MEMORANDUM of UNDERSTANDING Earned Vacation Schedule

The Union and the Company agree that per the agreed upon Letter of Intent – Vacations – Earned Vacation Schedule by Years of Continuous Service, dated March 2, 2022 will apply to all Bargaining Unit members according to the following schedule effective January 1, 2023 and incorporated into the next MOA.

8. VACATIONS

- a) Each employee will earn and receive vacations with pay as follows:
 - 1) Employees hired on or before the fifteenth (15th) day of each month will earn vacation at the rate of twelve (12) hours per month up to a total of fifteen (15) days/one hundred twenty (120) hours, which can be taken in the current calendar year of employment by mutual agreement. If an employee takes vacation in the calendar year of being hired and terminates within that calendar year, the employee will be required to pay back all used unearned vacation hours. An employee in their first year of employment may carryover up to ten (10) days/eighty (80) hours into the following year. No employee in their first year of employment will be assigned vacation.
 - 2) Employees will earn one hundred twenty (120) hours through nine (9) years of continuous service. One hundred twenty (120) hours will be posted to the employees' vacation quota on January 1st, however, the employee will earn twelve (12) hours of vacation per month on the 15th of each month.
 - 3) Employees will earn one hundred sixty (160) hours in the calendar year of the employee's tenth (10th) anniversary of continuous service occurs, and for each year thereafter through nineteen (19) years. One hundred sixty (160) hours will be posted to the employees' vacation quota on January 1st, however the employee will earn sixteen (16) hours of vacation on the 15th of each month.
 - 4) Employees will earn two hundred (200) hours in the calendar year of the employee's twentieth (20th) anniversary of continuous service occurs, and for each year thereafter. Two hundred (200) hours will be posted to the employees' vacation quota on January 1st, however, the employee will earn twenty (20) hours of vacation on the 15th of each month.
 - 5) Employees will earn two hundred (200) hours in the calendar year of the employee's thirty-first (31st) anniversary of service and for each year thereafter. The aforementioned employee shall accrue an additional eight (8) hours of unpaid personal business for each additional year of service to provide a maximum of forty (40) hours of unpaid personal business in the calendar year of the employee's thirty-fifth (35th) anniversary of continuous service. These days may be scheduled on the employees' vacation request form or taken by mutual agreement at any time during the year.

In this connection, a week of vacation consists of seven (7) consecutive days, for which the employee will be paid forty (40) times the employee's regular straight-time hourly rate. The beginning date for vacation shall be January 1st of each year and each employee shall wait for this date to take a vacation to which the employee is entitled, if the employee is in continuous service. All vacations shall be taken on consecutive days unless the Company and the employee agree on a different division of the vacation time. Each employee may elect to "not" schedule up to forty (40) hours of earned vacation on January 15th. These unscheduled vacation days can only be used upon the approval of supervision, with at least forty-eight (48) hours of prior notice to the scheduled start of the day(s) being requested. On December 1st of that year, the remaining unscheduled vacation days will be scheduled prior to the December 15th date or carried to the following year in accordance with established vacation carryover policy.

It is understood and agreed that vacations shall be so arranged as to be mutually convenient to both the employee and the Company. The Company, in determining vacation schedules, will respect the seniority and wishes of the employees as to time of vacation so far as the needs of the Company will permit. A vacation schedule for each calendar year shall be established not later than February 15th. Employees who have not indicated desired vacation period by January 15th shall have such period assigned to them by their Supervisor. It is understood and agreed that such assigned vacation periods may be changed by the Company by notice given thirty (30) days prior to the assigned vacation period, however, the Company shall reimburse in full all non-recoverable expenses incurred by the employee as a result of the cancellation. It is further understood that vacations may be changed by mutual consent between the employee and the Company at any time.

b) Should an employee be recalled for emergency duty while on vacation, the Company will defray any extra expense which the employee may incur as a result of such recall, including transportation and any other reasonable expense back to the place from whence the employee was recalled, or to any equivalent point. If the employee desires to resume the employee's vacation at the conclusion of the emergency, additional vacation time will be granted in lieu of time lost as a result of such recall, including time spent in traveling incidental to such recall.

It is further agreed that in the future, when the Company cancels an employee's scheduled vacation that has been approved in writing seven days prior to implementation of the storm plan, the employee will be granted extra paid vacation equal to the amount of actual time worked "hourfor-hour" for such canceled vacation. This extra vacation time may be observed during the same year by mutual agreement or scheduled in the following year. Employees shall also receive reimbursement for any non-refundable/non-transferable expenses incurred as a result of such cancellations.

For Power Systems and Customer Service, in the event the employee is recalled for emergency duty while on vacation or if the Company cancels an employee's scheduled vacation, the employee may elect to be paid the total value of this additional earned vacation. The employee must make their selection no later than seven (7) days after the individual storm event.

c) If a holiday occurs during an employee's vacation, the employee will be allowed an additional day off with pay at the beginning or end of the employee's vacation.

- d) Should an employee become ill while the employee is on vacation to the extent that hospitalization is required, the employee shall promptly notify the employee's Supervisor. The time lost due to such hospitalization and any subsequent resulting period of confinement to bed shall be considered absence covered by Paragraph 6 to the extent that proof is presented of the duration and nature of the illness secured from a legally licensed hospital or hospitalization insurance carrier, and a duly licensed physician. Any remaining vacation, unused because of illness, will be rescheduled at some future time mutually agreeable to the employee and the employee's Supervisor. However, such unused vacation shall, if possible, be rescheduled in the year when it was originally scheduled and any remaining unused vacation which cannot be so rescheduled shall either be paid for or carried over to the following year at the option and discretion of the Company.
- e) Employees with more than eighty (80) hours vacation may carryover from eight (8) hours to eighty (80) hours of their unused vacation from one calendar year to the next. Employees must take at least eighty (80) hours of their vacation each calendar year. Election to carryover vacation must be made by January 15th. Carryover vacation will be scheduled with the same approvals as regular vacation. If mutually agreeable, the employee and Supervisor can arrange for carryover any time during the year.

Any employee with vacation in excess of the contractual allowable carryover at the end of any calendar year will be paid for the amount of vacation hours in excess of the eighty (80) hours no later than the second pay period ending in January of the following year. Pay code 42 (to be taken next year), holiday worked not paid, will not be considered excess vacation hours to be paid out.

In the event of unforeseen circumstances, such as a major weather event or other emergency event, the Director of Labor Relations and Business Manager will meet to consider development of a vacation carry over Memorandum of Understanding that will permit employees to carry over vacation hours in excess of the limit specified in the above paragraph.

f) Upon termination employees will be paid any earned but unused vacation. Effective January 1, 2015 all employees will earn vacation at 1/10th per month on the 15th of each month according to their length of continuous service. If an employee has taken more hours than they have accrued at the time of termination, the employee will be required to pay back all used but unearned hours.

Jack Wilson

8-10/06/2022

Business Manager

System Council U-4, IBEW

10-6-55

Date

For Kelly Tveter

Director, Labor & Safety Florida Power & Light 10/6/22

Date