

AMENDMENT TO EMPLOYMENT AGREEMENT DATED APRIL 26, 2021

AMENDMENT TO EMPLOYMENT AGREEMENT DATED APRIL 26, 2021 ("Agreement") by and between Indianola Municipal Utilities ("Employer" or "IMU"), and Christopher G. DesPlanques ("Employee").

WHEREAS, IMU and Employee are parties to an Employment Agreement executed by Employee and IMU on April 26, 2021 (the "Employment Agreement"); and

WHEREAS, the Parties desire to further amend the Employment Agreement as provided herein.

NOW, THEREFORE, in consideration of the mutual promises as set forth in the Employment Agreement, and herein, and the continued service of Employee as an employee of IMU, the Parties agree as follows:

1. Section 3 of the Employment Agreement shall be amended by adding the following additional language to such section:

Section 3. Termination and Severance Pay.

- E. This Employment Agreement shall automatically terminate upon Employee's death or "disability." "Disability" shall mean (i) a mental or physical disability of Employee whereby Employee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death, or can be expected to last for a continuous period of twelve (12) months or more, or (ii) Employee has received income replacement benefits for a period of not less than three (3) months under an accident or health plan covering employees of IMU by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of twelve (12) months or more.**
- F. Upon the termination of Employee's employment for any reason, IMU shall cause Employee to be paid any accrued and unpaid salary and benefits earned prior to the date of termination, including all sick leave, vacation leave, and paid holidays.**
- G. If IMU terminates the services of Employee without "just cause", then within forty-five (45) calendar days following the vote to terminate Employee's employment, IMU shall provide the following consideration to Employee:**

- (i) If Employee is terminated in the calendar year 2021 or 2022, IMU shall pay Employee a severance equal to six (6) months' salary at the then current rate of pay as in effect on the date of termination. If Employee is terminated in the calendar year 2023, IMU shall pay Employee a severance equal to seven (7) months' salary at the then current rate of pay as in effect on the date of termination. If Employee is terminated in the calendar year 2024, IMU shall pay Employee a severance equal to eight (8) months' salary at the then current rate of pay as in effect on the date of termination. If Employee is terminated in the calendar year 2025, IMU shall pay Employee a severance equal to nine (9) months' salary at the then current rate of pay as in effect on the date of termination. If Employee is terminated in the calendar year 2026, IMU shall pay Employee a severance equal to ten (10) months' salary at the then current rate of pay as in effect on the date of termination. If Employee is terminated in the calendar year 2027, IMU shall pay Employee a severance equal to eleven (11) months' salary at the then current rate of pay as in effect on the date of termination. If Employee is terminated in the calendar year 2028, IMU shall pay Employee a severance equal to twelve (12) months' salary at the then current rate of pay as in effect on the date of termination; and
- (ii) To pay the usual IMU share of group health benefit premiums (i.e., medical, dental, vision) that is assessed to Employee if he elects COBRA continuation coverage, for a period of six (6) months beginning on the month following Employee's termination, as long as Employee fulfills the conditions listed here. To be eligible for this consideration, Employee must fulfill these conditions: (i) timely elect COBRA to continue group health benefits; (ii) timely provide IMU with a copy of his election of COBRA, indicating which benefits and what level of coverage he chose to continue; (iii) timely pay his portion of the COBRA premium plus the two percent (2%) administrative fee; and (iv) agree, via this Employment Agreement, to immediately notify IMU if he discontinues COBRA, or if he becomes eligible for comparable health insurance, at any time between his date of his termination and the expiration of the six (6) month period beginning on the month following Employee's termination. All notifications required in Section G. (ii) shall be sent to IMU, at 210 West 2nd Ave, Indianola, Iowa 50125. If Employee becomes eligible for

comparable coverage elsewhere before the expiration of the six (6) month period beginning on the month following Employee's termination, then the consideration called for in this Section G. (ii), will cease upon the first date of the discontinuation of COBRA or the beginning of the comparable health insurance coverage, as applicable. If Employee does not become eligible for comparable health coverage before the expiration of the six (6) month period beginning on the month following Employee's termination, Employee will be responsible for timely paying the full COBRA premium if he chooses to continue his COBRA coverage beyond the benefit provided here, and IMU will have no further obligation to pay any portion of Employee's COBRA premiums. Any amounts IMU pays toward Employee's COBRA premiums shall be included in Employee's W-2s, as required by law, or in other forms as the IRS may require. If, on the other hand, Employee does not comply with conditions (i)-(iv), as contained in this Section G. (ii), then IMU will have no obligation to pay, or reimburse Employee, for his health benefits or health insurance under IMU's COBRA plan or under any other plan that he obtains elsewhere.

- (iii) To pay Employee's car allowance and cell phone allowance for a period of six (6) months beginning on the month following Employee's termination.

In exchange for the consideration identified in Section G. (i) and (ii) above, Employee agrees to provide IMU a full and complete release and satisfaction of any claims of Employee of every nature arising out of this Employment Agreement or otherwise. Such payment shall be made at the election of Employee either in a single lump payment or a periodic payment over a period not to exceed one year from the date of termination.

- H. As consideration for such payment, Employee shall, prior to receipt thereof, execute and deliver to IMU a general release of IMU and its Board members and its officers, agents, and employees for all acts and actions (whether accrued or subsequently accruing) from the beginning of time until the date of release, said release to be prepared by the attorney for IMU.
- I. In the event Employee is terminated for "just cause," or upon the death or disability of Employee, IMU shall have no obligation to pay the amount set forth in Paragraph 3.G. of this

Section. For purposes of this Employment Agreement, "just cause" is defined and limited to any of the following:

1. A charge against Employee of the commission of any felony offense which reflects conduct or character that the Board reasonably and in good faith determines is inconsistent with continued employment of Employee.
2. Employee's willful misconduct, or gross negligence in the performance of his duties, with regard to IMU that has a material and demonstrably adverse effect on IMU.
3. Employee's act of, or being convicted of fraud, embezzlement, or misappropriation of property.
4. Employee's breach of any fiduciary duty Employee owes to IMU.
5. Employee's failure to comply with written policies and procedures of IMU (other than as a result of physical or mental incapacity) which constitutes material nonperformance by Employee of his obligations and duties to IMU.
6. Employee's failure to adhere to, or to carry out, in any material respect, any reasonable, legal and proper directive of the Board (other than as a result of physical or mental incapacity).
7. Employee's unlawful use (including being under the influence) of prescription drugs or illegal drugs, or possession of illegal drugs.
8. Breach by Employee of any portion of this Employment Agreement.

2. Except as amended herein, the Employment Agreement shall remain in full force and effect.

Executed by IMU this 1st day of December, 2021.

BOARD OF INDIANOLA MUNICIPAL UTILITIES

By: _____

Adam Voigts, Board Chair

Executed by Employee this ³¹ day of December, 2021.

Christopher G. DesPlantes