

MEMORANDUM OF UNDERSTANDING

BETWEEN

(Employer)

and

(Union)

VEBA Group Name: _____

VEBA Group Number: _____ (State Agencies)

The Employer is eligible to participate in the State of Montana VEBA Health Benefit Plan and Trust ("the Plan") once a completed Employer Adoption Agreement is accepted by the State of Montana, Department of Administration. As a participating Employer, the Employer may establish one or more VEBA groups for its eligible members.

The Employer and Union acknowledge that this memorandum of understanding (MOU) requires that all eligible employees (union and non-union), separating from service in the _____ MT VEBA HRA Group during the term of this MOU must contribute the value of their unused sick leave and annual vacation leave to the Plan as designated below.

Such contributions shall be applied uniformly to all eligible employees and such contributions shall be made on behalf of all eligible employees based on the following selected funding formulas (check all that apply):

Cash-out value (25%) of all unused sick leave hours for employees eligible for such contributions at the time of their separation from service.

Cash-out value (100%) of all unused vacation leave hours for employees eligible for such contributions at the time of their separation from service.

The MOU is effective from _____ through _____.

Dated this _____ day of _____, 20____

Signed for the Employer

Signed for the Union:
