



IBEW SCU-8 Bargaining Unit Sick and Family Care and Hardship Policy

PHILOSOPHY

Duke Energy expects all employees to be at work during their regularly scheduled work hours. However, it is understood that there are times when employees must miss work because of personal illness or injury or for other qualifying personal reasons. This Policy is designed to provide eligible employees with pay continuation during those situations, as described in more detail below.

Sick and Family Care Pay (“referred to jointly as “Sick Pay”) is a benefit that provides eligible employees with financial protection against loss of pay for certain circumstances requiring time off of work. In addition, employees requiring a longer absence may be eligible for pay continuation through short term disability (STD) and long-term disability (LTD) benefits administered by the Company’s third party administrator. Sick Pay may also be available during the seven consecutive calendar day elimination period required at the onset of a continuous STD claim.

Although the Company provides time off for extended illness or injury under the “Leave of Absence Procedure,” which covers FMLA Leave, Domestic Partner Leave, Personal Leave, and other leaves, those leaves are generally unpaid unless the employee qualifies for pay continuation under this Policy or the STD/LTD programs. This Policy describes when and how eligible employees may receive pay for their time off, and how Sick Pay relates to STD benefits. Additional information is also available on the Portal’s Employee Center >Employee Leaves/Time Away from Work page.

Employees Must Notify Supervision

When an employee must be absent or late to work (either planned or unplanned), he/she must notify his/her supervisor before the scheduled work hours begin, or as soon as possible. If the employee is unable to notify supervision personally, he/she is expected to make arrangements for someone to contact his/her supervisor as promptly as possible.

Note: If the supervisor is not available, the employee should contact another level of supervision or other person designated in advance by his or her supervisor.

As soon as the employee knows about a scheduled absence, such as a doctor’s appointment, he/she should notify his/her supervisor. This will allow the supervisor time to make schedule changes or arrangements to cover for the employee, if needed.

Exceptions may be made if the individual cannot call in due to circumstances beyond his/her control.

All regular bargaining unit employees will be provided with at least 6 hours of Sick Pay for each full or partial month in their first year of employment, up to a maximum of 56 hours for a full year as follows:

Year	Sick Pay Eligibility
1 st calendar year of employment	Hired in Jan.– April – 56 hours Hired in May – 48 Hours Hired in June – 42 hours Hired in July – 36 hours Hired in August – 30 hours



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	Hired in September 24 hours Hired in October – 18 hours Hired in November – 12 hours Hired in December – 8 hours
2 nd calendar year of employment and beyond	80 hours of Sick Pay per year.

All temporary employees will be provided with 3 hours of Sick Pay for each bi-weekly pay period up to a maximum of 56 hours for a full year. This benefit will only be granted as long as it is a requirement of Executive Order 13706.

Leave of Absence or Separation

An employee who is on a paid leave of absence as of January 1 of a calendar year will receive the Sick Pay balance for that year. An employee who is on an unpaid leave of absence as of January 1 of a calendar year will receive their allotted hours of Sick Pay upon return to work, pro-rated based on the date he/she returns to work.

Unused Sick Pay is forfeited upon separation of employment, regardless of the reason for separation. Employees will not receive pay for unused Sick Pay upon separation from employment. However, if an employee separates and is rehired within 12 months, the Company will reinstate the employee's unused Sick Pay balance. The reinstatement of an employee's unused Sick Pay balance will only be granted as long as it is a requirement of Executive Order 13706.

Using Sick Pay

Employees may use Sick Pay only for the following qualifying reasons:

- (i) For the employee's own illness, injury, or condition (*physical or mental*) or to obtain diagnosis, care, or preventive care from a health care provider;
- (ii) For the employee to care for a Family Member's medical needs relating to (i) above, or who otherwise requires care:
"Family Member" means a child, a parent, a spouse, a domestic partner, or any other individual related by blood or affinity whose close association with the employee is the equivalent to a family relationship.
- (iii) For the employee to deal with domestic violence, sexual assault, or stalking, to address illness, injury, or other health care needs, to obtain additional counseling, to seek relocation, to seek assistance from a victim services organization, to take related legal action, including preparation for or participation in any related civil or criminal legal proceeding, or to assist an individual related to a Family Member engaging in any of these activities; and
- (iv) For the employee to continue his or her pay while a claim or appeal for STD/LTD benefits is pending.
- (v) For bonding, (only if the employee has less than one (1) year of service*):
 - a. After the birth of a child or the adoption/foster care placement of a child, (as a parent);
 - b. To care for a healthy newborn, (as a parent);

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- c. For the adoption of a child under age 18, including a stepchild or relative living in the household who is a legal dependent as defined by IRS regulations.

*Employees with one (1) year of service will be covered under the Parental Leave Pay Policy.

Examples of situations where an employee may take time off to care for a dependent include, but are not limited to:

- Making arrangements for the care of a sick dependent.
- Caring for a sick dependent.
- Taking a dependent that is ill or injured to a medical provider or the hospital.
- Time required admitting a dependent to a hospital.
- Time required releasing a dependent from the hospital.
- Time required for a doctor consultation during dependent hospitalization.
- Taking a dependent to a well doctor, dentist or vision visit.

Additionally, employees are eligible for Sick Pay in the following situations:

- For the primary care giver to care for an ill spouse/domestic partner or other qualifying relative.

Documenting Sick Pay

Employees with Sick Pay may use these hours on an intermittent basis to be paid the straight time rate for the regularly scheduled hours they are off work due to a non-work related personal illness or injury.

As employees use the first fifty-six (56) hours of Sick Pay, management may ask for supporting documentation when the employee requests or takes time off for three (3) days or longer. Management must request any such documentation before the three (3) days ends. Employees will have up to thirty (30) days to provide supporting documentation. Once an employee has taken fifty (56) hours of Sick Pay and requests additional time off in the same calendar year. The above stated language regarding supporting documentation will only be applicable as long as it is a requirement of Executive Order 13706. Management has the discretion to request that an employee provide a doctor's statement or other documentation verifying the need for the employee to miss work due to non-work related illness or injury. In cases where management determines that the employee is not eligible for Sick Pay based on a lack of documentation or other information, Sick Pay may be denied. Denials of an employee's request for Sick Pay will be provided in writing to the employee with an explanation of the reason for the denial. Sick Pay may be denied, for example, if the employee did not provide sufficient information about the need for paid sick leave; the reason given by the employee did not qualify for Sick Pay; the employee did not indicate when the need would arise; or the employee did not have a sufficient balance of Sick Pay available to cover the request.

Employees who abuse the Sick Pay program by engaging in deceptive behaviors or providing fraudulent documentation are subject to corrective action, up to or including termination.

Sick Pay may not be used for routine day care situations or to care for a child when day care arrangements are not available (e.g. day care or school is closed for the day or week, inclement weather, care-giver is sick, etc.).

Sick Pay must be taken in no less than fifteen minute increments, and does not have to be used consecutively.

Sick Pay may not be used for:

- A claim denied by a third party administrator for Extended Illness/Injury Absence
- A claim approved under STD 66 2/3% (to make up the difference)
- A claim approved under STD at 100% (no "double dipping")



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If an employee exhausts all of his/her Sick Pay for the calendar year, the employee, with supervisory approval, may use available vacation time or personal holidays to continue pay while off work. Otherwise, the time away from work will be unpaid.

Other Considerations

Regular employees may carry over up to 80 hours of unused Sick Pay from year to year, up to a maximum balance each calendar year of 120 hours. Temporary employees may carry over up to 56 hours of unused Sick Pay from year to year, up to a maximum of 56 hours. Temporary employees will only have sick leave if it continues to be a requirement of Executive Order 13706.

Employees will not be paid for unused Sick Pay at the end of the year or when they leave the Company.

Doctor/Dentist Appointments

Sick Pay may be used for employees' routine doctor/dentist appointments, such as yearly physical examinations and dental check-ups, as well as appointments for non-work related personal illnesses or injuries.

Supervisors should encourage employees to schedule routine appointments on scheduled days off whenever possible.

Extended Absence for Non Work-Related Personal Illness or Injury

In the event an employee must be absent for three or more consecutive calendar days for a non-work related illness or injury, the employee should notify his or her supervisor and contact the myHR Service Center at 888-465-1300 and select "Leaves, Disability, and FMLA" to speak with a Leaves Specialist. Employees also should review the Leave of Absence Procedure for information and guidance on necessary additional steps.

If an employee must remain off work for more than seven continuous calendar days due to a non-work related personal illness/injury, the employee may be eligible for STD benefits for potential pay of 100% or 66 2/3% based on years of service at the beginning of the continuous absence. STD is administered by the Company's third party administrator, and requires employees to provide supporting documentation in a timely manner. Please refer to the Short Term Disability Summary Plan Description available on the Your Benefits Resources website via the Employee Center > Benefits Health & Insurance page for additional information on this benefit.

Sick paid time off applied during the STD seven day elimination period will not be replenished if/when the STD claim is approved. However, Bargaining Unit Employees hired before January 1, 2017 will receive a separate bank of forty (40) hours of additional paid leave that may be used only to cover an STD elimination period. Once approved for STD, a Bargaining Unit Employee may, at the employee's option, utilize all or part of the hours from this bank, Sick/Dependent Care hours, or vacation pay, or any combination thereof, to cover the STD elimination period. This bank of paid leave hours will not be refreshed by the Company once depleted.

Employee Responsibilities

An employee is required to notify his/her supervisor of the need to utilize Sick Pay for a dependent prior to taking the time off whenever possible. In emergency situations, the employee should contact his/her supervisor as soon as possible. The employee also should consider other Company policies that may be applicable, such as the Leave of Absence policy or Vacation Policy.

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Supervisor Responsibilities

The supervisor needs to determine how many days/hours of an absence qualify for Sick Pay by asking questions and applying this policy. Eligibility for SickPay is determined by the criteria contained in this policy. In situations that do not qualify for SickPay, the employee may need to request vacation or excused unpaid time off.

Supervisors also should consider the employee's attendance/availability record and consider whether the FMLA applies to the situation. Supervisors should work with employees to explore all options for handling frequent or long-term dependent care needs. Using vacation, unpaid FMLA, or unpaid personal time may be possible options, with supervisory approval. Supervisors should consult their HR Business Partner with any questions or concerns.

Hardship

Hardship Pay is an option of last resort for management to consider when employees require time off work for extraordinary circumstances, but have exhausted or do not qualify for paid time off under the Sick and Family Care Policy, STD Plan, LTD Plan, Vacation, or Personal Holiday days. Employees in this situation may request special consideration for additional paid time off as approved by management. In such cases, the supervisor should consult with the HR Business Partner for additional guidance and approval prior to paying the employee. To the extent FMLA applies to the employee's circumstances, FMLA (which is unpaid) will be provided at the same time as the hardship time off.

When approved by management, hardship paid time off provides additional pay for regular employees due to extraordinary circumstances. Hardship paid time off may apply when the employee's situation does not qualify for another form of paid leave or the employee has exhausted a paid time off benefit (such as in intermittent leave or dependent care situations), but is not appropriate when an employee has been denied STD or LTD benefits.

Examples of otherwise unpaid absences that may qualify for hardship paid time off include but are not limited to:

- Treatment of a critical illness, a terminal health condition or hospitalization of employee or his/her immediate family member (spouse, domestic partner, parent, child) or
- To assist an immediate family member with outpatient surgery, medical tests or other serious medical conditions,
- Return to work from a medical leave on a reduced schedule or intermittent follow up therapy,
- An intermittent absence resulting from a critical, terminal, or serious health condition.

Requesting Hardship

The employee may request hardship pay using a Hardship Request Form that can be found on the portal. The employee must provide an explanation of the hardship need and supply documentation that supports the claim for hardship.

Granting Hardship

When an employee submits a hardship request, the supervisor must consult with the HR Business Partner, who can assist in making a decision on whether to grant the request and the amount of time to be allowed. Management determines the length of time to grant for hardship on a case-by-case basis, and can grant full, partial, or no additional paid time off. Approval is required by the department VP/designee.

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Supervisor's Role

1. Review all relevant information before deciding to grant the hardship such as:
 - Consider qualification for FMLA (continuous, intermittent, reduced work schedule leaves)
 - Consider integration with other processes and regulations such as Workers' Compensation or ADA
 - Ensure all sick paid time off and other paid time off options have been exhausted (such as vacation and personal holidays)
 - Consider availability/attendance for previous three years
 - Consider performance and performance history
 - Compare past case history and comparables within the department
 - Consider impacts of absence on business needs
 - Consider seriousness of illness/injury
 - Consider extenuating circumstances related to absence

Discuss the situation with his/her management and HR Business Partner before formalizing the hardship approval. Ensure appropriate documentation of the hardship and understand any potential integration with leaves of absence, Workers' Comp or accommodations processes.

2. Document recommendation and obtain approval from the department head/designee.
3. Communicate the final decision to the employee.
 - In the event a hardship is denied, the employee, upon his/her request, will be orally informed of the reasons for the denial of the hardship benefit.
 - Additional paid time off for hardship would be coded as Excused Absence Paid or Leaves-Excused Absence Paid.
 - At the beginning of a new calendar year when all sick paid time off, vacation and personal holiday is granted in the MyTime system, the employee is expected to use and exhaust these paid time off benefits instead of continuing to apply the Excused Absence Paid time off code in the new year.