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Title: **Thomson Multimedia Inc. and International Brotherhood of Electrical Workers (IBEW), AFL-CIO Locals 1048, 1160, 1424, and 1666 (2001)**

K#: **3660**

Employer Name: **Thomson Multimedia Inc.**

Location: **IN Marion, IN Indianapolis, PA Lancaster**

Union: **International Brotherhood of Electrical Workers (IBEW), AFL-CIO**

Local: **1048, 1160, 1424, 1666**

SIC: **3651**

NAICS: **33431**

Sector: **P**

Number of Workers: **1500**

Effective Date: **04/01/01**

Expiration Date: **04/01/04**

Number of Pages: **162**

Other Years Available: **Y**

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K 3660
1,475 workers

National Agreement

Between

158 pp.

Thomson multimedia Inc.

and the

**International Brotherhood
of Electrical Workers, AFL-CIO**

and

SUPPLEMENTARY LOCAL AGREEMENT

Between

THE COMPANY

and

Local No. 1160

at

COMPANY'S PLANT

Marion, Indiana

April 1, 2001

to

April 1, 2004

NATIONAL AGREEMENT INDEX

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Nati nal Agr em nt

AGREEMENT, entered into this 30th day of March, 2001, between Thomson multimedia Inc. (hereinafter referred to as the Company), and the International Brotherhood of Electrical Workers, AFL-CIO, for itself and in behalf of its affiliated Local Unions representing employees of the Company, (hereinafter referred to as the IBEW).

BASIC PRINCIPLES

The IBEW, representing employees of the Company, and the Company desire to establish and maintain, through harmonious cooperation, a standard of conditions and procedure to provide for orderly collective bargaining relations, prompt and equitable disposition of grievances, and fair wages, hours and working conditions for the employees covered by this National Agreement.

ARTICLE I RECOGNITION

Section 1.01 RECOGNITION.

The company recognizes the IBEW as the sole and exclusive collective bargaining representative with respect to rates of pay, wages, hours and other conditions of employment for all employees in the multiplant unit consisting of all those locations where the IBEW or any of its affiliated Local Unions have been recognized or shall be recognized, through appropriate means satisfactory to both parties, as the sole and exclusive collective bargaining representative.

The locations comprising the multiplant unit referred to above are set forth in Appendix 1 attached hereto and made a part of this National Agreement. Any location or locations in the manufacturing divisions of the Company at which IBEW or any of its Local Unions shall hereafter be recognized shall automatically become part of the multiplant unit and shall be included in and covered by the terms of this National Agreement.

ARTICLE II

RECOGNITION OF RIGHTS

Section 2.01 RIGHTS AND FUNCTIONS OF MANAGEMENT.

Except as otherwise expressly limited by the provisions of this National Agreement, or the respective Supplementary Local Agreements, the Company shall retain all its rights and functions of ownership or management, including the right to manage the plants and direct the working forces, to hire new employees and to discipline or discharge employees for just cause. Also the right to lay off employees for lack of work or other legitimate reason, to make such reasonable rules and regulations relating to the conduct of its employees as it considers necessary or advisable for the orderly and efficient conduct of its business, and to require employees to observe such rules and regulations.

It is further agreed that the right to determine the number and location of its plants, the products to be manufactured, the tools, equipment, schedules of production and the methods or processes in connection with manufacturing, shall be vested exclusively in the Company.

The enumeration of management rights and functions herein shall not be deemed to exclude other rights or functions of management not so enumerated, nor in any way be prejudicial to the rights, duties and responsibilities of the IBEW or any of its Local Unions involved, as the collective bargaining representative of the employees to whom this Agreement applies, to process grievances, disputes or differences as to the interpretation of application of any provision of this National Agreement or any Supplementary Local Agreement, except that management rights vested exclusively in the Company shall be arbitrable only to the extent that they are abridged by provisions in said Agreements.

Section 2.02 STRIKES, LOCKOUTS, AND RELATED INTERRUPTION OF WORK.

There shall be no strike, work stoppage, slowdown, sitdown, refusal to handle merchandise, refusal to work, boycott, or picketing by the IBEW or its representatives or members, or lockout on the part of the Company during the term of this Agreement; unless and until all Steps of the Grievance Procedure, including Arbitration, shall have been

employed and one of the Parties hereto fails or refuses to comply promptly with any final decision made against such Party thereunder; provided, however, that a member of the IBEW may refuse to enter upon the premises of any employer if the employees of such employer are engaged in a primary strike ratified or approved by a representative of such employees whom such employer is required to recognize under the Labor Management Relations Act of 1947.

If a strike should occur, management and clerical employees, guards, and other plant protection and maintenance employees shall be permitted to perform their respective functions without interference by the IBEW or its members on the basis of a plan mutually agreed upon for such purpose by the Company and the IBEW.

In consideration of this agreement, the IBEW agrees not to sue the Company, its officers, or representatives, and the Company agrees not to sue the IBEW, its officers, agents, or members for any labor matters in any court of law or equity.

Section 2.03 NOTIFICATION AS TO RULES.

Prior to their inauguration, the Company will consult with the IBEW concerning rules affecting this National Agreement and with the Local Union involved concerning rules affecting Supplementary Local Agreement or the general welfare and working relationship of employees represented by the particular Local Union affected. The employees involved will be informed in advance of any new rules or changes in rules.

ARTICLE III UNION SECURITY

Section 3.01 UNION SHOP

It shall be a condition of employment that all employees of the employer covered by this Agreement who are members of the Union on the effective date of this Agreement shall remain members and those who are not members on the effective date of this Agreement shall on the thirtieth (30th) calendar day following the effective date of this Agreement, become and remain members in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirtieth (30th) calendar day following the be-

gining of each employment become and remain members in the Union.

This provision shall not apply in any location where it is prohibited by any local, State, or Federal law, and if so prohibited it shall apply whenever the law is changed so that it may be effective. Unless so prohibited, it shall apply to employees in any location where the IBEW shall in the future be recognized through appropriate means satisfactory to both Parties as the sole collective bargaining representative.

Section 3.02 CHECKOFF.

Upon receipt of an employee's written authorization which shall not be irrevocable for more than one year or beyond the termination date of this Agreement, whichever occurs sooner, the Company shall deduct from such employee's wages on the pay day of each month designated by the Company and the Union, the Union dues and remit them to the duly authorized representative of the Union, together with a list of the names of the employees from whose pay deductions were made.

Within thirty (30) days after receipt of a written authorization from the employee, the Company will deduct an amount equal to the reasonable initiation fee uniformly required as a condition of acquiring membership in the Union and will remit said amount to the duly authorized representative of the Union, together with a list of the names of the employees from whose wages such deductions were made.

The Local Union agrees to hold the Company free from all liability in connection with dues and/or initiation fee collection except for ordinary diligence and care in transmittal of the monies to the Local Union, and further agrees that the Company will not be required to deduct from an employee's wages both Union dues and initiation fees in the same month.

Section 3.03 PROVISION AGAINST DISCRIMINATION, INTIMIDATION, AND COERCION.

There shall be no discrimination, intimidation or coercion by the Company or by the IBEW or any of its affiliated Locals against any employee because of sex, race, color, national origin, creed, age, handicap, veteran's status, or because of Union activity or membership. Discrimination, intimidation or coercion shall not exist where sex

is a bona fide occupational qualification or is a factor under the Company's established retirement policy as set forth in the Thomson Consumer Electronics, Inc. Pension Plan for Employees.

Section 3.04 UPGRADING AND JOB POSTING.

To the extent practicable, the Company will give first consideration for job openings and upgrading to employees On active payroll when they meet the necessary qualifications. In upgrading employees to higher rated occupational classifications, the Company will consider seniority as an important factor in accordance with procedures specified in the Supplementary Local Agreements. Each upgrading procedure shall be in writing and shall provide, where practicable, for the advance notice of job openings which are to be filled. Such upgrading procedures and a listing of the jobs covered by the procedure will be posted and otherwise publicized to all employees in the respective locations.

ARTICLE IV GENERAL WAGE PROVISIONS

Section 4.01 WAGES.

A. Eligible employees covered by the Agreement shall be granted a general increase of four percent (4%) of the applicable straight-time hourly wage rate effective on the Monday of the week the Contract is ratified and paid as soon as reasonably practicable following the ratification of the New Collective Bargaining Agreement. Eligible employees covered by the Agreement shall also be granted two additional general increases of three and one quarter percent (3.25%) each of the applicable straight-time hourly rate with the first three and one quarter percent (3.25%) general increase being effective on April 1, 2002 and the second three and one quarter percent (3.25%) general increase being effective on April 7, 2003. These three general wage increases shall be incorporated into Wage Rate Schedules attached to and made a part of the respective Supplementary Local Agreement pursuant to their effective dates. All general wage increases shall be paid as soon as reasonably practicable following the effective dates.

B. Three lump sum cash payments of Five Hundred Dollars (\$500.00) each (less deductions required by law) will be granted and paid to all eligible employees covered by the Agreement with the first to be paid within two weeks of ratification of the New Collective Bargaining Agreement, the second to be paid on or before April 5, 2002, and the third to be paid on or before April 11, 2003.

- 1. With respect to the first Five Hundred Dollars (\$500.00) lump sum cash payment, eligible employees are those regular employees on active payroll on the Monday of the week the Contract is ratified and those regular employees working at such locations returning on or before March 31, 2002 to active payroll with unbroken continuous service credit who receive qualified earnings and who return to work for thirty (30) consecutive calendar days following their return. Also eligible are those probationary employees on active payroll on the Monday of the week the Contract is ratified and who receive qualified earnings, provided they subsequently acquire seniority on or before March 31, 2002.**
- 2. With respect to the second Five Hundred Dollar (\$500.00) lump sum cash payment, eligible employees are those regular employees on active payroll on April 1, 2002 and those regular employees working at such locations returning on or before March 31, 2003 to active payroll with unbroken continuous service credit who receive qualified earnings and who return to work for thirty (30) consecutive calendar days following their return. Also eligible are those probationary employees working at such locations on active payroll on April 1, 2002 who receive qualified earnings, provided they subsequently acquire seniority on or before March 31, 2003.**
- 3. With respect to the third lump sum cash payment of Five Hundred Dollars (\$500.00), eligible employees are those regular employees on active payroll on April 7, 2003 and those regular employees working at such locations returning on or before March 31, 2004 to active payroll with unbroken continuous service credit who return to work for thirty (30)**

consecutive calendar days following their return. Also eligible are those probationary employees working at such locations on active payroll on April 7, 2003 provided they subsequently acquire seniority on or before March 31, 2004.

- C. 1. Employees hired into occupational classifications on or after April 1, 2001 that are not in Skill Levels I through V (as determined by the National Agreement dated November 23, 1985) will be paid the percentages shown below of the minimum or start rate of the applicable labor grade in accordance with the following schedule.

<u>From</u>	<u>But Less Than</u>	<u>Percentage</u>
Hire Date	10 months	80%
10 months	20 months	85%
20 months	30 months	90%
30 months	40 months	95%
40 months		100%

After forty (40) months, such employees will receive further increases to the maximum wage rate in accordance with the labor grade progression schedules of the applicable Wage Rate Schedule.

2. For eligible employees covered by the Agreement, the current minimum or start rate of the applicable labor grade shall be increased during the term of this Agreement by four percent (4%) effective on the Monday of the week the Contract is ratified and by an additional three and one quarter percent (3.25%) effective April 1, 2002, and another three and one quarter percent (3.25%) effective April 7, 2003.
3. Further, eligible employees subject to this paragraph shall, if otherwise eligible, be granted a lump sum cash payment of Five Hundred Dollars (\$500.00) to be paid within two weeks of ratification of the New Collective Bargaining Agreement, an additional lump sum cash payment of Five Hundred Dollars (\$500.00) paid on or before April 5, 2002, and an additional lump sum cash payment of Five Hundred Dollars (\$500.00) to be paid on or before April 11, 2003.

Section 4.02 WAGE RATES.

Any general increase in wage rates of employees cov-

ered by this Agreement shall be subject for determination on a National basis. Whether or not job rate adjustments of a local nature are to be a subject for local bargaining shall be determined through National negotiations, and such local negotiations shall be concluded for all locations prior to the conclusion of National negotiations.

Section 4.03 NIGHT SHIFT PREMIUM.

A wage differential of 10% of the applicable hourly wage rate shall be paid to all employees who work on recognized night shifts.

Section 4.04 SHOW-UP AND CALL-IN PAY.

An employee (a) reporting for work in the absence of notice not to report, or (b) an employee reporting for work who has been called in for an emergency, shall be guaranteed a minimum of four (4) hours at the applicable rate. An employee (c) who works more than four (4) hours of the employee's established shift, in the absence of notice not to work, shall be guaranteed the applicable rate for the regularly scheduled number of hours in such established shift, or eight (8) hours, whichever is the lesser. In such an event, if work is not available in the employee's classification, the employee may be assigned work in another classification where work of a similar nature is available, at the employee's regular base rate of pay, by agreement with the appropriate Local Union Representative. Provided, however, this paragraph shall not apply to employees under (a) and (c) above where general disaster, fire, power failure, explosion or bombing cause damage which makes it impossible to resume work in the section in which such employee works. The foregoing provisions of this paragraph also apply to an employee who is scheduled to work and reports on the employee's scheduled days off.

Section 4.05 WAGE RATES FOR NEW OR CHANGED OCCUPATIONAL CLASSIFICATIONS.

In the event that the local plant management and the international representative and Local Union involved cannot agree upon a final rate for any new or changed occupational classification in accordance with the applicable Supplementary Local Agreement within thirty (30)

days after such occupation is established, the matter may be referred, by request of either Party, to representatives of the International Office and representatives of the Headquarters of the Company for determination. If such representatives fail to reach agreement within thirty (30) days, either party may refer the matter to arbitration in accordance with Section 11.04 and the arbitration provisions of the respective Supplementary Local Agreement. However, the authority of the arbitrator shall be limited to selecting the final wage position of either the Company or the Union for implementation.

ARTICLE V HOURS

Section 5.01 NORMAL WORK WEEK.

The normal work week for all employees covered by this National Agreement shall be forty (40) hours, Monday through Friday, not to exceed eight (8) hours in any one day of twenty-four (24) hours; except for such employees as are engaged in continuous operations, or on any night shifts terminating on Saturday or holiday mornings, or beginning on Sunday night whose normal work week shall be five (5) consecutive days, not to exceed eight (8) hours in any one day of twenty-four (24) hours. Whenever continuous shift operations are established for any department or section where the employees involved have been working an 8 hour schedule, and the continuous shift work schedule results in such employees working fewer than (8) hours, such shift work schedule will be established only upon agreement between the Company and the respective Local Union.

Section 5.02 DEFINITION OF TERMS.

1. "Regular Work Week"

The "regular work week" for all employees shall begin at 12:00 o'clock midnight Sunday and end at 12:00 o'clock midnight the following Sunday night (i.e., seven (7) consecutive "calendar days," Monday to Sunday, inclusive).

2. "Regular Work Day"

For the determination of daily overtime, the "regular work day" shall be twenty-four (24) consecutive hours, commencing with the starting time of any shift; except that

this determination shall not carry over from one "regular work week" into the next "regular work week." In all cases, therefore, the starting time of the Monday "regular shift" shall be the start of the "regular work day" even though it may fall within the "regular work day" of Sunday, the last day of the previous work week.

3. "Calendar Day"

For the determination of overtime worked in the "regular work week," on "scheduled days off," and on holidays the "calendar day" (i.e., from 12:00 o'clock midnight to 12:00 o'clock midnight-twenty-four (24) consecutive hours), shall be used, and hours worked on a shift starting in the "calendar day" shall be counted as worked in such calendar day.

4. "Regular Shift"

A "regular shift" shall be scheduled in advance, and shall consist of a specified number of consecutive hours, exclusive of meal periods of not less than one-half (1/2) hour or more than one (1) hour each.

5. "Scheduled Days Off"

A "scheduled day off" shall be a "calendar day" during which no "regular shift" is scheduled to start for the employee.

6. "Night Shift"

The term "night shift" shall mean any shift starting at or after 1:00 p.m. and before 6:00 a.m. A shift starting at or after 1:00 p.m. and ending at or before 6:30 p.m. shall not be considered a "night shift."

Section 5.03 NORMAL WORK SCHEDULE.

The normal work schedule shall consist of five (5) regular work days in each "regular work week." The two (2) days on which work is not regularly scheduled (normally Saturday and Sunday) shall be "scheduled days off."

Section 5.04 OVERTIME PAYMENT.

Whenever more than eleven (11) consecutive hours are worked, whether they include hours before or after a regular shift or extend into another workday, pay will be computed as follows:

1. Eight (8) hours at straight time.

Three (3) hours at time and a half (1-1/2). All additional

hours which are worked consecutively at double time.

2. Consecutive hours worked during the first scheduled day off will be computed as follows: Up to eleven (11) hours at time and a half (1-1/2). All consecutive hours over eleven (11) at double time.
3. All hours worked during the second scheduled day off will be computed at double time.

The determination of first and second days off shall depend upon the chronological order of occurrence of the two scheduled days off as they are established within the "regular work week."

In all cases payment of overtime shall be at least equal to the overtime payment required under the Fair Labor Standards Act and the Walsh-Healey Act.

ARTICLE VI VACATION

Section 6.01 VACATION POLICY.

It is the policy of the Company to grant a vacation to employees annually as herein provided. In the event the Plant or any department or section therein is shutdown, the Vacation shall run concurrently with such shutdown period. Otherwise, Vacations will be granted, so far as possible, at times most desired by the employees, but the right to fix the time for Vacation is reserved by the Company in order to insure orderly and efficient operation.

An employee who has ten (10) years or more of continuous service credit with the Company prior to April 1 of the Vacation Year may, within fifteen (15) days after the posting of the Vacation shutdown notice and subject to operating needs determined by the Company, request deferral of five (5) days of the Vacation for which eligible in such Vacation Year to the next Vacation Year, provided that no employee may be granted such a request for deferral of Vacation more often than once in three (3) Vacation Years. Requests for such deferral shall be made on forms provided by the Company. No employee may request or be granted Vacation as a result of deferment to the extent that the employee will be entitled to more than twenty-five (25) days of Vacation in any one Vacation Year, provided that an employee may request or be granted Vacation not as a result of deferment to

the full extent granted in Section 6.04.

Employees entitled to more than three (3) weeks of Vacation shall signify to the Company their choice for the time of such additional Vacation to be taken during the Vacation Season as defined in Section 6.03. Such requests must be filed within fifteen (15) days after the posting of the Vacation shutdown notice. Subject to the approval of the Company in each case, the selection of the time for such additional Vacation will be granted on the basis of the continuous service credit of the employee, provided that the number of employees in an occupational classification within any department who will be granted such Vacation at the same time is consistent with efficient and orderly operations.

Notices will be posted at each location, not later than March 1 of each year, stating the starting and ending dates of the Vacation shutdown period. When such notices have been posted, the shutdown period shall not be changed unless the Union is informed in advance and the change is necessary, in the opinion of the Company, for business reasons.

The Company, at each location, will discuss contemplated shutdown periods with the Local Union not later than February 15 of each year.

Any employee with less Vacation than the Vacation shutdown period will be placed on layoff for those days the Vacation shutdown period exceeds the number of Vacation days to which that employee is entitled to under Section 6.04.

Section 6.02 VACATION YEAR.

The Vacation Year which shall be used in computing the amount of Vacation time and payment shall be the payroll year beginning on the Monday on or nearest April 1st and ending on the Sunday on or nearest the following March 31st, (consisting of 52 or 53 weeks, as the case may be, in accordance with the Parties' past practice) of each year in which this National Agreement continues in effect.

Section 6.03 VACATION SEASON.

The Vacation Season in which Vacations will be granted and the Vacation Payments herein provided for will be paid, shall be from April 1st to March 31st, both inclusive, of

each year in which this National Agreement continues in effect. Vacation shutdowns will be scheduled to begin after May 31st and prior to September 1st of each Vacation Year. When employees are required to take their Vacations outside the regular plant shutdown period, such Vacations will be scheduled by the Company, after consideration of the employee's desires. An employee shall take the Vacation to which entitled, unless it is otherwise agreed between the Company and the Union.

Section 6.04 VACATION PAYMENT.

Each employee who at the close of the Vacation Year has not less than six (6) months of continuous service credit shall receive Vacation and Vacation Payment in accordance with the following schedule:

<i>From</i>	<i>But Less Than</i>	<i>Vacation</i>	<i>Vacation Payment</i>
6 months	2 years	1 week	2.0%
2 years	3 years	2 weeks	3.2%
3 years	4 years	2 weeks	3.6%
4 years	5 years	2 weeks	4.0%
5 years	6 years	2 weeks	4.2%
6 years	7 years	2 weeks	4.4%
7 years	15 years	3 weeks	6.0%
15 years	20 years	4 weeks	8.0%
20 years and over		5 weeks	10.0%

The Vacation Payment shall be computed upon the above indicated percentage of the employee's total earnings during the Vacation Year.

The Company will make up the difference in Vacation Payment from that received by any veteran re-employed during the period from October 1 of the Vacation Year currently applicable to Vacation and Vacation Payment and September 30 of the immediately succeeding Vacation Year, under the normal Vacation Policy and that which the employee would have received, assuming the employee was on the payroll for an entire twelve (12) month period. This payment is to be made on the basis of the veteran's hourly rate as of September 30 in accordance with the following schedule:

<i>From</i>	<i>But Less Than</i>	<i>Payment</i>
6 months	2 years	40 hours
2 years	3 years	56 hours

3 years	4 years	72 hours
4 years	5 years	80 hours
5 years	6 years	84 hours
6 years	7 years	88 hours
7 years	8 years	96 hours
8 years	9 years	104 hours
9 years	10 years	112 hours
10 years and over		120 hours

Any employee who has been on the active payroll for at least six (6) months and who is thereafter terminated, granted a leave of absence or laid off due to lack of work shall be entitled to a Vacation Payment for that portion of the Vacation Year in which the employee is terminated, granted a leave of absence or laid off at the rate applicable as of the date of such termination, leave of absence or layoff.

Section 6.05 SPECIAL RULES GOVERNING VACATION PAYMENT.

In no case will the length of Vacation or the amount of Vacation Payment be allowed or calculated upon an anticipated basis. Paid Holidays occurring during any employee's Vacation shall not be counted as part of the employee's Vacation time. With the consent of the Company, Vacation time in excess of the Vacation shutdown period may be taken in full one-day or half-day increments.

Rules governing vacation in the Local Supplementary Agreements will be amended if necessary to be consistent with the foregoing.

Section 6.06 VACATION PAYMENT TO EMPLOYEES ON PAYROLL.

Employees on the payroll who are eligible for Vacation payment will receive such payment during the Vacation season but not later than the commencement of their Vacation if their Vacation is prior to a plant shutdown. If there is a plant shutdown for the Vacation period, all employees having their vacations at the time of or after the plant shutdown may receive their Vacation payment not later than one week prior to the shutdown. At the request of the employee, the Company will make pro rata payments, in one week increments, at the time Vacation is taken. The Company will provide each employee with a statement showing the basis of computing the employee's earnings for

the Vacation Year. In addition beginning in April 1992, the Company will provide each employee with a statement on their weekly paycheck stub showing the remaining Vacation to which that employee is entitled.

ARTICLE VII HOLIDAYS

Section 7.01 DESIGNATED HOLIDAYS.

The following holidays shall apply to all employees covered by this National Agreement: New Year's Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas and two additional days as set forth in each Supplementary Local Agreement.

Section 7.02 HOLIDAY PAY.

The Company shall pay employees for each of the designated holidays at their straight time hourly base rate for the number of hours, per day, not to exceed eight (8), for which they are regularly scheduled to work during the work week in which the holiday occurs provided the employee works the employee's entire scheduled shift of the last day before the holiday and the employee's entire scheduled shift of the first day after the holiday, except as otherwise provided below or in situations where the employee is authorized to leave work on such days (e.g., sent home due to lack of work or approved absence). Any employee who does not work the scheduled shift of the last regular work day before the holiday and the scheduled shift of the first day after the holiday will not be eligible for holiday pay unless such failure to work is because of an absence for which pay is provided pursuant to the Agreement.

Employees who are required to work on any one of the designated holidays shall be paid double time and one-half for all hours worked and shall receive no holiday pay as such, except that employees who work less than the number of hours in their regular shift shall be paid, in addition to double time and one-half for all hours worked, their straight time hourly base rate for the difference between the number of hours in their regular shift, not to exceed eight (8), and the hours worked on the holiday. An employee who is on jury duty, appearing as a subpoenaed witness in court or on nonwar military duty shall receive holiday pay in accordance with this Section instead of either of the differen-

tial payments provided for in Section 10.06 or 10.08. Further provisions for payment of holidays not worked shall be as set forth in the respective Supplementary Local Agreements. When any of the holidays provided for in Section 7.01 falls on Sunday, the Company shall grant the following Monday as the holiday. When a holiday provided for in Section 7.01 falls on Saturday, the Company shall grant the preceding Friday as the holiday.

ARTICLE VIII CONTINUOUS SERVICE CREDIT

Section 8.01 ACQUISITION OF CONTINUOUS SERVICE CREDIT.

The principle of continuity of service is recognized in accordance with and subject to the provisions of the Supplementary Local Agreements. Each employee shall have continuous service credit with the Company dating from the first date of unbroken service.

Section 8.02 CONTINUITY OF SERVICE.

The continuous service credit and seniority of an employee will be broken under the following conditions, and when so broken such employee shall be for all purposes considered a new employee if and when rehired:

- a. Resignation or other voluntary termination of employment.
- b. Discharge for just cause.
- c. Absence in excess of three (3) consecutive working days without notice, either by telephone or written message by messenger to the Human Resources Department, unless satisfactory evidence of inability to so report is shown.
- d. Absence in excess of five (5) consecutive working days without a formal leave of absence, unless satisfactory evidence of inability to apply for it is shown.
- e. Unauthorized absence after the time limit of an authorized vacation or an approved absence, unless satisfactory evidence of inability to report for work is shown.
- f. Failure to report to work after layoff within ten (10) days after the Company gives the employee written notice to return to such work and failure to notify the

Company of intention to return to work within five (5) days after such notice is given. Such notice shall be deemed to have been sufficiently given if sent to the employee by registered or certified mail addressed to the last address furnished to the Human Resources Department of the Company.

- g. Layoff without recall to work within three (3) years from the date of such layoff.

ARTICLE IX SENIORITY

Section 9.01 SENIORITY POLICY.

The Company and IBEW accept the principle of employee seniority based upon continuous service credit from the first date of the employee's unbroken continuous service. Employees shall have seniority privileges as provided for in the respective Supplementary Local Agreements.

Section 9.02 HOW SENIORITY IS ACQUIRED.

Each new employee shall be hired as a probationary employee and shall not have seniority until the end of a probationary period of thirty (30) days. Upon completion of such period, the employee shall be considered as a regular employee and shall have seniority from date of hire. When thus established, such seniority will equal the employee's continuous service credit. There shall be no requirement that the Company reinstate or rehire probationary employees if they are discharged during their probationary period.

Section 9.03 LAYOFF ALLOWANCE.

Any employee with two (2) or more years continuous service will be entitled to layoff allowance in accordance with the provisions of this paragraph when laid off for lack of work for a period of thirty (30) days.

No employee will be entitled to layoff allowance in cases where such layoff is caused by fire, flood, explosion, bombing or earthquake causing damages in the plant which makes it impossible to resume work in the section in which such employee works.

No employee will be entitled to layoff allowance who has refused to accept a job in the same or a higher labor grade.

The layoff allowance for employees entitled thereto un-

der the provisions of this paragraph, shall be as follows:

- a. All employees who at the time they are laid off for lack of work have more than two (2) years and less than four (4) years of continuous service credit with the Company, shall be eligible to receive a layoff allowance in a sum equal to their base rate or hourly wage rate for their established weekly shift at the time of such layoff, not including any overtime hours or hours in excess of five (5) eight-hour days.
- b. All employees who at the time they are laid off for lack of work have four (4) or more years of unbroken continuous service credit with the Company, shall be eligible to receive layoff allowance in a sum equal to their base rate or hourly wage rate for two (2) such established weekly shifts, not including any overtime hours or any hours in excess of ten (10) eight-hour days.

Such layoff allowance shall be paid at the end of a waiting period of thirty (30) days from the date of such layoff. An employee who is reinstated in employment with the Company during the waiting period shall not be entitled to layoff allowance as herein provided.

For the purpose of this provision, any employee who receives layoff allowance as herein provided, and who is subsequently reinstated in employment with the Company within three (3) years from the date of such layoff, shall not again be eligible for additional layoff allowance until accumulating two (2) additional years of unbroken continuous service credit with the Company. Upon establishing two (2) years additional continuous service credit after such reinstatement, the employee shall again be entitled to layoff allowance in accordance with established unbroken continuous service credit with the Company if again laid off under the conditions herein provided.

Section 9.04 LAYOFF EXTENSION BENEFIT

An employee with five (5) or more years of continuous service credit, who is placed on layoff for lack of work, and who has not been offered any other work in an occupational classification to which the employee's seniority will entitle the employee or to an existing vacancy within the bargaining unit will be eligible for a Layoff Extension Ben-

efit in accordance with the provisions as herein set forth:
Continuous Service

<i>From</i>	<i>But Less Than</i>	<i>Amount of Layoff Extension Benefit</i>	<i>Weekly Payments at _ a Week's Pay</i>
5 years	6 years	1 week's pay	2 weeks
6 years	7 years	2 week's pay	4 weeks
7 years	8 years	3 week's pay	6 weeks
8 years	9 years	4 week's pay	8 weeks
9 years	10 years	5 week's pay	10 weeks
10 years	11 years	6 week's pay	12 weeks
11 years	12 years	7 week's pay	14 weeks
12 years	13 years	8 week's pay	16 weeks
13 years	14 years	9 week's pay	18 weeks
14 years and over		10 week's pay	20 weeks

For the purposes of this provision, a "week's pay" for such eligible employee shall be calculated by multiplying the employee's base rate at the time of layoff times the number of hours in the employee's normal work week, at the time of layoff, up to a maximum of forty (40) hours. If an eligible employee remains on layoff after the employee's entitlements to state and/or federal unemployment compensation have been exhausted, payments of the Layoff Extension Benefit for which the employee is eligible will be made weekly providing that the employee is still unemployed and is able and available to return to work with the Company. Such weekly payments will be made for as long as such unemployment continues, in amounts equal to one-half of the employee's pay as defined above, until the full amount for which the employee is qualified is paid or until the employee is eligible for further state and/or federal unemployment compensation. In any event, at the end of two years following the effective date of layoff, all Layoff Extension Benefits will cease.

To receive the Layoff Extension Benefit eligible employees must either report in person on a weekly basis to the Company's Local Human Resources office and certify that they have exhausted their state and/or federal unemployment compensation, are still unemployed and are able and available to return to work or, in the alternative, file such certification on a weekly basis by mail on a form provided by and sent to the Company's Local Human Resources office. The Company will advise laid off

employees, at the time of layoff, of the qualification requirements for Layoff Extension Benefits.

For purposes of this provision, an employee will be considered employed during any week in which the employee earns wages from any source which total more than one-quarter of the employee's "week's pay" as defined above. All benefits will cease at the time an employee receives notice of recall from layoff. However, during any regular work week in which an employee is returned to work, the benefit for that week shall be calculated on a pro rata basis for those days, not exceeding five (5), in such week that the employee was unemployed.

An employee who requests retirement will not be entitled to receive any payment under the terms of this provision after commencement of benefits under the Thomson consumer Electronics, Inc. Pension Plan for Employees.

An employee, who is reinstated before receiving all of the employee's entitlement to Layoff Extension Benefits as herein provided, shall receive the balance of such entitlement based upon the employee's continuous service credit at the time of the preceding layoff, upon subsequent layoff if the employee otherwise meets the requirements as set forth in this Section.

An employee who receives Layoff Extension Benefits as herein provided, and who is subsequently reinstated in employment with the Company will be eligible for additional benefits under this provision for that period of the employee's continuous service beginning with the date of such reinstatement, if again laid off under the conditions herein provided.

Section 9.05 JOB SECURITY AND PROTECTION.

In the event the Company decides to discontinue or close all or part of a plant or business operation, or to discontinue or close all or part of a plant or a business operation and relocate or otherwise transfer to another location or other non-Company sources some or all of the work performed by employees of such plant or business operation, the Company will provide written notice of its decision to the Union and announce this decision to all employees to be laid off as a direct result of any such Company actions. Such notice will be provided and announcement made not less than ninety (90) days prior to

the effective date of any such Company actions. In addition, employees who are laid off as a direct result of any such Company actions or who are laid off within six (6) months prior to the announcement of such actions shall be eligible for the following benefits:

1. Such laid off employees with five (5) or more years of continuous service credit will receive, while unemployed, job placement, education and retraining assistance amounting, collectively, to a maximum of \$3,000.00 for each such employee to be paid as such assistance expenses are incurred.
2. Such laid off employees under 55 years of age with thirty (30) or more years of continuous service credit who at the time of said layoff are vested members of the Thomson Consumer Electronics, Inc. Pension Plan for Employees will be treated, for life and health insurance purposes upon retirement at age 55, as if they were actively employed when they attain age 55.
3. Such laid off employees with thirty (30) or more years of continuous service credit will receive life insurance coverage at no cost for three (3) years after being laid off and thereafter may continue such coverage on a contributory basis until reaching age 55 whereupon they may retire as provided in subparagraph 2 above and receive life insurance coverage at no cost in an amount equal to 15% of such employee's life insurance coverage immediately prior to retirement.
4. Such laid off employees with thirty (30) or more years of continuous service credit may continue health care coverage for themselves by paying the same contribution as is required for active employees with regard to individual coverage for six (6) months after being laid off and thereafter may continue such coverage by paying the same contribution as is required of employees on layoff more than six (6) months until age 55 whereupon they may retire as provided in subparagraph 2 above and continue health care coverage under the same terms and conditions as may be available to employees who retire from the Company. Such em-

employees may continue health care coverage for eligible dependents by paying the contribution as is required of laid-off employees or retired employees as applicable.

5. Such laid off employees with thirty (30) or more years of continuous service will receive, in addition to any other benefit to which they may be entitled under this Section, a special cash payment of \$7,500.00.

ARTICLE X LEAVES OF ABSENCE

Section 10.01 APPLICATION FOR LEAVES OF ABSENCE.

Except for Military Service, no application for a leave of absence will be considered unless it is applied for in writing and on forms to be provided and made available by the Company for that purpose.

Section 10.02 TEMPORARY ABSENCE FOR ILLNESS, INJURY OR PREGNANCY RELATED DISABILITY.

An employee who has the service credit required for this purpose by the applicable Supplementary Local Agreement and who shall be found and certified by the plant physician to be unable to perform regularly assigned duties with the Company because of illness, injury or pregnancy related disability, shall receive leave of absence without pay, but with service credit and seniority accumulating while such condition continues. If the disability continues beyond six (6) months, the employee shall receive an additional leave of absence not to exceed an additional six (6) months, without pay, with service credit and seniority accumulating. If the disability continues beyond one (1) year, the employee shall receive additional leaves of absence, without pay, not to exceed six (6) months in the case of any leave of absence, or a total of twelve (12) months, with service credit and seniority accumulating, and at the end of a total period of two (2) years, if the employee has not returned to work, the employee's service credit and seniority will be broken and terminated. An employee absent under such condition shall inform the Human Resources Section immediately upon such occurrence and thereafter keep the Human Resources Section informed monthly, in writing, stating the best

estimate of the time when such employee will be able to resume the usual duties. Upon approval and certification by the plant physician that such employee has sufficiently recovered and is physically qualified to return to work and perform the usual duties, the employee will be restored to employment if under normal conditions the employee would have been continued in employment by the Company, except for such sickness or disability. Upon a finding by the plant physician that such employee's physical conditions will enable the employee to return to work, refusal promptly to resume such work, if available, will terminate the employee's service credit and seniority. The Company may at any reasonable time or times require the employee to furnish a physician's statement certifying to the condition. The Company may also have a physician or nurse selected by the Company interview or examine such employee for the purpose of determining the condition and the likely duration of such sickness or disability.

Section 10.03 LEAVE OF ABSENCE FOR UNION ACTIVITY.

Any member of the IBEW with at least six (6) months of continuous service credit, shall, on written request of the IBEW, be granted a leave of absence for IBEW activity for a one (1) year period. Extensions of one (1) year duration shall be requested and granted on written request of the IBEW prior to the termination of such leave. Continuity of service and full seniority privileges shall be retained and accumulated during such leaves of absence are granted shall cease, the IBEW shall immediately notify the Company in writing, and if application is made within ten (10) days thereafter, such IBEW member will be given reinstatement in the former position, if same still exists, or a comparable position, in accordance with seniority privileges and at the applicable wage rate at the time of return. On written request of the respective Local Unions, employees shall be entitled to a leave of absence, without pay, to attend Official Regional Conventions of the AFL-CIO or International Conventions of the IBEW. The number of employees to be granted such leaves of absence shall be discussed between the Company and the Local Union.

Section 10.04 MILITARY SERVICE.

An employee of the Company, who shall have been called or volunteers for military service in any branch of the United States Armed Forces or auxiliary service, such as Merchant Marines or Red Cross, when the United States is at war or during any declared national emergency in peacetime, who receives a certificate of satisfactory completion of a period of training and service in such military or auxiliary service and makes application for reemployment within ninety (90) days after relieved from such training and service (and in any event not later than one hundred eighty (180) days after such state of war or such national emergency terminates) will be reinstated in the position held by such employee at the time of entering such service or to a position of accumulated seniority, like status, and pay provided that under normal working conditions such employee would have been employed by the Company except for such military service and is not physically or otherwise incapacitated from performing the usual work in such previously held position. In the event that there is a statute fixing and declaring the rights and responsibilities of an employer or an employee in any such case, such statutory provision shall supersede this paragraph and thereafter this paragraph shall have no further force and effect.

Section 10.05 AMOUNT OF MILITARY PAY.

The Company will pay to an employee who has acquired six (6) months or more continuous service, who is on leave for Military Service, for one month only, military allowance equal to the difference between regular monthly earnings during the last month's employment by the Company and the base rate of compensation for the first month's military service if the first month's military earnings are less than the last month's Thomson earnings.

METHOD OF COMPUTING: Regular monthly earnings for an hourly-rated employee will represent 173 times the employee's average hourly earnings exclusive of overtime allowances, during the four weeks prior to departure. (The multiplier of 173 represents 4 1/3 weeks at 40 hours per week.)

Section 10.06 NONWAR MILITARY DUTY ABSENCE AND PAYMENT.

An employee with six (6) months or more continuous service credit who is called for and performs mandatory nonwar military duty will be granted a leave of absence and differential payment as set forth below. Such an employee's continuous service credit and duly established seniority privileges will accumulate during such leave.

If called for training, the employee will be paid the difference between total military pay, including allowances such as flight pay and submarine pay, for the period served, but not to exceed fourteen (14) calendar days, and the payment that would have been received for the straight-time hours thereby required to lose from the regular work schedule, but not to exceed ten (10) eight-hour work days each year, computed at the established hourly base rate or hourly wage rate.

If called for emergency military duty, the employee will be paid the difference between daily military pay, including allowances such as flight pay and submarine pay, and the payment that would have been received for the straight-time hours thereby required to lose from the regular work schedule, but not to exceed five (5) eight-hour work days each year, computed at the established hourly base rate or hourly wage rate.

Section 10.07 BEREAVEMENT PAY.

Employees with thirty (30) days or more of continuous service credit shall be paid (i) for four (4) days absence in the event of the death of their parent, step-parent, spouse, or child (including step-child, and if living in employee's home, foster-child) or (ii) for three (3) days absence in the event of the death of any other member of their immediate families as defined below, during the normal work week at their straight time hourly base rate for the number of hours in the regular shift, but not to exceed eight (8) hours per day. Such periods of absence must be completed within three (3) working days following the funeral or memorial service. For purposes of this payment, the immediate family includes the following relatives of the employee: Mother, Step-Mother, Father, Step-Father, Sisters, Brothers, Grandparents, Children (including Step-Children, and if living in employee's home, Foster-Children), Husband or Wife, Mother-in-law, Father-in-law, Sisters-in-law, Brothers-in-law, Grandparents-in-law,

Grandchildren, Sons-in-law, and Daughters-in-law. Consecutive bereavement days off shall be provided for simultaneous deaths in the immediate family.

Section 10.08 JURY DUTY AND WITNESS PAY.

An employee with thirty (30) days or more of continuous service credit who is called for Jury Duty or who is subpoenaed to appear in Court as a witness will be compensated by the Company for the difference between payment received for such compulsory Jury Duty or Court appearance and the payment that would have been received for the straight-time hours thereby required to lose from the regular work schedule, but not to exceed five (5) eight-hour days per week, computed at the established hourly base rate or hourly wage rate. However, when subpoenaed by a party other than the Company, the employee will not be compensated if the employee, the Company or the Union is a party in the case, or if the employee has any direct interest or financial interest in the case. Differential payment shall be made so long as such Jury Duty or Court appearance continues, only upon presentation of documentary proof of Jury Duty or Court appearance and the payment received therefor. Continuous service credit and duly established seniority privileges will accumulate during such leaves.

Section 10.09 OTHER APPROVED ABSENCE.

Employees with continuous service credit as provided by the applicable Supplementary Local Agreement shall be granted a leave of absence for death in the family, quarantine, marriage, or voluntary service with a Government agency. Leaves of absence may also be granted to employees with such continuous service for other miscellaneous reasons. Application for such approved absence should be made to the Supervisor or the Superintendent in accordance with the provision of the Supplementary Local Agreement.

Section 10.10 ABSENCE PAY.

- a. Effective May 4, 1998, employees will be paid for each half or full day of absence subject to the maximum number of days in any one year, beginning on the

employee's anniversary date depending upon continuous service credit, set forth as follows:

<i>Continuous Service Credit</i>	<i>Absence Pay In Any One Year</i>
2 years to 5 years	1 day
5 years to 10 years	2 days
10 years to 15 years	3 days
15 years to 25 years	4 days
25 years and over	5 days

- b. Such payment will be made at the employee's straight-time hourly base rate in effect at the time of the absence up to the number of hours in the employee's regular workday but not in excess of eight (8) hours daily. Absences will be charged against such payment allowance in half day units. Days counted are those which fall within the five (5) days of the employee's regular work week. In case of an employee on a rotating or continuous shift, payment will be made for time lost during the employee's established five-day week. In addition, beginning in April 1998, the Company will provide all employees with a statement on their weekly paycheck stubs showing the number of days of unused absence pay to which such employees are entitled.
- c. Reimbursement for absence will not be made for any day or days for which weekly disability benefits are payable under the Thomson Consumer Electronics, Inc. Temporary Disability Insurance Plan or under Worker's Compensation nor for which the employee receives any type of monetary benefits from the Company. All eligible employees must work at least one day on or after their anniversary date to receive absence pay in the next year beginning on their anniversary date and ending with the day prior to their following anniversary date.
- d. Effective May 4, 1998, unused absence pay remaining as of the day prior to their following anniversary date, up to a maximum of forty (40) days, may be carried forward to the following year for use in the event of an absence.

- e. Unused absence pay remaining as the day prior to their following anniversary date up to a maximum of seven (7) days, may be paid in a lump sum at the request of the employee, if such request is made within 14 days following their anniversary date.
- f. All unused absence pay available to an employee will be paid upon the death, retirement or indefinite layoff of such employee. In addition, unused absence pay available to an employee will be paid at the employee's option in the event the employee observes on a regular work day a recognized holiday not designated in Section 7.01 or in the event of temporary down days or a plant shutdown, other than vacation shutdowns, of two (2) days or more duration. In such cases the amount of pay shall be limited to the regular work day(s) lost (excluding designated holidays) which occur during such plant shutdown or undesignated, recognized holiday(s).
- g. The provisions of this Section will not apply in the event of any work stoppage, authorized or unauthorized, emergency send home or situations where fire, flood, explosion, bombing or earthquake cause damage in the plant which makes it impossible to resume work in the section in which such employee works.
- h. Effective January 1, 2002, each employee with perfect attendance during a calendar quarter (January 1-March 31; April 1-June 30; July 1-September 30; October 1-December 31) will be paid a perfect attendance bonus of two hundred dollars (\$200.00) per quarter (less deductions required by law). An employee with perfect attendance throughout the calendar year will be awarded an additional two hundred dollars (\$200.00), for a total annual perfect attendance bonus of one thousand dollars (\$1,000.00) (*i.e.*, \$200 x 4 quarters + \$200). Any employees with consecutive years of perfect attendance shall receive an additional bonus of twenty-five dollars (\$25.00) per year of perfect attendance. The maximum consecutive year bonus shall be five hundred dollars (\$500.00) (*i.e.*, capped at 20 years). Except for absence because of designated holiday, approved vacation, qualifying leave of absence for death in the immediate family, absence for Union business (where employee is paid for lost

time by the Union), or any absence qualifying an employee for jury duty or witness payment, an absence for any other reason on a regular work day or absence on a scheduled day off when work was scheduled and accepted by the employee shall disqualify the employee for this bonus for that calendar quarter. This National Perfect Attendance Program shall replace the monetary perfect attendance awards made at the local level. However, any existing non-monetary perfect attendance recognition shall be maintained at the respective location(s).

ARTICLE XI COMPLAINT AND GRIEVANCE PROCEDURE

Section 11.01 COMPLAINTS.

An employee or employees having a complaint shall have the right to verbally present the same, directly or through the Shop Steward, to the Supervisor. If the complaint is not settled by the end of the next scheduled shift and involves a matter subject to Grievance Procedure, it may be reduced to writing and considered a grievance subject to local grievance procedure.

Section 11.02 DEFINITION OF GRIEVANCE.

"Grievance" shall mean, and be limited to, disputes or differences between the Company and the IBEW, or employees so represented, with respect to the interpretation or application of any provision of the National or Supplementary Local Agreement. All grievances shall be presented in writing as soon as practicable after the occurrence upon which the same is based, in accordance with the procedure prescribed in the Supplementary Local Agreement. The failure to submit a grievance within the periods specified in the Supplementary Local Agreement shall constitute a bar to further action thereon. If it is determined under the grievance procedure that an adjustment in wages is appropriate, such adjustment shall be made in accordance with the Supplementary Local Agreement. Dismissal grievances may be presented at the Third Step and the dismissed employee may be present during all such procedures.

Section 11.03 RESOLUTION OF GRIEVANCES.

Unless settled or disposed of in an earlier step, all grievances shall be processed through four (4) steps. Step 4 must be completed within thirty (30) days after the matter has been referred to that step. If a grievance is not disposed of in the first four (4) steps in the Grievance Procedure, it may be appealed to arbitration by either party in accord with the arbitration procedure set forth in the respective Supplementary Local Agreements, provided, however, if a grievance involves the interpretation or application of a provision in this National Agreement, such grievance shall not proceed to arbitration until it has been referred, in Step 4 of the Grievance Procedure, to representatives of the appropriate Headquarters of the Company and representatives at Washington, D.C., of the International Office of the IBEW.

Section 11.04 ARBITRATION.

In arbitration under the Supplementary Local Agreements, the Company and the IBEW agree that the decision or award of the Arbitrator or Arbitration Board shall be final and binding on each of the parties and that they will abide thereby, subject to such laws, rules or regulations as may be applicable. The authority of the Arbitrator or Arbitration Board shall be limited to determining questions, grievances, or disputes which directly involve only the interpretation or application of the provisions of this National Agreement or the applicable Supplementary Local Agreements. The Arbitrator or Arbitration Board shall have no authority to add to, subtract from, or to change any of the terms of said Agreements, to change an existing wage rate or establish a new wage rate except as provided in Section 4.05.

Each party shall bear the expense of preparing and presenting its own case. The cost of the Arbitrator's services and any other expenses incidental to the arbitration, mutually agreed to in advance, shall be borne equally by the parties.

ARTICLE XII UNION REPRESENTATIVES AND ACTIVITIES

Section 12.01 IBEW REPRESENTATION LISTS.

Each Local Union agrees to furnish the local Human Resources Section with complete written lists of Chief Shop Stewards, and Shop Stewards and the zones or areas to which their jurisdiction in presenting grievances or complaints is limited. The Company agrees to inform the IBEW of changes in organization of the supervisory staff at the respective plants. It is also agreed that each Local Union will furnish the local Human Resources Section with lists of its duly elected officers and representatives with whom the Company is authorized to deal in the administration of the provisions of this Agreement. The IBEW and the Company agree to keep such lists correct and current at all times.

Section 12.02 ACCESS TO PLANTS.

The Company agrees that the authorized Representatives of the respective Local Union and/or International Representatives of the IBEW shall have admission by pass from the Company to the Departments of the respective Plants at any time during scheduled working hours for the purpose of conducting Union Business authorized by the National Agreement or the applicable Supplementary Local Agreement and to verify the fact that this National Agreement and applicable Supplementary Local Agreements are being observed by the Parties hereto.

Section 12.03 UNION BUSINESS OR ACTIVITIES ON COMPANY TIME OR PREMISES.

Except as otherwise specifically agreed, no employee shall engage in any Union or non-Company activity or business on Company time, and no employee shall engage in such activity or business on Company premises except during non-working hours of the employee and non-working hours of any other employee involved.

**ARTICLE XIII
INSURANCE AND DISABILITY BENEFITS**

Section 13.01 INSURANCE PROGRAMS.

A. Group Life Insurance. The Company will provide and pay for the Group Life Insurance Program currently in effect, as amended by Administrative Letter dated March 30, 2001, for employees covered by this Agreement.

B. Temporary Disability Plan. The Company will provide and pay for the private plan of non-occupational disability benefits currently in effect, as amended by Administrative Letter dated March 30, 2001, for employees covered by this Agreement.

C. Point of Service Plan. The Company will provide the Thomson multimedia Inc. Point of Service Plan currently in effect, as amended by Administrative Letter dated March 30, 2001, for employees and their eligible dependents who elect such coverage and pay the required contribution.

D. Additional Life Insurance. The Company will provide the Thomson multimedia Inc. Additional Life Insurance Plan currently in effect, as amended by Administrative Letter dated March 30, 2001, for employees who elect such coverage and pay the required premium.

E. Dental Plan. The Company will provide the Thomson multimedia Inc. Dental Plan currently in effect, as amended by the Administrative Letter dated March 30, 2001, for employees and their eligible dependents.

F. Long Term Disability Insurance. The Company will provide the Thomson multimedia Inc. Long Term Disability Insurance Plan currently in effect, as amended by Administrative Letter dated March 30, 2001, for employees who elect such coverage and pay the required premium.

G. Dependent Life Insurance Plan. The Company will provide the Thomson multimedia Inc. Dependent Life Insurance Plan currently in effect, as amended by Administrative Letter dated March 30, 2001, for employees who elect such coverage for their eligible dependents and pay the required premium.

H. Employee Assistance Program. The Company will provide and pay for the Thomson multimedia Inc. Employee Assistance Program currently in effect, as provided by Administrative Letter dated March 30, 2001, for employees and their eligible dependents.

I. Vision Care Program. The Company will provide the Thomson multimedia Inc. Vision Care Program currently in effect, as provided by Administrative Letter dated March 30, 2001, for employees covered by this Agreement.

Section 13.02 SUPPLEMENTAL WORKERS' COMPENSATION PAYMENTS.

When an employee is entitled to temporary disability payments under the applicable Workers' Compensation Act, and the weekly payments due to the employee under the Act are less than eighty percent (80%) of the base weekly pay, as herein after defined, the Company will make a weekly payment, in addition to that required by the Act, equal to the difference between eighty percent (80%) of said base pay and said required disability payment. This additional payment shall be made only during the period while the employee is entitled to Workers' Compensation for said disability, and only while absent from and unable to engage in gainful employment because of said disability, not including any period after an award has been made under the Workers' Compensation Act for partial and permanent or total and permanent disability. Said additional payments shall not be made in any case for a period longer than twelve (12) weeks on account of the same disability. "Base Weekly Pay" shall mean the number of hours per week the employee is regularly scheduled to work, not exceeding forty (40), multiplied by the employee's base hourly rate, exclusive of any supplemental payments such as for incentive or piece-work earnings, night shift premium or overtime. The additional payment herein provided for is intended under the Workers' Compensation Act for the period above defined while the employee is absent from work and to apply under the same conditions as the law requires for Workers' Compensation. These additional payments shall apply only to disabilities subject to the Workers' Compensation Act which occur on or after the effective date of this Agreement.

**ARTICLE XIV
GENERAL PROVISIONS**

Section 14.01 PENSION PLAN JOINT COMMITTEE.

There shall be a joint committee consisting of two (2) members appointed by the Company and two (2) members appointed by the Local Union, at each location, which shall hold monthly meetings and shall be authorized to confer and make recommendations with respect to questions of fact relating to age, service and eligibility under the Pension Plan.

Section 14.02 PRESENTATION OF AGREEMENT TO EMPLOYEES.

The Company shall supply all present and new employees at each location with a copy of this Agreement.

Section 14.03 INTRODUCTION OF NEW EMPLOYEES.

Supervisors shall introduce new employees to the appropriate Shop Steward for the Section or Department in which such employee will work within three (3) days.

Section 14.04 WORK ASSIGNMENTS.

Employees who are excluded from the jurisdiction of the bargaining unit shall not be assigned to nor perform work of a nature normally performed by employees included in the bargaining unit. Should it become necessary for the Company to bring contractors into the Plant to perform work normally performed by employees in the respective bargaining units, the Local Union may, if it believes the Company did not give reasonable consideration to the employees in the bargaining unit, and if the matter cannot be settled by local discussion, bypass the grievance procedure and refer the issue to the International Office of the IBEW and the Headquarters of the Company.

Section 14.05 NOTICES.

Notices to the International Office of the IBEW shall be addressed to International Brotherhood of Electrical Workers, AFL-CIO, 1125 Fifteenth Street, N.W., Washington, D.C. 20005. Notices to the Company shall be addressed to the Vice President, Human Resources, Thomson Consumer Electronics, Inc., PO. Box 1976, Indianapolis, Indiana 46206.

Section 14.06 RATIFICATION OF AGREEMENTS.

This National Agreement shall be subject to and ef-

fective only on ratification by the IBEW in accordance with its constitution and bylaws and on certification to the Company by the IBEW of such ratification. Each Supplementary Local Agreement to this National Agreement shall be subject to ratification by the membership of the Local Union of the IBEW at the respective plant or location to which it applies. No benefits added on settlement of National Negotiations shall be applicable in a plant or location until the applicable Supplementary Local Agreement has been ratified.

Section 14.07 WAIVER.

The Parties acknowledge that during the negotiations which resulted in this Agreement and the Supplementary Local Agreements, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the Parties after the exercise of that right and opportunity are set forth in said Agreements. Therefore, the Parties, for the life of said Agreements, voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to, or covered in said Agreements. Further, the Parties, for the life of said Agreements, voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in said Agreements, even though such subject or matter may not have been within the knowledge or contemplation of any of the Parties at the time said Agreements were negotiated or signed.

Section 14.08 EFFECT OF LAW.

In the event that now or hereafter there is any state or federal law or any directive, order, rule or regulation made pursuant thereto, which is in conflict with any provision or provisions of any agreement between the Parties, it shall supersede such provision or provisions and shall thereafter govern and control the relations and conduct of the Parties so long as such law, directive, order, rule or regulation shall remain in force and effect. In the event that this or any other agreements existing between the Parties hereto, now or hereafter requires the approval of any Government

authority before becoming effective, the same will and shall be subject to such approval.

Section 14.09 ADMINISTRATIVE LETTERS.

All Administrative Letters concerning the interpretation or the application of any provision of this National Agreement or of any Supplementary Local Agreement must be finally approved by the International Office of the Union and by the Vice President, Human Resources, of the Company, or an authorized representative, before becoming effective. All such Administrative Letters shall be binding and fully enforceable on all parties involved provided they do not modify, change, or amend the provisions of this National Agreement or of any Supplementary Local Agreement in any respect. In addition, all Administrative Letters concerning the interpretation or the application of this National Agreement shall be published in Appendix 2 to the National Agreement. Further, each location subject to this agreement shall have the option of including Local Administrative Letters as an Appendix to their respective Supplementary Local Agreements.

ARTICLE XV APPLICATION OF SUPPLEMENTARY LOCAL AGREEMENTS

Section 15.01 APPLICATION.

No provision shall be included in a Supplementary Local Agreement which is contrary to or inconsistent with any provision of the National Agreement. Provisions may be included in Supplementary Local Agreements to supplement, but not to change, provisions of the National Agreement.

ARTICLE XVI TERM, TERMINATION OR MODIFICATION

Section 16.01 RULES FOR MAKING MODIFICATIONS IN MID-TERM.

After this National Agreement has been signed and the Local Agreements, supplementary to this National Agreement, have been signed and approved by the International Office of the Union and the Vice President, Human Re-

sources, of the Company or an authorized representative, no provision of any of said Agreements may be modified, changed or amended during the life of the Agreement, except by mutual consent in writing between the Union and the Company, and only at a conference called for such purpose by the Parties. Any such modification, change or amendment must be duly ratified in the same manner as the Agreement which is affected.

Section 16.02 NOTICE OF CHANGE.

Either Party may give written notice sixty (60) days prior to April 1, 2004, or sixty (60) days prior to any subsequent anniversary date of this National Agreement, of any proposed change or changes of this National Agreement. Whenever such notice of change is given, the Party giving the notice shall submit its proposals in writing to the other Party prior to the end of thirty (30) days from the date of notice. If the Parties do not reach an agreement with respect to such proposals on or before April 1, 2004, or on or before a subsequent April 1 anniversary date of this National Agreement, whichever is applicable, *the first sentence of Section 2.02 of this National Agreement shall not apply*, but all other provisions of this National Agreement shall continue in full force and effect, except that there shall be no grievance or arbitration as to work that may be performed for the Company during any resulting cessation of work.

Section 16.03 TERM AND NOTICE OF TERMINATION.

This National Agreement shall become effective as of April 1, 2001, upon ratification as herein-before provided, and shall continue in full force and effect to and including April 1, 2004, and thereafter shall be automatically renewed from year to year unless notice in writing shall be given by either party to the other of its termination sixty (60) days prior to its expiration date of April 1, 2004, or a subsequent applicable expiration date after automatic renewal, in which event it shall terminate on its expiration date unless, by mutual agreement, it is extended for a further period of time.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers and representatives on the date first written above.

THOMSON MULTIMEDIA INC.

APPROVED:

/s/

Tracy L. Wagner
Director, HR Displays and Components
Thomson multimedia Inc.

**INTERNATIONAL BROTHERHOOD OF ELECTRICAL
WORKERS, AFL-CIO**

APPROVED:

/s/

Edwin Hill
International President
IBEW, AFL-CIO

APPENDIX I

APPENDIX I

The following locations are those referred to in Article 1 of the National Agreement:

1. INDIANAPOLIS, INDIANA, PLANT

Local No. 1048

The Company recognizes the Union as the sole and exclusive bargaining agency for all the hourly paid production and maintenance employees, warehousing employees and hourly paid employees in the model shop, engineering department and warranty service at the Indianapolis Plant of the Company. The following are excluded:

- a. All executive, administrative, clerical and office employees.
- b. All cooperative students (limited to ten (10) at any time).
- c. All salaried technical and professional employees.
- d. All supervisory employees with authority to hire, promote, discipline, discharge or otherwise effect changes in the status of employees, or effectively to recommend such action, and
- e. Truck drivers.

2. LANCASTER, PENNSYLVANIA, PLANT

Local No. 1666

The Company recognizes the Union as the sole collective bargaining agency with respect to rates of pay, wages, hours and other conditions of employment at the Lancaster Plants of the Company for all production and maintenance, and warehousing employees, including such employees in the Engineering and Equipment Development Sections and gas house employees, but excluding all tool and die makers, machinists, maintenance machinists, machinist grinders, and machinist heat treaters, technical employees, professional employees, clerical employees, office employees, timestudy engineers and all group leaders and other supervisors as defined in Section 2 (11) of the Labor Management Relations Act of 1947, as amended.

3. MARION, INDIANA, PLANT
Local No. 1160

The Company recognizes the Union as the exclusive bargaining representative for all production, maintenance and warehouse employees at its Marion Plant and satellite warehouses controlled by or directed from the Marion Plant including Group Leaders and Leadmen, but excluding technical and professional employees, guards, office and clerical employees, and supervisors as defined in Section 2 (11) of the Labor Management Relations Act of 1947, as amended.

APPENDIX 2

Mr. Edwin Hill
International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005

Re: Point of Service Plan

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia, Inc. (hereinafter referred to as the Company) Point of Service Plan (hereinafter referred to as the Plan) for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

Provisions of the present Plan appear in the current Summary Plan Description and will continue except as amended herein and except as may otherwise be required by law. Amendments to the Plan are outlined immediately below and are effective July 1, 2001 unless specifically stated to the contrary herein. The Plan, as amended, will be more fully described in an amended Summary Plan Description which will be distributed by the Company to the Union and all employees eligible to participate in the Plan as soon as reasonably possible.

THOMSON POINT OF SERVICE PLAN

1. Effective July 1, 2001, January 1, 2002, and January 1, 2003, employee contributions shall be increased by \$2.00, \$1.00 and \$1.00 respectively as shown below:

Weekly Contribution

<u>Base Wage</u>		<u>7/1/2001</u>	<u>1/1/2002</u>	<u>1/1/2003</u>
<\$20,000	Empl. Only	\$5.00	\$6.00	\$7.00
	Empl.+1 Dependent	\$6.00	\$7.00	\$8.00
	Family	\$7.00	\$8.00	\$9.00
<u>\$20,000-</u> \$49,999	Empl. Only	\$5.50	\$6.50	\$7.50
	Empl.+1 Dependent	\$7.00	\$8.00	\$9.00
	Family	\$8.00	\$9.00	\$10.00
<u>\$50,000 &</u> Over	Empl. Only	\$6.00	\$7.00	\$8.00
	Empl.+1 Dependent	\$8.00	\$9.00	\$10.00
	Family	\$9.00	\$10.00	\$11.00

2. Effective July 1, 2001, participants in the Thomson Point of Service Plan will be required to pay the following for prescription drugs:
 - When prescriptions are filled at network pharmacies, participants will pay the cost of a generic drug to a maximum of \$10 and the cost of a name-brand drug to a maximum of \$15.
 - When prescriptions are filled through the mail order prescription program, participants will pay \$10 for each generic drug and \$15 for each name-brand drug for a 90 day supply.
3. Effective July 1, 2001, an employee with three (3) or more years of continuous service who is placed on layoff from the Company will be allowed to continue health or HMO coverage for himself or herself and his/her dependent(s) by paying the amount that would have been payroll deducted if the employee had remained on payroll, for the first six months of layoff. Thereafter, the employee will pay 33-1/3% of the cost/value of the selected health plan for the remainder of the layoff.

An employee with less than three (3) years of continuous service who is placed on layoff from the Company will pay 33-1/3% of the cost/value of the selected health plan for the entire layoff period.
4. Effective July 1, 2001, the \$2 Million lifetime maximum benefit under this Plan will be eliminated.

GENERAL

The foregoing revisions to the Plan will apply to covered services incurred on or after July 1, 2001 and will apply to all employees at work on that date, as well as to employees absent from work on July 1, 2001 due to layoff, disability, jury duty, holiday, vacation, death-in-family, marriage, approved union business, other approved leaves of absence and any other absence approved by the Company, and to qualified beneficiaries continuing coverage under the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA).

The annual base wage upon which contributions, deductibles and out-of-pocket maximums are based is the annualized hourly wage which equals the employee's

applicable hourly wage rate times the number of hours in such employee's regularly scheduled work week times fifty-two (52) weeks.

The contribution required for Thomson-employed spouses to cover eligible dependent children will be based on the contribution rate of the higher paid spouse. The lower paid spouse will not be required to make a contribution and will be covered as a dependent of the higher paid spouse. Deductibles and out-of-pocket maximums applicable to Thomson-employed spouses will likewise be based on those applicable to the higher paid spouse.

Except as outlined on previous pages, there shall be no other material change to the Plan with respect to deductibles and annual out-of-pocket maximum schedules, coverage or eligibility requirements for employees subject to this Understanding, except as may be agreed between the parties in writing or as may be required by law. The Company may make such changes as it may determine in other respects, including, without limitation, employer's administration, contracts with insurance companies or administrators and any change in respect of employees not covered by this Understanding.

The Company and Union agree that the Plan shall comply with any and all applicable requirements under the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder and under applicable Internal Revenue Code Sections 105, 125 and 129 and the rules and regulations thereunder along with any other statutory or administrative requirement.

The Plan shall be subject to and effective only on approval of the Commissioner of Internal Revenue as to compliance thereof with the requirements of the Internal Revenue Code and regulations thereunder governing a Code Section 125 Plan and to such approvals as counsel for the Company determines are necessary or desirable.

Words used in this Understanding have the meaning of such words as used in the Plan except as otherwise stated.

Any bargaining unit of employees of the Company for which the Union shall hereafter be recognized as collective bargaining representative shall automatically be included in and covered by the terms of this Understanding.

The Union hereby agrees and consents for and on behalf of all employees for whom the Union is the bargaining agent to all amendments of the Plan which the Company may make in accordance with this Understanding.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the parties, unless terminated at an earlier date by mutual consent of said parties. The Union agrees that it will not directly, or indirectly, during such term request or bargain for any change in such Plan in addition to those that have been specifically agreed upon herein.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays and Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill

**International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005**

Re: Health Plan for Future Retirees

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia Inc. (hereinafter referred to as the Company) medical benefits provided for future eligible retired employees and their eligible dependents for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

For the term of the National Agreement dated April 1, 2001, medical benefits provided to eligible bargaining unit employees who retire during the term of the Agreement shall continue unchanged except as noted below:

The following changes apply to employees who retire on or after July 1, 2001 and who enroll in the Thomson Point of Service Plan for Retirees, Supplemental Plan A or Supplemental Plan F. These participants will be required to pay for prescription drugs as follows:

- The cost of a generic drug up to \$10 and the cost of a name-brand drug up to \$15 for prescriptions filled at network pharmacies.
- \$10 for each generic drug prescription and \$15 for each name-brand prescriptions for a 90 day supply through the mail order prescription program.

GENERAL

1. Consistent with the provisions of this Agreement, post-retirement medical benefits provided for future eligible retired employees and their eligible dependents under this Agreement will remain in effect for so long as this Agreement remains in effect.
2. Medicare coverage provides primary health insurance coverage for eligible participants. Plan benefits are then payable in accordance with the provisions of the Plan and, in all cases, are secondary to Medicare coverage.

The Company and Union agree that the Plan shall comply with any and all applicable requirements under the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder and the Internal Revenue Code of 1986 (Code) and the rules and regulations thereunder along with any other applicable statutory or administrative requirements.

There shall be no material change in the Plan with respect to participant contributions, eligibility, coverage and deductible and out-of-pocket maximum levels except as amended in writing by the parties in accord with this Understanding or as may be required by law. The Company may make such changes as it may determine in other respects, including, without limitation, employer's administration, contracts with insurance companies or administrators and any change in respect of employees not covered by this Understanding.

The Plan shall be subject to and effective only on approval of the Commissioner of Internal Revenue as to compliance thereof with the applicable requirements of the Internal Revenue Code and regulations thereunder and to such approvals as counsel for the Company determines are necessary or desirable.

Words used in this Understanding have the meaning of such words as used in the Plan except as otherwise stated.

Any bargaining unit of employees of the Company for which the Union shall hereafter be recognized as collective bargaining representative shall automatically be included in and covered by the terms of this Understanding.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the parties, unless terminated at an earlier date by mutual consent of said parties.

The Union hereby agrees and consents for and on behalf of all employees for whom the Union is the bargaining agent to all amendments of the Plan which the Company may make in accord with this understanding.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays and Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005

Re: Dental Plan

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia Inc. (hereinafter referred to as the Company) Dental Plan (hereinafter referred to as the Plan) for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

Provisions of the present Plan appear in the current Summary Plan Description and will continue unchanged until April 1, 2004 except as amended herein and except as may otherwise be required by law. Amendments to the Plan are outlined immediately below and are effective July 1, 2001 unless specifically stated to the contrary herein.

The Plan, as amended, will be more fully described in an amended Summary Plan Description which will be distributed by the Company to the Union and all employees eligible to participate in the Plan as soon as reasonably possible.

1. Effective July 1, 2001, the waiting period for eligibility purposes will be reduced from one (1) year to 60 days.
2. Effective July 1, 2001, an employee who is placed on layoff and has three (3) or more years of continuous service as of the date of layoff will be allowed to continue coverage under the Dental Plan for himself/herself and his/her dependents at no cost for the first six (6) months of layoff. Thereafter, such employee will pay 33-1/3% of the cost/value of the Dental Plan for the remainder of the layoff period.

An employee who is placed on layoff and who does not have at least 3 years of continuous service will pay 33-1/3% of the cost of the Dental Plan for coverage for himself/herself and his/her dependents for the duration of the layoff period.

All other provisions of the Dental Plan remain in effect. The changes set forth above will be effective July 1, 2001

and will apply to all employees at work on that date and to employees absent from work on that date due to approved leave of absence, layoff, jury duty, holiday, vacation, death-in-family, and marriage and to qualified beneficiaries continuing coverage under the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

It is understood and agreed that the Company may change the claims administrator at any time if deemed by the Company to be more efficient.

It is also understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the parties, unless terminated at an earlier date by mutual consent of the parties.

It is understood and agreed that this letter and benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the parties, unless terminated at an earlier date by mutual consent of the parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005

Re: Vision Care Program

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia Inc. (hereinafter referred to as the Company) Vision Care Program (Program) for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

The vision benefits provided under the Program will continue unchanged as described more fully in a Summary Program Description, copies of which will be distributed by the Company to the Union and all employees eligible to participate in the Program as soon as reasonably possible.

The Company and Union agree that the Program shall comply with any and all applicable requirements under the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder and the Internal Revenue Code of 1986 (Code) and the rules and regulations thereunder along with any other statutory or administrative requirement. All amendments to the Program shall be subject to such approvals as counsel for the Company determines are necessary or desirable.

There shall be no material change in the Program with respect to eligibility and coverage except as amended in writing by the Parties in accord with this Understanding or as may be required by law. The Company may make such changes as it may determine in other respects, including, without limitation, employer's administration, contracts with providers and any change in respect of employees not covered by this Understanding.

Words used in this Understanding have the meaning of such words as used in the Program except those as otherwise stated.

Any bargaining unit of employees of the Company for which the Union shall hereafter be recognized as collec-

tive bargaining representative shall automatically be included in and covered by the terms of this Understanding.

The Union hereby agrees and consents for and on behalf of all employees for whom the Union is the bargaining agent to all amendments of the Program which the Company makes in accord with this Understanding.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the Parties, unless terminated at an earlier date by mutual consent of said Parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005

Re: Long Term Disability Insurance

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia Inc. (hereinafter referred to as the Company) Long Term Disability Insurance Plan (hereinafter referred to as the Plan) for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

The benefits provided under the Plan will continue unchanged as described more fully in the current Summary Plan Description, updated copies of which will be distributed by the Company to the Union and all employees eligible to participate in the Plan as soon as reasonably possible.

The Company and Union agree that the Plan shall comply with any and all applicable requirements under the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder and the Internal Revenue Code of 1986 (Code) and the rules and regulations thereunder along with any other statutory or administrative requirements.

There shall be no material change in the Plan with respect to eligibility and coverage except as amended in writing by the Parties in accord with this Understanding or as may be required by law. The Company may make such changes as it may determine in other respects, including, without limitation, premium rates, employer's administration, contracts with insurance companies or trustees and any change in respect of employees not covered by this Understanding.

Words used in this Understanding have the meaning of such words as used in the Plan except as otherwise stated.

Any bargaining unit of employees of the Company for which the Union shall hereafter be recognized as collective bargaining representative shall automatically be included in and covered by the terms of this Understanding.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the Parties, unless terminated at an earlier date by mutual consent of said Parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above, please sign seven (7) copies of this letter in the space indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005

Re: Temporary Disability Insurance

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia Inc. (hereinafter referred to as the Company) Temporary Disability Plan for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

Effective July 1, 2001, the weekly benefit under the schedule provided in the Plan will be amended to reflect an increase of \$25 at each level. The increased benefit will apply to non-occupational injuries or illnesses for which an employee is placed on medical leave of absence on or after July 1, 2001. Updated copies of the Summary Plan Description will be distributed to the Union and all employees eligible to participate in the Plan as soon as reasonable possible.

The remainder of the benefits provided under the Plan will continue unchanged as described more fully in the Summary Plan Description, copies of which will be distributed by the Company to the Union and all employees eligible to participate in the Plan as soon as reasonably possible.

The Company and Union agree that the Plan shall comply with any and all applicable requirements under the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder and the Internal Revenue Code of 1986 (Code) and the rules and regulations thereunder along with any other statutory or administrative requirement. All amendments to the Plan shall be subject to such approvals as counsel for the Company determines are necessary or desirable.

There shall be no material change in the Plan with respect to eligibility and coverage except as amended in writing by the Parties in accord with this Understanding or as may be required by law. The Company may make

such changes as it may determine in other respects, including, without limitation, employer's administration, contracts with providers and any change in respect of employees not covered by this Understanding.

Words used in this Understanding have the meaning of such words as used in the Plan except as otherwise stated.

Any bargaining unit of employees of the Company for which the Union shall hereafter be recognized as collective bargaining representative shall automatically be included in and covered by the terms of this Understanding.

The Union hereby agrees and consents for and on behalf of all employees for whom the Union is the bargaining agent to all amendments of the Plan which the Company makes in accord with the this Understanding.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present *Collective Bargaining Agreement* existing between the Parties, unless terminated at an earlier date by mutual consent of said Parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill

**International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005**

Re: Group Life Insurance

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding (Understanding) reached during negotiations concluded today with respect to the Thomson multimedia Inc. (Company) Group Life Insurance Plan (Plan) for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (Union) and covered by the National Agreement dated April 1, 2001 between the Company and the Union.

Provisions of the present Plan appear in the current Summary Plan Description and will continue unchanged except as may otherwise be required by law. The Plan will be described more fully in the Summary Plan Description, which will be distributed by the Company to the Union and all employees eligible to participate in the Plan as soon as reasonably possible.

The Company and Union agree that the Plan shall comply with any and all applicable requirements under the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder and the Internal Revenue Code of 1986 (Code) and the rules and regulations thereunder along with any other statutory or administrative requirement.

There shall be no material change in the Plan with respect to eligibility and coverage except as amended in writing by the Parties in accord with this Understanding or as may be required by law. The Company may make such changes as it may determine in other respects, including, without limitation, premium rates, employer's administration, contracts with insurance companies or trustees and any change in respect of employees not covered by this Understanding.

Words used in this Understanding have the meaning of such words as used in the Plan except as otherwise stated.

Any bargaining unit of employees of the Company for which the Union shall hereafter be recognized as collective bargaining representative shall automatically be included in and covered by the terms of this Understanding.

The Union hereby agrees and consents for and on behalf of all employees for whom the Union is the bargaining agent to all amendments of the Plan which the Company may make in accord with this Understanding.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the Parties, unless terminated at an earlier date by mutual consent of the Parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

**/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.**

**ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH. 2001**

**/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO**

Mr. Edwin Hill

International President International Brotherhood of Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W. Washington, D.C. 20005

Re: Additional Life Insurance

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia Inc. (hereinafter referred to as the Company) Additional Life Insurance Plan (hereinafter referred to as the Plan) for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

The additional life insurance benefits provided under the Plan will continue unchanged as described more fully in the current Summary Plan Description, updated copies of which will be distributed by the Company to the Union and all employees eligible to participate in the Plan as soon as reasonably possible.

The Company and Union agree that the Plan shall comply with any and all applicable requirements under the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder and the Internal Revenue Code of 1986 (Code) and the rules and regulations thereunder along with any other statutory or administrative requirement.

There shall be no material change in the Plan with respect to eligibility and coverage except as amended in writing by the Parties in accord with this Understanding or as may be required by law. The Company may make such changes as it may determine in other respects, including, without limitation, premium rates, employer's administration, contracts with insurance companies or trustees and any change in respect of employees not covered by this Understanding.

Words used in this Understanding have the meaning of such words as used in the Plan except as otherwise stated.

Any bargaining unit of employees of the Company for which the Union shall hereafter be recognized as collective bargaining representative shall automatically be included

in and covered by the terms of this Understanding.

The Union hereby agrees and consents for and on behalf of all employees for whom the Union is the bargaining agent to all amendments of the Plan which the Company may make in accord with this Understanding.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the Parties, unless terminated at an earlier date by mutual consent of said Parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Edwin Hill
National President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005

: Dependent Life Insurance

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson Multimedia Inc. (hereinafter referred to as the Company) Dependent Life Insurance Plan (hereinafter referred to as the Plan) for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

The benefits provided under the Plan will continue unchanged except as outlined below. The Plan will be more fully in the Summary Plan Description which will be distributed by the Company to the Union and all employees eligible to participate in the Plan as soon as reasonably possible.

1. Effective July 1, 2001, the waiting period to participate in the Plan will be reduced from one (1) year to 60 days.
2. Three additional tiers of benefits will be added to the Plan as follows:

<u>Spouse</u>	<u>Monthly Premium</u>	<u>Child or Children</u>	<u>Monthly Premium</u>
\$25,000	\$7.05	\$5,000	\$1.78
\$30,000	\$8.46	\$6,000	\$2.13
\$35,000	\$9.87	\$7,000	\$2.48

3. An open enrollment period will be provided prior to the July 1, 2001 implementation date to allow current participants to increase the coverage for their spouse and/or child(ren) or to enroll in the Plan at any level. No evidence of good health will be required to enroll or to increase their level of coverage.

The Company and Union agree that the Plan shall comply with any and all applicable requirements under the Employee Retirement Income Security Act of 1974 as amended, and the rules and regulations thereunder and the Internal Revenue Code of 1986 (Code) and the rules and regulations thereunder along with any other applicable statutory or administrative requirements.

There shall be no material change in the Plan with respect to eligibility and coverage except as amended in writing by the Parties in accord with this Understanding or as may be required by law. The Company may make such changes as it may determine in other respects, including, without limitation, premium rates, employer's administration, contracts with insurance companies or trustees and any change in respect of employees not covered by this Understanding.

Words used in this Understanding have the meaning of such words as used in the Plan except as otherwise stated.

Any bargaining unit of employees of the Company for which the Union shall hereafter be recognized as collective bargaining representative shall automatically be included in and covered by the terms of this Understanding.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the Parties, unless terminated at an earlier date by mutual consent of said Parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above, please sign seven (7) copies of this letter in the space indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005

Re: Employee Assistance Plan

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia Inc. (hereinafter referred to as the Company) Employee Assistance Plan (Plan) for employees represented by the International Brotherhood of Electrical Workers, AFL- CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

The employee assistance benefits provided under the Plan will continue unchanged as described more fully in the Summary Plan Description, copies of which will be distributed by the Company to the Union and all employees eligible to participate in the Plan as soon as reasonably possible.

The Company and Union agree that the Plan shall comply with any and all applicable requirements under the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder and the Internal Revenue Code of 1986 (Code) and the rules and regulations thereunder along with any other statutory or administrative requirement. All amendments to the Plan shall be subject to such approvals as counsel for the Company determines are necessary or desirable.

There shall be no material change in the Plan with respect to eligibility and coverage except as amended in writing by the Parties in accord with this Understanding or as may be required by law. The Company may make such changes as it may determine in other respects, including, without limitation, employer's administration, contracts with providers and any change in respect of employees not covered by this Understanding.

Words used in this Understanding have the meaning of such words as used in the Plan except those as otherwise stated.

Any bargaining unit of employees of the Company for which the Union shall hereafter be recognized as collective

bargaining representative shall automatically be included in and covered by the terms of this Understanding.

The Union hereby agrees and consents for and on behalf of all employees for whom the Union is the bargaining agent to all amendments of the Plan which the Company makes in accord with this Understanding.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the Parties, unless terminated at an earlier date by mutual consent of said Parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill

**International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005**

Re: Restoration of Continuous Service

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the restoration of continuous service credit for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between Thomson multimedia Inc. (hereinafter referred to as the Company) and the Union.

Any employee whose continuous service credit is broken as the result of (1) not being recalled to work after a layoff from the Bargaining Unit, (2) failure to return to work before the expiration of the time limit of an approved leave of absence or (3) voluntary resignation, and who is subsequently reemployed in the Bargaining Unit shall be credited with the continuous service credit accrued at the time any of the foregoing caused the most recent break in the employee's continuous service credit, provided such employee accumulates three (3) years of unbroken continuous service credit after being reemployed. Upon accumulating three (3) years of unbroken continuous service credit after reemployment, the employee's continuous service credit shall thereupon be recomputed, and such recomputed continuous service credit of the employee shall apply to the following benefits:

- (1) Absence Pay;
- (2) Vacation;
- (3) Layoff Allowance/Pay.

Any period between the date an employee was removed from payroll and the date such employee was reemployed shall not be included in any recomputation of continuous service credit hereunder. In addition, the provisions of Section 9.01 of the National Agreement which base an employee's seniority "upon continuous service credit from the first date of the employee's unbroken continuous service" shall not be applicable after the recomputation of an employee's continuous service credit here-

under so that the employee's seniority shall date only from the employee's most recent date of reemployment.

It is understood and agreed that this letter shall be effective only for the duration of the present Collective Bargaining Agreement existing between the Parties, unless terminated at an earlier date by mutual consent of said Parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
March 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President
International Brotherhood of Electrical Workers (AFL-CIO)
1125 Fifteenth Street, N.W. Washington, D.C. 20005
Re: Pension Plan - Union Leaves

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to Thomson multimedia Inc. (hereinafter referred to as the Company) Pension Plan for Employees on leave of absence for Union business (hereinafter referred to as the Plan) for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

Section 10.03 of the National Agreement provides for such leaves for the purpose of administering the Collective Bargaining Agreement between the Parties. To assure that such employees are not disadvantaged with regard to the Plan while on such leave for periods of more than five (5) consecutive regular work days, the Company agrees that their Plan account with respect to pay-based credits shall be determined as provided in Sections 5.1 (b) and 5.6 of the Plan when they return to active employment with the Company from such leave. Such employees shall continue to earn their applicable transition benefit as provided in Section 17.1 (c) of the Plan while on such leave. All applicable quarterly interest credits will be credited as provided in Section 5.1 (c) of the Plan.

For purposes of this Understanding, it is also agreed that the Plan account of employees on Union business for any period of five (5) or less consecutive regular work days shall be determined as provided in Section 5 of the Plan except that the Union shall be responsible for reimbursing the Company for all applicable pay-based credits as determined thereunder.

Each such reimbursement by the Union shall be made to the Company within fifteen (15) days of the end of each calendar quarter. Such reimbursements shall be based on the actual number of Union activity hours shown to have been performed as recorded on each such employee's time card or other Company attendance

record. The making of such reimbursements shall not, in any way, be deemed to bring the Union within the definition of Employer for purposes of the Plan.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement between the parties, unless terminated at an earlier date by mutual consent of the parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005

Re: Long Term Disability Insurance - Union Leaves

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia Inc. (hereinafter referred to as the Company) Long Term Disability Insurance Plan for employees on leave of absence for Union business (hereinafter referred to as the Plan) for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

Employees who are on a leave of absence for Union business or who take such a leave of absence during the term of this Agreement will be eligible to participate in the Plan subject to its terms and conditions. Such employees will be eligible to continue or (if applicable) begin coverage under the Plan in accordance with the current base wage of the occupational classification in which the employee worked when the employee began or begins such leave of absence.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement between the parties, unless terminated on an earlier date by mutual consent of the parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above, please sign seven (7) copies of this letter in the space indicated below and return them to me.

Very truly yours,

/s/ **Tracy L. Wagner**
Director, HR Displays & Components
Thomson multimedia Inc.

**ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001**

/s/ **Edwin Hill**
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005

Re: Life Insurance - Union Leaves

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia Inc. (hereinafter referred to as the Company) Life Insurance Plan (hereinafter referred to as the Plan) for employees on leave of absence for Union business represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

Employees who are on a leave of absence for Union business will be eligible to continue life insurance in the amount shown in the Plan's Life Insurance Schedule for the current base wage of the occupational classification in which the employee worked when the employee went on such leave. The amount of life insurance may be increased on the effective date of any subsequent increase in the base wage for the employee's occupational classification which provides for more insurance. If the employee declines any applicable increase and later elects to increase his or her insurance, evidence of insurability will be required. Increases may not be made to life insurance during a period of disability. Life insurance may be continued by remitting the applicable premium in advance.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement between the parties, unless terminated on an earlier date by mutual consent between the parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above, please sign seven (7) copies of this letter in the space indicated be-

low and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30th DAY OF
MARCH 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

**Mr. Edwin Hill
International President
International Brotherhood of Electrical Workers, AFL-CIO
1125 Fifteenth Street, NW
Washington, DC 20005**

Re: Flexible Benefit Plan/Medical Reimbursement Account & Dependent Care Account

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia Inc. (hereinafter referred to as the Company) Medical Reimbursement Account and Dependent Care Account, both of which are part of the Flexible Benefit Plan (Flex Plan) for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

The benefits provided under this Flex Plan will continue unchanged except as noted below and are described more fully in the Summary Plan Description, copies of which will be distributed by the Company to the Union and all employees eligible to participate in the Plan as soon as reasonably possible.

- 1. Effective July 1, 2001, the one-year waiting period will be eliminated and any employee who is on active payroll as of any December 31 will be allowed to participate in either or both of these plans the following January 1.**

The Company and Union agree that the Plan shall comply with any and all applicable requirements under the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder and the Internal Revenue Code of 1986 (Code) and the rules and regulations thereunder along with any other statutory or administrative requirement. All amendments to the Plan shall be subject to such approvals as counsel

for the Company determines are necessary or desirable.

There shall be no material change in the Plan with respect to eligibility and coverage except as amended in writing by the parties in accord with this Understanding or as may be required by law. The Company may make such changes as it may determine in other respects, including, without limitation, employer's administration, contracts with providers and any change in respect of employees not covered by this Understanding.

Words used in this Understanding have the meaning of such words as used in the Plan except as otherwise stated.

Any bargaining unit of employees of the Company for which the Union shall hereafter be recognized as collective bargaining representative shall automatically be included in and covered by the terms of this Understanding.

The Union hereby agrees and consents for and on behalf of all employees for whom the Union is the bargaining agent to all amendments of the Plan which the Company makes in accord with this Understanding.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the parties, unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

**Mr. Edwin Hill
International President
International Brotherhood of Electrical Workers, AFL-CIO
1125 Fifteenth Street, NW
Washington, DC 20005**

**Re: Employee Benefit Plan/Group Automobile and
Homeowners Insurance Plan**

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia Inc. (hereinafter referred to as the Company) Employee Benefit Plan (Plan) for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

Effective July 1, 2001, employees will be provided an opportunity to participate in a group automobile and homeowners insurance plan. The Company will allow for payroll deductions for employees who enroll in either or both of these insurance plans. Employees will receive communication materials and instructions in a home mailing.

The Company and Union agree that the Plan shall comply with any and all applicable requirements under the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder and the Internal Revenue Code of 1986 (Code) and the rules and regulations thereunder along with any other statutory or administrative requirement. All amendments to the Plan shall be subject to such approvals as counsel for the Company determines are necessary or desirable.

There shall be no material change in the Plan with respect to eligibility and coverage except as amended in writing by the parties in accord with this Understanding or as may be required by law. The Company may make such changes as it may determine in other respects, including, without limitation, employer's administration, contracts with providers and any change in respect of em-

employees not covered by this Understanding.

Words used in this Understanding have the meaning of such words as used in the Plan except as otherwise stated.

Any bargaining unit of employees of the Company for which the Union shall hereafter be recognized as collective bargaining representative shall automatically be included in and covered by the terms of this Understanding.

The Union hereby agrees and consents for and on behalf of all employees for whom the Union is the bargaining agent to all amendments of the Plan which the Company makes in accord with this Understanding.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the parties, unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

**ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001**

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President
International Brotherhood of Electrical Workers, AFL-CIO
1125 Fifteenth Street, NW
Washington, DC 20005

Re: Business Travel Accident Insurance Plan

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the Thomson multimedia Inc. (hereinafter referred to as the Company) Business Travel Accident Insurance Plan (Plan) for employees represented by the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter referred to as the Union) and covered by the National Agreement dated March 30, 2001 between the Company and the Union.

The benefits provided under the Plan will continue unchanged as described more fully in the Summary Plan Description, copies of which will be distributed by the Company to the Union and all employees eligible to participate in the Plan as soon as reasonably possible.

The Company and Union agree that the Plan shall comply with any and all applicable requirements under the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder and the Internal Revenue Code of 1986 (Code) and the rules and regulations thereunder along with any other statutory or administrative requirement. All amendments to the Plan shall be subject to such approvals as counsel for the Company determines are necessary or desirable.

There shall be no material change in the Plan with respect to eligibility and coverage except as amended in writing by the parties in accord with this Understanding or as may be required by law. The Company may make such changes as it may determine in other respects, including, without limitation, employer's administration, contracts with providers and any change in respect of employees not covered by this Understanding.

Words used in this Understanding have the meaning

of such words as used in the Plan except as otherwise stated.

Any bargaining unit of employees of the Company for which the Union shall hereafter be recognized as collective bargaining representative shall automatically be included in and covered by the terms of this Understanding.

The Union hereby agrees and consents for and on behalf of all employees for whom the Union is the bargaining agent to all amendments of the Plan which the Company makes in accord with this Understanding.

It is understood and agreed that this letter and the benefits made available hereunder shall be effective only for the duration of the present Collective Bargaining Agreement existing between the parties, unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of

Electrical Workers, AFL-CIO

**Mr. Edwin Hill
International President
International Brotherhood of Electrical Workers, AFL-CIO
1125 Fifteenth Street, NW
Washington, DC 20005**

Re: Skilled Trades Training Program

Dear Mr. Hill:

March 30, 2001

This will confirm our understanding reached during negotiations concluded today with respect to the establishment of a framework for further discussions regarding a training program to provide skilled trades employees the opportunity, on a voluntary basis, to acquire new or additional skills and versatility and thereby advance through upgrading to an increased wage level. It is contemplated that the resulting training program and advanced wage rates will be applicable to the skilled trades occupational classifications identified below. It is further contemplated that the key elements of the resulting training program will include the following:

- 1. Opportunity for all current and future skilled trades employees to participate in training for new and additional skills on a voluntary basis.**
- 2. Recognition of advanced skills with corresponding wage increases of up to six percent (6%) above the maximum job rate of the occupational classification.**
- 3. Establishment of a joint Company/Union local committee at each participating facility to work with an independent outside source regarding the design of training curriculums and training certification requirements.**
- 4. Union local committee members to be selected by the Union from among bargaining unit employees.**
- 5. Procedure for skilled trades employees participating in the program who already possess advanced skills to "test out" of required courses and thereby advance more rapidly in the program.**
- 6. Training books and materials provided by the Company.**

7. Commitment of the parties to convene the Joint Committee within 60 days of contract ratification for purposes of further defining program requirements.

LOCATION	SKILLED TRADES PARTICIPATING CLASSIFICATIONS	
Indianapolis Plant	807	Electrician
	869	Maintenance Welder
	877	Mechanic
	887	Powerhouse Operator
	837	Toolmaker
Indianapolis	585	Cabinet Finishing Specialist
Technical Center	595	Electronic Specialist
	586	Model Maker
	525	Cabinet Model Maker
	535	Prototype Specialist
Marion	113	Equipment Plant Support
	114	Maintenance Mechanic
	115	Maintenance Electrician
	116	Environmental Service Attn.
	117	Electronics Specialist
	118	Tool & Die Maker
	204	Maintenance Specialist

The parties agree to renew the Skilled Trades Training Program Administrative Letter, with the understanding that it shall only be available on a voluntary basis to those eligible employees who have not previously enrolled and completed the Skilled Trades Training Program. Six percent (6%) shall be the maximum total wage increase available through this Program.

It is understood and agreed that this letter shall be effective only for the duration of the Collective Bargaining Agreement existing between the parties for the period commencing April 1, 2001 to April 1, 2004, unless terminated at an earlier date by mutual consent of said Parties.

If the foregoing is in accordance with your understanding, please sign seven (7) copies of this letter in the space

indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President
International Brotherhood of Electrical Workers, AFL-CIO
1125 Fifteenth Street, NW
Washington, DC 20005

Re: Benefits Review Committee

Dear Mr. Hill: March 30, 2001

This Administrative Letter will confirm agreements reached during negotiations between the International Brotherhood of Electrical Workers, AFL-CIO (IBEW), Thomson multimedia Inc. (Company), and the bargaining units represented by the IBEW at Company locations in Marion, Indiana; Indianapolis, Indiana; Circleville, Ohio; and Lancaster, Pennsylvania (Union), regarding the establishment of a Benefits Review Committee (Committee). The parties agree to establish the Committee as soon as possible following these negotiations, but in no event later than July 1, 2001. The Union and the Company agree to utilize the Committee to review current benefit plans and benefit delivery systems, and to explore whether alternative benefit plans should be considered and implemented. The Parties agree that it is their intent to provide a benefit program that is cost competitive, that contains a comprehensive set of benefits, and that delivers such benefits by health care providers and insurance carriers committed to the highest level of quality and service to participants.

The composition of the Committee will include one (1) Union representative from each Company location covered by this Letter, two (2) representatives of the International Union, and an equal number of Company representatives. The Committee will meet not less than once every six (6) months, unless otherwise agreed, and such meetings will be held at mutually agreeable locations. The Company will pay all bargaining unit employees who serve on such Committee up to eight (8) straight time hours pay for each day spent participating in Committee meetings. The Company will pay for travel expenses of bargaining unit employees who serve on the Committee

according to the Company's travel and reimbursement guidelines.

The co-chairs of the Committee will be the Company's Manager Employee Benefits, North America, and an individual designated by the Union. A written agenda will be mutually prepared not less than ten (10) days in advance of each meeting. Examples of appropriate agenda items include long term disability plan/provider options, Putnam transition, current service provider issues, etc.

The Committee will be empowered by mutual agreement to retain a consultant(s) to assist the Parties in reviewing current benefit plans and potential future benefit plans. The Company will pay the cost for any consultant(s) retained by the Committee. Any benefit plan change mutually recommended by the Committee which would amend or modify the Collective Bargaining Agreements between the Parties will be subject to approval of the Company and ratification by the Union. Discussions between the parties pursuant to this Letter regarding potential changes in the Collective Bargaining Agreements will not constitute a contract re-opener, and all provisions of the Collective Bargaining Agreements between the Parties will remain in full force and effect.

No discussions or actions of the Committee will be basis of a grievance, arbitration proceeding, unfair labor practice change, or any administrative or legal proceeding, except that the Union will be permitted to grieve the failure of the Company to establish the Committee and/or to implement and follow the procedural requirements of this Letter. Neither this Letter nor the formation of the Committee will prevent the Union from filing grievances on benefits provisions contained in the Collective Bargaining Agreements between the Parties.

It is understood and agreed that this Letter will be effective only for the duration of the present Collective Bargaining Agreements existing between the Parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this Letter at the place indicated below and return them to me.

Very truly yours,
/s/ Tracy L. Wagner

Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill

International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President
International Brotherhood of Electrical Workers, AFL-CIO
1125 Fifteenth Street, NW
Washington, DC 20005

Re: Employee Participation Program

Dear Mr. Hill:

March 30, 2001

This Administrative Letter will confirm agreements reached during negotiations between the International Brotherhood of Electrical Workers, AFL-CIO ("IBEW"), Thomson multimedia Inc. ("Company"), and the bargaining units represented by the IBEW at Company locations in Marion, Indiana; Indianapolis, Indiana; Circleville, Ohio; and Lancaster, Pennsylvania (Union), regarding the joint implementation of an Employee Participation Program ("EPP").

The management of the Company and the leadership of the Union have embraced a labor/management relationship founded upon trust, cooperation and shared goals. The primary goals of the EPP are to promote the success of the Company's business, to provide secure and rewarding jobs for its employees, and to provide quality service and products to meet the needs of its customers. The purpose of this Letter is to create a labor/management structure to support the above objectives and a work environment that will further these goals.

The Company and the Union are committed to dealing with workplace issues in a manner that is consistent with the purpose and intent of this Letter. Accordingly, this Letter will be interpreted and administered to support the above-stated labor/management goals balancing the interests of employees, the Company's shareholders, and its customers.

Pursuant to the above goals and objectives, the Parties hereby agree to the following with respect to the Employee Participation Program:

(a) An EPP National Oversight Review Group, EPP Local Oversight Committees, and EPP Task Forces will be

created pursuant to this Letter. EPP Oversight Committees and EPP Task Forces will be established in each of the Company's plants with IBEW-represented employees.

- (b) The Parties will establish EPP Local Oversight Committees to be composed of the Union's Business Manager at each plant with IBEW-represented employees and two (2) members of the local bargaining unit at such location appointed by the Business Manager. The Company's Human Resource Manager at each plant location will also be a member of the Local Oversight Committee, and the Human Resource Manager will appoint two (2) other Company representatives to serve on such Committee. The Committee at each plant location will mutually establish goals and objectives for the EPP, create agenda items for the EPP and establish and oversee Local EPP Task Forces as necessary, consistent with the goals and objectives of this Letter.
- (c) EPP Task Forces will function at each plant location as directed by the plant EPP Local Oversight Committee. The composition, agenda, and duration of each Task Force will be controlled by the plant EPP Oversight Committee. The purpose of such Task Forces will be to carry out specific assignments consistent with the goals and objectives of this Letter.
- (d) The Parties will establish a National Oversight Review Group to ensure that the EPP Local Oversight Committees and Task Forces are functioning effectively and are following the parameters set forth in this Letter. The National Oversight Review Group will include the International Union Director of Manufacturing, or designee, and two (2) other Union representatives appointed by such individual and the Company's Director of Human Resources, Displays and Components, Americas, or designee, and two (2) other Company representatives appointed by such individual.
- (e) EPP Local Oversight Committees and EPP Task Forces may be mutually directed by the Company and the International Union to analyze a specific process or operation or may be asked to examine plant-wide issues or areas of concern (e.g., safety, scrap, quality, productivity).

- (f) No member of the EPP Local Oversight Committees, Task Forces, or the National Oversight Review Group will engage in any activities or make any recommendations that conflict with or address any terms or conditions of the Collective Bargaining Agreements between the parties, and no aspect of the EPP will reduce or otherwise impact upon any contractual rights or privileges of the Company and the Union under the Collective Bargaining Agreements between the Parties.
- (g) The Company will pay employees who serve on EPP Local Oversight Committees and Task Forces at their applicable hourly rate for time spent participating in EPP activities pursuant to this Letter. The Union and the Company agree that EPP activities will not interfere with Company operations, including plant production schedules, and every effort will be undertaken by the Parties to schedule EPP activities during EPP participating employees' regularly-scheduled work time and to minimize any overtime compensation created by EPP activities.
- (h) The Parties may utilize outside (neutral) sources to provide guidance and advice to increase the effectiveness of the EPP should it be deemed necessary by the Parties in joint consultation. The cost of any outside assistance will be paid by the Company.
- (i) The Company and the Union agree to implement the EPP as soon as possible following these negotiations, but in no event later than July 1, 2001.
- (j) Neither the Union nor any employee member of the EPP will be liable to the Company, to any employee, or to any other person for any action taken or failure to take action while serving in the capacity of an employee representative or a member of the EPP. Further, neither the Company, nor any representative of the Company will be liable to the Union for any action taken or not taken pursuant to this Letter, except that the Union continues to have the right to grieve any violation of the Collective Bargaining Agreements between the Parties
- (k) The Company or the Union may, at any time, initiate discussions to amend this Letter. Either party may also terminate the EPP upon providing thirty (30) days written notice to the other party.

It is understood and agreed that this Letter will be effective only for the duration of the present Collective Bargaining Agreements existing between the Parties or as modified or terminated pursuant to Paragraph (k) above.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this Letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President
International Brotherhood of Electrical Workers, AFL-CIO
1125 Fifteenth Street, NW
Washington, DC 20005

Re: ETOP

Dear Mr. Hill:

March 30, 2001

This Administrative Letter will confirm the agreement reached during negotiations between the International Brotherhood of Electrical Workers, AFL-CIO (IBEW), Thomson multimedia Inc. (Company), and the bargaining units represented by the IBEW at Company locations in Marion, Indiana; Indianapolis, Indiana; Circleville, Ohio; and Lancaster, Pennsylvania (Union), regarding the Company's commitment to the enhancement of employee education, training, and development through a partnership with the IBEW. In order to meet this joint labor/management objective of increasing an employees' specific skill level and improving employees' overall job security in the community, the parties agree to utilize the Enhanced Training Opportunity Program (ETOP) to provide workplace skills instruction, computer skills development, and academic career counseling for bargaining unit employees.

Structure

Following these negotiations, in no event later than July 1, 2001, each Company IBEW-represented location will establish a Joint Local Committee to evaluate the skills, education, and training needs of the workforce based on the long and short-term goals of the Company and its employees. The Joint Committees will work with ETOP to develop a training plan for their particular location. There will be an equal number of Company and Union representatives serving on the Joint Committee established at each location.

Funding

Circleville and Marion: For the purposes of initial facilitation during the first year of the Agreement, the Company will provide a minimum of \$100,000 in funding for ETOP

for Marion and Circleville. The Company will also provide a minimum of \$250,000 in funding for each location during the second and third years of the Agreement.

Indianapolis and Lancaster: The Company will forego funding or facilitation until an assessment review is completed and recommendation is received from ETOP for these two locations.

Implementation of Training Centers at Circleville and Marion

- Each location will identify and dedicate not less than 4,000 square feet of contiguous floor space, or as otherwise agreed, to establish an ETOP administered Training Center.
- The design of each training Center will be a collaborative activity between the Company, the Union, and ETOP's national office.
- The Company will bear the cost of build-out for each Training Center to mutually-agreed upon design specifications.
- ETOP will provide furnishings and equipment for the Training Centers at each location.
- The Company will provide basic services for each Training Center, e.g., electricity, heat, air conditioning, custodial care, etc.
- ETOP will initiate staffing at each Training Center during the first quarter of calendar year 2002.
- Each Training Center will be operational by April 1, 2002.
- Every effort will be made to deliver training beginning April 1, 2002.

Delivery of training outside the scope of this Administrative Letter

The Parties may, by mutual agreement, engage ETOP to deliver training outside the scope of this Administrative Letter. Such additional training will be at a cost to be negotiated between ETOP and the Company.

It is understood and agreed that this Letter will be effective for the duration of the present Collective Bargaining Agreements existing between the parties.

If the foregoing correctly expresses your understand-

ing of our agreement concerning the above subject, please sign seven (7) copies of this Letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President
International Brotherhood of Electrical Workers, AFL-CIO
1125 Fifteenth Street, NW
Washington, DC 20005

Re: Window Retirement Plan

Dear Mr. Hill:

March 30, 2001

This Administrative Letter will confirm our understanding reached during negotiations between the International Brotherhood of Electrical Workers, AFL-CIO ("Union") and Thomson multimedia Inc. ("Company") regarding the offering of a Window Retirement Plan. In accordance with our agreement, the Company will provide a buyout option for early retirement with a window from May 31, 2001, to August 31, 2001, for all employees (active and inactive) who are pension eligible (55 years of age or more) and who qualify pursuant to the formula outlined below to leave the Company's employment. The buyout amount shall be calculated according to the formula that follows and shall be in addition to any other benefit such employee may qualify for:

- At least 20 years but less than 25 years - 1 week of pay per year of service plus \$750.
- At least 25 years but less than 30 years - 1 week of pay per year of service plus \$1,250.
- At least 30 years but less than 35 years - 1 week of pay per year of service plus \$1,750.
- 35 years and over - 1 week of pay per year of service plus \$2,250.

The Company reserves the right to cap the number of individuals participating in this Plan to no more than thirty percent (30%) of eligible employees per Company location covered by this Agreement and the Company reserves the right to finalize the departure date of any employee participating in the Plan for up to ninety (90) days from the date the employee accepts the Plan.

There is no guarantee that employee's who participate in the Plan will be replaced by the Company.

Eligible employees will have up to forty-five (45) con-

secutive days to accept the Plan from the date the written description of the Plan is received by an eligible employee. A seven (7) day revocation period in addition to the forty-five (45) day period will also be provided for participating employees. Note: Eligible employees are not required to take the forty-five (45) days to make an election of whether to participate in this Plan and can decide to participate as soon as the "window" opens, subject only to the ninety (90) day Company option effective date outlined above.

It is understood and agreed that this Letter and the benefits made available hereunder shall be effective only for the duration specified above.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this Letter in the space indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

-
- 1 The Company is agreeable, if requested by the Union, to negotiate the opportunity for additional eligible employees to participate in this Plan if in excess of thirty percent (30%) of the eligible employees at any Company location elect to participate. In such event, the selection of eligible employees will be done on a seniority basis starting with the most senior employee. If mid-term negotiations occur between the parties regarding employee participation in excess of 30% at any location, such negotiations will not constitute a contract re-opener, and all terms and conditions of employment of the Collective Bargaining Agreement(s) between the Parties will remain in full force and effect.

Mr. Edwin Hill
International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005

Re: Temporary Absence

Dear Mr. Hill:

March 30, 2001

This is to confirm our understanding reached at negotiations concluded today regarding the application of Section 10.02, Temporary Absence for Illness, Injury or Pregnancy Related Disability.

In the event the plant physician and the employee's attending physician differ regarding the employee's ability to remain at work or to return to work, the final determination thereof shall be made by a third physician to whom the employee will be referred by the plant physician. The Company will discuss the referral process with each Local Union and prepare a list of physicians to whom such referrals will be made. Each list will be reviewed with the appropriate Local Union. Additions of any physician suggested by each Local Union will be made to the appropriate list if such physician agrees to be thereon. The involved employee may select either of two physicians designated by the plant physician from the applicable list.

It is understood and agreed that this letter shall be effective only for the duration of the Collective Bargaining Agreement existing between the Parties for the period April 1, 2001 to April 1, 2004, unless terminated at an earlier date by mutual consent of said Parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter in the space indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

Mr. Edwin Hill
International President International Brotherhood of
Electrical Workers (AFL-CIO) 1125 Fifteenth Street, N.W.
Washington, D.C. 20005

Re: Upgrading and Job Posting

Dear Mr. Hill:

March 30, 2001

This is to confirm our understanding reached at negotiations concluded today regarding the application of Section 3.04, Upgrading and Job Posting.

When two (2) or more employees satisfy the qualifications for upgrading, the most-senior qualified employee will be selected, except in the selection process for apprenticeship programs that are implemented in accordance with state and federal law. The qualifications for job openings, including required training and experience, will be established by the Company.

It is understood and agreed that this letter shall be effective only for the duration of the Collective Bargaining Agreement existing between the Parties for the period April 1, 2001 to April 1, 2004, unless terminated at an earlier date by mutual consent of said Parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

Very truly yours,

/s/ Tracy L. Wagner
Director, HR Displays & Components
Thomson multimedia Inc.

ACCEPTED AND AGREED TO THIS 30TH DAY OF
MARCH, 2001

/s/ Edwin Hill
International President
International Brotherhood of
Electrical Workers, AFL-CIO

**Suppl mentary
Local Agreement**

Between the

Thomson multimedia Inc.

and

**Local No. 1160
International Brotherhood of
Electrical Workers**

Affiliated with

AFL-CIO

at and for the

COMPANY'S PLANT

Marion, Indiana

April 1, 2001

to

April 1, 2004

**MARION
SUPPLEMENTARY LOCAL AGREEMENT
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Supplementary Local Agreement

ARTICLE I PARTIES

AGREEMENT, made this 16th day of March, 2001, between Thomson multimedia Inc., hereinafter referred to as the "Company", and Local Union No. 1160 of the International Brotherhood of Electrical Workers, AFL-CIO, hereinafter referred to as the "Union", with respect to the Company's Marion Plant.

WHEREAS, the Company has entered into a National Agreement, dated March 30, 2001 with the International Brotherhood of Electrical Workers, affiliated with the AFL-CIO, for itself and in behalf of its affiliated Local Unions representing employees of the Company, and such Agreement provides for Supplementary Local Agreements for each of the locations described in said National Agreement.

NOW, THEREFORE, it is agreed that the provisions of the Supplementary Local Agreement between the Company and the Union shall be as follows:

ARTICLE II

Paragraph 2.01 PURPOSE OF AGREEMENT:

The Union, representing employees of the Company, and the Company, desire to establish and maintain a standard of conditions and procedure to provide, through harmonious cooperation, orderly collective bargaining relations; prompt and equitable disposition of grievances; and fair wages, hours and working conditions for the employees covered by this Agreement.

ARTICLE III RECOGNITION OF RIGHTS

Paragraph 3.01 RECOGNITION:

The Company recognizes the Union as the exclusive bargaining representative for all Production, Maintenance and Warehouse employees at its Marion Plant and Satellite Ware-

houses controlled by or directed from the Marion Plant including Group Leaders and Leadmen, but excluding technical and professional employees, guards, office and clerical employees, and supervisors as defined in Section 2 (II) of the Labor Management Relations Act of 1947, as amended.

Paragraph 3.02 CHECKOFF:

In accordance with Section 3.02 of the National Agreement, the Company shall deduct from an employee's wages on the first pay period of the month in which a paycheck is received the employee's Union dues, and remit same to the duly authorized representative of the Union.

Paragraph 3.03 TIMESTUDY STANDARD RATES:

Timestudy standard rates, which term includes production standards (i.e., timestudy rates expressed in pieces per hour), shall be established by the Company by such means as time studies, motion studies, or other established means of determining normal operator performances upon the basis of fairness and equity consistent with quality and reasonable working capacities of average experienced operators. Employees will be required to meet production standards. An operator shall have the right to request a restudy of an operation if the operator feels it has been unfairly set. Timestudy standard rates shall not be changed except to correct obvious errors, or unless there is a change in method, process, parts or equipment used in performing the operation.

**ARTICLE IV
RECOGNITION OF UNION
REPRESENTATIVES**

Paragraph 4.01 RECOGNITION OF CHIEF SHOP STEWARDS AND SHOP STEWARDS:

The number of Chief Shop Stewards and the number of Shop Stewards to be recognized by the Company shall be determined by mutual agreement of the parties. The total number of Chief Shop Stewards shall not exceed one (1) per shift and the total number of Shop Stewards including the Business Manager and Insurance representative shall not exceed the proportion of one (1) such Representative to each fifty (50) employees represented

in the bargaining unit. The Chief Shop Stewards and Shop Stewards shall be employees of the Company and shall be appointed by the Union. Any Chief Shop Steward appointed shall have at least two (2) years' service credit with the Company, and any Shop Steward shall have one (1) year's service with the Company. No employee shall be represented by more than one (1) Chief Shop Steward or one (1) Shop Steward.

Paragraph 4.02 RECOGNITION OF GRIEVANCE COMMITTEE:

A Grievance Committee, consisting of not more than five (5) members, shall be employees of the Company and appointed by the Union. Such Committee shall assist in the administration of this Agreement by participating in the settlement of grievances in the manner set forth in Article VI, and in connection therewith, shall be accompanied by the Business Manager of the Union or a designated representative, and may be accompanied by a representative of the International Brotherhood of Electrical Workers.

Paragraph 4.03 RECOGNITION OF BUSINESS MANAGER:

The Company agrees to recognize the Business Manager of the Union, or, in the Business Manager's absence, a designated representative, in the performance of the duties of this office to the employees in the bargaining unit. The Business Manager or a designated representative will be empowered and authorized by the Union to deal with the Company in all matters pertaining to the administration of this Agreement in the Plant, and shall have access to any section where employees covered by this Agreement are working. The designated representative of the Business Manager shall be empowered to act as such only when authorized by the Business Manager. The Business Manager and any designated representative shall be employees of the Company, shall be appointed by the Union, and shall have at least two (2) years service credit with the Company. They shall suffer no loss of time or deduction in pay therefore while engaged in the investigation of grievances or when attending grievance meetings, or

when attending any meeting or conference called by the Company. However, should they absent themselves during their regular working hours for any other purpose of their office, such time shall be deducted from their pay.

Paragraph 4.04 RECOGNITION OF INSURANCE REPRESENTATIVE

The Company agrees to recognize the Insurance Representative of the Union, or, in the Insurance Representative's absence, a designated representative, in the performance of the duties of this office to the employees in the bargaining unit. The Insurance Representative or a designated representative will be empowered and authorized by the Union to deal with the Company in all matters pertaining to the administration of employee benefits provided by the National Agreement. The designated representative of the Insurance Representative shall be empowered to act as such only when authorized by the Insurance Representative or Business Manager. The Insurance Representative and any designated representative shall be employees of the Company, shall be appointed by the Union, and shall have at least two (2) years service credit with the Company.

ARTICLE V

ACTIVITY OF UNION REPRESENTATIVES

Paragraph 5.01 ACTIVITY OF CHIEF SHOP STEWARDS AND SHOP STEWARDS:

Chief Shop Stewards and/or Shop Stewards shall not, except in transit, enter departments or sections of the plant other than those in which they work or confer with persons in another department or section of the plant without first reporting to the supervisor of the department visited, or in the supervisor's absence from the department, to the supervisor next in authority.

Paragraph 5.02 DUTIES OF UNION REPRESENTATIVES:

The duties and activities of the Grievance Committee (except where engaged in the administration of the Agreement or otherwise specifically agreed between the parties) and Shop Stewards, while acting as such in the Plant, shall be limited to the handling of complaints and grievances which

arise in the zone which they represent and in accordance with grievance procedure. Except when they are engaged in the settlement of complaints and grievances under the grievance procedure, all Union representatives shall continue at their regular assigned work in the same manner as other employees. When a Union representative is required to leave the regular duties they attend to for the orderly and expeditious handling of a complaint, grievance, or other recognized Company-Union business, the Union Representative shall notify their supervisor. If necessary, the Union Representative shall remain on their regular work until a reasonable time is afforded the supervisor to provide a substitute. Time spent in handling complaints, grievances, or other recognized Company-Union business by Union representatives shall be reported by them to their supervisor. All Union business and activity shall be on the employee's own time except time spent solely during the regular scheduled work day on recognized Company-Union business and adjustments of complaints or grievances in accordance with Article VI.

Paragraph 5.03 EMPLOYMENT AND JOB STATUS OF FULL-TIME UNION REPRESENTATIVES:

The Business Manager, the Chief Shop Stewards (full-time), and the Insurance Representative will be employed as full-time Union representatives during their scheduled working hours. They will function for the purpose of adjusting grievances in accordance with the Compliant and Grievance Procedure and for other legitimate representation functions, including the administration of the National Agreement and this Supplementary Local Agreement and the other duties and responsibilities of their respective offices described in this Supplementary Local Agreement. The Chief Shop Stewards will be paid based on the regular straight time hourly rate of their respective occupational classifications. The Business Manager will be paid for all hours regular scheduled for the Plant and actually worked by the Business Manager, based on the regular straight time hourly rate of the Business Manager's occupational classification. The Insurance Representative will be paid for up to forty (40) hours per week based on the regular straight time hourly rate of the Insurance Representative's occupational classification. Any hours over forty (40) must be pre-approved by the Manager of Labor Relations. The

rates of pay of all the full-time Union representatives identified in this Paragraph shall be adjusted in accordance with any adjustments made in the rates of their respective occupational classifications. All such Union representatives shall ring in and out, or otherwise account for their time, in the manner required by the Company. Should any full-time Union representative identified in this Paragraph be absent during regular working hours for any purpose other than recognized Company-Union business, such time shall be deducted from such Union representative's pay.

ARTICLE VI COMPLAINT AND GRIEVANCE PROCEDURE

Paragraph 6.01 GRIEVANCE ZONES:

For the purpose of efficiently handling complaints and grievances, the various departments of the plant shall be divided into zones as determined through mutual agreement of the parties.

Paragraph 6.02 PRESENTATION OF GRIEVANCES:

All grievances shall be presented as soon as practicable after the occurrence upon which the same is based, but in no event later than ten (10) days if the same is a dismissal grievance, and thirty (30) days if the same is a grievance arising from any other cause. The failure to submit a grievance within such periods shall constitute a bar to further action thereon. If it is determined under the Grievance Procedure that an adjustment in wages is appropriate, such adjustment shall be applied retroactively to the date of first occurrence provided that such date is not more than thirty (30) days prior to the date upon which the complaint was presented. Dismissal grievances may be presented at the third step and the dismissed employee may be present during all steps of the Grievance Procedures. Wherever used in this paragraph, the word "days" shall mean "calendar days".

Paragraph 6.03 GRIEVANCE STEPS AND REPRESENTATIVES OF THE PARTIES THEREIN:

A duly presented grievance shall be negotiated in each of the following successive steps between the represen-

tatives of the parties specified in each step. Wherever used in this paragraph, the word "day" or "days" shall mean "working days."

Step 1. Between the Supervisor and the Shop Steward for the appropriate grievance zone. The employee involved may be present. The Supervisor shall meet with the Shop Steward within two (2) days following the receipt of the grievance and shall give a reply in writing within two (2) additional days following the meeting. If the written reply is unsatisfactory, the Shop Steward may appeal the Supervisor's decision to Step 2 provided such appeal is made within two (2) days after the receipt of the Supervisor's written reply. A meeting in Step 2 shall be held within four (4) days after receipt by the Company of notice of appeal. Failure to reply in writing within three (3) days following the meeting in Step 2 will automatically refer it to the next step unless an extension is mutually agreed to by the parties.

Step 2. Between the Business Manager of the Union or a designated representative and the Activity Manager or a designated representative. The Activity Manager or a designated representative shall meet with the Business Manager or a designated representative within four (4) days after receipt by the Company of the notice of appeal and given a written reply within two (2) additional days after meeting with the Business Manager or a designated representative. If this reply is unsatisfactory, the Business Manager may appeal this reply to Step 3, provided such appeal is made within two (2) days after receipt of the Activity Manager's or a designated representative's reply. A meeting in Step 3 shall be held within five (5) days after receipt by the Company of notice of appeal. Failure to reply in writing three (3) days following the meeting on the grievance appealed to this step will automatically refer it to the next step unless an extension is mutually agreed to by the parties.

Step 3. Between a Grievance Committee composed of

the Human Resources Manager and/or a designated representative(s), the Manager, Marion Plant Operations and/or a designated representative(s), the Activity Manager and/or a designated representative(s) involved, and a majority of the Union Grievance Committee as designated in Article IV will participate in Step 3.

The Company Grievance Committee shall make a reply in writing to the grievance no later than seven (7) days after the meeting of the Grievance Committee, except that a reply to a dismissal grievance shall be made no later than three (3) days after the meeting of the Grievance Committee. If this reply is unsatisfactory, the grievance may be appealed to Step 4, provided such appeal is made within seven (7) days following receipt of the third step reply. Failure to meet concerning a grievance in this step within ten (10) days after receipt of the appeal to this step will automatically refer it to the next step.

Step 4. Between the representatives of the executives of the Company and representatives of the International Union, and the Local Union Business Manager or designated representative.

Step 5. Any grievance which has not been finally settled or disposed of in accordance with the steps of the grievance procedure outlined above may be submitted to arbitration within seven (7) days of receipt of the fourth step reply. An extension of up to thirty (30) days will be granted upon written request submitted by the Business Manager or the Manager of Labor Relations. The grievance may be submitted to arbitration by either party under the voluntary arbitration rules then obtaining with the Federal Mediation and Conciliation Service, except the Arbitrator shall be selected as follows: The Federal Mediation and Conciliation Service shall submit, as soon as possible, to each of the parties, duplicate lists of the names of eleven (11) persons qualified to act. The Union and Company shall, within thirty (30) days from the receipt of such lists, have the right to strike five (5) of the names from their respective lists and shall indicate the order of prefer-

ence for the names remaining on such lists. These lists shall be returned to the Federal Mediation and Conciliation Service which shall, thereupon, select the Arbitrator from the name or names remaining.

Paragraph 6.04 COMPANY GRIEVANCE PROCEDURE:

If the Company has a grievance arising under the provisions of this Agreement, the Human Resources Manager may present the grievance in writing to the Business Manager of the Union. If the matter is not satisfactorily adjusted between the Human Resources Manager and the Business Manager of the Union within five (5) working days, it may be referred by the Company to the Executive Board of the Union for adjustment. If the matter is not satisfactorily adjusted within twenty-five (25) days by the Executive Board of the Union, the Company may submit the grievance for settlement at either Step 4 or Step 5 of Paragraph 6.03.

Paragraph 6.05 CLEARANCE OF RECORDS OF DISCUSSION:

The Company will consider Verbal Warnings and Records of Discussion for all infractions other than those associated with the Company's Attendance Policy as cleared after a nine (9) months period from the date of issuance, provided there are no further infractions in such period. However, Counseling Steps and Verbal Warnings that shall be issued as part of the Company's Attendance Policy will be considered as cleared after six (6) months from the date of issuance, provided there are no further infractions in such period. Records of Discussion and Final Termination Warnings that shall be issued as part of the Company's Attendance Policy will be considered as cleared after nine (9) months from the date of issuance, provided there are no further infractions in such period. If an employee thereafter receives a second or subsequent Final Termination Warning issued as a part of the Company's Attendance Policy, the Company will consider any such subsequent Final Termination Warning as cleared after a twelve (12) month period from the date of issuance provided there are no further infractions during such period. Last chance agreements shall be limited to a period of thirty-six (36) months. Verbal Warnings and Records of Discussion may be cleared

earlier when, in the judgment of the Company, the employee's past service record warrants such action. Computation of the six (6), nine (9), and twelve (12) month periods shall not include periods when an employee is on layoff or leave of absence.

Paragraph 6.08 DISCIPLINE:

No employee covered by this Agreement shall be disciplined without just and sufficient cause.

ARTICLE VII HOURS AND OVERTIME

Paragraph 7.01 SCHEDULED DAYS OFF:

Each employee shall have two (2) "scheduled days off" in each "regular work week". The employee's "scheduled days off" shall be consecutive and scheduled in advance.

Paragraph 7.02 HOLIDAYS:

In accordance with Section 7.01 of the National Agreement, the two (2) additional holidays will be two (2) regular work days between the Christmas and New Year's holidays. Notice of the specific days will be posted not later than July 1 of each year.

Paragraph 7.03 DETERMINATION OF OVERTIME AND HOURS WORKED:

Overtime hours worked will be determined as follows:

1. Daily Overtime

- (a) Hours worked in excess of eight (8) hours in any one "regular work day".
- (b) Hours worked before or after a "regular shift" of not less than seven and one-half (7 1/2) or eight (8) hours.

2. Overtime on "Scheduled Days Off"

- (a) All hours worked on shifts starting on the "scheduled days off" will be counted as overtime hours.
- (b) When an employee works beyond his "regular shift" and thereby works into the next "calendar day", such excess hours will not be regarded as an additional day worked. Provided, however, that if an employee so continues to work into a

"scheduled day off" to the extent of one-half of the "regular shift" or is called back to work on a "scheduled day off", the "scheduled day off" will be counted as worked.

Paragraph 7.04 COMPUTATION OF OVERTIME PAYMENT:

Payment for overtime hours worked (determined in accordance with Paragraph 7.03 above) shall be computed at the following rates:

1. Daily Overtime

- (a) Hours worked in excess of eight (8) hours in any one "regular work day" (at time and one-half time).
- (b) Hours worked before or after a "regular shift" of seven and one-half (7 1/2) hours or eight (8) hours (at time and one-half time).

2. Daily overtime hours worked in excess of eleven (11) hours in any one "regular work day" and in excess of eleven (11) hours on the first "scheduled day off" (at double time). When employees are asked to work on their first "scheduled day off", in order to distribute overtime equitably, the double time provision for hours worked in excess of eleven (11), in an employee's "regular work day", will be waived as it applies to work on the first "scheduled day off", provided, however, that if an employee works more than eleven (11) hours in the "calendar day" of the first "scheduled day off", he will be paid double time for the hours worked in excess of eleven (11).

- 3. First "Scheduled Day Off" in the "Regular Work Week" (at time and one-half time).**
- 4. Second "Scheduled Day Off" in the "Regular Work Week" (at double time).**

NOTE—(with reference to 3 and 4 above). In any case, the determination of "first" or "second scheduled days off" shall depend upon the chronological order of occurrence of the two (2) "scheduled days off" as they are established within the "regular work week".

Paragraph 7.05 UNUSUAL SHIFTS:

In establishing schedules of work for Power House em-

ployees the Union and the Company recognize the practical impossibility of providing Saturday and Sunday as "scheduled days off" on a regular basis.

The Company agrees that it will exercise care in arranging schedules of work of such employees in order to reduce to a minimum the occasions where an employee works beyond five (5) days without "scheduled days off".

Paragraph 7.06 DISTRIBUTION OF OVERTIME:

Overtime shall be divided as equally as practicable among the employees working in the occupational classification involved provided they are qualified by experience to do the work required and have established seniority in the occupational classification. Employees with less than thirty (30) days of continuous service credit shall not be offered overtime until employees with seniority working in the occupational classification and overtime center have been offered available overtime in accordance with the provisions of the local "Overtime Distribution Procedure." Transferred employees in Labor Grades 1 or 2 who have accumulated thirty (30) days of continuous service credit, but have less than fifteen (15) days in the new occupational classification, and upgraded employees in Labor Grades 3 and above who have less than thirty (30) days in the new occupational classification will share in overtime only when the entire department works.

Notice to work daily overtime shall be given before the lunch period whenever possible except that notice to work overtime on scheduled days off and holidays shall be given by Thursday of the week in which overtime is scheduled, whenever possible. The Union agrees to cooperate with the Company to minimize unjustified absences from work on scheduled days off and on holidays.

Records of overtime work will be available to employees through their Stewards on request to the Company.

Paragraph 7.07 SHIFT CHANGES:

The Company and the Union will discuss any changes in shift hours which may become necessary. Employees affected will receive one (1) week notice of such changes in shift hours. The Company may change the established starting and quitting time of any job upon notice to the employees affected before the end of the week in which the notice is given, to be effective at least through the

following week. This will not apply to employees working on unusual shifts as described in Paragraph 7.05.

ARTICLE VIII GENERAL WAGE PROVISIONS

Paragraph 8.01 WAGE RATES:

The wage rates for employees covered by this Agreement shall be as set forth in Wage Rate Schedules to be attached to and made a part of this Agreement in accordance with the provisions of Section 4.01 of the National Agreement.

Paragraph 8.02 WAGE RATES FOR NEW OCCUPATIONS:

The Company agrees to discuss the content of new or revised occupational classifications with the Union during the preparation of such occupational classifications. In the event the Company desires to establish new or revised occupational classifications, the hourly rates applicable thereto shall be determined by negotiation between the Company and the Union. Production shall not be delayed through failure to immediately agree upon hourly rates applicable to any new or revised occupational classification. In such cases, pending the results of negotiations, the Company will establish the occupational classification and the Company-sponsored hourly rate applicable thereto and shall place such occupational classifications and such hourly rates into effect. Negotiated rates finally established which are higher than the Company-proposed rates will be paid retroactive to the date of the start of the occupation. The Company will supply the Union, seven (7) days prior to such negotiations, the occupational classification number with occupational classification title and the job description pertaining thereto. Negotiations of occupational rates which extend beyond thirty (30) days without providing settlement may be referred to the Grievance Procedure at the fourth step and in accordance with the Grievance Procedure.

Paragraph 8.03 PAY FOR DESIGNATED HOLIDAYS NOT WORKED:

Employees who are normally scheduled or agree to work on a designated holiday and who do not report for work shall receive no pay for that holiday unless evidence satis-

factory to the Company, of inability to so report is shown, and such inability does not result in a leave of absence in excess of two (2) weeks. Employees on approved vacations, and layoffs or approved leaves of absence of not more than two (2) weeks, will be paid holiday pay for hours not worked. Employees on approved absence of more than two (2) weeks will not be paid holiday pay for hours not worked. Night shift premiums shall not be applied to the base rate for the purpose of determining the holiday pay.

ARTICLE IX CONTINUOUS SERVICE CREDIT AND SENIORITY PROVISIONS

Paragraph 9.01 SENIORITY:

1. LABOR GRADES 1 and 2

In accordance with the following, employees in Labor Grades 1 and 2 shall have seniority only in one (1) occupational classification and such seniority shall equal their total continuous service credit within the Bargaining Unit:

- (a) A new employee hired in Labor Grade 1 or 2 shall have seniority in the occupational classification in which working on the thirtieth (30th) day of employment.
- (b) An employee who has established seniority in an occupational classification in Labor Grade 1 or 2 who voluntarily transfers into another occupational classification in Labor Grade 1 or 2 shall have seniority upon completion of fifteen (15) days in such occupational classification.
- (c) An employee who has established seniority in an occupational classification in Labor Grade 1 or 2 and who is involuntarily transferred to another occupational classification in Labor Grade 1 or 2 shall have seniority in the occupational classification in which the employee is working on the fifteenth (15th) day following such involuntary transfer. In the event that there are a number of involuntary transfers, the determination of the fifteenth (15th) day shall be made from the date of the transfer from the occupational classification in which seniority has been most recently established.

2. LABOR GRADES 3-13

Each employee in Labor Grades 3 through 6 shall have seniority in each separate occupational classification in which they are employed for not less than sixty (60) days. Each employee in Labor Grades 7 through 13 shall have seniority in each separate classification in which they are employed for not less than ninety (90) days. New hires in Labor Grade 3 and above shall have seniority in the occupational classification in which working on the thirtieth (30th) day of employment. The employee shall continue to accumulate seniority in the last occupational classification in which seniority is established in Labor Grades 1 and 2, and in all other occupational classifications above Labor Grades 1 and 2 in which seniority has previously been established.

An employee who has established seniority in Labor Grade 3 and above shall continue to accumulate seniority in such higher rated occupational classification when transferred to a lower rated occupational classification as a result of layoff. When such an employee is transferred from a higher rated occupational classification to a lower rated occupational classification for reasons other than layoff or refuses to return to a previously held higher rated occupational classification, the employee shall retain established seniority in the higher rated occupational classification, but shall not accumulate additional seniority in such higher rated occupational classification during employment in any lower rated occupational classification.

Paragraph 9.02 SENIORITY LIST:

No later than March 31 of each year, the Company shall supply to the Business Manager, members of the Executive Board and Chief Shop Stewards a seniority list, and shall post on the Plant bulletin boards a notice to all employees affected thereby that such list is available. Employees will be given notice at least two (2) weeks prior to such posting. Employees may, within thirty (30) days from the date the first notice is posted, contest the accuracy of their seniority status, and if error is estab-

lished, correction shall be made. All such claims of error will be promptly evaluated and any corrections will be posted for a period of thirty (30) days. Employees on all approved leaves of absence or layoff because of lack of work at the time the seniority list is established will have thirty (30) calendar days from the date of return to work to file claims of alleged error. After said thirty (30) day periods, the seniority status of all employees shown on such list, as corrected, shall be incontestable.

Paragraph 9.03 UPGRADING:

Except where otherwise agreed, employees may be selected for upgrading to available openings after three (3) months' continuous service in an occupational classification on the basis of past job performance, ability, skill and experience, physical capabilities and seniority. In determining job-related skill and ability, the Company may utilize objective assessment tools. Such tools will be provided and administered by external sources and will be discussed with the Union in advance. The Company shall not implement the use of such assessment tools until the Union has had an opportunity to present meaningful input on the relevancy of the Company's choice and use of such tools. All other factors being relatively equal, selection will be made by seniority. In determining past job performance, such factors as attendance, quantity and quality of work, and dependability will be considered. If a new or revised classification is developed in accordance with section 8.02 of this agreement, the Company agrees to provide the necessary training to the appropriate employees within a reasonable period of time. When On-the-job training is provided it will be at no cost to the employee and the employee will be paid the applicable rate of pay during such training.

Paragraph 9.04 LAYOFF AND RECALL:

In the matter of layoff and recall, an employee having the greatest occupational seniority by classification shall be the last one laid off and the first one recalled; provided, however, that after exhausting occupational classification seniority, an employee in Labor Grade 1 or 2 may bump the least senior employee in the same or lower labor grade provided the employee has the qualifications,

skill, ability, and physical capabilities to do the work. Seniority shall apply in the case of temporary time off or "send home" in the occupational overtime center. In all cases of layoff, a minimum of four (4) hours notice will be given to the Shop Steward of the zone involved. In all cases of temporary time off, whenever practicable, a minimum of two (2) hours notice will be given to the Shop Steward of the zone involved.

To avoid unnecessary downgrading of employees in Labor Grade 3 and above, an employee having thirty six (36) years continuous service credit and eighteen (18) years of accumulated service credit in the same labor grade may exercise the right to "bump" an employee having thirty four (34) years or less of continuous service credit and seventeen (17) years or less of accumulated service credit in the same labor grade, provided such employee has the qualifications, skill, ability and physical capabilities to perform the job. When no employee with thirty four (34) years or less of continuous service credit and seventeen (17) years or less of accumulated service credit remains in the same labor grade in an occupational classification requiring similar skills, this same provision shall be applied to the next lower labor grade and succeeding lower labor grades until a suitable occupational classification is available. For purposes of this provision, each employee in Labor Grade 3 and above shall begin accumulating service credit in a labor grade upon attaining job rate. The above application shall also be extended to employees having established the following levels of service credit:

Years of Continuous Service Credit	&	Years of Accumulated Service Credit in Same Labor Grade
34		17
32		16
30		15
28		14
26		13
24		12
22		11
20		10
18		9
16		8
14		7

12	6
10	5
8	4
6	3
5	2
3	1

Paragraph 9.05 SHIFT PREFERENCE:

The following provisions shall apply to the submission and granting of Shift Preference requests:

1. LABOR GRADES 1 AND 2

When a vacancy is to be filled on any shift, the employee having the greatest amount of accumulated occupational seniority, who is working in the occupational classification in which the opening exists on a shift other than that of the available opening and who has submitted a shift preference request prior to receipt of an approved requisition shall be assigned such opening. If there are no shift preference requests appropriately submitted or on file from those employees having accumulated seniority and currently working in the occupational classification in which the opening exists, such vacancy shall be filled by the employee having the most plant-wide seniority working on a shift other than that of the available opening who does not hold such occupational seniority but who has submitted a shift request prior to receipt of an approved requisition.

A senior employee who desires to change shifts in the same occupational classification and department and who has not received a shift change as provided for above within two (2) months from date of submission shall then be entitled to bump the least senior employee on the shift requested in the occupational classification and department the employee is working.

A senior employee who desires to change shifts to a different department within the same occupational classification and who has not received a shift change as provided for above within four (4) months from date of submission shall then be entitled to bump the least senior employee within the occupational classification on the shift and in the depart-

ment requested.

If an employee has requested only a designated shift change and not received such as provided for within four (4) months from date of submission, the employee shall then be entitled to bump the employee with the least plant-wide seniority on the shift requested.

In all cases, after obtaining the right to bump, the employee must exercise this right within two (2) weeks by giving appropriate notice. Otherwise, another shift preference request must be submitted and an additional two (2) or four (4) months waiting period, whichever is applicable, must be completed before again being eligible to bump.

An employee who is unable to exercise a shift preference bump because of insufficient seniority may request that the shift preference card remain in the active file and receive validation indicating the card's renewal. In such cases, the employee may give proper notice to the Company in succeeding months to again have such shift preference bumping eligibility considered.

2. LABOR GRADES 3-13

When a vacancy is to be filled on any shift, the employee having the greatest amount of accumulated occupational seniority, who is working in the occupational classification in which the opening exists on a shift other than that of the available opening and who has submitted a shift preference request prior to receipt of an approved requisition shall be assigned such opening. If there are no shift preference requests appropriately submitted or on file from employees holding seniority and working in the occupational classification in which the opening exists, such vacancy shall be filled by the employee from a shift, other than that of the available opening, who has submitted a shift request and holds the greatest seniority in the occupational classification in which the vacancy exists but is currently working in another occupational classification in the same or higher labor grade. However, no employee shall be permitted to so request a move to an occupational classification in a labor grade higher than

that in which the employee is currently working.

A senior employee who desires to change shifts in the same occupational classification and department and who has not received a shift change as provided for above within two (2) months from the date of submission shall then be entitled to bump the least senior employee on the shift requested in the occupational classification and department the employee is working.

A senior employee who has requested to change shifts to a different department or designated only a shift change without regard to department and who has not received a shift change as provided for above within four (4) months from the date of submission shall then be entitled to bump the employee with the least occupational seniority on the shift requested in the occupational classification in which working. After obtaining this right to bump, the employee must exercise this right by giving appropriate notice within two (2) weeks or submit another shift preference request and wait an additional four (4) months before again being entitled to so bump.

An employee who gives appropriate notice and is unable to exercise a shift preference bump because of insufficient seniority may request that the shift preference card remain in active file and receive validation indicating the card's renewal. In such cases, the employee may give proper notice to the Company in succeeding months to again have shift preference bumping eligibility considered.

3. GENERAL PROVISIONS

At the discretion of the Company, if an employee with ten (10) or more years of continuous service credit has not been transferred in accordance with the shift preference request as stated above, the Company will consider placement in a vacancy of the employee's choice in an occupational classification in which the employee is qualified. Should a shift be eliminated, senior employees on the shift affected shall have the right to exercise their seniority on remaining shifts.

In accordance with the above provisions, em-

employees whose shift preference requests have been appropriately submitted and granted shall be reassigned, provided they possess the physical ability to do the work. When an employee is so reassigned, all shift preference request cards such employee has on file shall be removed and discarded and the affected employee shall retain that shift assignment for not less than four (4) months before submitting another shift preference request.

In the event employees are moved to the shift of their choice as the result of a shift preference request and are subsequently displaced to another shift, they shall not be prohibited from immediately submitting an additional shift preference request. In addition, employees who have moved to the shift of their choice as the result of a shift preference request and are subsequently displaced to another shift within thirty (30) days, may within five (5) days after such displacement request that their original shift preference card be reinstated.

New employees may not submit shift preference requests until they complete ninety (90) calendar days of continuous service credit.

Paragraph 9.06 SELECTION OF WORKING GROUP LEADERS AND LEADERS:

Working Group Leaders and Occupation Leaders will be selected on the basis of occupational classification seniority, skill and experience, and physical capabilities. Such assignments will be given to the senior qualified employee from the affected occupational classification, department and shift. Reduction necessary in such assignments will be made in the inverse order of selection.

Paragraph 9.07 SENIORITY OF UNION REPRESENTATIVES:

For purposes of layoff and recall, Chief Shop Stewards, Shop Stewards and other Union Representatives during the period they serve as such who are Marion Plant employees shall hold top seniority in their respective jurisdictions or classifications provided there is work available that they are capable of performing and provided they perform on-the-job steward-like duties related

to the day-to-day administration of this Supplementary Agreement and the National Agreement.

Paragraph 9.08 SENIORITY PRIVILEGES FOR EMPLOYEES WHO ARE TRANSFERRED OUT OF THE BARGAINING UNIT:

Where an employee has established seniority privileges in an occupational classification within the bargaining unit and is or had been thereafter transferred or promoted to another position which is not within the bargaining unit, in the event such employee is again restored to a vacancy within the bargaining unit, such employee shall be deemed to have retained, but not accumulated, seniority privileges within the bargaining unit in accordance with Article IX, provided that the privilege of returning to the bargaining unit in line of seniority shall be extended to all employees so affected.

All employees who are on layoff or downgraded from the occupational classification in which such employee holds seniority at the time of the return of such employee to the bargaining unit shall be recalled before such employee, regardless of seniority.

However, the employee to which this provision shall apply in any year in which this Agreement continues in effect shall not exceed the proportion of one (1) such employee to each one hundred (100) employees included in the bargaining unit.

**ARTICLE X
LEAVE OF ABSENCE**

Paragraph 10.01 TEMPORARY ABSENCE FOR ILLNESS, INJURY OR PREGNANCY RELATED DISABILITY:

Employees having seniority shall have the privileges set forth in Section 10.02 of the National Agreement in case of temporary absence for illness, injury or pregnancy related disability.

Paragraph 10.02 OTHER APPROVED ABSENCE:

Leave of Absence or Temporary Approved Absence may be granted to employees for other miscellaneous

reasons such as: death in the family; jury duty; quarantine; marriage; voluntary service with a Government Agency. Application for such approved absence should be made to the employee's supervisor in accordance with the provisions of this Agreement. Employees with a minimum of thirty-one (31) days of continuous service credit may be granted leaves of absence in accordance with Section 10.09 of the National Agreement. In addition employees with a minimum of six (6) months continuous service credit may be granted leaves of absence for special or unusual reasons other than mentioned in Section 10.09 of the National Agreement.

ARTICLE XI INSURANCE

Paragraph 11.01 INSURANCE BENEFITS:

In accordance with Section 13.01 of the National Agreement, the Company will maintain the program of benefits provided for in the Certificate of Insurance issued to employees represented by Local Union No. 1160, IBEW, AFL-CIO, as changed by letter agreement dated April 2, 1998.

Paragraph 11.02 SAFETY AND HEALTH:

The Company will continue to make all reasonable provisions for the safety and health of its employees during hours of employment, and to provide protective devices and other equipment necessary to protect all employees from injury. The Union agrees to cooperate with the Company in assuring conformance to all established safety regulations. The Company agrees to promptly notify supervisors, the Union and the security staff when there will be no Dispensary staff on site.

Paragraph 11.03 REST PERIODS:

The following provisions covering rest periods shall apply to direct labor production employees represented by the bargaining unit:

1. Rest periods of ten minutes' duration in the first half of the work day and in the second half of the work day shall be scheduled for all direct labor production employees.

2. *No candy, food or drinks shall be permitted in factory production areas other than lunch areas.*
3. *Loitering shall not be permitted in any of the Plant washrooms at any time.*
4. *Employees may smoke only in lunch areas and washrooms.*

Except in unusual circumstances, the Company will afford rest periods to indirect labor employees on an informal and unscheduled basis. Such rest periods will not exceed those granted direct labor employees.

The Company and the Union will jointly and in good faith cooperate in their efforts to assure conformance to the above provisions. Any employee who violates these regulations shall be subject to disciplinary action.

ARTICLE XII GENERAL PROVISIONS

Paragraph 12.01 NOTICES:

Whenever notice is given under the terms of this Agreement, from either party to the other, it shall be in writing. Notice to the Company shall be addressed to the Human Resources Manager, Thomson Consumer Electronics, Inc., Marion Plant, Marion, Indiana. Notice to the Union shall be addressed to the Business Manager whose address shall be kept current with the Company. Employees shall keep the Company informed of their correct address and in case of notice to such employees, it shall be by registered or certified mail. Such notices shall be sent to the last known address furnished to the Company by the employee and shall be deemed to have been given as of the date received for, or, if returned to the Company due to the employee having failed to keep the Company informed of correct address, the date such notice is returned.

Paragraph 12.02 BULLETIN BOARDS:

Subject to the approval of the Human Resources Manager, the Company will post Union bulletins regarding local Union meetings and information of interest to Union members on Plant bulletin boards.

Paragraph 12.03 TEMPORARY WORK ASSIGNMENT:

For Labor Grades 1 through 7, employees may be temporarily assigned to work out of their regular occupational classification and/or overtime center. Those employees in Labor Grades 8 through 13 may be temporarily assigned to work out of their regular occupational classification and/or overtime center that is equal to or greater than their assigned occupational classification. In the event those employees in Labor Grade 8 through 13 may need to be temporarily assigned to work in a classification that is lower than their assigned occupational classification, the Company must have agreement of the Chief Shop Steward and Manager of the area. When it is necessary to temporarily assign an employee out of their regular occupational classification and/or overtime center, the Company will first seek volunteers. Absent a volunteer, the low senior, qualified employee will be assigned.

When an employee is temporarily assigned to a higher rated occupational classification, that employee shall only receive the applicable progressive base rate or maximum base rate established for that occupational classification consistent with the normal upgrade procedure for a minimum of four (4) hours, unless that employee has previously attained the maximum rate for that occupational classification or for another occupation in the same or higher labor grade. Under such circumstances that employee shall receive the top pay rate for hours worked in the occupation to which temporarily assigned.

When an employee is temporarily assigned to a lower rated occupational classification, that employee shall continue to receive their regular base rate.

In the event that circumstances arise where it becomes necessary to reassign work to a lower rated classification, the Company would agree to review such reassignment with the Business Manager prior to it being made.

ARTICLE XIII EFFECT OF LAW

Paragraph 13.01 EFFECT OF LAW:

In the event that now or hereafter there is any State or Federal Law or any directive, order, rule or regulation

made pursuant thereto, the same shall supersede any provision or provisions of any agreement between the parties which is in conflict therewith, and shall thereafter govern and control the relations and conduct of the parties so long as such law, directive, order, rule or regulation shall remain in force and effect. In the event that this or any other agreements existing between the parties hereto, now or hereafter requires the approval of any Government authority before becoming effective, the same will and shall be subject to such approval.

ARTICLE XIV WAIVER

Paragraph 14.01 WAIVER:

The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the parties, for the life of this Agreement, voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to, or covered in this Agreement. Further, the parties, for the life of this Agreement, voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of any of the parties at the time this Agreement was negotiated or signed.

ARTICLE XV NOTICE OF CHANGE, MODIFICATION, TERM AND TERMINATION

Paragraph 15.01 NOTICE OF CHANGE:

Either party may give written notice sixty (60) days prior to April 1, 2004, or sixty (60) days prior to any subsequent anniversary date of this Supplementary Local Agreement, of any proposed change or changes of this Supplementary Local Agreement. Whenever such a notice of change is given, the party giving the notice shall submit its proposals in writing to the other party prior to the end of thirty (30) days from the date of notice. If the parties do not reach an agreement with respect to such proposals on or before April 1, 2004, or on or before a subsequent April 1 anniversary date of this Supplementary Local Agreement, whichever is applicable, the first sentence of Section 2.02 of the National Agreement shall not apply, but all other provisions of the National Agreement and this Supplementary Local Agreement shall continue in full force and effect, except that there shall be no grievance or arbitration as to work that may be performed for the Company during any resulting cessation of work.

Paragraph 15.02 RULES FOR MAKING MODIFICATION IN MID-TERM:

After this Agreement has been signed no provision may be altered or modified during the life of the Agreement except by mutual consent in writing between the Union and the Company, and only at a conference called for such purpose by the parties and ratified by their respective organizations.

Paragraph 15.03 TERM AND NOTICE OF TERMINATION:

This Supplementary Local Agreement shall continue in full force and effect to and including April 1, 2004, and thereafter shall be automatically renewed from year to year unless notice in writing shall be given by either party to the other of its termination sixty (60) days prior to its expiration date of April 1, 2004, or a subsequent applicable expiration date after automatic renewal, in which event it shall terminate on its expiration date unless, by mutual agreement, it is extended for a further period of time.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers and representatives this 16th day of March, 2001.

Thomson multimedia Inc.

By: /s/

COMPANY NEGOTIATING COMMITTEE

- /s/ M. L. Lindsey
Manager, Human Resources-Marion
- /s/ C. Stair
Manager, Labor Relations/Benefits
- /s/ M. P. King
Manager, Environmental Health & Safety
- /s/ R. D. Bechman
Manager, VLS Back End Operations
- /s/ M. J. Bish
Manager, Human Resources-Lancaster

APPROVED

- /s/ T. L. Wagner
Director, Human Resource, ATO
Thomson multimedia Inc.

LOCAL UNION NO. 1160
International Brotherhood of
Electrical Workers, AFL-CIO

- /s/ J. Carter
Business Manager

UNION NEGOTIATING COMMITTEE

- /s/ T. Coleman
- /s/ D. Stephens
- /s/ R. Riggs
- /s/ A. Murphy
- /s/ J. Cox
- /s/ L. Thompson
- /s/ J. Briston

APPROVED

- /s/ Edwin Hill
International President, IBEW

ADMINISTRATIVE LETTER

LETTER NO: 1
LOCATION: Marlon - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: SHIFT PREFERENCE

This is to confirm our understanding reached today during negotiations in regard to the administration of Paragraph 9.05, **SHIFT PREFERENCE**.

1. In accordance with provisions of Paragraph 9.05, **SHIFT PREFERENCE**, employees eligible to submit shift preference requests shall be given the opportunity to also designate the desired department on such request.
 - a. Employees in VLS will be allowed to submit a shift preference request designating their desired shift.
2. When an employee submits a shift preference request and is eligible to fill an opening, the employee thereby accepts assignment to such opening.
3. Shift preference request cards should be submitted to the Employment Activity in accordance with established procedures. Validated requests will be placed on file and a duplicate copy provided to the employee when received in Employment. Employees wishing to withdraw a previously submitted shift preference request shall provide immediate notification to the Employment Activity.
4. In cases of personal hardship, when offsetting shift preferences are on file involving the same department and occupational classification, consideration will be given to moving employees providing such reassignment does not conflict with any other shift preference requests filed in accordance with Paragraph 9.05.
5. In the event an employee is involuntarily displaced from one department to another department within the same occupational classification and a vacancy occurs in the same occupational classification in the former department and former shift within thirty

(30) days of the employee being displaced, such employee shall, upon request, be provided the opportunity to fill that vacancy prior to the implementation of Paragraph 9.05.

All Shift Preference cards will expire twelve (12) months after being submitted.

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject (and paragraph), please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:
Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:
Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 2
LOCATION: Marlon - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: VOLUNTARY LAYOFF

This is to confirm our understanding reached today during negotiations in regard to the administration of Paragraph 9.04, LAYOFF AND RECALL.

If it becomes necessary to reduce the number of employees working in an occupational classification, the Company will grant voluntary layoff to senior employees in accordance with the following:

1. In order to be eligible for voluntary layoff, employees must have a minimum of ten (10) years continuous service credit and have Voluntary Layoff Request cards on file at least one (1) week prior to a reduction of the work force. In those cases where they are eligible for voluntary layoff, the employee must accept voluntary layoff. In order to avoid voluntary layoff, employees must withdraw their Voluntary Layoff Request cards by notification to the Employment Activity at least one (1) week prior to the reduction of the work force.
2. Voluntary layoff of senior employees will only be a consideration when it would have been necessary for the involuntary layoff of less senior employees.
3. Voluntary layoff will first be extended to senior employees working in and holding seniority in the same occupation and department, and on the same shift affected by the reduction in the work force.
4. If there are no voluntary layoff request cards on file from employees described in (3) above, other senior employees will be given voluntary layoff consideration in accordance with layoff procedures as their occupation is affected in the succeeding steps of this bumping procedure.
5. Employees who go on voluntary layoff will forfeit any remaining vacation for which they are eligible during that vacation year unless they are recalled by the Company.

Employees who are on voluntary layoff may exercise their recall rights as follows:

1. After nine (9) months on voluntary layoff an interested employee may submit a recall request card. Such requests will be honored in accordance with their seniority as openings occur in the occupation from which laid off.
2. After being on voluntary layoff for twelve (12) months, should an employee desire to return to work, a written request must be submitted to the Company. A more senior employee will be entitled to bump the least senior employee in the occupational classification from which laid off.
3. If, while a Labor Grade 1 or 2 employee is on voluntary layoff, an opening occurs in Labor Grade 1 or 2 which must be filled with a new hire, the Company will recall the least senior employee on voluntary layoff.
4. All employees on voluntary layoff in Labor Grade 3 and above will be recalled in reverse seniority order to the occupational classification from which laid off and in which they hold seniority before such openings are filled by upgrades.
5. Continuous service credit and seniority of an employee on voluntary layoff will be considered broken in accordance with the provisions of ARTICLE VIII Section 8.02 "CONTINUITY OF SERVICE" of the National Agreement between the IBEW and Thomson Consumer Electronics, Inc.

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:
Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:
Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 3
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: ABSENTEEISM

This is to confirm our understanding reached today during negotiations regarding the parties mutual concern with attendance problems at the Marion Thomson Consumer Electronics, Inc. Plant.

Absenteeism continues to have a serious negative impact on productivity, quality, production schedules and employe morale. Lack of prompt and regular attendance presents an unnecessary cost to the Company and can not be tolerated if Thomson Consumer Electronics, Inc. is to effectively compete in the world today. This letter acknowledges that both the Company and the Union recognize the importance of prompt and regular attendance and support the goal of reducing absenteeism at the Marion location.

It is understood and agreed that this letter shall be *effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.*

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:
Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:
Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 4
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: SAFETY AND HEALTH

This is to confirm our understanding reached today during negotiations regarding the administration of Paragraph 11.02 of the Local Agreement, Safety and Health.

The Company recognizes the importance of safe working conditions concerning the well-being of its employees. If undue safety hazards should become apparent, prompt attention will be given to correct the situation. The Central Safety Committee, comprised of both Company and Union officials, has been established to investigate safety problems and address safety concerns.

Further, the Company agrees to notify the shift safety representative in a prompt manner of any injury incurred on the job on that shift which requires treatment outside the Plant and will furnish to the shift safety representative, upon request, a copy of the accident report for those accidents requiring treatment outside the Plant. The Company will make a diligent effort to improve areas where temperatures make working conditions unbearable and effect the health and safety of our employees during hours of employment.

The Company agrees to provide necessary protective devices and other equipment necessary to protect all employees from injury. Employees who are required to wear eye protection in the plant will be provided free of charge, their choice of the "Jones Visor" or safety glasses. Those employees who wear the "Jones Visor" who would prefer safety glasses may exchange one for the other. For those employees who are required to wear eye protection in the plant who need prescription glasses, the Company will provide either the "Jones Visor" or, after receiving the employee's prescription, the Company would pay 80% of the retail cost of providing prescription safety glasses, not to exceed fifty dollars (\$50.00) for single lens and fifty-five dollars (\$55.00) for bifocal and trifocal lens.

Should the Company implement a mandatory safety shoe program, the Company agrees to negotiate with the

Union whether or not the Company will pay for any of the cost of the required safety shoes.

The Company agrees to reasonably compensate an employee if the employee's normal working apparel becomes ruined while conscientiously performing assigned duties in accordance with prescribed methods and safety regulations, and providing such employee is wearing protective safety equipment as required by the Company.

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:

Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:

Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 5
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: TIMESTUDY REPRESENTATIVE

This is to confirm our understanding reached today during negotiations in regard to the administration of Paragraph 3.03, Timestudy Standard Rates.

The Company agrees to provide training in its timestudy methods and production standards to a qualified member of the Local Union, appointed by the Business Manager. Such trained, qualified member of the Local Union may accompany the appropriate Industrial Engineer in investigating any complaint of the Union or any operator requested restudy conducted by the Company. The results of any such investigation or restudy shall be made available to the Union.

The Company will notify the Local Union Timestudy Representative four (4) days in advance of implementing changes in timestudy standard rates. At that time, the Company will provide the Local Union Timestudy Representative with a copy of said changed rates.

Should it become necessary to institute disciplinary action against an employee(s) on issues involving protested new or revised rates, the Company agrees that the employee(s) involved will not be terminated until the Local Union Timestudy Representative has had an opportunity to study the protested job.

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated and return them to me.

FOR THE UNION:
Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:
Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 6
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: LAYOFF AND RECALL

This is to confirm our understanding reached today during negotiations in regard to the administration of Paragraph 9.04, Layoff and Recall.

The Company agrees that should it become necessary to effect a reduction in the workforce, the following provisions will apply to employees presently in the current labor grade affected as provided for and in accordance with the provisions of Paragraph 9.04 Layoff and Recall.

1. The least senior employee being displaced from an occupational classification within Labor Grades 1 and 2 shall displace the least senior employee being "bumped" to layoff.
2. Affected senior employees with the same labor grade increments shall not have "bump" rights against each other. For purposes of this Administrative Letter, increments shall mean the "levels of service credit" established under Paragraph 9.04, p.2 and includes continuous service credit and accumulated service credit.
3. In consideration of filling a vacancy or bumping an employee with a lower "labor grade" increment in an occupational classification which neither displaced employee holds seniority, in the same or lower labor grade, the employee being reduced with the most calculated labor grade seniority shall be given first consideration to bump or fill such vacancy. Further, when it becomes necessary to bump an employee from the labor grade and there are multiple employees holding the same increment of labor grade seniority, the employee with the least time in the labor grade will be considered the least senior and displaced.
4. When, as a result of a reduction in force, an employee is displaced from an occupational classification in labor grade 3 or above and does not hold

sufficient occupational classification seniority to remain in that Labor Grade and there is a job vacancy in an occupational classification in the same or lower labor grade, the employee will be considered for the vacancy with other employees requesting upgrade to the vacancy in accordance with the upgrading provisions of the Collective Bargaining Agreement.

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject (and paragraph), please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:

Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:

Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 7
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: CONTINUOUS SHIFT OPERATION

This is to confirm our understanding with regard to the administration of Paragraph 7.07 of the *Supplementary Local Agreement between the parties and the establishment of a continuous shift operation to support 6- or 7-day production requirements at the Company's Marion, Indiana facility.*

Should the Company determine that the needs of the business require establishment of a continuous shift operation to support 6- or 7-day production requirements (whether for current production or for product not currently produced at the Marion plant), the Company and the Union agree that they will negotiate in advance with regard to the establishment and staffing (current or new employees) of such a continuous shift schedule.

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject (and paragraph), please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:
Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:
Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 8
LOCATION: Marlon - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: VOLUNTARY DOWNGRADE

This is to confirm our understanding reached today during negotiations in regard to employees downgrading to occupational classifications in which seniority has not been established.

Prior to hiring new employees or upgrading existing employees, and after all other applicable contractual provisions have been exhausted, the Company will allow employees in Labor Grade 3 and above to downgrade to occupational classifications in which seniority has not been established. To be eligible for such consideration, an employee must have a minimum of six (6) years seniority in an occupation or occupations in Labor Grade three (3) or above and have an appropriate request on file in the Human Resources office for each occupational classification for which the employee desires consideration prior to the receipt of an approved requisition creating such vacancy.

Downgrades will be made in seniority order to the first available job opening regardless of shift provided the employee requesting the downgrade possesses the necessary skill and ability to perform the job. However, such voluntary downgrades shall be limited to one (1) in any given twelve (12) month period.

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:
Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:
Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 9
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: DEPARTMENT TRANSFERS

This is to confirm our understanding reached today *during negotiations regarding employees transferring to departments having a one shift operation within the same shift.*

Prior to hiring new employees to fill vacancies and after all other applicable contractual provisions have been exhausted, the Company will allow employees in Labor Grades 1 and 2 to transfer to departments having a one shift operation within the same shift to other departments in the occupational classification they are working in and have established seniority or to other occupational classifications in Labor Grades 1 and 2 in which seniority has not been established.

To be eligible for transfer, an employee must possess *the skill and ability to perform the job and have an appropriate transfer request on file in the Human Resources office prior to the receipt of an approved requisition creating such vacancy.*

When an opening becomes available in a department as described above for which an employee has an active transfer request and the employee satisfies the eligibility requirements stated above, such employee will be transferred without solicitation. To avoid such, an employee must withdraw their transfer request by notifying the Human Resources office, in person, prior to receipt of the *approved requisition creating such job opening.* An employee so transferred may not request another department transfer *within the same shift during the same calendar year.*

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement exiting between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject,

please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:

Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:

Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 10
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: MARION PLANT VIABILITY

This is to confirm our understanding reached today during negotiations regarding the continuing viability of the Marion Plant operations and the parties' mutual concern for such.

1. As a commitment to Marion Plant customers, when an extended six (6) day work week is determined *by the Company to be necessary to support production requirements*, Saturdays will be scheduled as a regular work day and the following six (6) day work week schedule will be implemented as soon as possible upon securing sufficient supplemental employees to help staff the extended work week.
 - Employees will be divided into four (4) groupings (A, B, C, D) in each supervisory center with each group made up of twenty five percent (25%) of the employees.
 - When departmental production requirements necessitate a six (6) day work week and Saturdays are scheduled, each employee group, (A, B, C, D) will be exempt from working one Saturday each month on a rotating basis. However, when any department cannot fill Saturday staffing needs on a voluntary basis or with the supplemental workforce, employees from the employee group (A, B, C, D) whose Saturday is exempt, and who have not volunteered to work, will be *scheduled to work their shift beginning with the least senior qualified employee in the occupational overtime center*. Those employees thus required to work on their exempt Saturday will receive a day off without pay to be scheduled with their supervisor within the current Vacation Year (April 1st - March 31st).

- Non-exempt employee groups scheduled to work will be notified by the end of first shift on Wednesday prior to the required Saturday.
 - Saturdays occurring on a holiday weekend will not be scheduled as a regular work day.
 - When an extended six (6) day work week has been scheduled and a department requires only partial departments and/or days, such staffing needs will first be filled on a voluntary basis by those employees assigned to the concerned occupational overtime center. Should an insufficient number of such employees volunteer, employees who have not volunteered will be scheduled to work beginning with the least senior qualified employee in the occupational overtime center.
 - Each employee will be assigned to an employee group (A, B, C, D) and required to work the six (6) day work week schedule described above except for employees who are either assigned to continuous operations or are employees in departments where the Company determines the requirement can be met on a five (5) day schedule.
 - Recognizing that differences in production requirements might exist between those of the main plant operations and those of the VLS (Very Large Screen) operations, work week requirements may vary. If the Company determines, based upon production requirements, that it is necessary to schedule continuous shift operations or a five (5), six (6) or seven (7) day work week in VLS operations, that work week schedule or continuous shift operation will be discussed with the Union prior to implementation.
2. Should it become necessary to ask an employee to work out of their assigned occupational overtime center, such assignment will be made in accordance with the provisions of Article XII, GENERAL PROVISIONS, Paragraph 12.03 Temporary Work Assignment, of the Supplementary Local Agreement

between the Union and the Company. However, due to the limited number of employees working in the VLS operation, it is recognized that employees may be asked to work out of their assigned occupational overtime center to cover overtime requirements or absenteeism in accordance with the past practice in the operation.

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:

Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:

Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 11
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: MARION PLANT PAY PRACTICES

This is to confirm our understanding reached today during negotiations regarding the application of Section 7.01, Designated Holidays; Section 10.07, Bereavement Pay; Section 10.08, Jury Duty And Witness Pay; and Section 10.10, Absence Pay, of the National Agreement between the Company and Union as it applies to Marion plant employees working regularly assigned twelve (12) hour shifts.

Marion plant employees working regularly assigned twelve (12) hour shifts, when eligible for Holiday Pay, Bereavement Pay, Jury Duty and Witness Pay, and Absence Pay in accordance with the provisions of the National Agreement between the parties, shall be compensated at their regular daily rate.

It is understood and agreed that this letter shall be effective only for the duration of the collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:
Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:
Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 12
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: MARION PLANT VACATION
ELIGIBILITY

This is to confirm our understanding reached today during negotiations regarding the application of Section 6.05, Special Rules Governing Vacation Payment, of the National Agreement between the Company and Union as it applies to Marion plant employees working regularly assigned twelve (12) hour shifts on a continuous shift configuration.

Effective April 1, 1998 – March 31, 1999, Marion plant employees working regularly assigned twelve (12) hour shifts will be provided vacation eligibility on the basis that a week of vacation equals five (5) days. Further, that when vacation is granted and taken, individual days will be counted as single days; however, whenever all regularly scheduled work days are taken in a "Regular Work Week", five (5) days of vacation will be charged. Single day charging will not be permitted when an employee requests and is granted vacation of two (2) days or more and is absent during the "Regular Work Week" in excess of the vacation request and the additional absences are not work days that are considered as "excused" absence days in accordance with provisions of the Company/Union Agreement.

Examples:

- For employees on a four- (4) day work week, they can take three (3) vacation days and one (1) excused contractual day and only be charged with three (3) vacation days.
- For employees on a three- (3) day work week, they can take two (2) vacation days and one (1) excused contractual day and only be charged with two (2) vacation days.
- Employees on a three- (3) day work week who take two (2) vacation days and are absent the remaining work day without an excused contractual day will be charged for a full week (five days) of vacation.

- Employees on a four- (4) day work week who take two (2) or more vacation days and are absent the remaining work days of that week without excused contractual days will be charged for a full week (five days) of vacation.

Effective April 1, 1999, Marion plant employees working regularly assigned twelve (12) hour shifts will be provided vacation time eligibility based on a schedule which converts weeks of eligibility to an equivalent number of hours based on an eight (8) hour day and a forty (40) hour week. Those hours will be rounded up to the nearest number of hours evenly divisible by twelve (12).

The application of this formula is set forth in the following conversion chart using the framework established in 6.04 and 10.10 of the National Agreement:

12 Hour Shift Vacation Time Eligibility

From	But Less Than	Vacation	Converted Hours
6 months	2 years	1 week	48 hours
2 years	7 years	2 weeks	84 hours
7 years	15 years	3 weeks	120 hours
15 years	20 years	4 weeks	168 hours
20 years and over		5 weeks	204 hours

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:

Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:

Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 13
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: JOINT TASK FORCE -
TRANSITIONAL DUTY PROGRAM

This is to confirm our understanding reached during negotiations in regard to the formation of a joint Company/Union task force to develop and implement a new cost effective and rehabilitative Transitional Duty Program.

1. In recognition of extraordinary workers' compensation costs and the need to more effectively facilitate the rehabilitation and the re-integration of injured employees back into the productive work force, the Company and Union agree to immediately establish a joint task force with the charter to research and propose program alternatives including the implementation of a new Transitional Duty Program.
2. The task force will include two members appointed by the Union and two members appointed by Management. An advisor/facilitator will be made available to the task force, as well as visitation opportunities to other companies/plants for research purposes.
3. The task force is to submit, within a reasonable and expeditious time period, pilot program recommendations for review of the Company and Union. As a goal, due to the importance of this program, recommendations from the taskforce are preferred no later than sixty (60) days from the date of their first meeting.
4. The Company and Union acknowledge the importance of the need for a viable Transitional Duty Program and agree to work together in its formation and implementation. Should a mutual agreement not be reached, neither party forfeits any rights of implementation or protest in accordance with the Company/Union Agreement.

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated

at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:

Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:

Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 14
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: OCCUPATION WAGE INEQUITIES

This is to confirm our understanding reached during negotiations in regard to consideration of occupation wage inequities during the contract term.

1. The company recognizes the need to provide timely consideration and evaluation of proposed inequities and will make a concerted effort to see that prompt attention is given.
2. Effective immediately, Labor Relations will review with a designated union representative, existing proposed occupation inequity requests and establish a priority list for evaluation.
3. Any future proposed occupation inequities will be submitted to the Company in writing, and a priority established.

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:
Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:
Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 15
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: TEMPORARY LOAN OUT

This is to confirm our understanding reached during negotiations in regard to Paragraph 12.03, Temporary Work Assignment, as it applies to the "loan out" of employees from one occupational overtime center to another to support efficient and cost effective operations.

The Union agrees that the Business Manager and Chief Shop Stewards will work with the Company concerning employee loan out to the fullest extent.

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:
Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:
Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 16
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 18, 2001
SUBJECT: CASUAL EMPLOYEES

This will confirm our understanding reached during discussions concluded today with respect to the terms and conditions of employment which shall apply to casual employees hired to supplement the regular work force of production, maintenance and warehouse employees at the Marion Plant. Consistent with this Letter of Agreement, only the below listed provisions of the National and Local Supplementary Agreement, referenced for administrative convenience, apply to the supplemental work force. Therefore, the terms and conditions for such supplemental employees are solely and exclusively as provided in this Letter of Agreement.

NATIONAL AGREEMENT

ARTICLE I, RECOGNITION

Section 1.01 Recognition

ARTICLE II, RECOGNITION OF RIGHTS

Section 2.01 Rights and Functions of Management

Section 2.02 Strikes, Lockouts, and Related
Interruption of Work

Section 2.03 Notification as to Rules

ARTICLE III, UNION SECURITY

Section 3.01 Union Shop

Section 3.02 Checkoff

Section 3.03 Provision Against Discrimination,
Intimidation, and Coercion

ARTICLE XI, COMPLAINT AND GRIEVANCE PROCEDURE

Section 11.01 Complaints

Section 11.02 Definition of Grievance

Section 11.03 Resolution of Grievances

Section 11.04 Arbitration

SUPPLEMENTARY LOCAL AGREEMENT

ARTICLE III, RECOGNITION OF RIGHTS

Paragraph 3.01 Recognition

Paragraph 3.02 Checkoff

ARTICLE VI, COMPLAINT AND GRIEVANCE PROCEDURE

Paragraph 6.02 Presentation of Grievances

Paragraph 6.03 Grievance Steps and Representatives of the parties Wherein

Paragraph 6.06 Discipline

Effective immediately, in accordance with the above and in compliance with the requirements of State or Federal Law, the following apply to employees performing such supplemental work:

1. First consideration for employment to perform supplemental work will be given to laid off employees who will be paid at the appropriate straight time wage rate of the occupational classification assigned as set forth in the effective hourly wage rate structure. Employees accepting such work will retain full recall rights. Refusal to accept supplemental work will not affect such employees' eligibility for any provisions contained in the National or Local Supplementary Agreements. For layoff purposes, acceptance of supplemental work will not be considered as recall from layoff.
2. After considering laid off employees, preference for employment as a supplemental worker will be given to regular work force employee referrals.
3. Only legally required benefits such as FICA, state unemployment insurance and workers' compensation will be provided and appropriate payroll deductions made.
4. The same standards of productivity, attendance and general conduct that are expected of regular employees shall apply.
5. All regular workforce employees will be solicited to work in accordance with the overtime distribution procedure prior to utilizing the supplemental work force with the exception that the supplemental workforce may be utilized to cover absences re-

sulting from medical and family leaves of absence lasting a period of up to sixteen (16) calendar days prior to soliciting regular workforce employees. This sixteen (16) day period commences when medical leave papers are picked up by the employee or on the fifth consecutive day of family leave.

6. Except as provided in #1 above, supplemental work force employees will be paid the percentages shown below of the job rate of the occupation in which they are working:

Start Rate	After Working 16 Days	After Working 32 Days
70%	75%	80%

7. New supplemental work force employees will be compensated for time spent in training.
8. Supplemental employees will be paid one and one half (1-1/2) times their regular hourly rate for all hours worked on Saturdays and Sundays.
9. Employees in the supplemental work force will be given consideration for regular full-time employment as openings occur.
10. Family Store privileges will be offered on a cash-only basis.

It is understood and agreed that this letter shall be effective only for the duration of the present collective bargaining agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:
Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:
Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 17
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: Marion Outsourcing and Plant Operations

This is to confirm our understanding reached today during negotiations regarding future outsourcing of operations at the Marion, Indiana Plant. for the purposes of this agreement, "outsourcing" shall mean reductions in the workforce resulting from the permanent or long-term assignment/completion of functions or operation normally performed by the bargaining unit to/by an entity (ies) not wholly or partially owned (i.e., 50% or greater interest) or operated by Thomson multimedia S.A. or a subsidiary or affiliate thereof. This Letter shall not apply to or impact upon subcontracting, a full or partial plant closure or relocation, the elimination of a product type (e.g., Mid-size), the making of single component purchases (e.g., blackened IMS, v-claws), or the transfer/relocation of work to another Thomson-owned or operated facility.

The Company agrees, subject to the paragraph above, that during the term of this Agreement, those operations directly or indirectly related to the production of Large-size or VLS CRT television picture tubes will not be outsourced.

It is understood and agreed that this letter shall be effective only for the duration of the present Collective Bargaining Agreement existing between the parties unless terminated at an earlier date by mutual consent of said parties.

If the foregoing correctly expresses your understanding of our agreement concerning the above subject, please sign seven (7) copies of this letter at the place indicated below and return them to me.

FOR THE UNION:
Jeffery Carter
Business Manager
I.B.E.W., Local 1160

FOR THE COMPANY:
Michael Lindsey
Manager, Human Resources

ADMINISTRATIVE LETTER

LETTER NO: 18
LOCATION: Marion - I.B.E.W., Local 1160
DATE: March 16, 2001
SUBJECT: GENERAL AGREEMENTS

The Company will agree to continue the following general agreements for the duration of the present collective bargaining agreement existing between the parties.

1. Outstanding Union dues and Initiation Fees will be considered another item of withdrawal from the last checks of terminated employees.
2. In the event of a reduction in the work force, the Company will discuss with the Union circumstances where specific steward-employee ratios would fall below the 50-1 ratio, potentially resulting in a reduction of stewards.
3. The Company does not condone employee harassment involving any employee and appropriate measures will be immediately taken to correct such behavior in the event of such occurrence.
4. Lift truck services will be made available to Tool and Die Makers in the Mask Forming area for the movement of heavy dies from one department to another.
5. The Company agrees to provide, at the request of the Union and with written authorization by the employee, information regarding the employee which the Company intends to present in grievance meetings regarding the denial of benefits or change in an employee's employment status.
6. A counseling step will be the first formal step of discipline in absenteeism cases. If an employee's attendance is becoming unsatisfactory, the employee shall be advised by the Company. The counseling session will be held in the presence of an appropriate local union representative if so desired by the employee.
7. The Company will insure that during normal production hours, to include Sunday startup, twenty

four (24) hour maintenance service will be provided on vending machines in the Plant.

8. The Company will publicize the "matching price" concept concerning purchases from the Family Store.
9. In the event of severe winter storms which result in employees becoming stranded on Company premises, it is agreed that the Company will make every reasonable effort to provide for the comfort of such employees, including meals furnished at no cost. It is further agreed that every effort will be made to find available work for such stranded employees remaining in the plant. Those employees electing work available job assignments will be compensated at the applicable rate during such assignment.
10. The Company agrees that video taping will not be used as a timestudy method in establishing timestudy standard rates.
11. The Company agrees, immediately following the conclusion of negotiations, to expand the practice of shift rotation of weekend overtime to departments desiring such consideration. However, after such implementation, if the practice in the affected department becomes unsatisfactory, the practice will be reviewed to assure equitable distribution of overtime. If a change should become necessary, discussions will be conducted with appropriate Union officials prior to making any change.
12. Supervisors, as a part of their normal responsibility, will keep current record of the telephone numbers of their employees. Employees should also make every effort to advise their Supervisor of new or changed telephone numbers.
13. In the event it becomes necessary to relocate the Union office, the Company agrees to work with the Business Manager on the mutual selection of a new Union office in the Plant.
14. The Company agrees that in the administration of the Thomson multimedia Inc.-Marion Perfect Attendance Program, absences due to bereavement as specified in Section 10.08 of the National Agreement will not disqualify an employee from recognition.

15. The Company agrees that employees who give appropriate notice to the Employment Section of a desire to exercise their four (4) month bump right as provided for in Paragraph 9.05, "SHIFT PREFERENCE," and are unable to exercise such right may request to have their shift preference card remain in the active file, and receive from the Employment Section a validated receipt indicating the card's renewal.
16. The Company agrees that consideration will be given to qualified members of the Production and Maintenance Unit who have indicated a desire for entry into vacancies in the guard occupation prior to the hiring of new employees into the Security Guard Unit.
17. The Company will make every effort to schedule Company/Union business involving the Business Manager and/or Chief Stewards during their normal working hours.
18. The Company agrees to provide employees with assistance in completing insurance forms.
19. Should it become the Company's intent to have a physician appear as a witness at an arbitration hearing, the Company will provide the Business Manager one week's notification prior to the hearing of such intent.
20. In the case of swing shift employees whose first and second scheduled days off occur on Wednesday and Thursday, once each calendar month, the Company agrees that these affected employees will receive their weekly paycheck on Wednesday.
21. When a "preferred" Labor Grade 1 or 2 job vacancy occurs within an occupational overtime center and the position is requested by other employees holding seniority and working in the occupation and overtime center, employee assignment to the vacancy shall be made by taking seniority into consideration whenever practical.
22. Seniority of employees with the same date of hire will be determined by clock number with the lowest clock number being the most senior.

Note to file K 3660

The contract for 1998-2001 shows 4 plants included in this national agreement, but since then, the plant in Bloomington, IN has closed. Each plant has a local agreement in addition to the national agreement. The agreement copy for 2001-2004 is for the Marion plant.

The remaining plants, their locals, and number of workers in the bargaining units are:

Marion, IN	Local 1160	1,400 workers
Indianapolis, IN	Local 1048	50 workers
Lancaster, PA	Local 1666	19 workers

JKS
4/12/02