled, exclusive of the holiday, and the employee will receive eight (8) hours holiday pay in addition to pay for time worked. Absent paid time for holidays shall not be considered as hours worked in determining overtime computations.

17.7.4 PTO shall be paid on the basis of five (5), eight-hour days. For those employees scheduled for four (4), ten-hour days, scheduled PTO may be taken in ten (10) hour increments.

17.8 When a construction employee reports for work on a regularly scheduled day and because of inclement weather is excused, he/she shall be paid for the hours he/she was scheduled to work on that day. It is understood, however, that construction forces will be obligated to work on the Saturday of that week, weather permitting, to make up one day of the time lost during the week without further compensation. In such instances where the employee is not excused, the Company reserves the right to assign all such employees to other work that may be available.

17.9 While attending Company arranged training programs or while traveling on Company authorized business, an employee will be provided meals and lodging that are reasonable and customary for the period involved. As may be required, employees will be provided with Company Procurement Cards for business related travel. Out of pocket expenses for incidentals shall be submitted for reimbursement using personal expense forms. In addition, where necessary, employees shall be provided with a Citizens Communications telephone credit card. Use of the Company procurement card will be administered in accordance with the Company's Travel Policy.

17.9.1 Meals which are paid by the Company will be eaten on the employee's own time.

17.9.2 At the employee's request, the Company will furnish the employee, in lieu of the above, a subsistence allowance of \$40.00 per day, to include all employee furnished board and lodging for that day.

17.9.3 When an employee will be traveling overnight by air, the employee and the employee's supervisor will arrange mutually acceptable travel arrangements. The employee will be paid for the time consumed from when the employee leaves home to travel to the departure airport through the time the employee arrives at the hotel at the destination point, and the time consumed by the employee's trip home from the departure airport to the employee's home.

17.10 When an employee in one classification is called on for a period of four (4) hours or more to do work in another classification carrying a higher wage scale, the employee will receive the next higher wage rate that appears on the wage schedule for the higher rated job, subject to the provisions of Section 18.3. It is recognized in this connection that it is part of a **Sales & Service Communication**–Technician II's regular duties to locate and make temporary repairs of cable trouble and to make ordinary and routine switchboard repairs and adjustments. It is also recognized that construction forces may be called on as a part of their regular work to handle the replacement and changes of telephone installations in conversion projects. In the case of a temporary assignment of an employee to his/her former classification after having been bumped or laid off from that classification, the employee will be paid the rate on the same wage progression step the employee would have occupied had he/she remained in the former classification.

17.11 Employees shall be allowed two fifteen-minute rest periods, scheduled as near the middle of each session of the daily tour as is practicable.

ARTICLE 18: JOB TRANSFERS & BIDDING

General

18.1 The Company may transfer employees within the bargaining unit between jobs, departments and force reduction areas in conformity with the requirements of telephone service and the operating efficiency of the Company. In making such transfers, the Company will make its selection in accordance with the provisions of this article by order of seniority among eligible employees possessing the required ability and qualifications for the work to be performed.

Job Bidding

18.2 When a job vacancy occurs, the company shall post the job for bid. The bidding

notice, setting forth the location of the job and the qualifications required, will be posted electronically and/or faxed to those remote locations without Internet access. Within **ten (10)** ~~seven (7)~~ working days after the day of the posting, any employee who has worked one (1) year or more in his current occupational classification may bid on the vacancy in accordance with the process outlined in this Article.

18.2.1 Bids will be awarded in the following order:

- i. Employees must first meet the minimum qualifications of the job (e.g., required screening, satisfactory performance evaluation, satisfactory attendance) to be eligible to submit a bid;
- ii. Second, the Company will review the candidates' overall qualifications for the job, e.g., including but not be limited to, the skills/qualifications required by the job, required or preferred certifications and/or licensing requirements, training, education and work experience;
- iii. The job shall be awarded to the more qualified employee. If two (2) employees or more have substantially equal qualifications, the most senior employee shall be awarded the job.

18.2.2 An employee on any type of disciplinary action may not bid on a job.

18.2.3 In order to fill vacancies, the Company shall adhere to the following process:

- i. Internal applicants (within the bargaining unit);
- ii. If an internal applicant is not awarded the job and the vacancy still exists, the Company may post the job electronically on the Intranet and simultaneously advertise it externally, or involuntarily transfer a qualified employee from within the bargaining-unit according to inverse seniority;
- iii. It is understood and agreed that the Company reserves the right to select or employ individuals from outside the Company where services requiring special training or special abilities not available in the Company are required.

18.2.4 ~~When the senior~~ **If any** bidders are rejected, they will be notified **in writing** prior to the ~~notification of the~~ successful bidder **being notified**. **Any employee offered the job will have up to forty-eight (48) hours to reject said offer.**

18.2.5 The Company reserves the right to postpone the job bid transfer, but not more than sixty (60) days, due to force and load conditions.

18.2.6 A job will be considered a promotion if it pays a higher maximum rate than the job in which the employee is presently working.

18.2.7 An employee who voluntarily transfers will have a period of ninety (90) calendar days to demonstrate that the employee has the necessary ability to perform the job. It is not required that an employee be considered fully qualified at the completion of the ninety (90) calendar day period. If it is determined, however, that the employee does not have the necessary ability to perform the job, the employee shall be returned to the employee's previous position either at the completion of, or prior to, the ninety (90) calendar day period and the employee's seniority and wage rate in that former position shall be the same as if the employee had not transferred to another job function.

18.2.8 If an employee requests to be returned to the employee's former position during the ninety (90) calendar day trial period. The employee will be returned to their prior job as soon as practical, based on business needs.

18.2.9 An employee who bids into another position in accordance with this Article shall not be eligible to bid into another position until the employee has performed in the employee's new assignment for at least twelve (12) months, except with Company approval. However, an employee who has been involuntarily transferred as a result of a force reduction may bid on a position without concern for the twelve (12) month limitation herein.

18.2.10 New hires shall not be eligible for a transfer until they have performed their job for twelve (12) months.

18.2.11 An employee transferred in accordance with this Article who is unable to successfully complete the trial period provided, shall not be eligible to transfer to another position for a period of six (6) months after being returned to the employee's former position.

18.3 Employees bidding into a higher classification will be paid the next higher rate of pay that appears on the wage schedule for the higher rated job, subject to the following:

18.3.1 Employees bidding into ~~top craft positions~~ **a higher technician wage schedule** shall enter the higher wage schedule at a ~~position no lower than twenty four (24) months below their current wage step.~~ **the same monthly progression the employee currently holds.** ~~Employees bidding into all other positions shall enter the higher wage schedule at a position no lower than eighteen (18) months below their current wage step.~~

18.4 The Company will pay a moving expense allowance for those employees whose bids are selected on jobs constituting a promotion and for involuntary transfers, which shall include bumping. **The moving expense allowance will be provided only if the**

promotion or involuntary transfer necessitates the relocation of the employee's residence. Payment will be made after the actual relocation has occurred. The moving expense allowance for promotion **and involuntary transfer** shall be in the following amounts: ~~up to 50 road miles, \$200.00; over 50 to 100 road miles, \$300.00~~ **\$600.00**; over 100 to 150 road miles, ~~\$375.00~~ **\$750.00**; and over 150 road miles, ~~\$450.00~~ **\$900.00**. The moving expenses for those employees whose bids are accepted for movement from one location to another in the same classification or to a lower classification will be paid for by the employee.

ARTICLE 19: OVERTIME AND SUNDAY WORK

19.1 It is recognized that due to the nature of our business and the necessity of providing continuous service, employees may be called upon from time to time to work overtime hours. Overtime shall not be worked unless it is first authorized by management.

19.2 The overtime rate of time and one-half the basic hourly rate shall be paid for all time worked in excess of eight (8) hours in one day and for time worked in excess of forty (40) hours in one week. Except as otherwise provided in this Agreement, paid holidays, vacation, sick leave and PTO shall count as hours worked for computing overtime under this Section. There will be no pyramiding of overtime or premium rates.

19.3 The overtime rate of double time the basic hourly rate shall be paid for all hours worked in excess of fifty-two (52) hours in one week.

19.4 All scheduled time worked on Sunday shall be compensated at a premium rate of time and one-half the basic hourly rate of pay.

19.5 When regular full time employees are recalled to work outside of their regular scheduled work hours or on a non-scheduled day, they shall receive regular overtime pay of time and one-half the basic hourly wage rate. Paid time starts when the employee reports for work and ends when the work has been completed; provided, however, that when the call out work extends to the starting time of the employee's next regular scheduled shift, overtime pay shall then terminate and straight time pay shall apply during such regular assignment. Employees called out shall receive a minimum of two (2) hours of pay at the overtime rate, except when such work extends into their regular assignment. No additional pay shall apply if subsequently recalled within the same two-hour call-out period.

If a technician called out to work can clear trouble without leaving home, the technician shall be paid two (2) hours straight time.

19.6 As far as practicable, all overtime shall be equally and impartially offered to the employees who generally work in the class of work being performed in their respective localities.

19.7 Premiums and differentials are not paid on a time and one-half basis.

19.8 When it is necessary to assign out-of-schedule hours on the weekly work schedule, the out-of-schedule hours will not be paid at one and one-half times the basic hourly wage rate unless the entire weekly work scheduled hours have been worked.

ARTICLE 20: PAID TIME OFF (PTO)

20.1 PTO Eligibility: Regular employees will accrue PTO days within each calendar year on the following basis:

Service Categories	PTO Days	Accrual Rate (FT)	Accrual Rate (PT)
< 5 yrs.	19	1.5833/mo.	.0731/hr.
5 < 10 yrs.	24	2.0/mo.	.0923/hr.
10 < 15 yrs.	26	2.167/mo.	.1115/hr.
15 < 20 yrs.	29	2.416/mo.	
20 < 25 yrs.	31	2.583/mo.	
25 or more yrs.	34	2.833/mo.	.1308/hr.

Service categories are defined as the beginning of the month following the 5th, 15th or 25th anniversary of employment.

Part-time employees are calculated (using accrual rate above) on a pro-rated basis based on the number of regular hours worked.

First year employees receive pro-rated PTO based on the number of full months worked during the current year. For this purpose, fifteen (15) calendar days constitutes one (1) full month.

i. Accrued vs. Available Paid Time Off. All of the PTO that an employee would accrue based on 31 December of the calendar year is available for use on the first day of the same calendar year (or on the date of hire for new hires). However, for purposes of determining final payment of PTO hours, PTO hours will be deposited on a monthly accrual basis in accordance with this Section 20.1.

ii. Affect of Leaves of Absence on Accrued and Banked PTO. Employees do not accrue PTO time during leaves of absence whether the leave of absence is unpaid or compensated through short- or long-term disability. If an employee begins a leave of absence on or prior to the 15th day of the month, he or she will not accrue any PTO hours for that month unless he or she returns to active statue in the same month he or she left.

iii. PTO Pay. Employees shall be paid for each day or hour of PTO in accordance with their regular work schedule at the basic hourly wage rate. Any extra payments for differential or premium pay shall not be included in vacation pay.

20.2 PTO time will continue to accrue during time off due to occupational accident(s) not in excess of one year; Company paid for time on account of holidays, vacations, jury service, or death in the employee's family; or any excused time taken off by the employee (without pay by the Company) in order to permit his/her participation in required reserve, or National Guard, Military Service training (normally not more than two weeks); or time off duty as a result of the employee's introduction into military service, provided the employee has been employed for at least twelve (12) consecutive months prior to his/her induction; or time off duty to official Union business as an official Union representative.

20.3 Carryover: Up to twenty percent of an employee's calendar year PTO accrual may be carried over to the next calendar year. Any unused PTO in excess of twenty percent not used by December 31st of the year will be forfeited.

20.4 PTO at Termination: Employees who leave before the end of the year will be paid for accrued, unused PTO as of the termination date. If employees have taken more PTO than they have accrued and leave the Company, their final paycheck will be adjusted.

20.5 PTO Scheduling: Each year PTO will be selected by December 31st and subsequently posted by January 15th. Any change in the PTO schedule shall require mutual agreement.

20.5.1 Employees who schedule day-at-a-time PTO must do so at the time the PTO schedules are chosen.

20.5.2 Employees must request and receive the approval of their supervisor by Monday noon of the preceding week in which an hour(s) or day(s) of incidental PTO is/are to be taken. The supervisor may waive this requirement.

20.5.3 A day-at-a-time PTO shall not be scheduled before all employees have had an opportunity to select whole week PTO. A day-at-a-time PTO shall not take precedence over a previously scheduled day-at-a-time PTO.

20.5.4 It is understood that PTO that is used for reasons of illness/disability are not subject to the restrictions of this Section and, in anticipation of such, employees need not schedule all of their PTO.

20.5.5 Seniority shall prevail in the selection of PTO insofar as the needs of the service permit. In addition, the fourth and fifth week of PTO may be chosen only after all other employees have scheduled up to three weeks of their PTO.

20.6 Employees who, as of 31 December 2002, have accrued vacation pursuant to prior vacation provisions (when vacation was accrued based on the prior year's service), shall commence calendar 2003 with a bank of his/her 2002 accrued vacation. This time may be scheduled and/or used in accordance with the procedures for PTO of this Article. This time is exempt from the limitation of Section 20.3 regarding carry-overs.

20.7 If an employee is absent with pay on account of disability at the time the employee is scheduled to be on PTO, the employee's PTO may be rescheduled. Such PTO that was scheduled to be taken in December, may be carried over into the following calendar year without regard to the restrictions of Section 20.3.

ARTICLE 21: HOLIDAYS

21.1 New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, The Day after Thanksgiving, Christmas Day and one (1) Float day shall be considered as recognized holidays. When a holiday occurs on Sunday, the day observed in lieu thereof shall be considered as the holiday.

21.1.1 Subject to service requirements, employees may observe their Float holidays on any mutually agreed day providing they notify their supervisor by Monday preceding the schedule posting date as to the choice of the day to be observed.

21.1.2 All regular employees (except absentees) will be paid for one (1) normal day at the basic hourly wage rate exclusive of premiums and differentials for each recognized holiday.

21.1.3 Regular employees required to work on a recognized holiday or the days observed in lieu thereof shall be paid at a premium rate of one and one-half times the basic hourly wage rate for the time actually worked on that day in addition to the holiday pay up to but not exceeding eight (8) hours. Time worked beyond eight (8) hours will be treated as overtime the same as any other day of the week. There shall be no pyramiding of overtime and/or premium rates. Absent paid times for holidays shall be considered as hours worked in determining overtime computations.

21.2 Regular full-time employees who are not required to work on a holiday shall receive holiday pay for eight (8) hours at the basic hourly rate.

21.3 Regular part-time employees who are not required to work on a holiday shall receive holiday pay at the basic hourly rate based on the average daily hours worked (exclusive of overtime) during the four (4) weeks (exclusive of initial training time) immediately preceding the holiday week.

21.4 Holiday allowance will not be paid when an employee is absent on either of his or her scheduled workdays, which immediately precede or follow the holiday, unless such absences are excused.

ARTICLE 22: PENSION AND RETIREE MEDICAL

22.1 The Citizens Pension Plan for the employees of Citizens Telecommunications

Company of Nebraska, covered by this Agreement, shall be the Plan as outlined in the Pension Plan document.

22.2 During the life of this Agreement no change will be made in the benefits, as provided for in the Citizens Pension Plan for retirement benefits, except by mutual agreement between the parties hereto, insofar as the Plan affects employees who are covered in this Agreement. All matters pertaining to the management and administration of the pension plan, or changes required by law or regulation, shall not be subject to arbitration.

22.3 Employees Who Can Attain 55 Points and 10 Years of Service

For those employees who have attained or who attain 55 points (combined total of age and pension service) and 10 years of service by December 31, 2005, the pension plan and benefits levels and retiree medical plan contributions in effect as of May 16, 2005 (Citizens Pension Plan, Appendix 18), shall remain in effect until the last day of the 6th month after such employee attains 76 points or 30 years of service (whichever comes later). If the employee elects not to retire by the last day of that 6th month, all service after that day shall be credited in accordance with the Citizens Pension Plan, Appendix 1-B. It is understood that when the individual then retires, his/her pension benefit will be the higher of the frozen benefit on the last day of the 6th month after the employee attained 76 points or 30 years service (whichever comes later) plus the benefit based on his/her service after that date or the benefit calculated as though all service were under the Citizens Pension Plan, Appendix 1-B.

The employee who, by December 31, 2005, will have 76 points or 30 years of service (combined total of age and pension service), will have until December 31, 2005 to elect to retire or shall have all service after that day credited in accordance with the Citizens Pension Plan, Appendix 1-B. It is understood that when the individual then retires, his/her pension benefit will be the higher of the frozen benefit on December 31, 2005 plus the benefit based on his/her service after that date or the benefit calculated as though all service were under the Citizens Pension Plan Appendix 1-B.

22.3.1 Employees Attaining 76 Points and 30 Years of Service by December 31, 2005:

Employees referred to in Section 22.3 who have attained 55 points and 10 years of service by December 31, 2005 and who have attained 76 points or 30 years of service will be eligible to receive retiree medical benefits in the Citizens Health and Welfare Plan.

When an employee referred to in Section 22.3.1 attains 76 points or 30 years of service (whether or not they elect at that time to retire), they will have the option of retaining the retiree medical benefits in the Citizens Health and Welfare Plan referred to in Section 22.5 or, in lieu thereof, receiving a lump sum payment of \$6000.00 made into the employees 401(k) account. This lump sum payment will

be made in accordance with the terms of the Citizens 401(k) Plan. Such choice is irrevocable.

22.3.2 Employees Who Will Attain 76 Points and 30 Years of Service after December 31, 2005:

An employee referred to in Section 22.3 who has attained 55 points and 10 years of service but who has not reached 76 points or 30 years of service by December 31, 2005 will be eligible to receive retiree medical benefits upon retirement.

When an employee referred to in Section 22.3.2 attains 76 points or 30 years of service (whichever is later), they will have the option of retaining the retiree medical benefits in the Citizens Health and Welfare Plan or, in lieu thereof, receiving a lump sum payment of \$8000.00 made into the employees 401(k) account. This lump sum payment will be made in accordance with the terms of the Citizens 401(k) Plan. Such choice is irrevocable.

Employees who have met the criteria of Section 22.3 are listed below:

Welliver, Darren J	Seier, Lavern W	Mihulka, Keith F
McDaniels, Perry B	Welliver, Douglas E	Bernt, Thomas J
Liss, Shari L	House, Gary D	Muhle, Duayne K
Fitzgerald, Ronald J	Langan, Clyde A	Jensen, Gregory W
Keeler, David L	Nuncio, Sam	Krumland, James E
Gottschall, Keith A	Loseke, Michael A	Crosier, William D
Peck, David B	Newquist, Roger L	Ptacek, Kenneth V
Huss, Cathy M	Krings, Larry J	Smith, Blase
Nutzman, Michael L	Ransom, James R	Oliver, Jerry
Fox, Gary R	Fisher, Brad L	--
Ahlstrom, Scot L	Vacha, Donald L	--
Lassek, Deborah L	Botsford, William J	--

22.4 Employees Who Will Not Attain 55 Points and 10 Years of Service:

For employees who have not attained and who cannot attain 55 points (combined total of age and pension service) and 10 years of service by April 1, 2005, all service after May 31, 2005, shall be credited in accordance with the terms and conditions of the Citizens Pension Plan, Appendix 1-B. For such employees, all service prior to May 31, 2005 will be in accordance with the Citizens Pension Plan Appendix 18. All pension benefits accrued in accordance with the Citizens Pension Plan Appendix 18 will be frozen as of May 31, 2005.

Employees who are not able to attain 55 points and 10 years of service by December 31, 2005 are not eligible to receive retiree medical benefits. Such employees are eligible to receive a one-time lump sum payment of \$4000.00 made into the employees 401(k) account. This lump sum payment will be made in accordance with the terms of the Citizens 401(k) Plan. In order to be eligible for the retiree medical buy out, the employee must have been on the Company's payroll as of April 1, 2005, or who have been included as a result of an arbitration settlement.

Employees who meet the criteria of Section 22.4 are listed below:

Stunkel, Jade M	Drozd, Emil	Osborne, Richard J
Mcilnay, Patrick J	Malzacher, Curtis J	Benson, Robert D
Peterson, Kevin R	Van Brocklin, Joel D	Murrish, Bernie L
Lindner, Robert E	Dobberstein, Nancy	Peterson, James
Wilson, Corey A	Rahder, William J	Huffman, Ann

22.5 Retiree Medical Premiums for Employees Who Retire after May 16, 2005

- i. Effective as of May 17, 2005 and thereafter, the Company's share of premiums shall be:

Individual = \$ 526.17 per month
Individual +1 = \$1052.33 per month

- ii. The Company will reimburse the retiree for 60% of the Medicare premium with a cap of \$65 per month per person. This benefit replaces post-65 Medical coverage.
- iii. Retiree medical benefits do not include family coverage.

22.6 Employees hired on or after May 16, 2005 will not be eligible to receive any retiree medical benefits.

22.7 The administration of the Citizens Retiree Medical Plan, cost of premiums, the administrator, alternate health carrier or insurance carrier, eligibility for the benefits, all terms and conditions related hereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration or benefits payable shall rest with the Company and shall not be subject to the grievance or arbitration procedure set forth in the collective bargaining agreement.

ARTICLE 23: HEALTH, WELFARE & SAVINGS PLANS

23.1 The health and welfare plans, including the medical, dental, **vision, life, long-term disability, personal accident (PAI), Flexible Spending Accounts (FSA)** and 401(k) plan, in effect on 16 May ~~2005~~ **2008**, together with modifications made herein, shall remain in effect during the term of this Agreement. **The EPO and PPO Plan Design changes for 2009, 2010 and 2011 shall be as shown on the attached Plan Design Changes Summaries.** The Company, however, reserves the right to amend or modify such plans and the Company may add or delete these or other health and welfare plans, including the right to amend or modify such plans, during the term of this Agreement, unilaterally and in its sole discretion, subject to the following:

23.1.1 No changes, additions or deletions may be made that are not the same as those applicable to a majority of Company employees covered by such plans.

23.1.2 No changes, additions or deletions may be made that, overall, reduce the levels of coverage available to employees covered under the terms of this Agreement.

23.1.3 Any increase in the employee share of premiums will not be more than 25% in any year, except however in those instances where the employee contribution percentage is increased.

Deductibles and Copays (Excluding Prescription Drug Copays)

23.2 The Company in accordance with the provisions of this Article, may not increase deductibles in effect from the prior December 31 by more than 25% rounded to the nearest \$50.00.

23.3 The Company, in accordance with the provisions of this Article, may not increase co-pays in effect from the prior December 31 by more than 25% rounded to the nearest \$5.00.

Premiums (or Premium Equivalent)

23.4 The employee share of premiums (**or premium equivalent**) for the medical plan will remain at 45% **19%** for the balance of ~~2005~~ **2008**. The employee share of premiums (**or premium equivalent**) for the medical plan that the employee elects shall be ~~46%~~ **20.5%** effective January 1, ~~2006~~ **2009**, ~~47%~~ **21.5%** effective January 1, ~~2007~~ **2010**, and ~~49%~~ **22.5%** effective January 1, ~~2008~~ **2011**. **Effective January 1, 2009 and thereafter employees and/or covered spouses who use Tobacco are required to pay a Tobacco User Premium equal to 10% of the medical plan's monthly premium cost of single coverage.**

23.5 The employee share of premiums (**or premium equivalent**) for the dental plan that the employee elects shall be ~~45%~~ **25%** for the balance of ~~2005~~ **2008** and all of ~~2006, 20%~~ effective January 1, ~~2007, and 25%~~ effective January 1, ~~2008.~~ **2009, 2010 and 2011**. The employee share of premiums (**or premium equivalent**) for the vision plan that the employee elects shall be ~~45%~~ **50%** for the balance of ~~2005~~ **2008** and all of ~~2006, 30%~~ effective January 1, ~~2007, and 50%~~ effective January 1, ~~2008.~~ **2009, 2010 and 2011**.

23.6 No change, addition or deletion shall be implemented without providing the Union with at least 60 days prior notice.

23.7 The selection of the carrier and the administration of the health, welfare and savings plans will rest solely with the Company and shall not be subject to arbitration.

23.8 Effective January 1, 2006 domestic partner coverage will be available.

CWA 7471 FTR Exclusive EPO Plan Design-3 Year Plan

CWA 7471 FTR Preferred PPO Plan Design-3 Year Plan

ARTICLE 24. SAVINGS PLAN 401(k)

24.1 Effective 17 May 2005, or as soon thereafter as administratively possible, the terms of the Company 401(k) savings plan shall be amended for participants covered under the terms of this Agreement by eliminating the Company match. Within three (3) months of the elimination of the Company match, the Company shall make a one-time contribution to the 401(k) accounts of those employees who are actively deferring participants in the Plan at the time the contribution is made and who were also actively deferring participants as of 11 April 2005 in the amount of \$1500.00. Employees who are eligible for this buy out are listed below:

Ahlstrom, Scott L	Krings, Larry J	Osborne, Richard J
Brent, Thomas J	Langan, Clyde A	Peck, David B
Botsford, William J	Lassek, Deborah L	Peterson, Kevin R
Crosier, William D	Lindner, Robert E	Ptacek, Kenneth V
Dobberstein, Nancy	Liss, Shari L	Ransom, James R
Drozd, Emil	Malzacher, Curtis J	Seier, Laverne W
Fisher, Brad L	McDaniels, Perry B	Smith, Blasé P
Fitzgerald, Ronald J	Mcilnay, Patrick J	Stunkel, Jade M
Fox, Gary R	Mihulka, Keith F	Vacha, Donald L
Gottschall, Keith A	Murrish, Bernie L	Van Brocklin, Joel D
House, Gary D	Newquist, Roger L	Welliver, Darren J
Huss, Cathy M	Nuncio Sam	Peterson, James
Jensen, Gregory W	Nutzman, Michael L	--
Keeler, David L	Oliver, Jerry L	--

24.2 The Company may make changes to said plan as regards administrators and investment options provided any such changes are consistent with changes made for a majority of Company employees eligible for participation in said plan.

ARTICLE 25: PREMIUMS AND DIFFERENTIALS

25.1 When an employee is assigned work in an in-charge capacity for one (1) hour or more, the Company shall pay a differential of \$.75 per hour whenever an employee is specifically appointed in-charge for supervisory purposes or as a temporary replacement of a management employee. The decision to make or not make such appointment rests solely with management's discretion.

25.2 All regular scheduled hours worked between 9:00 p.m. and 6:00 a.m. shall carry a premium of \$1.00 per hour.

25.3 The differentials and premiums provided for in this article shall not be included when computing overtime or premium time.

ARTICLE 26: COMPENSATED AVAILABILITY (STAND-BY PAY)

26.1 In selected classifications and locations where business needs exist, employees may be assigned for "Compensated Availability."

26.1.1 "Compensated Availability" shall first be offered on a voluntary basis. In the absence of qualified volunteers, management will rotate Compensated Availability among the qualified employees in inverse order of seniority. If two or more qualified employees volunteer, such Compensated Availability shall be rotated among the qualified volunteers. Except for unforeseen circumstances or service emergencies, the Company will provide such employees a two-week notice of the assignment.

26.1.2 A "Compensated Availability" schedule will be posted in each affected work group.

26.1.3 If "Compensated Availability" assignments conflict with the employee's personal calendar, he or she will be afforded the opportunity to trade days or weeks with another employee, subject to supervisory approval. Solicitation of the trade will be the responsibility of the employee and is subject to supervisory review and approval.

26.1.4 New employees who have completed their probationary period will be incorporated in the schedule at the end of the current rotation.

26.1.5 It is not the intent of this agreement to circumvent vacation or holiday scheduling, payment, premiums, or overtime provisions.

26.1.6 Compensation shall be at the rate of one (1) hour per day for scheduled work days. For nonscheduled workdays, the compensation shall be at the rate of one and one-half (1 ½) hour per day, and for holidays (or days in lieu of holidays) the compensation shall be at the rate of two (2) hours per day. A day for the purposes of application of this Section is defined as 12:00 midnight to 12:00 midnight.

26.1.7 Contact with the employee will be by telephone and/or pagers as determined by the Company. Employees will be required to respond immediately when they are contacted. Employees on "Compensated Availability" must remain "fit-to-work" while they are assigned to "Compensated Availability."

26.1.8 If work is performed, the employee shall receive the applicable minimum overtime payment for the first "call-out" each day, in addition to the "Compensated Availability" for the daily and/or weekly assignments. Compensation beyond the first "call-out" each day will be for actual hours worked.

26.1.9 This practice does not supersede normal call-out procedures if additional employees are required to work.

26.1.10 Employees assigned to such duty must be available and accessible during the term of assignment in order to receive compensation.

26.1.11 When assigned "Compensated Availability" the employee may be granted permission, where practical, to take a Company vehicle home if not already participating in Home Dispatch. The employee shall exercise reasonable care for the security and safety of the vehicle and tools. It is understood that the vehicle and tools are not available for personal use.

26.1.12 For employees who are permitted to take the vehicle home and who report directly to the job site, travel time to the first assignment and from the last assignment is not paid time and employee travel time will not exceed thirty (30) minutes.

ARTICLE 27: CONCESSION RATE SERVICE

Concession rate telephone service shall be provided employees as set forth in the Corporate Concession Policy in effect.

ARTICLE 28: INCENTIVE / COMMISSION / AWARD PLANS

28.1 The Citizens Retail Sales Incentive Plan in effect as of 11 May 2002 shall continue in effect during the term of this Agreement. From time to time, the Company may change the plan to meet its sales and Company goals and the Company may implement new incentive, commission, prize or award programs or plans. The Union shall be informed of any changes to existing plans and any new programs or plans.

28.2 All employees within the bargaining unit, in addition to progression-step\ wage increases and annual wage adjustments, shall receive upon qualification all merit, bonus and incentive payments or prizes when, as a group or as individuals, they are permitted or directed by management to participate in Company sponsored programs and projects.

TEAM PERFORMANCE BONUS (Employees in Wage Schedules C1 & C2)

28.3 The Team Performance Bonus is designed to encourage and recognize teamwork through incentive compensation. It is intended to afford employees a greater role in the growth and success of the Company by encouraging and rewarding improved productivity and competitiveness.

The Team Performance Bonus Plan shall, in general, include the following components, with measures and weighting as specified in each box below:

“Product” – Customer Service

Incentive Measures (Weighting 50%)

- * Repeat Trouble Calls -- Target
- * Service Order Commitments -- Target
- * Repair Commitments -- Target

Each item weighted at 16.67%

“Profit” – Business Performance

Incentive Measures (Weighting 50%)

- * Access Lines – Net Activations
- * High Speed Internet – Net Activations
- * Revenue/Sales Goal (TTL Program)

Each item weighted at 16.67%

The payout range will be from a minimum of 75% to a maximum of 125% for the balance of 2008. The 2008 payout will be based on performance from June 1, 2008 through December 31, 2008. The payout range will be from a minimum of 50% to a maximum of 150% for 2009, 2010 and 2011.

The Company shall provide an annual bonus pool for each employee of one percent (1%) of the gross annual base pay at the top rate for the employee’s classification. The performance bonus will be paid to all eligible employees (those in Wage Schedules C1 and C2 only) who are on the payroll at the end of the bonus year no later than March 31 of the following year. The bonus will be prorated for new hires according to the number of months a new hire was employed. If an employee voluntarily leaves the payroll during the year preceding the year in which the bonus will be paid, the bonus will be prorated based on the number of full months worked by the employee that year.

ARTICLE 29: UNIFORMS AND SAFETY EQUIPMENT

~~29.1 In order to promote improved branding of the Frontier image and greater Company identification by the community and employees, if the Company determines anytime during the term of this Agreement to have employees in any job classification wear Company clothing (e.g., shirts, jackets, hats), the following terms will apply:~~

~~29.1.1 Employees will be issued a reasonable and appropriate number of each garment in consideration of the cleaning process determined. In no event will, for shirts, the number be less than five (5). The shirts will include identification of The Communications Workers of America.~~

~~29.1.2 Employees will be responsible for reasonable care of any garments issued (as with other Company property) and garments will be replaced by the Company on an as needed basis. The Company will be responsible for the cleaning, maintenance and repair of issued garments.~~

29.1 At Frontier, presenting a professional, competent and caring image to our Customers continues to be critical in driving a competitive advantage. We must ensure that every customer is delighted by our service, our professional approach and our willingness to do whatever it takes to meet their needs. This is achieved by continuing to focus on one of our most important core values “Putting the Customer First.” This value means that we demonstrate a strong customer service orientation, exemplify the highest quality standards, and protect the cleanliness of the customer environment. Therefore, we have established, in accordance with our Peace of Mind Service Delivery Initiative, the following Employee Image Policy and Standards to help support this improved customer experience.

Note: The Policy and Standards set forth in this document apply to customer-facing employees as that term is defined below. For all other employees, existing policies, standards, guidelines, and practices relating to dress and appearance continue to apply. If you have questions about appropriate business attire, please consult with your local Human Resources Department.

Section I

BUSINESS ATTIRE/UNIFORM POLICY

Uniforms will be provided for, and must be worn by, all customer-facing employees. “Customer-facing” employees are those who have direct contact with customers at their residences, businesses, and at Company locations that serve the public.

Note on Community Events: Employees with uniforms are expected to wear their uniforms when representing the Company at community events. The Company recognizes that for some community events, business or business casual attire may be the more appropriate attire (and may be specified on the invitation or announcement).

The Company may furnish any or all of the following uniform items:

1. Shirts with CWA Identification
2. Long Pants
3. Jacket(s)
4. Hat(s)

Other uniform items (such as promotional items) may be available from time to time.

The Company will be responsible for the cleaning, maintenance and repair of issued garments. In the alternative, the Company may, at its option,

provide a periodic laundry allowance.

The following items of work equipment may be provided by the Company to further the objectives of this Employee Image Policy & Standards, and worn as outlined below:

- **SHOE/BOOT COVERINGS** – When entering a customer’s premises, these coverings must be worn to avoid soiling the customer’s premises.
- **UNIFORM COVERALLS** - When needed to prevent their uniforms from becoming soiled or damaged, or when required for safety purposes, employees should utilize coveralls over their uniform clothing. Keeping uniforms clean by the use of coveralls serves the goals of keeping uniforms clean and neat and of not soiling customers’ premises.

Section II

UNIFORM WEAR AND CARE STANDARDS

The following standards will help define acceptable uniform wear and care:

1. **Safety: the first and most important consideration in wearing uniform items and accessories is safety. All safety rules and guidelines must be followed. Appropriate Personal Protective Equipment (PPE) must be worn at all times as required by Company Safety Policies, including Safety Footwear. Only Company authorized PPE may be used in accordance with Corporate Safety Standards, and may never be altered in any manner.**
2. **Uniforms are not to be altered in any manner and must be worn during all working hours.**
3. **Uniform items must be clean and neat in appearance (for example, not wrinkled, torn, etc.).**
4. **Only Company-approved or issued hats/caps may be worn. Hats/caps must be worn with the front/rim facing forward. If you have special needs, please communicate those needs directly to your supervisor.**
5. **Shirts are to be tucked in and all buttons, except the collar button, must be fastened at all times (this includes cuff buttons on long sleeve shirts when the sleeve is worn around the wrist).**

6. **Undershirts are permissible if they meet the following criteria:**
 - ❑ **No visible graphics or writing,**
 - ❑ **Color of undershirt is a complementary color to the outer uniform shirt (black, red, or white are preferable),**
 - ❑ **For long sleeve undershirts worn under a short sleeve uniform shirt, the visible portion of the undershirt is in good repair.**
7. **Employees are expected to exercise reasonable care to prevent damage to uniforms. Worn, damaged or otherwise unsightly uniform components will be replaced with Company approval.**
8. **Uniforms (shirts, hats, coats, etc.) are Company property and as such must be returned should you leave the Company or transfer into a position where the uniform is not required.**

The Company may issue grooming and accessory standards.

29.2 The Company agrees to provide safety shoes for all applicable employees. The Company will pay up to \$150.00 towards the purchase of Company approved new or rebuilt safety shoes or lineman boots once every two (2) years for those employees in jobs that require such equipment. **The Company may authorize repair or replacement, not to exceed \$150.00, of excessively worn boots. This would restart the two-year period.** With supervisory approval, employees may use the Company procurement card to pay for boots or repairs.

29.3 The Company agrees to provide one (1) pair of prescription safety glasses every two (2) years for those employees who require such eyeglasses. The Company will pay up to \$150.00 for each pair of glasses. With supervisory approval, the employee may use the Company procurement card to pay for the glasses.

ARTICLE 30: TRAINING SELECTION & EDUCATIONAL AID

Training Selection

30.1 **In order to ensure that there is a well-trained and appropriately qualified workforce throughout each market served, the Company may provide training for employees who are lacking skills in specific reporting locations.**

- 30.1.1 **When a voluntary training opportunity presents itself, the following selection process will take place:
Every January 1 employees in each force reduction area will be asked to**

volunteer for training that may become available during the year; volunteers from each area will be solicited on the basis of their job classification. When a training opportunity becomes available, the Company will select the senior volunteer from the appropriate list to attend the training, provided the training opportunity being offered is applicable to the employee's job classification and the employee has not been through the subject within the last five (5) years. If the senior volunteer in the job classification and location chooses not to accept the training, the Company will go to the next person on the list on a rotating basis. After accepting training or declining training twice, the employee will rotate to the end of the list. If there are no volunteers in the job classification and location, the Company may assign the training opportunity, as it requires.

30.1.2 When there is a legitimate business reason to by-pass the senior volunteer in a training area, the Company shall contact the Union to discuss its decision and to determine whether the by-passed employee should be provided the same or similar training.

~~30.2 Training will still be provided at management's discretion to employees for developmental purposes.~~

Tuition Reimbursement

30.2 Tuition reimbursement will be in accordance with Corporate policy, or 50% of the cost of tuition up to ~~\$2000~~ **\$3000**, whichever is greater.

Certification Incentives

30.3 In an effort to encourage all technicians to voluntarily acquire additional training, the Company will increase the hourly pay of such employees who achieve the following certifications:

- | | |
|--|------------------------|
| <input type="checkbox"/> Comp TIA A+ | \$0.25 per hour |
| <input type="checkbox"/> Comp TIA Network + | \$0.25 per hour |
| <input type="checkbox"/> CCNA | \$0.50 per hour |

EXHIBIT B

WAGE SCHEDULE C1

COMMUNICATIONS SALES & SERVICE TECHNICIAN I⁴

Wage Progression Plan -- C1	Current	2.5% Eff. 5/16/08	2.5% Eff. 5/16/09	2.6% Eff. 5/16/10
Start	\$ 10.26	\$ 10.52	\$ 10.78	\$ 11.06
7th Month	\$ 12.17	\$ 12.47	\$ 12.79	\$ 13.12
13th Month	\$ 13.93	\$ 14.28	\$ 14.64	\$ 15.02
19th Month	\$ 15.76	\$ 16.15	\$ 16.56	\$ 16.99
25th Month	\$ 17.54	\$ 17.98	\$ 18.43	\$ 18.91
31st month	\$ 19.33	\$ 19.81	\$ 20.31	\$ 20.84
37th Month	\$ 21.16	\$ 21.69	\$ 22.23	\$ 22.81
43rd Month	\$ 22.95	\$ 23.52	\$ 24.11	\$ 24.74
49th Month	\$ 24.74	\$ 25.36	\$ 25.99	\$ 26.67

⁴ Formerly BZT, CZT I & Switching Systems Installer.

EXHIBIT B

WAGE SCHEDULE C2

COMMUNICATIONS SALES & SERVICE TECHNICIAN II⁵
(Function (a) CZT II/Cable Splicer, Function (b) OSP Worker)

FACILITIES ASSIGNER

Wage Progression Plan - C2	Current	2.5% Eff. 5/16/08	2.5% Eff. 5/16/09	2.6% Eff. 5/16/10
Start	\$ 9.53	\$ 9.77	\$ 10.01	\$ 10.27
7th Month	\$ 11.33	\$ 11.61	\$ 11.90	\$ 12.21
13th Month	\$ 13.07	\$ 13.40	\$ 13.73	\$ 14.09
19th Month	\$ 14.84	\$ 15.21	\$ 15.59	\$ 16.00
25th Month	\$ 16.58	\$ 16.99	\$ 17.42	\$ 17.87
31st month	\$ 18.36	\$ 18.82	\$ 19.29	\$ 19.79
37th Month	\$ 20.11	\$ 20.61	\$ 21.13	\$ 21.68
43rd Month	\$ 21.88	\$ 22.43	\$ 22.99	\$ 23.59
49th Month	\$ 23.64	\$ 24.23	\$ 24.84	\$ 25.48

~~Delete current Wage Scale C3; all employees on the C3 OSP Worker scale are to be placed on the equivalent step of the C2 Wage Scale (e.g., if a current OSP Worker is at the C3, 37th Month step of the Wage Scale, he/she will be placed on C2 37th Month step of the Wage Scale, effective May 17, 2005.~~

⁵ Formerly CZT II & Construction Cable Splicer.

EXHIBIT B

WAGE SCHEDULE C3⁶

SALES AND SERVICE CONSULTANT⁷

Wage Progression Plan - C3	Current	2.5% Eff. 5/16/08	2.5% Eff. 5/16/09	2.6% Eff. 5/16/10
Start	\$ 7.82	\$ 8.02	\$ 8.22	\$ 8.43
7th Month	\$ 8.80	\$ 9.02	\$ 9.25	\$ 9.49
13th Month	\$ 9.90	\$ 10.15	\$ 10.40	\$ 10.67
19th Month	\$ 10.98	\$ 11.25	\$ 11.54	\$ 11.84
25th Month	\$ 12.07	\$ 12.37	\$ 12.68	\$ 13.01
31st month	\$ 13.17	\$ 13.50	\$ 13.84	\$ 14.20
37th Month	\$ 14.25	\$ 14.61	\$ 14.97	\$ 15.36
43rd Month	\$ 15.34	\$ 15.72	\$ 16.12	\$ 16.54
49th Month	\$ 16.45	\$ 16.86	\$ 17.28	\$ 17.73

The Frame Attendant, Fac Clerk, Spag Clerk, Recent Change Clerk, Janitor, Utility Worker, Building Services Technician, Building Services Specialist, Service Clerk, Dispatch Clerk, Commercial Clerk, Testboard Operator, Storekeeper, Customer Collection Representative, and BVT Clerk titles have been removed from the wage schedules as these titles are no longer populated. The parties agree that should it become necessary to again use these titles we will meet to determine appropriate wages.

⁶ ~~Current Wage Scale C5 becomes new Wage Scale C3.~~

⁷ Formerly Retail Sales Consultant.

IN WITNESS WHEREOF, this Agreement is made and entered into the 16th day of May, ~~2005~~ **2008** by and between CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA and the COMMUNICATIONS WORKERS OF AMERICA.

FOR THE COMPANY:

**FOR THE COMMUNICATIONS
WORKERS OF AMERICA,
Local 7471**

Edward Ward
AVP Citizens Communications

Jay Boyle
CWA Representative, District 7

Christopher McCorkendale
Midwest Area General Manager

Clyde Langan
Local CWA President

Dan Staack
Nebraska General Manager

Corey Wilson
Local CWA Vice-President

Terry Clapp
Director, Human Resources

Mike Nutzman
Local CWA Secretary-Treasurer

Cheri Brix
Sr. HR Manager

Dated: _____

Dated: _____

MEMORANDUM OF AGREEMENT

ONE TECH OUT

During collective bargaining negotiations in 2008, the parties discussed the continuing process of creating full flexibility in the duties that can be accomplished in the following technician titles:

- Sales & Service Technician I
- Sales & Service Technician II

The parties jointly endorse continued utilization and implementation of the “one technician out” concept as a competitive initiative, with the objective being to service the customers wherever possible with a single technician. While recognizing that all employees cannot be trained in all disciplines and qualified to perform every technician duty, the Company will continue to train and utilize employees to be able to perform the work in a safe and efficient manner. It is further recognized that each job classification will continue to have separate job functions and the “one tech out” policy will not at any time supersede Article 14 or 30.

CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA

By _____ Date _____

COMMUNICATIONS WORKERS OF AMERICA

By _____ Date _____

MEMORANDUM OF AGREEMENT

HOME DISPATCH

CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA AND COMMUNICATIONS WORKERS OF AMERICA

Citizens Telecommunications Company of Nebraska and the Communications Workers of America agree that the Company may extend to employees the opportunity to participate in the Home Dispatch Program.

This agreement is subject to the following provisions:

1. Eligible job classifications shall be determined by the Company;
2. The Company may present the Home Dispatch Program to employees on an individual basis or to groups of employees. The decision to accept Home Dispatch will be voluntary. Employee(s) who elect to participate, will be required to remain in the program for a thirteen week schedule period;
3. Other than driving to and from work, Company vehicles will be used only for business purposes. Participating employees will obtain their job assignment and report directly to the location of the assignment by the normal start of the tour in a Company vehicle instead of to a reporting center in their personal vehicle. At the end of the tour, employees will take the Company vehicle home. Travel time to first assignment and from the last assignment is not paid time and employee travel time will not exceed thirty (30) minutes;
4. The employee shall be responsible for maintaining his/her assigned Company vehicle in accordance with the Company's preventative maintenance procedures during non-working hours at Company expense;
5. The employees will be expected to exercise good judgment in the use, storage, and care of the Company vehicle;
6. This Memorandum of Agreement is effective on May 16, 1999 and shall expire on May 15, ~~2008~~ **2011**. The parties specifically agree that all the

terms and conditions set forth in this Memorandum of Agreement shall also expire on May 15, ~~2008~~ **2011** and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA

By _____ Date _____

COMMUNICATIONS WORKERS OF AMERICA

By _____ Date _____

MEMORANDUM OF AGREEMENT

PLAN FOR HOURLY EMPLOYEES' PENSIONS

**CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA
AND COMMUNICATIONS WORKERS OF AMERICA**

1. Citizens Telecommunications Company of Nebraska and the Communications Workers of America agree to modify the Plan for Hourly Employees' Pensions. Such modifications are subject to approvals by the Company's Board of Directors and the United States Department of the Treasury. Therefore, the effective date of January 1, 2000 for the modifications will be contingent upon receipt of all necessary approvals.

2. Specific language will be prepared to modify the present Plan for Hourly Employees' Pensions to effect the following:

Years of Accredited Service	Annual Minimum Pension
40 or more years	\$11,700
35 but less than 40 years	\$10,300
30 but less than 35 years	\$ 8,900
25 but less than 30 years	\$ 7,500
20 but less than 25 years	\$ 6,100
15 but less than 20 years	\$ 4,700

3. This Agreement shall become effective as of May 16, 1999 and shall remain in effect until midnight May 15, ~~2008~~ **2011** and shall automatically continue in full force and effect thereafter until terminated, or amended, in accordance with the following procedure:

If this agreement is to be terminated, a written notice must be sent by either party to the other not less than sixty (60) day prior to any date thereafter on which such cancellation is to become effective.

This Agreement may be amended or modified by either party giving written notice to the other of such desire to so amend or modify at least sixty (60) days and not more than ninety (90) days prior to the termination date set forth above. The written notice shall contain a full statement as to the amendments or modifications desired.

CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA

By _____ **Date** _____

COMMUNICATIONS WORKERS OF AMERICA

By _____ **Date** _____

MEMORANDUM OF AGREEMENT

LUMP-SUM PAYMENT OPTION

CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA AND COMMUNICATIONS WORKERS OF AMERICA

1. Citizens Telecommunications Company of Nebraska and Communications Workers of America agree to modify the Plan for Hourly Employees Pensions (hereinafter referred to as the Plan). Such modifications are conditional upon the approval from the appropriate Board of Directors and a favorable determination from the Internal Revenue Service that the Plan is and continues to be qualified under Section 401(a) of the Internal Revenue Code. Therefore, the effective date of April 1, 1993 for the following modification will be contingent upon the receipt of the necessary approvals.
2. Regular employees who are eligible to receive a single life annuity from the Plan will be provided a lump sum payment option, which will be based on the present value of their single life annuity.
3. The amount and availability of benefits under the Plan are governed by the provisions of the Plan and are subject to the Internal Revenue Code and related regulations. Any payments received will be determined under the terms of the Plan in effect at the time employees separate from service. The operation and administration of the Plan, the calculation of the lump sum benefit, eligibility requirements, all terms and conditions related thereto and the resolution of any disputes involving the terms, conditions, interpretation, and administration of the Plan shall rest with the Company and shall not be subject to the grievance or arbitration procedure set forth in the Collective Bargaining Agreement.
4. This Memorandum of Agreement is effective on May 16, 1999 and shall expire on May 15, ~~2008~~ **2011**. The parties specifically agree that the terms and conditions set forth in the Memorandum of Agreement, relating to the lump sum payment option, shall terminate on May 15, ~~2008~~ **2011** and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA

By _____ **Date** _____

COMMUNICATIONS WORKERS OF AMERICA

By _____ **Date** _____

MEMORANDUM OF AGREEMENT

FUTURE HEALTH CARE

**CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA
AND COMMUNICATIONS WORKERS OF AMERICA**

In the 2008 round of negotiations the two sides discussed the state of crisis that health care was in and that it could not be resolved at one bargaining table. The Company and the Union agree that in the event that the parties were to agree that this should be taken up at a national level, that whatever the parties agree to at that level, we would reconvene to discuss and decide what the best course of action for the employees in Nebraska might ~~would~~ be.

Likewise, should at any time during the life of this agreement a National Health Care referendum were to surface and be put into place the parties would reconvene and discuss the effects of such a referendum may ~~would~~ have on our negotiated agreement.

Both parties recognize that Article 2, Section 2.3 would govern any legally mandated changes to health care-related provisions in the agreement.

Nothing stated in this MOA amounts to a commitment by either party to bargain over the health care-related provisions of the parties' agreement during the term of the agreement.

CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA

By _____ Date _____

COMMUNICATIONS WORKERS OF AMERICA

By _____ Date _____

FORCE REDUCTION AREAS (From Article 7.14):

Columbus Force Reduction Area:

Albion
Battle Creek
Brunswick
Columbus
Duncan
Genoa
Greeley
Leigh
Lindsay
Madison
Monroe
Neligh
Newman Grove
Orchard
Ord
Palmer
Platte Center
Tilden

Kearney Force Reduction Area:

Alma
Amherst
Beaver City
Bertrand
Bloomington
Edison
Franklin
Heartwell
Hildreth
Kearney
Miller
Naponee
Orleans
Pleasanton
Republican City
Riverdale
Stamford
Sumner
Wilsonville

[Originally dated May 16,1999]

To: All Nebraska Management Employees

Subject: ***Winter Storm Guidelines (Hourly Employees)***

The purpose of this letter is to again provide clarification of the company's policy regarding winter storms. It is company policy to keep our offices and reporting locations open during a winter storm. Citizens expects its employees to report to work during periods of inclement weather. It is the employee's responsibility to allow for delays and leave for work early if necessary. Employees who report for work will be paid for the hours worked.

When weather conditions cause roads to be closed and employees are unable to report to work, the employee may elect one of the following options for the day: (1) absent excused not paid, (2) an unpaid personal day, or (3) an unused vacation / PTO day.

There will also be occasions when a storm develops and/or intensifies during the day. In the event the company makes the decision to close the office and/or send employees home as a result of weather conditions or the employee requests to leave prior to the end of his / her shift, he /she will only be compensated if all the following conditions are met:

- The employee received prior approval from his or her supervisor; and
- The employee's absence does not effect customer service; and
- The employee has unused vacation / PTO or personal holidays or arranges for make-up time, with supervisor approval, if work is available.

If employees are allowed to makeup hours, they must be worked during the same calendar week.

Due to the nature of their jobs, some employees will not be eligible to leave work regardless of weather conditions. Such employees shall be advised of their status in advance, so there is no misunderstanding during the rare instances where extreme weather causes the company to allow other employees to leave early. The company will provide board and lodging and a means of transportation to and from work and the boarding location for these employees.

CITIZENS TELECOMMUNICATIONS COMPANY OF NEBRASKA

By _____

Date _____



Central Region Human Resources Department
14450 Burnhaven Drive * Burnsville, MN 55306
Telephone: 952-435-1556 * Fax: 952-435-1364

May 15, 2008

**Mr. Jay Boyle
CWA Staff Representative
10730 Pacific Street, Suite 209
Omaha, NE 68114-4761**

VIA E-MAIL & U.S. MAIL

**Re: Labor Agreement between Citizens Communications
of Nebraska & CWA, Article 30, Training**

Dear Jay:

As a result of contract negotiations for the collective bargaining agreement between the parties to become effective May 16, 2008, the parties have agreed to the following with respect to the above-named article.

For purposes of Article 30, Training Selection & Educational Aid, “force reduction area,” as it appears in 30.1.1, will mean two separate and distinct areas in Columbus and two separate and distinct areas in Kearney as opposed to what currently exists in the labor agreement.

The following areas in and around Columbus will be considered Columbus:

Columbus	Leigh
Duncan	Monroe
Genoa	Platte Center

These areas will be considered North Columbus:

Albion	Neligh
Battle Creek	Newman Grove
Brunswick	Orchard
Greeley	Ord
Lindsay	Palmer
Madison	Tilden

The following areas in and around Kearney will be considered Kearney:

Amherst	Kearney	Sumner
Bertrand	Miller	
Heartwell	Pleasanton	
Hildreth	Riverdale	

These areas will be considered Valley Towns:

Alma	Naponee
Beaver City	Orleans
Bloomington	Republican City
Edison	Stamford
Franklin	Wilsonville

Thus, on January 1 of each year when employees are asked to volunteer for training that may become available during the year, they will be solicited from each of the four (4) above-named areas (2 in Columbus, 2 in Kearney) on the basis of their job classification.

If you have any questions or want to discuss further, please let me know.

Best regards,

**Edward Ward
AVP Labor Relations
Citizens Communications**

**Cc: C. McCorkendale
D. Staack**

DUES DEDUCTION AUTHORIZATION CARD

Soc. Sec. No. **Print Your Name** **(Last, First, Middle)**

Work Location Address **City** **State** **Zip**

Authorization for Payroll Deduction of Union Dues Payable
COMMUNICATIONS WORKERS OF AMERICA

I hereby authorize _____ to deduct each month from my salary or wages, the amount equal to regular monthly Union dues as certified to the Company by the Secretary/Treasurer of the Communications Workers of America. This authorization is voluntarily made and is neither conditioned on my present or future membership of the Union, nor is to be considered as a quid pro quo for membership. Each amount so deducted shall be remitted by the Company to the Secretary/Treasurer of the Communications Workers of America or their duly authorized agent. If for any reason the Company fails to make a deduction, I authorize the Company to make such deduction in a subsequent payroll period. This authorization shall continue in effect until canceled by written notice signed by me and individually sent by certified or registered mail to the Company and to the Union (Local's Secretary/Treasurer).

Dated _____

CWA Local _____

Union membership dues and agency fees are not deductible as charitable contributions for Federal income tax purposes. Due and agency fees, however, may be deductible in limited circumstances subject to various restrictions imposed by the Internal Revenue Code.

Signature _____

Address _____

Return to Secretary/Treasurer CWA Local _____

