

# AGREEMENT

*by and between*



*and*



International Association  
of Machinists

June 19, 2000 - June 20, 2004

# 2001

S M T W T F S

## JANUARY

1 2 3 4 5 6  
7 8 9 10 11 12 13  
14 15 16 17 18 19 20  
21 22 23 24 25 26 27  
28 29 30 31

## APRIL

1 2 3 4 5 6 7  
8 9 10 11 12 13 14  
15 16 17 18 19 20 21  
22 23 24 25 26 27 28  
29 30

## JULY

1 2 3 4 5 6 7  
8 9 10 11 12 13 14  
15 16 17 18 19 20 21  
22 23 24 25 26 27 28  
29 30 31

## OCTOBER

1 2 3 4 5 6  
7 8 9 10 11 12 13  
14 15 16 17 18 19 20  
21 22 23 24 25 26 27  
28 29 30 31

S M T W T F S

## FEBRUARY

1 2 3  
4 5 6 7 8 9 10  
11 12 13 14 15 16 17  
18 19 20 21 22 23 24  
25 26 27 28

## MAY

1 2 3 4 5  
6 7 8 9 10 11 12  
13 14 15 16 17 18 19  
20 21 22 23 24 25 26  
27 28 29 30 31

## AUGUST

1 2 3 4  
5 6 7 8 9 10 11  
12 13 14 15 16 17 18  
19 20 21 22 23 24 25  
26 27 28 29 30 31

## NOVEMBER

1 2 3  
4 5 6 7 8 9 10  
11 12 13 14 15 16 17  
18 19 20 21 22 23 24  
25 26 27 28 29 30

S M T W T F S

## MARCH

1 2 3  
4 5 6 7 8 9 10  
11 12 13 14 15 16 17  
18 19 20 21 22 23 24  
25 26 27 28 29 30 31

## JUNE

1 2  
3 4 5 6 7 8 9  
10 11 12 13 14 15 16  
17 18 19 20 21 22 23  
24 25 26 27 28 29 30

## SEPTEMBER

1  
2 3 4 5 6 7 8  
9 10 11 12 13 14 15  
16 17 18 19 20 21 22  
23 24 25 26 27 28 29  
30

## DECEMBER

1  
2 3 4 5 6 7 8  
9 10 11 12 13 14 15  
16 17 18 19 20 21 22  
23 24 25 26 27 28 29  
30 31

# 2002

S M T W T F S

## JANUARY

1 2 3 4 5  
6 7 8 9 10 11 12  
13 14 15 16 17 18 19  
20 21 22 23 24 25 26  
27 28 29 30 31

## APRIL

1 2 3 4 5 6  
7 8 9 10 11 12 13  
14 15 16 17 18 19 20  
21 22 23 24 25 26 27  
28 29 30

## JULY

1 2 3 4 5 6  
7 8 9 10 11 12 13  
14 15 16 17 18 19 20  
21 22 23 24 25 26 27  
28 29 30 31

## OCTOBER

1 2 3 4 5  
6 7 8 9 10 11 12  
13 14 15 16 17 18 19  
20 21 22 23 24 25 26  
27 28 29 30 31

S M T W T F S

## FEBRUARY

1 2  
3 4 5 6 7 8 9  
10 11 12 13 14 15 16  
17 18 19 20 21 22 23  
24 25 26 27 28

## MAY

1 2 3 4  
5 6 7 8 9 10 11  
12 13 14 15 16 17 18  
19 20 21 22 23 24 25  
26 27 28 29 30 31

## AUGUST

1 2 3  
4 5 6 7 8 9 10  
11 12 13 14 15 16 17  
18 19 20 21 22 23 24  
25 26 27 28 29 30 31

## NOVEMBER

1 2  
3 4 5 6 7 8 9  
10 11 12 13 14 15 16  
17 18 19 20 21 22 23  
24 25 26 27 28 29 30

S M T W T F S

## MARCH

1 2  
3 4 5 6 7 8 9  
10 11 12 13 14 15 16  
17 18 19 20 21 22 23  
24 25 26 27 28 29 30  
31

## JUNE

1  
2 3 4 5 6 7 8  
9 10 11 12 13 14 15  
16 17 18 19 20 21 22  
23 24 25 26 27 28 29  
30

## SEPTEMBER

1 2 3 4 5 6 7  
8 9 10 11 12 13 14  
15 16 17 18 19 20 21  
22 23 24 25 26 27 28  
29 30

## DECEMBER

1 2 3 4 5 6 7  
8 9 10 11 12 13 14  
15 16 17 18 19 20 21  
22 23 24 25 26 27 28  
29 30 31

2300 workers is 3367  
**TABLE of CONTENTS**

SECTION	ART.	PAGE
Agreement		1
Apprenticeship Standards		84
Arbitration	16	36
Bargaining Unit Work	2	2
Bulletin Boards for Union Notices	25.8	56
Call-In Pay	20.3	44
Checkoff & Union Security	23	48
Discontinuance of Operations	25.7	53
Discrimination	3	3
Duration of Agreement	26	56
Funeral Pay	20.1	42
Grievance Procedure	15	33
Group Health Benefits	21	44
Holidays	7	14
Hours of Work	5	5
Job Bidding Procedure	12	27
Jury Duty Pay	20.2	43
Layoffs & Recalls	11	23
Leaves of Absence	13	30
Long Term Layoff	11.9	26
Management Clause	4	4
Miscellaneous	25	50
Night Shift Differential	19.9	42
Overtime	6	11
Overtime Allocation	6.2	11
Overtime Calculation Process Flow Chart		
June 2000 Negotiations		92
Overtime Premium	6.1	11
Picket Lines	18	38
Plants & Departments	10	22
Probationary Period	9.3	20
Recalls	11.10	27
Recognition	1	1
Relocation Agreement	25.6	51
Retirement Plan	22	45
Rework - Overtime Process Map		94
Safety	24	49
Seniority	9	20
Short Term Layoff	11.8	25
Strike and Lockout	17	37
Supplemental Pay	20	42

Red 5/5/01

inspectors, watchpersons, guards, and supervisory employees as defined in the Labor-Management Relations Act).

1.2 The Bargaining Unit above described includes, among others, all employees engaged in die casting, mold casting, turning, boring, fitting, filing, planing, shaping, babbiting, chipping, sawing, and machinery repairing on gasoline, diesel, and electric trucks and tow motor trucks in the plant and the making, assembling, erecting, and repairing of all machinery of all descriptions and parts thereof performed within the employer's plant by the employer and shall be performed by employees within the Bargaining Unit as set forth herein, provided the employees are capable and competent to perform the work required to be performed, in an efficient manner. The Bargaining Unit shall also include customer service and repair mechanics and local truck drivers.

## **ARTICLE II, BARGAINING UNIT WORK**

2.1 Supervisory or other employees not in the Bargaining Unit shall not be permitted or assigned to do any of the work covered by this Agreement other than for instructive purposes. (Instructive purposes shall include management trainees not to exceed five (5) employees in any one plant, at any one time, for a period not to exceed three (3) months unless extended by mutual agreement.) The employees instructing shall be paid their measured day work rate or their indirect pay rate, whichever is applicable, during the period of instruction. Experimental work, if deemed necessary by the Company, may be performed by technicians or laboratory employees anywhere in the plants. It is also understood that no management trainees will be assigned to overtime work unless the whole department is working.

2.2 The Company and the Union agree that this Article defines solely the Collective Bargaining Unit in which both parties have and will bargain collectively in good faith on matters affecting wages, hours of work, working conditions, conditions of employment, rates of pay and all other terms and conditions of employment for all employees, subject to the conditions and provisions set forth in this Agreement, to promote continuous and harmonious relations.

2.3 In the event that during the term of this Agreement the Company should open or reestablish a new Division or Plant in Fond du Lac, Winnebago and Ozaukee Counties, Wisconsin, for the manufacture of a new or expanded prod-

uct, the Company will recognize the Union as the exclusive bargaining agency for the Bargaining Unit as described above, with the exclusions therein noted, that would be embraced in said new Plant or Division. Said new Plant or Division shall establish separate seniority from any existing Plant or Division. The seniority status of the employees of any such new Division or Plant shall be established and controlled in the manner set forth in the seniority article of this Agreement.

2.4 The Company will establish a Labor-Management Committee for the purposes of attempting to resolve problems of mutual interest. The purpose and intent of this Company Level Committee is to provide a vehicle through which the representatives of Management and Labor can mutually work together to improve the effectiveness and the profitability of the Company. The Committee will formally meet quarterly, and at other times as required, and will address items/topics such as: increasing productivity, the Productivity Pool and its operation, problem resolution without resort to the grievance procedure, state of the business, employee communication, Company competitiveness and any other topic of mutual interest that will benefit the business and/or affect the Union membership.

2.5 In the event that operational requirements or needs occur which require an amendment or modification during the course of this Agreement, the Company will notify the Union bargaining committee of its desire to modify the existing Labor Agreement. Negotiations will then be held between the parties to determine the effect such modifications will have on employees.

Any changes or modifications resulting from these negotiations must be mutually agreed upon before the Company can implement such modification.

### **ARTICLE III, DISCRIMINATION**

3.1 The Company will not interfere with, restrain, or coerce the employees covered by this Agreement because of membership in, or activity on behalf of the Union. The Company will not discriminate in respect to hire, tenure of employment or any term or condition of employment, against any employee covered by this Agreement because of membership in, or activity on behalf of the Union, nor will it discourage membership in the Union, or attempt to encourage membership in another Union.

5.3 The daily work schedule by shifts shall be as follows:

First Shift – 7:00 A.M. to 3:30 P.M. with an unpaid lunch period from 12:00 Noon to 12:30 P.M.

Second Shift – 3:30 P.M. to 12:00 Midnight with an unpaid lunch period from 8:00 P.M. to 8:30 P.M.

Third Shift – 11:00 P.M. to 7:00 A.M. with a paid eighteen (18) minute lunch period at the approximate midpoint of the shift.

5.3a The Company may change the schedule of unpaid lunch periods to meet production or maintenance needs. Specifically the Company may move the lunch period within a window starting one hour earlier than the scheduled lunch period. The Company will notify the Union and affected employees as soon as possible of the change. Any exception to the above period will require the agreement of the Union in the plant affected.

5.4 In the event the Company, in its discretion, schedules a three-shift continuous and uninterrupted production machine operation in any department or division thereof, the work schedule for same shall be as follows:

First Shift – 7:00 A.M. to 3:00 P.M. with a paid eighteen (18) minute lunch period.

Second Shift – 3:00 P.M. to 11:00 P.M. with a paid eighteen (18) minute lunch period.

Third Shift – 11:00 P.M. to 7:00 A.M. with a paid eighteen (18) minute lunch period.

It is understood that the Company may stagger the paid lunch period during the middle of each respective shift in order to ensure uninterrupted continuous operation.

#### 5.5

A. Present practices for paid and unpaid lunch periods shall be continued for the term of this Agreement except that the Maintenance Department skilled trade employees will not have a paid lunch unless otherwise instructed by their Supervisor.

B. If an employee is transferred to an operation receiving a paid lunch on Monday, employee will receive paid lunch for the remainder of that week. If an employee is transferred from a paid lunch operation on Monday to an operation not receiving paid lunch, the employee will not receive paid lunch for the remainder of that week provided he remains in the unpaid lunch period area. Affected employees will be so advised no later than the end of their shift on Friday

of their paid lunch status for the following week, unless an emergency arises which precludes giving such notice or in case of absenteeism.

C. All work performed during an eating period will be optional on the part of any employee. If an employee agrees to work during an eating period, he or she will be assigned another eating period immediately before or after the normal eating period.

5.6 The Company will not change the schedule of the shifts now being worked without prior notice to the Union. If the Union objects to such change, the grievance procedure set forth herein shall be utilized.

5.7 An employee who agrees to start work prior to the normal scheduled shift shall be expected to work to the quitting time of his or her normal shift, and work shall be provided.

5.8 For purposes of this Agreement, in any instance where a second or third shift extends into Saturday, Sunday or paid holiday, such shift shall be considered a part of the day on which the corresponding first shift began. For purposes of this Agreement, the third shift commencing on Saturday, Sunday or a paid holiday shall be considered a part of the day on which such shift ends.

#### 5.9 WASH-UP PERIODS

Employees shall be permitted to stop work on Company time five (5) minutes before the eating period and five (5) minutes before the end of each shift to wash up.

5.10 The Company may at its option, institute a 4th shift. Available openings shall be filled in accord with Article XII of this Agreement except that the selection of employees to fill those jobs shall be limited to employees currently holding the posted classifications. In the event the Company is unable to fill the vacancies from within the department, the Company may post notification for such vacancies in accordance with Article XII. The Company will, on an annual basis, repost these 4th shift jobs, and allow employees an option to return to their bid classification and shift (seniority permitting) while allowing others the opportunity to bid for these jobs.

It is expressly understood that the provisions of the Labor Contract, except as hereinafter expressly modified, shall apply in equal measure to those employees working on the 4th shift.

The 4th shift shall be comprised of the following classifications:

Plants 3, 4S & 15: Electricians, Maintenance Mechanics, Tool Maker, Set-Up and Buildings and Grounds.

Casting Plant: Electricians, Maintenance Mechanics, Furnace Maintenance, Die Maintenance Technician, Set-Up and Shop Sweeper.

Foundry Plant and Investment Casting Plant: Electricians, Maintenance Mechanics and Furnace Maintenance.

It is understood and agreed to by both Parties that during a reduction or layoff no Company imposed transfers to the 4th Shift shall take place in the classifications currently reduced.

The normal daily work schedule of 4th Shift shall consist of eight (8) consecutive hours. The normal weekly work schedule shall be five (5) consecutive days, Thursday through Monday inclusive. Nothing herein shall be construed as a guarantee of any minimum number of hours worked, or as a limitation on the number of hours worked except as provided for in Article 20.3 of the Agreement.

The daily work schedule shall be: 7:00 a.m. to 3:30 p.m. with an unpaid lunch period during the approximate middle of the shift.

Overtime for those employees assigned to the 4th Shift shall be computed in accord with the following provisions:

Time and One-Half

A) All work performed in excess of eight (8) hours in any one (1) day,

B) All work performed in excess of forty (40) hours (for which overtime has not previously been earned) in any week, Thursday through Wednesday inclusive,

C) All work performed in lieu of an eating period,

D) All work performed on Tuesday.

Double Time

A) All work performed on Wednesday,

B) All work performed in excess of twelve (12) hours worked, exclusive of lunch periods,

C) All work performed on any of the Holidays designated in Article VII, Holidays, Section 7.1.

Overtime shall be allocated to employees working on the 4th Shift in accord with the dictates of Article VI.

Holidays falling on Tuesday or Wednesday shall be treated in all respects as if they had fallen on Saturday or Sunday. Such Tuesday and Wednesday Holidays shall be governed by the dictates of Article VII.

A shift premium of ten (10) cents per hour will be paid to employees assigned to the 4th Shift.

Should, during the duration of this Agreement, any dispute arise concerning this 4th Shift, the problem shall first be discussed by the Parties in Plant Labor Management Meetings. Disputes not resolved in this manner shall be subject to the Grievance and Arbitration provisions of this Agreement.

5.11 Current 5<sup>th</sup> and 6<sup>th</sup> shift agreements remain in effect. In addition, the Company may, with the concurrence of the Union, institute a 5<sup>th</sup> and/or 6<sup>th</sup> shift of work on a plant by plant basis, such shifts to consist of three (3) days, Friday, Saturday and Sunday or Saturday, Sunday and Monday of twelve (12) hours per day, (maintenance department employees will work a 12 ½ hour day with a ½ hour unpaid lunch) for a total work week of thirty-six (36) hours with pay for forty (40) hours. (Hourly rate to be 40 hours/week at contract rate divided by 36 to make a 36 hour/week rate.) The Union will be reasonable in allowing implementation of a 5<sup>th</sup> and/or 6<sup>th</sup> shift and the Company will be reasonable in requesting such a shift pattern. (Both the Company and the Union recognize employee utilization on the "overlap" day is a priority to ensure employees are fully utilized, including mutually agreeing to assignment to another facility when that is the only reasonable alternative.)

Article XII, Job Bidding Procedure, will be used to fill all openings on either 5<sup>th</sup> or 6<sup>th</sup> shift. The Union will be reasonable in requesting discontinuance of a 5<sup>th</sup> or 6<sup>th</sup> shift, where a 5<sup>th</sup> or 6<sup>th</sup> shift is in place, and the Company will be reasonable in operating such a shift. In the event the Union decides to give notice concerning the discontinuance of a 5<sup>th</sup> or 6<sup>th</sup> shift, the Union will give the Company 60 days notice of its intent to discontinue this agreement. In the event that the Company and/or the Union decides to discontinue the 5th or 6th shift then employees who had previously held seniority within the plant will be returned to their bid shift and classification (seniority permitting). Employees who had not established seniority in that plant will be placed on any available opening.

No employee hired prior to June 18, 2000 will be reduced as a result of the implementation of a 5<sup>th</sup> or 6<sup>th</sup> shift at the time of the implementation of such a shift.

Employees hired after June 18, 2000 may be required to move to a 5<sup>th</sup> or 6<sup>th</sup> shift where there is available work.

In the event there is a reduction and if it is necessary to continue a 5<sup>th</sup> or 6<sup>th</sup> shift, the following sequence will be followed for the least senior employees in the plant:

1. Employees hired after June 18, 2000 will be required to move to a 5<sup>th</sup> or 6<sup>th</sup> shift.

2. Employees hired prior to June 18, 2000 will be given the option to either man the 5<sup>th</sup> or 6<sup>th</sup> shift or elect a voluntary layoff.

Overtime shall be paid at the rate of time and one-half the hourly straight time hourly rate of the employee for all hours worked in excess of twelve (12) hours in one day or thirty-six (36) hours in one seven day work week, such work week beginning on Friday or Saturday. Work on Monday, Tuesday, Wednesday or Thursday or (Tuesday, Wednesday, Thursday or Friday will be paid at time and one-half. Work in excess of forty-eight (48) hours in one seven day work week will be paid at double the straight time hourly rate of the employee.

Holiday pay will be in accordance with the provisions of Article VII, Holidays, except where a Holiday does not fall on a regularly scheduled 5<sup>th</sup> or 6<sup>th</sup> Shift work day, in which case the employee will receive an additional eight (8) hours pay in the week in which the Holiday falls.

Vacations for employees bidding to the 5<sup>th</sup> and 6<sup>th</sup> Shift shall be in accord with Article VIII, Vacations. Each week of vacation will consist of three work days which may be taken one day at a time provided prior supervisory approval is given.

Employees required to perform jury service shall be compensated for time lost from their 5<sup>th</sup> and 6<sup>th</sup> Shift as outlined in Article XX, 20.2.

Employees absent from work pursuant to the provisions of Article XX, 20.1 Funeral Pay shall be made whole for up to 24 hours.

5.12 In the event that operational requirements or needs occur which require the Company to operate an area, department or plant on a continuous basis or with nontraditional shifts, then the Company will notify the Union bargaining committee. Discussions will then be held between the parties to determine the effect such modifications will have on employees. Any changes or modifications resulting from these discussions must be agreed to by the Union's bargaining committee before the Company can implement such modification.

## **ARTICLE VI, OVERTIME**

### **6.1 OVERTIME PREMIUM**

A. Time and one-half shall be paid in each or any of the following instances and each instance shall not be dependent upon any other instance:

All work performed in excess of eight (8) hours in any one (1) work day;

All work performed in excess of forty (40) hours (for which overtime has not previously been earned) in any week;

All work performed in lieu of an eating period;

All work performed on Saturday as such.

B. Double time shall be paid in any or each of the following instances and each instance shall not be dependent upon any other instance:

All work performed on Sunday;

All work performed in excess of twelve (12) consecutive hours worked, exclusive of lunch periods;

Monday – Friday, all work performed in excess of twelve (12) hours worked, exclusive of lunch periods, within the 24 hour window (24 hr window does not apply on Saturday, or Sunday);

All work performed on any of the holidays designated in Article VII, Holidays, Section 7.1.

5<sup>th</sup> and 6<sup>th</sup> shift overtime provisions are included in Article V, Hours of Work, Section 5.11.

### **6.2 OVERTIME ALLOCATION**

A. Any regular employee regularly assigned to any designated job during the major portion of his or her regular shift on which it becomes necessary to work overtime, will be afforded the opportunity to do this job on overtime hours, the same as he or she would have normally done had it been during regular working hours. Any regular employee regularly assigned to any designated job during the major portion of the week on which it becomes necessary to work overtime on Saturday or Sunday, will be afforded the opportunity to do this job on overtime hours, the same as he or she would have normally done had it been during regular working hours; however, the Company shall have no responsibility to assign overtime to the employee who works the major portion of the week when such employee is absent on the day the overtime assignment is made. However, the above mentioned overtime selection provision for Saturday and/or Sunday overtime shall not apply to incidental overtime work that takes less

than one (1) hour to perform during the overtime assignment. If such work exceeds the one (1) hour time limitation, the affected employee shall be retroactively adjusted for the length of the total scheduled overtime at the applicable overtime rate.

It shall not be a violation of this Article to assign an employee, who had accepted offered overtime, to other available work when machine breakdown occurs subsequent to the conclusion of the employees last regularly scheduled shift. Nor shall it be a violation of this Agreement to reassign an employee to perform overtime work originally offered and accepted by another employee who is subsequently absent and not available to perform that overtime work.

The plant Labor/Management committees will establish the appropriate method of allocating overtime for support departments.

B. When the above is not applicable, the Company will make every reasonable effort to distribute overtime equally among regular employees regularly assigned to the department where work is available taking into consideration the work to be done and the ability of the employees. The following sequence shall be used in equalizing overtime under this section:

- a. Work group on the shift, all job classes
- b. Seniority department on the shift
- c. The work group on any other shift, all job classes
- d. Seniority department on any other shift
- e. Any other department within the plant
- f. Any other plant

Employees will be eligible for overtime under this section providing they have the skill and ability to perform the work, with minimal training. The work groups to be mutually agreed upon by the plant labor/management team.

When section 6.2 A. does not apply, then any rework activity that constitutes weekend overtime will be used to equalize overtime within a department, taking into consideration the work to be done and the skill and ability of the employee to do the work. The flow chart in Appendix G shall be used in determining eligibility for rework.

C. The Company shall, on a quarterly basis, furnish a listing of all overtime worked and by whom.

D. Any employee who has worked overtime at any time during the regularly scheduled work week shall be per-

mitted to work his or her regular scheduled hours for the balance of the work week.

E. The Union agrees and it is distinctly understood that there will be no pyramiding of overtime upon overtime.

F. Probationary employees may work overtime on their job, in an emergency situation, provided that all employees in their department on their shift have been offered the opportunity to work. Should the Union feel that this provision is being abused then they will notify the management of the facility affected and a meeting will be arranged between the parties to attempt to resolve the situation. If the situation cannot be resolved then the Union will notify the management of that facility that probationary employees can no longer work overtime unless every employee in their department, regardless of shift, is offered the opportunity to work.

G. All overtime work is optional on the part of the employee. When an employee without good cause fails to work overtime after promising to do so, the Company shall not be obligated to assign him or her to overtime work for a period of 15 days commencing on the next regular work day following the missed overtime.

H. Overtime roster to be made available to all employees in a given cost center or department. Employees may request to not be afforded overtime opportunities by completing a form available in the employee's local Human Resources Office. If the employee, at a later date wishes to be afforded overtime opportunities, it will be the employee's responsibility to contact the Human Resources office and his/her supervisor with this decision. The Company will provide the Union with a copy of the form.

Employees will be notified as far in advance as is reasonably practical when scheduled overtime is to be worked but not later than the end of the shift on Thursday for Saturday overtime work, unless an emergency arises which precludes giving such notice. Weekday overtime will be charged as "overtime asked" if the employee is offered overtime at least one (1) hour prior to the end of the shift. Weekend overtime will be charged as "overtime asked", if an employee is offered overtime by the end of the shift on Thursday. If such notice is given as provided for above, the notified employee, if he or she accepts, will be required to perform the scheduled overtime work. Failure to work the agreed upon weekend overtime shall be treated as an unexcused absence, unless the employee notifies the Company during the first three hours of

the shift on Friday that they cannot work the agreed to overtime. Employees on all leaves of absence or vacation will be charged with being asked for the average amount of overtime worked in their work group during the period of their absence. All supervisors are responsible for keeping current, accurate overtime records of afforded overtime opportunities. The overtime records may be reviewed by Union representatives at the Union's request.

I. In the event that production schedules require the employees in a cost center to work in excess of ten (10) hours overtime per week, per employee for a one-month period and where the schedule is projected to continue at this level for three (3) or more additional months, Plant Management will review with the Plant Union Committee the economic business feasibility of temporarily returning to work laid off employees. Employees laid off from the plant where the work is being performed will be recalled first. Thereafter, if additional employees are required, then the most senior employee laid off from among all the Fond du Lac/Oshkosh plants will be given the opportunity to volunteer to perform this work.

## **ARTICLE VII, HOLIDAYS**

7.1 The following days shall be paid Holidays under this Agreement:

Effective June 19, 2000 - June 20, 2004

Month	Day	Year	
July	3	2000	Floating Holiday
July	4	2000	
September	4	2000	
November	23	2000	
November	24	2000	
December	24	2000	Observed 12/26/00
December	25	2000	
December	27	2000	Floating Holiday
December	28	2000	Floating Holiday
December	31	2000	Observed 12/29/00
January	1	2001	
April	13	2001	
May	28	2001	
July	4	2001	
September	3	2001	
November	22	2001	
November	23	2001	
December	24	2001	
December	25	2001	

<b>Month</b>	<b>Day</b>	<b>Year</b>	
December	26	2001	Floating Holiday
December	27	2001	Floating Holiday
December	28	2001	Floating Holiday
December	31	2001	
January	1	2002	
March	29	2002	
May	27	2002	
July	4	2002	
September	2	2002	
November	28	2002	
November	29	2002	
December	24	2002	
December	25	2002	
December	26	2002	Floating Holiday
December	27	2002	Floating Holiday
December	30	2002	Floating Holiday
December	31	2002	
January	1	2003	
April	18	2003	
May	26	2003	
July	4	2003	
September	1	2003	
November	27	2003	
November	28	2003	
December	24	2003	
December	25	2003	
December	26	2003	Floating Holiday
December	29	2003	Floating Holiday
December	30	2003	Floating Holiday
December	31	2003	
January	1	2004	
April	16	2004	
May	31	2004	

7.2 Any of the designated Holidays falling on Saturday shall be observed at a time designated by Management either during the week preceding such Saturday Holiday or during the week subsequent to such Saturday Holiday.

7.3 Any of the designated Holidays falling on Sunday shall be observed on the following Monday, provided that Monday is not a designated Holiday under this Agreement. Where the following Monday is a designated Holiday, the Holiday falling on Sunday shall be observed on Tuesday.

7.4 All employees covered by this Agreement who have completed their probationary period as provided for in Article IX, shall receive Holiday pay for the time not worked for

each of the designated Holidays at the individuals man rate or indirect rate, whichever is applicable.

7.5 In addition to the payment of double time for hours worked on any of the above designated Holidays as provided in Section 6.1 B, all employees, except probationary employees, working on such Holidays shall receive pay as set forth in Paragraph 7.1 hereof.

7.6 If a Holiday falls within a regularly scheduled work week of an employee's vacation period, such Holiday shall not be considered as a part of the vacation period and the employee shall receive Holiday pay, therefore. An additional day or days off shall be prearranged between the Company and the employee and may be taken either prior to, subsequent to the vacation period or any time, provided that the orderly operation of the plant can be maintained.

7.7 To qualify for Holiday pay, for Holidays not worked, all eligible employees are to work the scheduled work day prior to the respective Holiday, and the scheduled work day following the respective Holiday unless otherwise excused by the Company, and the Company agrees that a certification by a licensed physician that an employee was unable to work said days due to illness shall constitute a valid excuse.

Holiday changed by government shall in no way cause loss of Holiday to employees.

7.8 Employees on layoff or leave of absence shall not be entitled to Holiday pay except as provided below:

A. If an employee (other than Probationary) is laid off for lack of work, he or she shall be eligible for any Holiday falling within the ninety (90) calendar days following such layoff provided that they are recalled and they return to work within one year from date of layoff and work at least five (5) work days.

B. If an employee is on leave of absence for illness, injury or pregnancy, they shall be eligible for any Holiday falling within six (6) months following commencement of such leave.

C. Employees on Company approved Leaves of Absences for vacation shall be eligible for Holiday pay if such leave commences or terminates two (2) weeks prior to the week of, or two (2) weeks following, the week of such Holiday.

7.9 The Company agrees within three (3) days immediately subsequent to any such Holiday to confer with the Union Shop Committee showing that Committee a list of any employees to whom Holiday pay will be denied and the reason thereof.

### **ARTICLE VIII, VACATIONS**

8.1 Employees are expected to take all eligible vacation. Employees electing to take a half day of vacation shall not be eligible for overtime on that day.

8.2 Annual vacations for the period January 01, 2001 through December 31, 2004 shall be earned by all hourly employees covered by this Agreement as follows:

A. Those in the Company's employ for a period of three (3) months to three (3) years shall be entitled to one (1) week of vacation, and those employed three (3) years to six (6) years shall be entitled to two (2) weeks vacation, and those employed six (6) years to fifteen (15) years shall be entitled to three (3) weeks vacation, and those employed fifteen (15) years to twenty (20) years shall be entitled to four (4) weeks vacation, and those employed twenty (20) years to twenty-five (25) years shall be entitled to four (4) weeks, two-and-one-half (2-1/2) days vacation, and those employed twenty-five (25) years or more shall be entitled to five (5) weeks vacation.

B. An employee entitled to one (1) week of vacation shall be paid at the rate of three (3) percent of his or her prior calendar years annual gross earnings.

C. Each employee entitled to two (2) weeks vacation but who will have less than six (6) years of service shall be paid at the rate of six (6) percent of his or her prior calendar years annual gross earnings.

D. Each employee entitled to three (3) weeks of vacation who will have completed six (6) years of service but less than fifteen (15) years of service shall be paid at the rate of eight (8) percent of his or her prior calendar years annual gross earnings.

E. Each employee who is entitled to four (4) weeks of vacation who will have completed fifteen (15) years of service but less than twenty (20) years of service shall be paid at the rate of ten (10) percent of his or her prior calendar years annual gross earnings.

F. Each employee who is entitled to four (4) weeks, two-and-one-half (2-1/2) days of vacation and who

will have completed twenty (20) years of service but less than twenty-five (25) years of service shall be paid at the rate of eleven (11) percent of his or her prior calendar years annual gross earnings.

G. Each employee who is entitled to five (5) weeks of vacation and who have completed twenty-five (25) years of service or more shall be paid at the rate of twelve (12) percent of his or her prior calendar years annual gross earnings.

H. Employees shall become eligible for their additional vacation under A above as of January 1st of the year in which their anniversary date falls.

I. Employees will normally receive their vacation pay allowance during the month of January. The Company will attempt to have the vacation checks available during the third full week of January.

8.3 For purpose of determining vacation pay only, there will be credited to a seniority employee's actual gross earnings, amounts covering the following absences from work from November 1st through October 31st of each vacation year.

A. For absences due to compensable accident or illness for a period of not to exceed a total of one (1) year, an amount determined by multiplying the employee's average weekly hours of work for each week, (or fraction thereof) of absence by his or her average hourly earnings.

B. For absences due to non-compensable accident or illness (provided such absence for illness exceeds one work day) for a period of not to exceed a total of ninety (90) working days during the vacation year, an amount determined by multiplying the employee's average weekly hours of work each week (or fraction thereof) of absence by his or her average hourly earnings.

C. For absences due to layoff for lack of work for a period of not to exceed a total of thirty (30) working days during the vacation year, an amount determined by multiplying the employee's average weekly hours of work for each week (or fraction thereof) of absence by his or her average hourly earnings.

8.4 "Average weekly hours of work" and "average hourly earnings" as used in 8.3 shall be determined in each based upon actual time worked and earnings paid during the said vacation year.

8.5 During the term of this Agreement, the annual shut-down for Plants 15 & 17 will be announced by October 1<sup>st</sup> for

the following year. When possible the Company may choose not to schedule a shutdown for the following year. If the Company elects to schedule a one (1) week or two (2) week shutdown period, it will be scheduled during the months of June, July or August.

#### 8.6

A. Employees in Plants 3, 4, 24, 95 and 98 shall not be subject to a vacation shutdown as defined in Section 8.5 of this Article:

Employees in the above listed plants shall schedule and take their vacations in accord with section 8.8 of this Article. The Company will allow employees in these plants and departments to schedule vacation during the months of June, July and August if requested.

B. Employees in the following classifications will not be subject to a vacation shutdown: Electricians, Maintenance Mechanics, Maintenance Laborers, Oilers, Furnace Maintenance Mechanics and Toolmakers.

C. Employees in the above listed departments and classifications shall schedule and take their vacations in accord with Section 8.8.

8.7 Employees eligible for two (2) weeks or more of paid vacation will be given their vacation during the shutdown period. Should it be necessary to operate any department and/or division thereof in any plant during the normal vacation shutdown period, the following procedure will apply:

A. Employees who normally perform the scheduled work will be asked to volunteer to work during the vacation shutdown period.

B. If after (A) above more employees are needed, they will be taken from those employees having one (1) week or less of vacation on a departmental and then plant seniority basis, taking into consideration the ability of the employee to perform the work.

C. If after (B) above more employees are needed, the senior employees in the department where work is required will be asked to volunteer to work, on a departmental seniority basis, taking into consideration the ability of the employee to perform the work.

8.8 Vacation outside of normal vacation period (plant shutdown) can be taken between January 01 through December 31 of each year. Such accrued vacation must be selected by the employee and submitted to their Supervisor by Octo-

ber 31st. The vacation schedule shall be approved by November 30, and each employee shall be so notified, and any change of vacation by an employee shall cause said employee to accept whatever vacation openings exist at that time. Preference in vacation scheduling will be by seniority within the normal practices used in each Plant/area. (Orderly operation of the plant to be considered.)

8.9 Employees that terminate their employment either voluntarily or involuntarily shall receive earned vacation pay within fourteen (14) working days after separation.

8.10 Employees may receive their vacation pay in separate checks. Employees wishing to receive separate vacation checks must so notify the Company in writing by October 31st of each year. Individual vacation checks will be issued in five day increments only.

8.11 Vacation in excess of one (1) week may be scheduled one day at a time, providing it does not conflict with that year's shutdown schedule and providing it is pre-approved by the employee's supervisor.

## **ARTICLE IX, SENIORITY**

### **9.1 DEFINITION**

A. Seniority of employees governed by this Agreement shall be determined in the following manner:

1. Length of service
2. Ability

Seniority shall apply to layoffs, recalls, job bidding, promotions and transfers throughout the plant.

9.2 All employees hired after the execution of this Agreement shall be employed for sixty (60) days before being placed on the seniority list. When seniority is established, it will be retroactive to the hiring date in the department where the employee is assigned at the conclusion of his or her probationary period.

Employees hired on the same day will be placed on the seniority list in Social Security Number order utilizing the entire nine (9) digit number, lowest number to be considered the most senior employee.

### **9.3 PROBATIONARY PERIOD**

All new employees engaged by the Company shall be deemed, for the first sixty (60) calendar days of their employment, to be engaged for a probationary period and shall not be placed upon the Seniority Roster, nor shall they acquire any seniority rights until seniority be established as provided in

Section 9.2 hereof. For purposes of computing the sixty (60) calendar day probationary period, the periods of vacation shutdown and the Christmas-New Years holiday period, starting with the first calendar day of each shutdown period and ending on the first weekday following such shutdown period, shall be excluded unless the employee works in which case they will be included in computing the sixty (60) day period. The Company may dismiss or reclassify any such employee to any other classification during his or her probationary period. After such probationary period, any such employee shall become a regular employee.

9.4 An employee's seniority rights shall cease upon:

A. Justifiable discharge;

B. Voluntary quitting;

C. If after being laid off the employee does not respond within five (5) days after receipt of written notice by Certified Mail Return Receipt Requested (IT SHALL BE THE EMPLOYEE'S RESPONSIBILITY TO MAINTAIN HIS OR HER CURRENT ADDRESS ON FILE WITH THE COMPANY). The employee must return to work within ten (10) days after date of recall. Should the employee within said five (5) day period notify the Company in writing, Certified Mail Return Receipt Requested, that he or she cannot return to work by reason of illness, or other cause, the Company and the Union shall mutually agree upon the validity of such employee's reason for not returning to his or her employment and if such reason is found to be a valid one, such employee shall not lose his or her seniority.

D. If after being laid off the employee is not in writing recalled by the Company for four (4) years or one-half (1/2) of his or her length of service, whichever is greater.

E. Failure to report to work for five (5) consecutive working days without notifying the Company, except in cases where it is physically impossible to notify the Company, due to a reason beyond the control of the employee.

F. Subject to the provisions herein regarding loss of seniority, any employee promoted to a position exempted by this Agreement after June 15, 1986 will have his or her accumulated seniority frozen as of the date of transfer. Employees so transferred will retain their frozen seniority for six (6) months from the date of their transfer to an Exempt position. During that six (6) month period they will have the privilege of returning to their former position or one of like status and pay in line with his or her seniority earned in the depart-

ment or plant prior to the transfer. If either the employee's former position or a position of like status and pay is not available, then the employee shall be assigned any available job in the plant based upon his/her seniority earned prior to the transfer. At the conclusion of the six (6) months, employee remaining in an Exempt position will forfeit any and all seniority rights they have under this Agreement.

#### 9.5 TEMPORARY TRANSFERS

The company may transfer employees between shifts for temporary periods of time, thirty working days or less, because of family emergencies or to complete schooling. The Company agrees to meet with the plant Union committee at least one week prior to the expected transfer to discuss the reasons for the transfer with the Union. The Company agrees that it will not transfer employees under this section without the agreement of the plant Union committee.

### ARTICLE X, PLANTS & DEPARTMENTS

10.1 For the purpose of this Agreement, the Company departments are as follows:

#### Manufacturing Plant (Plant 15)

1. Machine Shop/Burring/Clean and Paint
2. Assembly - Accessory and engines and Drive/Time Recording/Run and Test/Production Repair
3. Clean and Paint
4. Receiving, Raw Stores, Material Handling, Stockroom, Export Packing
5. Inspection
6. Maintenance, Tool Room, Building and Grounds, Maintenance Crib
7. Support Cribs (Tool Crib, Gage Crib and Fixture Crib)
8. Tool and Cutter Grinders

#### Gears & Shafts/Heat Treat (Plant 4S)

1. Machine Shop
2. Heat Treat
3. Materials
4. Inspection
5. Maintenance/Tool Room
6. Tool and Cutter Grinder
7. Support Cribs

#### Distribution (Plant 3)

1. Distribution Receiving and Boxing, Parts Distribution, Shipping and Export Shipping & Traffic

2. Display Carpenters/Mechanic Specialist
3. Service Instructors \*\* (current employees only)

#### Logistics (Plant 95)

1. Receiving, Inspection, Stockroom, Shipping, Export Shipping, and JIT Transportation

#### Casting Plant (Plant 17)

1. Die Casting/Lost Foam Aluminum
2. Trim/Production Salvage
3. Furnace and Metal Salvage
4. Tool Room and Die Repair
5. Maintenance/Buildings and Grounds
6. Tool Crib
7. Inspection
8. Material Handling/Shipping and Receiving

#### Re-manufacturing Plant (Plant 24)

#### Investment Casting Plant (Plant 98)

1. Wax and Ceramic Operations/Furnace/Cleaning/Burring
2. Machine Shop
3. Buff and Polish
4. Receiving/Shipping/Stockroom/Material Handling/Tool Crib
5. Assembly
6. Maintenance/Pattern Shop

### **ARTICLE XI, LAYOFFS & RECALLS**

11.1 Before laying off any employees, the Company will make every effort to move employees from one job classification to another, wherever such movement is consistent with the employee's experience and skill. No employee will be downgraded during the term of this Agreement, unless such downgrading is agreed to by the Company and the Union. Section 19.8 has precedence over this paragraph.

11.2 In the event of either a planned short term or a planned long term layoff the Company will, not less than three (3) full working days previous to the effective date of said planned layoffs, post a bulletin board notice specifying the names of the employees to be laid off. Should the Company fail to post such notice three (3) days before the effective date of the planned layoff, the Company will pay the employees laid off eight (8) hours pay at base rate for indirect employees and the individual's man rate for direct employees for each day that is in default of the three (3) day notice. The requirement for such posting and payment of wages for fail-

ure thereof shall have no application to any work stoppage due to an Act of God or other circumstances beyond the control of the Company.

11.3 Upon the posting of the list specifying the employees to be laid off, the Union Shop Committee will, before the layoff date, advise the Company if it disagrees with the posted list. Should the list be changed as a result of the Shop Committee's disagreeing with the posted list, the Company will not be responsible for any three (3) day payment to employees whose names are added to the layoff list.

11.4 The Company shall be the judge of an employee's qualifications as to ability; PROVIDED, HOWEVER, that in the event a difference of opinion arises between the Company and the Union as to qualifications of an employee, this question shall then be handled in accordance with the regular grievance procedure.

11.5 Should an employee refuse to accept work offered which he or she is capable of performing, the Company will have no further responsibility with reference to placing the particular employee during the particular layoff. Employees will be given the option to refuse recall on long term layoff to a classification other than their own, without loss of seniority. Should said employee's classification become available, said employee will be afforded recall at that time. In the event that employee refuses recall to his or her original classification, he or she shall be considered terminated.

11.6

a) Employees who are classified as Journeymen in the Apprenticable trades specified in the Labor Agreement shall be allowed to refuse work offered outside of his/her trade during a long term layoff. Should such employee refuse said job assignment, the Company will only be required to recall him/her back to his/her originally apprenticeable classification.

b) Employees who have completed a two year training program in the following classifications shall be retained by the Company for as long as their services are required: Display Carpenter, Diesel Mechanic, Guided Equipment Maintenance, Power Truck Mechanic and Mechanic Specialist.

11.7 No part-time employees shall be employed while qualified full-time employees are on layoff. Office cleaning employees shall not be considered part-time in the application of this Agreement.

## 11.8 SHORT TERM LAYOFF

A. The Company and the Union recognize that because of the Company's particular type of manufacture, it is difficult to operate on a plant seniority basis on short term layoffs of five (5) work days or less. Because of this fact, where a short-term layoff of five (5) workdays or less occurs, plant-wide seniority shall be applied on a departmental basis. However, during any short-term layoff the following shall apply to the plant in which the layoff exists, exclusive of apprenticeable trades:

1. No probationary employees will be retained.
2. No new employees will be started.
3. The Company will post vacancies in job classifications -- however, if there are employees on reduction or layoff who hold that classification, they will not be posted.
4. No management trainees.

B. In the event of doubtful short term layoff, the Company will notify the Shop Committee in writing who would be laid off so that individuals will have notice without posting on bulletin board.

C. When the Company posts notice of a short term layoff, as above, no further notice shall be required should the layoff continue beyond said five (5) work days. In such case, however, plant-wide seniority on long term layoff basis shall become effective commencing with the sixth work day.

D. During short-term layoffs as defined in Section 11.8, Shop Committee persons, stewards, and officers of the Union, during their tenure in office, shall head the seniority list in their respective departments. However, the total heading such seniority list shall not exceed fifteen (15) in number in the respective plants. Their employment shall remain in effect as long as the department is in operation.

E. Layoffs may be voluntary under this section in accordance with the following procedure:

1. Employees wishing to be considered for voluntary layoff must make their wishes known to the Personnel Department within twenty-four (24) hours of the layoff notice being posted. Employees volunteering for layoff must fill out a Voluntary Layoff card indicating their desire to be laid off.

2. Employees may volunteer for layoff provided there are less senior employees remaining who have

previously performed the available work and who are capable of performing the work without any additional training.

3. Employees volunteering for layoff will be scheduled for layoff in inverse seniority order.

4. Once an employee has volunteered for layoff they may not decline the layoff.

#### 11.9 LONG TERM LAYOFF

A. On any long term layoff; i.e., a layoff of more than five (5) work days, such layoff will be handled on a plant-wide seniority basis. The employee eldest in the service of the Company will be laid off last and will be recalled first, provided he or she is qualified to perform the work he or she may be assigned; the employee youngest in the service of the Company will be laid off first and recalled to work last, unless -- and only unless -- said youngest employee is particularly qualified over and above all other employees to perform some special work.

However, during any long term layoff, the following shall apply to the plant in which the layoff exists, exclusive of apprenticeable trades:

1. No probationary employees will be retained.

2. No new employees will be started.

3. The Company will post vacancies in job classifications -- however, if there are employees on reduction or layoff who hold that classification they will not be posted. The Company may, however, post to fill vacancies that are not the result of an employee being laid off voluntarily.

4. No management trainees.

B. On long term layoffs, Shop Committee persons, stewards, time study representatives (3) and officers of the Union, during their tenure of office shall be placed at the head of the seniority list in their respective Plants, departments and shifts. Said employees shall be limited to a maximum of fifteen (15) in number to head the seniority list in each respective plant.

C. Layoffs may be voluntary in accordance with the following procedure:

1. The Company will post a notice of its intent to have a layoff a minimum of ten (10) working days prior to the effective date of the layoff. Employees wishing to be considered for voluntary layoff must make their wishes known to the Personnel Department five working days prior to the day the layoff notice required by section 11.2 of this Article is

posted. Employees volunteering for layoff must fill out a Voluntary Layoff Card indicating their desire to be laid off. Once an employee has volunteered, they may not withdraw their request during this five day period.

2. Employees may volunteer for a layoff period of three months or the duration of the layoff. Employees volunteering for layoff shall have no right to displace or bump less senior employees for the duration of their layoff period.

3. Employees volunteering for layoff shall be recalled to work in seniority order, unless prior to layoff the employee has elected not to be recalled in the event of a partial recall.

4. Employees volunteering for layoff will be scheduled for layoff in inverse seniority order, providing however, that there are qualified less senior employees remaining to perform the scheduled work.

5. If insufficient employees volunteer for layoff, then the least senior employees in the plant will be scheduled for layoff, in accord with Section 11.9 A.

#### 11.10 RECALLS

A. If after being laid off the employee does not respond within five (5) days after receipt of written notice by Certified Mail Return Receipt Requested. (IT SHALL BE THE EMPLOYEE'S RESPONSIBILITY TO MAINTAIN HIS OR HER CURRENT ADDRESS ON FILE WITH THE COMPANY.) The employee must return to work within ten (10) days after date of recall. Should the employee within said five (5) day period notify the Company in writing, Certified Mail Return Receipt Requested, that he or she cannot return to work by reason of illness, or other cause, the Company and the Union shall mutually agree upon the validity of such employee's reason for not returning to his or her employment and if such reason is found to be a valid one, such employee shall not lose his or her seniority.

B. If after being laid off the employee is not in writing recalled by the Company for four (4) years or one-half (1/2) of his or her length of service, whichever is greater.

### **ARTICLE XII, JOB BIDDING PROCEDURE**

12.1 When a vacancy occurs or a new job is created and the Company decides to fill it on a permanent basis, the following procedure shall apply:

A. Notice of such vacancy will be posted for two (2) working days on the Main Bulletin Boards in all plants.

including Heat Treat, covered by this Agreement and in the Employment Office beginning one (1) day after the position was first posted in the home plant. However, the Company will not post notices of vacancies during periods of plant shut down of defined duration such as the taking of inventory or periods of shutdown for inventory adjustment.

1. The notice shall set forth the occupational title, the number of vacancies, labor grade, department, plant, rate of pay, shift and any required special qualifications as written in the mutually agreed upon job description.

2. Jobs vacated due to Military Leaves or approved Leaves of Absence will be so noted on the Job Notice

B. Interested employees may apply for such vacancy by completing within required time limits, the form provided by the Company. An employee may bid on more than one vacancy provided, however, that once an employee has been awarded a bid, all other bids are automatically voided.

C. Four (4) days after the job posting is down, the Company will post the name and department of the successful bidder. An employee may not withdraw a bid once the name and department of the successful bidder has been posted. Failure of the Company to post the names after four (4) days will allow the employee to bid on the fifth (5th) day.

The time limits for making application for future vacancies shall start no later than thirty (30) working days from the date that the notice of vacancy was posted or the day the employee was transferred to the job; whichever occurs first.

D. Preference in assignment to the posted job shall be based on seniority and ability to perform the job. Selections will be made on the basis of the qualifications needed to perform the work of the job in question and seniority (and where, as between two (2) or more employees, the factors comprising qualifications are relatively equal, then seniority will be controlling). To have the necessary qualifications to qualify the employee must possess the basic skills and ability to perform the job in question with proper instructions. The following sequence among qualified bidders will be used:

1. Employees who hold seniority in the department within the plant in which the vacancy exists, providing they have sufficient seniority to be retained within the plant.

2. All other employees covered by the Agreement, including those employees on layoff providing they

have sufficient seniority to be retained within the plant in which the vacancy exists.

Employees exercising their right of seniority to bid between plants or departments shall lose all seniority rights which they held in any other plant or department upon being accepted on a job classification through bidding to another plant. Seniority shall be transferred to a new department and plant in which the job was awarded.

E. During the days of posting and for thirty (30) working days thereafter, the Company may assign an employee to the job until the successful bidder has been determined and made available for assignment to the job, and the successful bidder will be transferred at that time. If at the end of this thirty (30) working day period the successful bidder is not transferred, then the successful bidder will be paid a one dollar (\$1.00) per hour premium for each hour worked until transferred to the bid job.

F. The first ten (10) days of work (or thirty (30) days for apprenticeable occupations including set-up and leadpersons) after reporting to the job shall be considered to be a probationary period to ascertain if he or she can perform the work in the same manner as an average operator on that job. The following jobs will be subject to a twenty (20) working day probationary period: stainless steel prop grinding, finished sander - props, floor inspector, assembly tech III, blender mechanic, materials tech III & IV and any job requiring a CDL. If the bidder is found not suitable during the probationary period or if the bidder demonstrates during the probationary period that he or she does not have the ability to do the job, he or she shall be returned to his or her former occupational class and shift or one of like status and pay if available. If his or her former occupation or one of like status and pay is not available then the employee shall be assigned to any available work in the plant at which time the employee shall remain on that job, assuming he or she has sufficient seniority until a vacancy exists in his or her original classification and shift. During the period the employee is assigned out of his or her original department he or she shall maintain his or her departmental bidding and recall rights. While assigned to any available job in the plant the employee shall receive the rate of the job assigned.

G. An employee may bid for a vacancy provided they have not bid and been granted a job within the past four (4) months. An employee who voluntarily washes them-

selves out of a job after their name has been posted as a successful bidder may not rebid for any other job for four (4) months from the date of the voluntary wash out.

1. Employees hired after June 12, 1994 cannot bid for any vacancy outside their seniority department until they have completed one year of service.

2. Journeyman skilled trades employees hired after June 12, 1994 cannot bid outside their plant until they have completed one year of service.

3. Employees awarded an apprenticeship after June 12, 1994 cannot bid outside their plant for the first two (2) years following the completion of their apprenticeship.

H. Copies of all job bids and notices, along with the name of the successful bidder, within ten (10) days, will be given to the Union.

1. In the event that there are no bids submitted for a posted job, the Company may hire a new employee or re-post the job for a total of five (5) additional days. During this additional five (5) day period, laid off employees and employees who are otherwise disqualified from bidding, shall have the right to bid on the re-posted job. There shall be no limitation on the number of re-posted jobs on which laid off employees may bid. An "800" toll-free number has been established for use by laid off employees.

J. In the event that the Company has not filled the vacancy at the end of ninety (90) days after the date on which the original posting was made, such vacancy shall again be posted.

### **ARTICLE XIII, LEAVES OF ABSENCE**

13.1 Upon written application by a seniority employee (with a copy to the Union) an employee shall be given leave of absence without pay as follows except as otherwise provided in this Agreement:

A. Maximum of three (3) months for personal justifiable reasons, illness or disability in his or her immediate family, official Union business.

B. Appointment or election to full time public office or full time AFL-CIO affiliated Union office for their term or terms of such elected or appointed offices. Not more than four (4) employees at any time shall be granted such leave. Employees granted such leave shall continue to accumulate seniority for the purpose of exercising their right to work only.

13.2 At the end of any leave of absence the employee shall be in accordance with seniority returned to his or her former occupation. In the event the former occupation has been abolished he or she shall be assigned to a substantially similar occupation on the shift he or she last worked if such occupation is available on that shift, and shall receive the current rate of pay for the occupation to which he or she is assigned.

Return from medical or disability leaves must be supported by a medical release from the attending licensed physician. Said physician's release shall govern the job assignment.

(Pregnancy to be treated as any other disability for seniority purposes.)

13.3 Seniority shall continue to accumulate during all leaves of absence accorded under this section.

13.4 Leaves of Absence in excess of the maximum periods set forth in this Article XIII shall be granted only with the consent of both the Company and the Union.

13.5 Employees on a medical Leave of Absence will have their seniority continue for 3 years or 1/2 the length of their service, whichever is greater, with medical coverage through the third year.

13.6 An employee who may be required to leave his or her job because of the requirements of the Universal Military Service and Training Act shall be afforded the job security which is provided for in the Act.

Employees attending the annual 2-week training required by the National Guard or Reserves shall be reimbursed the difference between their service pay and what they would have received had they worked forty (40) hours in each week of training. Employees shall not be eligible for pay under this Section and under the Vacation Section for the same weeks.

## **ARTICLE XIV, UNION REPRESENTATION**

14.1 The Company will recognize and deal with accredited representatives of the Union as set forth herein in all matters relating to grievances, negotiations, interpretations of this Agreement and in any other matters which may affect the relationship between the Company and the Union.

14.2 The Union shall certify in writing the members of the "Bargaining Committee" and "Shop Committee" for each plant and the "Stewards" indicating the plants and departments to be served by each, and shall keep the list current at all

times. A list of Union members who shall head the seniority list shall also be furnished.

14.3 The Union shall be represented in its relationship with the Company at the various levels of responsibilities as follows:

A. The Union may designate an employee as "Coordinator" whose responsibility shall be to correlate the Union's position between departments and plants in each respective Local.

B. There may be a "Bargaining Committee" whose responsibility shall be at the "Management" level. This Committee shall be composed of: Coordinator and the designated representatives from each Plant.

C. There may be a "Shop Committee" whose responsibility shall be at the "Plant" level. This Committee shall be established according to the following ratios: Fond du Lac/Oshkosh - 1/150 employees. This number shall be established January 1st of each year and will not be changed for the balance of that year.

D. The Union may designate certain "Stewards" whose responsibility shall be at the "Department" levels.

E. The Union may be assisted by other "Representatives" of the International Association of Machinists and Aerospace Workers, as may be deemed necessary or desirable.

14.4 The Company will grant permission for the Shop Committee persons or Stewards to leave their department and go to any department within the Bargaining Unit to bring about a proper and expeditious disposition of a grievance or complaint, provided however, that the individual Shop Committee person or Steward will, in each instance, notify his or her particular foreman before leaving his or her department; and provided further that the permission here granted will not be abused by the Shop Committee persons or Stewards.

Committee persons or Stewards to notify the Supervisor in whose department he or she is entering if the Supervisor is available.

14.5 No employee or Union representative shall engage in Union activity during working hours, except as specifically provided for under this Article.

14.6 The powers and authority of the Union representatives as set forth herein shall be confined to those set forth in the Sections of this Agreement entitled "Grievance Procedure" and "Arbitration".

14.7 The Company will pay the accredited representatives of the Union and the aggrieved employee their man rate or their indirect pay rate, whichever is applicable, for time spent in processing grievances in accordance with the provisions of this Agreement when the time so spent is during their regular work shift.

Time spent in grievance meetings with the Company will be credited to the Union Committee person's work shift only for the purpose of time off from that scheduled shift of work. This provision will apply only for Committee persons whose regular shift is 2nd or 3rd shift and the hours so credited shall have no application towards the payment of any overtime premiums.

14.8 The Company agrees to pay all Committee persons, not to exceed nine (9) from Local 1947 for contract negotiations. Such Committee persons shall be compensated at their man rate or indirect rate of pay, whichever is applicable, not to exceed eight (8) straight time hours per scheduled meeting day.

14.9 Accredited representatives of the Union, other than the Shop Committee and Stewards, may have free access to the plant premises and offices of the Company during working hours by appointment.

## **ARTICLE XV, GRIEVANCE PROCEDURE**

15.1 A grievance shall be defined as a dispute between the Company and the Union over the interpretation, application or alleged violation of any provisions of this Agreement and shall be handled in the following manner:

A. A grievance must be presented within ten (10) working days of the action complained of or if the employee was not aware of the action at the time of occurrence within ten (10) working days of the time that the employee with reasonable prudence should have been aware of the action. No grievance shall be deemed to exist until it has first been discussed by the employee and/or the union and the supervisor within the time limits and conditions herein set forth. The grievance shall be reduced to writing for presentation to the supervisor but it shall not be numbered. The supervisor shall answer the grievance within five (5) working days of this initial discussion.

If as a result of this discussion, the alleged grievance is resolved by the employee/union and the supervisor, the resolution will be noted on the face of the grievance and the shop

chairperson will be informed of the settlement. If the alleged grievance is not resolved as a result of this discussion, then within two (2) working days following the conclusion of this discussion the grievance will be numbered and the matter will be taken to Step #2.

B. Step #2 within ten (10) working days, following receipt of the numbered grievance, the supervisor, department manager, and Human Resource Representative shall meet with the employee and shop steward, and the designated shop committee person(s)/coordinator to attempt to resolve the alleged grievance which will be thoroughly analyzed and investigated by both parties, with all facts being shared in an attempt to resolve the dispute. Within five (5) working days from the date of this meeting the company will give a written answer to the grievance.

C. If the grievance is not settled in Step #2, the shop chairman/union coordinator may appeal it within six (6) working days after receipt of the company's written answer to the Director of Employee Relations.

D. Within sixty (60) days, the coordinator, shop chairperson and the Union Business Representative will meet with the Director Employee Relations and the Plant Human Resources Manager(s) or their designated representatives and the individual aggrieved employee, if deemed necessary by either party.

The Company will furnish a written answer to the Union within thirty (30) days of the date of this meeting. If no agreement is reached then the Union will have thirty (30) days to submit the grievance to arbitration.

E. The time limits established in sub-paragraphs A, B, C and D are maximum limits and it is understood that all complaints and grievances will be given prompt attention for settlement. Time limits may be extended by mutual agreement of the Company and Union.

F. Grievances protesting disciplinary suspensions and/or discharge will be entered at Step D of the above procedures and processed therefrom.

15.2 If measured day work standard grievances are not settled in Steps A through B of Article 15.1 then the Company will recheck the standard. If the grievance is not resolved at Step B of Article 15.1 then the local Union time study representative may, by stopwatch or whatever means they deem appropriate, check the job after notifying and arranging with the local Plant Industrial Engineer; the results of this Union

recheck will be reviewed with the Company Industrial Engineer. In the event the parties fail to reach agreement before or through Step E of the grievance procedure then the Union shall be afforded an opportunity of bringing in an outside Industrial Time Study Engineer to make a study of the job in dispute. After such study is completed, it shall be submitted to the Company with an explanation, if the Company is in error. Said Engineer shall attempt to bring about a settlement of such dispute after consultation with the Company Industrial Time Study Engineer. If a settlement is reached, satisfactory to the Company, Union and aggrieved employee or employees such settlement shall be considered the permanent rate and the grievance settled.

In the event the two Industrial Engineers assigned fail to reach agreement in accordance with the foregoing paragraph then the matter may be submitted to arbitration under the arbitration provisions of this Agreement.

15.3 Either party of this Agreement shall be permitted to call employee witnesses at each and every step of the grievance procedure. The Company, on demand, will produce production, payroll and other records at each and every step of the grievance procedure, for the purpose of substantiating the contentions or claim of the parties. All records supplied for the Union will be kept in confidence and will not be revealed in whole or part to any other Company directly or indirectly.

15.4 The Parties agree they will follow the foregoing grievance procedures in accordance with the steps, time limits and conditions contained therein. If the employee, Union or the Company fails to follow the foregoing grievance procedures in accordance with the steps, time limits and conditions contained therein, the grievance shall be deemed settled on the basis of the Company's or Union's last answer. It is expressly agreed by the parties that grievances settled because of the failure of either party to adhere to the time limits contained in this Article shall not constitute a precedent for any other case, past, present or future nor shall it have any application whatsoever beyond the instant grievance.

15.5 The settlement of a grievance in any case shall not be made retroactive for any period prior to the date of the action complained of.

15.6 It is agreed and understood by the Company and the Union that a reasonable effort shall be made to process all grievances through Step 3 of the Grievance Procedure within ninety (90) calendar days from the date the grievance was initially filed.

## **ARTICLE XVI, ARBITRATION**

16.1 If the grievance is not settled in Step D of section 15.1 of Article XV, Grievances, the Union may appeal it to arbitration by giving written notice of such appeal to the authorized representative of the Company within thirty (30) calendar days for all grievances except discharge, layoff and recall which written notice shall not exceed fifteen (15) working days.

16.2 Within thirty (30) working days after making appeal to arbitration the Union shall contact the Federal Mediation and Conciliation Service for a panel of five (5) regular qualified Arbitrators (Wisconsin or Midwest). Within thirty (30) days of receipt of the panel the parties shall meet to select an arbitrator. The party requesting arbitration shall strike out one (1) of the submitted names; the other party shall strike out one (1) of the remaining names; the process shall continue until one person remains, who shall be the impartial arbitrator. The parties agree that they will meet within fifteen (15) days from the time the Arbitrator submits a list of open hearing dates to establish the date for the arbitration hearing.

16.3 The Arbitrator selected to resolve grievances protesting job evaluation or measured day work standards, must be a Registered Industrial Engineer or must be qualified by background and experience to handle work measurement and job evaluation.

A. The Arbitrator shall arrive at his decision based on the facts, evidence and contentions as presented by the parties at the arbitration proceedings. The Arbitrator shall determine whether or not the disputed measured day work standard has been established in accordance with the terms of this Agreement and whether or not allowances set forth in this Agreement have been properly applied.

B. Should the Arbitrator find no omissions of time elements, no inconsistencies in developing the disputed production standard, and no clerical errors, he shall declare the dispute withdrawn.

C. Should the Arbitrator find any such omissions, inconsistencies, or errors, he shall detail the same in his find-

ings and provide for the correction thereof on the basis as shown in 16.3 A of this Section.

D. The decision of the Arbitrator shall be final and binding to both parties for the term of this Agreement.

16.4 The Arbitrator shall have no authority to add to, subtract from, or modify the express provisions of this Agreement.

16.5 The Arbitrator's decision shall be final and binding upon the Company, the Union, and the employees involved, providing the decision falls within the scope of the Arbitrator's authority, and shall be complied with within fifteen (15) days after the decision is rendered.

16.6 Each party shall bear the expense of its representatives, participants, and for the preparations and presentations of its own case. The fees and expenses of the Arbitrator and for the hearing room shall be shared equally by the Parties.

16.7 The Company and the Union may, with mutual agreement, agree to arbitrate more than one grievance concerning the same issue with one Arbitrator.

16.8 The Arbitrator to submit his decision within thirty (30) days of the date of receipt of briefs and he shall be so notified at the time he is selected.

## **ARTICLE XVII, STRIKE AND LOCKOUT**

17.1 The Union will not call or sanction any strike or concerted stoppage during the term of this Agreement except for:

A. The Company's failure to abide by the Arbitration Clause of this Agreement; or

B. The Company's failure to comply with any decision of the Arbitrator established hereunder within fifteen (15) working days after such decision.

17.2 Should a strike or concerted stoppage of work by employees of the Company other than those permitted by the immediately preceding paragraph hereof, occur during the term of this Agreement, the Union, within forty-eight (48) hours after receipt of written notice from the Company, shall be obliged to do the following things only:

A. Advise the Company in writing that the strike or stoppage has not been called or sanctioned by the Union.

B. Post copies of the following notice on bulletin boards in the Plant and publicly declare it:

"We have been advised by Mercury Marine that a strike (stoppage) has occurred in the plant. Inasmuch, as no such strike or stoppage has been called or sanctioned by the

Union, if you are engaged in such strike or stoppage you are hereby instructed to return to work immediately.

LOCAL LODGE NO. 1947 OF THE INTERNATIONAL ASSOCIATION OF MACHINISTS, AND AERC SPACE WORKERS

BY \_\_\_\_\_

THIS NOTICE IS POSTED IN ACCORDANCE WITH THE PROVISION OF THE AGREEMENT BETWEEN THE COMPANY AND THE UNION."

17.3 The obligation of the Union shall be limited to the performance of the acts required by the immediately preceding paragraph, and upon compliance by the Union with the provisions set forth in the immediately preceding paragraph of this Agreement, the Union and its officers, agents, and members shall not have further liability during the term of this Contract or thereafter, for damage suffered by the Company arising from or out of stoppage or strike.

17.4 The Company shall have the right to discipline or discharge any employee engaging or participating in such action. It is understood that such action on the part of the Company shall in no case be construed as a violation by the Company of any provisions of this Agreement, provided, however, that an issue of fact as to whether or not any particular employee has engaged or participated in any such violation may be subject to the Grievance Procedure and/or Arbitration as set forth in this Agreement.

17.5 The Company will not lock out any or all of its employees during the term of this Agreement.

### **ARTICLE XVIII, PICKET LINES**

18.1 The Company will not require the employee to cross any lawful Union picket line established in front of Company premises and the individual or concerted refusal to pass such picket lines shall not constitute grounds for discipline, discharge or layoff.

18.2 A concerted refusal to pass a picket line shall not constitute a stoppage or strike within the meaning of this Agreement.

18.3 Nothing contained in this Section on picket lines shall be construed as superseding or replacing any provisions of the Section "Strike and Lockout".

### **ARTICLE XIX, WAGES**

19.1 Effective June 13, 1994, employees will be eligible to participate in the Company's Success Sharing Plan pro-

vided Mercury Marine reaches or exceeds an established pretax profit target. Brunswick Corporation will, on a yearly basis, establish the pretax profit target. When Mercury Marine reaches the pretax profit target established by Brunswick then two (2%) per cent of all pretax earnings will be placed into a Success Sharing pool to be distributed to eligible bargaining unit employees. The amount of any payment will be determined by dividing the total dollars in the pool by the number of eligible bargaining unit employees. Lump sum payments will be made in the last week of February or the first week of March of each year, following the close of the Company's accounting year.

To be eligible to receive a Success Sharing Payment employees must meet the following guidelines:

1. You must be an active employee, have retired during the year or be on an approved leave of absence as of December 31st,
2. You must have completed your probationary period, and
3. You must have worked at least one hour during the calendar year.

Payment will be based upon the number of weeks worked during the year. You will receive credit for every week during which you work at least one hour. You will also receive credit for vacation weeks, the Christmas holiday period, leave of absence for Union business and for weeks during which you receive workers compensation or accident & sickness pay. Employees who retire during the year will receive a pro rated payment based on the number of weeks worked during the year.

During year 2000 negotiations the parties mutually agreed to establish the MercRewards program to compensate employees for improvements in Productivity, Quality and employee generated Suggestions. MercRewards is to be effective starting with calendar year 2001. The previously negotiated Success Sharing program will run in tandem with the MercRewards program with employees receiving the higher of the two payouts. In the event that the Success Sharing program fails to generate a payout, then it will be discontinued and the MercRewards program will become the sole program designed to reward employees.

19.2 Wage rates which shall be effective during the term of this Agreement are set forth in Appendix A for Direct employees and Appendix B for Indirect employees.

A. Effective June 19, 2000, a \$.60 general increase shall be added to the wage rates for all Direct and Indirect employees based upon their respective classifications.

B. Effective June 18, 2001, a \$.67 general increase shall be added to the wage rates for all Direct and Indirect employees based upon their respective classifications.

C. Effective June 17, 2002, a \$.68 general increase shall be added to the wage rates for all Direct and Indirect employees based upon their respective classifications.

D. Effective June 16, 2003, a \$.70 general increase shall be added to the wage rates for all Direct and Indirect employees based upon their respective classifications.

### 19.3

A. Effective June 15, 1992, the starting rate of each classification, excluding skilled or apprenticeable trades, shall be 80% of the maximum rate of the classification. Upon completion of 26 full weeks of employment such employees will be paid 85% of the maximum rate of the classification. Upon the completion of 52 full weeks of employment, such employees will be paid 90% of the maximum rate of their classification. Upon completion of 78 full weeks of employment, such employees will be paid 95% of the rate for the classification to which they are assigned. Upon completion of 104 full weeks of employment, such employees will be paid the maximum rate of the classification to which they are assigned.

#### B. Computation of Weeks Worked:

1. Employees shall receive credit for any week during which they work at least 20 hours.

2. Employees shall receive credit for a week worked for the vacation shutdown week(s) and the Christmas shutdown week.

3. No credit shall be given for periods of layoff or leave of absence.

4. Employees recalled from layoff shall be given credit for the weeks they had worked prior to layoff.

5. Employees rehired within two (2) years after their seniority has been terminated under Article IX, Section 9.4D shall be given credit for any weeks worked prior to their date of rehire.

19.4 All employees covered by this Agreement, who leave the service of the Company for any reason, shall be paid whatever is due them hereunder.

19.5 Rules and regulations governing the "Job Evaluation Plan" for direct occupations are set forth in Appendix "C" Section A annexed hereto and made a part of this Agreement. The rules and regulations governing indirect job evaluation are defined in a separate book and the new evaluations were installed on August 16, 1976.

#### 19.6

A. During the term of this Agreement the Job Evaluation Committee comprised of management representatives and the trained Union representatives on a Divisional basis, will jointly evaluate any indirect job classification that is substantially changed or any new indirect job that is created. Such evaluation/reevaluation shall be conducted by the parties within thirty (30) working days after the job or operation has been approved to run. Job classifications as evaluated at the date of this Agreement will not be reviewed unless such job classification be substantially changed. Failure of the parties to agree on the Job Evaluation, the Company may implement the evaluation and the Union, if not in agreement may invoke the grievance procedure.

B. All newly created direct jobs or combinations of existing direct jobs will be slotted by the Company in one of the existing direct classifications. Management will notify the Plant Committee prior to slotting any direct job. Should the Union disagree with the Company's slotting of any direct job, then the dispute will be subject to the parties grievance procedure.

19.7 The Company has furnished the Union with a complete breakdown of its present evaluation plan for both direct and indirect occupations, the formula used for the setting of time limits on jobs during the negotiation of this present Agreement and receipt of such information is hereby acknowledged. The Company will also furnish the Union with any job evaluations placed in effect during the term of this Agreement.

#### 19.8

A. Employees transferred at the Company's request within their department but out of their bid classification or off their bid shift out of lines of seniority shall receive their man rate or the rate of the job they are assigned to, whichever is higher for a period of twenty (20) working days. If after twenty (20) working days the employee remains displaced out of seniority order, then the employee shall be paid one (\$1.00) per hour premium pay for each hour worked

thereafter, out of lines of seniority. This provision does not apply to situations mutually agreed to by the Union and Company (ex medical).

B. By mutual agreement between the Company and the Union, an employee may be transferred to a lower paid classification at the employee's request or because of physical disability. If transferred, the employee will receive the regular rate of pay for the job to which he or she is assigned.

C. In the event an employee due to physical disability is unable to perform his or her regular job assignment, the Company may assign them to another job at which time he or she will be paid the rate of the job to which he or she is assigned, or he or she may decline such job and return to work when capable of performing his or her regular job.

D. Where an employee is temporarily transferred to a lower paid classification out of his or her department to avoid a layoff due to lack of work in his or her department, the employee will be paid the regular rate of pay for the job to which he or she is assigned.

E. Employees assigned to set up machines other than the ones they are assigned to run shall be paid the Set-Up I rate of pay or man rate, whichever is higher.

F. Employees transferred at the Company's request outside their department and out of lines of seniority shall receive their man rate or the rate of the job they are assigned to, whichever is higher. In the event that the transfer exceeds twenty (20) working days then the employee will be paid a one (\$1.00) per hour premium for each hour worked thereafter, out of lines of seniority.

G. The change in the rate of pay of an employee assigned as provided in this Section 19.8 shall not be deemed downgrading under the provisions of Section 11.1 hereof.

#### 19.9 NIGHT SHIFT DIFFERENTIAL

A. A bonus of twenty-five (25) cents per hour will be paid to all employees on the second or third shift.

19.10 Payday will be Friday. Pay checks will be handed out one (1) hour before the conclusion of the respective shift.

### **ARTICLE XX, SUPPLEMENTAL PAY**

#### 20.1 FUNERAL PAY

In case of necessary absence of an employee to attend a funeral of a member of his or her immediate family (spouse, mother, step-mother, father, stepfather, legal guardian, child,

stepchild, sister, stepsister, brother, stepbrother, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandmother, grandfather and grandchildren) such employee will be paid for up to three (3) consecutive work days, provided one of those three days is the day of the funeral, at base rate for indirect employees and the individual's measured day man rate for direct employees, not to exceed eight (8) hours per day. In cases where a memorial service or burial service is to be conducted on a later date after the funeral service, then one of the three (3) days may be reserved and used at that time. In the case of the death of a foster child living in the employees home or the death of the employees grandparents-in-law, the Company will pay employees actual working time lost, but not to exceed eight (8) hours, to attend the funeral. No funeral leave will be paid for Saturday or Sunday, or any day on which holiday pay or vacation pay is paid. An employee called upon to be a pallbearer at the funeral of a deceased employee shall be paid for four (4) hours.

Should the employee be on vacation when the death occurs, the employee may reschedule vacation time beginning with the next day following the death.

A. This pay does not apply to employees who are on vacation or leave of absence. This pay will not be counted as time worked for overtime computation. The employee will, upon request, furnish the Company with satisfactory proof of the death and the relationship to the deceased.

B. Administratively third shift employees will be allowed funeral pay for the shift of work immediately following the day of the funeral but not to exceed three (3) days in accordance with the Labor Agreement.

## 20.2 JURY DUTY PAY

A. An employee who has completed the probationary period is summoned to and reports for jury duty shall be paid the difference between the daily amount received for jury service and the employee's man rate for direct employees and the base rate for indirect employees, for jury services performed during those hours of work which the employee would otherwise have been scheduled to work but does not.

B. This provision shall not apply where an employee voluntarily seeks such service.

C. To be eligible for such payments, an employee must notify the Company as soon as possible prior to the first

day of required absence for jury duty, and furnish a written statement from the appropriate public official listing dates and pay received for jury duty.

D. Employees selected for jury duty who are on other than the first shift will be assigned to the first shift for those days they are required to serve as jurors.

E. Employees who must report for jury examination on a scheduled work day will be excused from work not to exceed four (4) hours and paid for such time not to exceed four (4) hours.

F. When an employee is excused from jury service either temporarily or permanently on a scheduled work day, the employee shall promptly report to work to complete any remaining hours of the scheduled work day.

### 20.3 CALL-IN PAY

An employee called back to work after termination of his or her regular shift shall receive no less than four (4) hours of work or four (4) hours pay at the applicable overtime rate. This Section shall have no application where an employee is notified of overtime work while on his or her regular shift.

## **ARTICLE XXI, GROUP HEALTH BENEFITS**

21.1 The Company agrees to maintain for employees while employed under this Agreement, the Group Health Benefits in effect as of the date of this Agreement.

The present insurance carriers will be maintained for the duration of this Agreement, except that by mutual agreement, the carriers may be changed to a different insurance carrier or carriers.

21.2 For a period of one hundred twenty (120) calendar days immediately following layoff of any employee, the Company will continue to provide the hospital and surgical benefits for such employees. Thereafter, an employee may elect to maintain such hospital and surgical benefits by making the appropriate group deposit payments. Such hospital and surgical benefits shall terminate upon the failure to make such payments or one year from the date of layoff; whichever occurs first. Payments due from the one hundred twentieth<sup>1</sup> (120th) calendar day to the end of the month shall be on a pro-rated basis. Payments will be charged on a monthly calendar basis and must be prepaid and received by the Mercury Marine Benefit Department no later than the first calendar day of the month of coverage. Failure of the employee to make the payment on or before the first calendar day of the month will

automatically cancel the coverage and make it non-renewable.

For a period of one hundred eighty (180) calendar days immediately following the layoff of any employee, the Company will continue to provide a Life Insurance Benefit for each employee. The provisions of Paragraph 21.2 shall not apply to employees who have not completed their probationary period as of the date of layoff.

21.3 Any increase in the costs of these benefits during the term of the Contract, shall be paid by the Company.

21.4 The following schedule of benefits shall apply during the term of this Agreement as indicated.

**Effective June 19, 2000**

Accident & Sickness	\$375 1-1-4-26 plan (1st day of injury or hospitalization, 4th workday Monday through Friday, of illness, 26 weeks maximum duration)
---------------------	---

Life Insurance, A.D. & D.	\$41,000
---------------------------	----------

**Effective June 18, 2001**

Accident & Sickness	\$385
---------------------	-------

Life Insurance, A.D. & D.	\$42,000
---------------------------	----------

**Effective June 17, 2002**

Accident & Sickness	\$395
---------------------	-------

Life Insurance, A.D. & D.	\$43,000
---------------------------	----------

**Effective June 16, 2003**

Accident & Sickness	\$410
---------------------	-------

Life Insurance, A.D. & D.	\$45,000
---------------------------	----------

**ARTICLE XXII, RETIREMENT PLAN**

22.1 An employee may retire during the term of this Agreement after attaining age sixty-five (65) without an actuarially reduced pension benefit.

22.2 For purposes of computing an employee's number of years of credited service, hours worked computed to the nearest 1/12 year of service, including hours worked after the attainment of age sixty-five (65) shall be considered for the purpose of determining pension benefits under this Agreement. Effective June 23, 1997, the maximum years of credited service under this plan shall be forty (40) years. Effective June 19, 2000 there will be no limit to the maximum years of credited service under this plan.

A. All employees who retire after June 19, 2000 shall receive a pension benefit according to the following formula:

Multiplying forty dollars (\$40) by the number of years of credited service, computed to the nearest 1/12.

B. All employees who retire after June 18, 2001 shall receive a pension benefit according to the following formula:

Multiplying forty-one dollars (\$41) by the number of years of credited service, computed to the nearest 1/12.

C. All employees who retire after June 17, 2002 shall receive a pension benefit according to the following formula:

Multiplying forty-two dollars (\$42) by the number of years of credited service, computed to the nearest 1/12.

D. All employees who retire after June 16, 2003 shall receive a pension benefit according to the following formula:

Multiplying forty-four dollars (\$44) by the number of years of credited service, computed to the nearest 1/12.

22.3 Vesting rights for individuals with five (5) years of credited service or more shall be effective January 01, 1989.

22.4 The Company further agrees to furnish the Union on an annual basis an actuarial statement certifying that the plan is properly funded to provide for the above benefits.

22.5 An employee terminating after June 13, 1994 who has completed five (5) years of credited service is eligible to receive the full accrued benefit at age sixty-five (65) or he or she may elect to receive a pension commencing on or after attaining age sixty (60) but reduced by two (2%) percent or fraction thereof for each year that early retirement precedes age sixty-five (65). The employee may elect to receive his or her pension as a Life Annuity, subject to spousal approval if required, as a 50%, 66 2/3% or 100% Last Survivor benefit or as a 50% or 100% Joint and Survivor Spousal Pop-up benefit.

A. Employees retiring between the ages of 60 to 65 may, at the time of retirement, elect to obtain health care benefits. It is expressly recognized that one-half the contribution necessary to maintain this plan shall be paid by the retiree employee. It is also expressly agreed that any increase in the required contribution rate shall be paid one-half by said employee. Upon failure of the employee to make the necessary contribution, all coverage under this plan will cease. For the

duration of this agreement the contribution required for this coverage will be as follows:

Effective June 19, 2000: \$105 single and \$210 employee & spouse

Coverage for the employee will cease upon the employee attaining the age of 65 or becoming eligible for Medicare, whichever occurs first. No coverage will be provided for organ transplants. Coverage for dependents is limited to the employee's spouse at the time of retirement. Coverage for the spouse would normally terminate upon the death of the employee or upon the employee becoming eligible for Medicare. Effective June 18, 2000 the spouse may elect to continue single coverage by continuing to make the contribution required for single coverage. Coverage for the spouse will cease upon the spouse attaining age 65, becoming eligible for Medicare or by failing to make the required contribution.

The health care coverage provided retired employees under this program are created as a result of collective bargaining. Consequently the benefits provided hereunder may be altered and/or terminated pursuant to future Collective Bargaining Agreements.

All eligible charges will be subject to a \$250 per person deductible per year. Plan then pays 80% of the next \$5,000 of eligible charges and 100% of eligible charges thereafter subject to a \$200,000 lifetime maximum.

22.6 A 50% Survivor's benefit for employees age fifty-five (55) with ten (10) years of service but not eligible for early retirement will be provided based upon the employee's years of participating service times the current benefit rate at the time of death, reduced by 2% or fraction thereof for every year death occurred prior to age sixty-five (65), factored by an amount determined by the age of the spouse at the time of the employee's death.

22.7 Employees who are totally and permanently disabled may be eligible for disability retirement after five (5) years of credited service with the Company and no age requirement.

22.8 \$1,000.00 Death Benefit for retirees after 06/16/66.  
500.00 Death Benefit for retirees after 06/17/84.  
000.00 Death Benefit for retirees after 06/16/85. \$3,000  
th benefit for retirees after 6/18/2000.

22.9 All aspects of this employee pension plan shall conform to the Employee Retirement Income Security Act.

## **ARTICLE XXIII, CHECKOFF & UNION SECURITY**

23.1 During the term of this Agreement or any extension of this Agreement, the Company will deduct the monthly dues for membership in the Union from the earnings of each employee in the bargaining unit who individually and voluntarily in writing has authorized the Company to do so.

A. The Company shall deduct such dues from the earnings payable to such employees each month and shall pay such amount to the Financial Secretary of the Union.

B. Authorization and revocation of authorization must be made on the forms agreed upon between the Company and the Union.

C. As a condition of continued employment, all employees hired after the date of this Agreement shall within or at the completion of their probationary period, become and remain members in the Union during the term of this Agreement. As a condition of continued employment, all present employees of the Company as of the signing date of this Agreement shall within thirty (30) days become members of the Union and shall during the term of this Agreement maintain their membership in the Union.

D. The Company will, within three (3) working days after receipt of notice from the Union discharge any employee who is not in good standing or who fails to become a member in good standing as required by the preceding paragraph.

E. Should there be any question regarding an employee's delinquency, it shall be the Union responsibility to establish this fact to the Company.

F. The Union will, herewith indemnify the Company of any liability in the enforcement of the preceding paragraphs.

G. Upon receipt of a signed authorization of the employee, the Company shall deduct from the employee's paycheck the dues payable by him or her to the Union during the period provided for in said authorization.

H. Deductions shall be made for authorized Union dues from the first pay day, check-off is made, after the receipt of authorization and monthly thereafter until terminated by the employee in accordance with the provisions of the deductions authorization.

I. Effective June 19,2000 the Company will begin deducting contributions to the Machinist Non-Partisan Political League from the earnings of each employee in the bargaining unit who individually and voluntarily in writing has authorized the Company to do so. Deductions shall be made monthly thereafter until terminated by the employee in accordance with the provisions of the deductions authorization.

## **ARTICLE XXIV, SAFETY**

24.1 The Company will furnish and maintain safe and healthful sanitary conditions including clean and adequate washing facilities and toilets.

Safety equipment will be furnished to all employees where required by the Company.

24.2 The Company will notify the Union of all industrial lost time accidents which occur within the Plant within twenty-four (24) hours of their occurrence. Employees will be paid at base rate for indirect employees and the individual's measured day work rate for direct employees for the first day of time lost due to an occupational injury if directed by the Physician to refrain from further work that day.

Employees who suffer a traumatic work related injury that necessitates treatment in a physician's office or in an emergency room and who are thereafter absent from work because of such traumatic injury shall not suffer a loss of wages. Employees shall be compensated a maximum of eight (8) hours at the applicable straight time rate for each day of absence up to a maximum of three (3) days absence provided, however, that there shall be no payments for any day that the employee is eligible for benefits under the workman's compensation statute.

Upon his or her return to work, subsequent doctor's appointments causing lost time from work from their scheduled shift shall be compensated, as set forth above, for such lost time.

24.3 The Union Safety Representative from the respective Plant will be permitted to accompany Company Safety Inspection Committee on scheduled safety inspections; and inspections by authority of the Occupational Health and Safety Act. Such Union representative shall be paid at their man rate or indirect rate, whichever is applicable.

24.4 For purposes of safety, no employee shall be required to work alone unless another employee is in the area.

## ARTICLE XXV, MISCELLANEOUS

25.1 An employee may be discharged or disciplined by the Company for a good and sufficient cause. Any employee found to have deliberately or through gross incompetence or gross negligence made scrap, or passed on inferior part, or *faulty material*, shall be subject to disciplinary action up to and including discharge. The parties to this Agreement recognize that there must be quality workmanship and it is the intent of both parties to do everything possible to improve *quality production*. Upon being notified of a suspension or a discharge, the employee may leave his department and report to the Personnel Office. (Night shift employees may report the following day.) In such cases, the Personnel Manager shall *immediately notify the Chairman of the Shop Committee* or his designated representative who shall be given the opportunity to review the case with the employee involved and the representatives of the Company before the employee is requested to leave the premises of the Company. Copies of all disciplinary notices now received by the Union shall be furnished to the Union Shop Committee within five (5) working days from the date of issuance.

25.2 Should there be a dispute between the Company and the Union as to the existence of good and sufficient cause of discharge or discipline, such dispute shall be adjusted as a grievance in accordance with the terms of this Agreement.

25.3 The Company shall furnish the Union, once each month, with listings showing all new hires, *termination's*, current classifications, seniority, leaves of absence, layoffs, transfers, reclassifications, and recalls.

25.4 The Company and Union agree to abide by the terms and conditions of the *Apprenticeship Standards Bargaining Unit Trades* as developed and approved by the parties to this Labor Agreement and which are in compliance with the guidelines developed by the Department of Industry, Labor and Human Relations and the United States Department of Labor, Apprentice Division.

25.5 The Company agrees to assign inventory work in accordance with seniority option and the employee's ability to perform the assigned work. *Should the Company not get sufficient qualified volunteers*, the least senior qualified employees must work. All employees working on inventory will receive their man rate or the rate of the job, whichever is higher.

## 6 RELOCATION AGREEMENT

In the event of a transfer or relocation of an operation or operations to another facility covered by this Agreement, the following provisions shall apply:

1) A. Where the operations are to be transferred or relocated to another facility covered by this Agreement, employees who are affected by the transfer or relocation shall be notified at least thirty (30) days prior to the date the operations are to be transferred or relocated.

B. 1) Where the complete production operations of a facility covered by this Labor Agreement are transferred or relocated to another facility covered by this Labor Agreement employees with the proven ability in order of seniority will be offered the opportunity to transfer with the work providing their seniority is greater than the employees in the receiving plant. (Proven ability shall be defined, for purposes of this Article, as having held the occupational title of the job being transferred during their employment with Mercury Marine, and the ability to perform the job at acceptable performance levels.) The employee must exercise his "proven ability" rights on the most recent job he or she has held that is being transferred.

2) Where the entire production operations have been transferred or relocated from a facility covered by this Agreement, in accordance with Paragraph B.1 of this Section, and an employee has declined an offer of transfer under the initial move or when an employee has not been offered an opportunity to transfer or relocate to a facility covered by this Agreement, he/she shall be eligible to relocate or transfer at a later date based upon a separate recall list from the facility the entire production operations was transferred or relocated to. The method of recall from the separate recall list, made up of employees not offered relocation from the transferred or relocated plant, shall be based upon a procedure developed prior to the plant transfer or relocation using as a basis a ratio developed from comparing the appropriate man hours worked in the plant that is being transferred in comparison to the appropriate hours in receiving plant in the two quarters immediately prior to the announced closure (i.e., for every three (3) employees to be recalled from layoff after the designated move, two (2) will be recalled from layoff from Plant X and one (1) will be recalled from Plant Y based upon their seniority and ability as defined in Article IX).

3) All employees who are placed on the separate recall list described above must accept such recall or relocation at that time or forfeit all severance and/or employment rights with the Company.

4) Any employee who accepts recall from the closed facility under the ratio described above shall be placed upon the department seniority list of the job offered in the plant to which the work was transferred.

Direct employees who are recalled to the department they held seniority in prior to the plant closure shall maintain their guaranteed pay protection while assigned to measured day work jobs.

Direct employees who are recalled to a department other than the department they held seniority in prior to the plant closure will not be eligible for any pay protection on any work performed in the receiving plant, and will be paid in accordance with the terms of the Contract.

Should the first successful bid of a direct employee who has lost his pay protection under the aforementioned terms of this Article be to his seniority department held prior to plant closure he shall then have his pay protection restored.

This opportunity of the reinstatement of pay protection shall be available only until June 15, 1982.

C. 1) When sufficient numbers of jobs are moved from one plant covered by this Labor Agreement to another plant covered by this Labor Agreement which results in and of itself a permanent layoff, employees holding the occupational title and job class of the jobs transferred will be offered the opportunity to transfer with the work in order of seniority (the most senior employee having the occupational title and job classification given the first opportunity provided they have the ability to perform the job transferred).

2) Where the entire production operations have not been transferred or relocated from a facility covered by this Agreement, in accordance with Paragraph C.1 of this Section, an employee may decline an offer to transfer or relocate to a facility covered by this Agreement and shall be entitled to exercise seniority at his/her plant in accordance with the Labor Agreement and shall be paid in accordance with the Labor Agreement.

3) Where the entire production operations have not been transferred or relocated from a facility covered

by this Agreement, in accordance with Paragraph C.1 of this Section, an employee not offered an opportunity to transfer or relocate to a facility covered by this Agreement shall be entitled to exercise seniority at his/her plant in accordance with the Labor Agreement and shall be paid in accordance with the Labor Agreement.

4) In the event an employee whose entire production operations have not been transferred or relocated, in accordance with Paragraph C.1 of this Section, is unable to exercise seniority at his/her plant in accordance with the Labor Agreement or is displaced by an employee declining a transfer or relocation to a facility covered by this Agreement, such employees shall be placed on layoff status with recall rights in accordance with the Labor Agreement.

D. Any employee transferring with the job in accordance with Article 25.6, B.1 or C.1 through C.4, or any employee who is recalled to his original seniority department held prior to plant closure, or successfully job bids under the terms of 25.6 B.4, shall maintain his seniority in accordance with Article IX and shall continue to receive the difference between the individual's pay protection and the job rate established for the job or operation in the facility where the operation is being transferred, while employed in that seniority department.

E. Employees notified of a transfer or relocation shall notify the Company within fifteen (15) calendar days from the notification of the transfer or relocation of their acceptance and must report for work on the date designated by the Company or forfeit transfer or relocation rights unless the employee has a reasonable and acceptable excuse.

#### 25.7 DISCONTINUANCE OF OPERATIONS

1. The following provisions of this Article shall govern the granting and disbursement of severance and termination rights and benefits for employees with one (1) or more years of seniority in the bargaining unit whose employment relationship under this Agreement is terminated by the Company due to the transfer, relocation or discontinuance of the production operations of an entire facility or a component manufactured in that facility, located in Fond du Lac, Cedarburg or Oshkosh which are covered by this Agreement.

2. Employees who are on the active payroll roster or an approved leave of absence, or on layoff for sixty (60) days or less prior to the announced plant closure date, with one (1) or more years of seniority at such time and whose em-

ployment at such facility is terminated solely for such reason, shall be eligible to receive severance pay as provided in Section 3 following.

3. The Company will give notice of its decision to close a plant a minimum of six (6) months in advance of a plant closing date to the Union and to employees concerned. Such notice will include the date when terminations of represented employees, because of the plant closing, are expected to begin.

Where the economic realities indicate a discontinuance of an operation or the cessation of the manufacturing of a component, the Company will, in accordance with the Collective Bargaining Agreement, notify all affected employees and meet with the Union to discuss the impact, if any, on current employees.

An affected employee may elect to go on normal layoff status OR terminate employment permanently and be eligible for the below described Company assistance.

Where employees are affected to the extent that their jobs are permanently discontinued, then the Company agrees to provide the following assistance:

- a) 6 months continuation of group insurance
- b) One weeks pay (40 hrs x employees rate of pay) for each year of service as transition compensation
- c) Training as appropriate to the individual's situation including tuition reimbursement (to be decided case by case)

Any active employee from the affected operation or unit may volunteer to be permanently severed and have the above assistance apply.

The severance and termination benefits described above are payable provided:

A. The employee is terminated solely by reason of a Company decision in Paragraph 1.

B. During the sixty (60) day period prior to the transfer, relocation or discontinuance of the operations at the current facility, the employee is not absent without a reasonable excuse and has cooperated with an orderly shutdown of operations.

C. Any employee who engages in or honors a violation of Article XVII shall be excluded from any severance benefits.

D. An employee who is placed on a separate recall list and has not declined recall from the separate recall list under 25.6 B 2. or has not rejected severance pay under 25.7 (6) of this Article.

4. It is understood that employees who voluntarily terminate their employment or who are terminated for any justifiable reason except as set forth above, shall not be entitled to any severance or termination benefits under this Article.

5. In addition to the severance benefits set forth in this Article, employees shall receive vacation pay in accordance with Article 8.8 of the Labor Agreement.

6. An employee who does not possess the ability and seniority as defined in Article 25.6 1.B.1 to be transferred or an employee who has declined an offer of transfer may elect to accept severance pay immediately upon closure of the operations or may defer severance pay for up to six (6) months at which time the employee must elect to accept severance pay or lose all rights to severance pay. An employee who rejects his/her option to severance pay may exercise their rights under Article 25.6 B.2. An employee who elects to exercise his/her rights under Article 25.6 B.2. must accept a transfer as offered under these provisions or forfeit their employment rights under this Labor Agreement.

7. Employees who elect to continue to exercise their rights under the Agreement described in Paragraph 6 or elect to receive severance pay shall be eligible to receive one hundred twenty (120) days of Group Health benefits and one hundred eighty (180) days of Life Insurance Continuance commencing from the last day worked.

8. It is understood and agreed that the provisions of this Article and related Articles encompass all of these terms and conditions relating to employment, transfer and termination rights of employees covered by this Agreement and are in full accord and satisfaction of any and all rights, duties and obligations of Company arising out of or in connection with any such transfer, relocation or discontinuance of operations of an entire facility of the Company or of a component manufactured in a facility covered by this Agreement except those established under the Employee Retirement Income Security Act, State Workers Compensation and Unemployment Compensation Acts.

9. In the event that the complete production operations of a facility covered by this Labor Agreement are discontinued, Management and the Union will meet to discuss the effects of integrating the seniority of affected employees into the total remaining Fond du Lac seniority.

#### **25.8 BULLETIN BOARDS FOR UNION NOTICES**

The Company shall provide a Bulletin Board, at a location to be designated by the Company on its premises, for the purpose of posting official Union notices. Said notices shall not be of a controversial, political, or inflammatory nature and shall be submitted to the Company's designated representative for approval prior to posting.

25.9 The Company will defray tuition and book costs for any employee taking and completing a Company approved course of study that is job related and not during his or her normal work shift. This is not intended to include college courses.

### **ARTICLE XXVI, DURATION OF AGREEMENT**

26.1 This Agreement will remain in full force and effect until June 20, 2004 and from year to year thereafter unless modified or terminated in accordance with the following provisions.

26.2 Should either Party wish to modify or amend any provision of this Agreement, or to terminate said Agreement, as of June 20, 2004 notice of desire to modify, amend or terminate the Agreement shall be given to the other Party not more than ninety (90) days nor less than sixty (60) days prior to June 20, 2004.

26.3 In the event no Agreement has been reached by the effective date of the notice to terminate, all rights and obligations under the Agreement will become void and the Agreement will terminate.

26.4 This Agreement expresses the total understanding of the Parties on the subject of wages, hours, conditions of employment and all matters pertaining to the relations between the Union and the Company. It represents and is the result of concessions made by both Parties, which have included a number of matters initially proposed by both Parties as subjects for inclusion in this Agreement but which were later dropped or modified as a result of and in exchange for concessions on other matters which were proposed. The Parties acknowledge further that each had the unlimited right in these negotiations to propose any matters which are proper

subjects for collective bargaining. Accordingly, any new matter, economic or non-economic, whether or not it pertains to a subject covered herein, and whether or not it was raised in the negotiations that produced this Agreement, is specifically waived by both Parties as subject for bargaining during the life of this Agreement. Nothing contained herein, however, shall interfere with an employee's right to raise a grievance which involves a claim that the Company has violated a specific clause of this Agreement. The specific provisions of this Agreement shall be the sole source of any rights which the Union or any member of the bargaining unit may charge the Company has violated in raising a grievance.

## APPENDIX A

Effective June 19, 2000 the measured day work schedule will be:

Plant	Classification	Starting Rate	After 26 Full Wks	After 52 Full Wks	After 78 Full Wks	Job Rate After 104 Full Wks
Plant 15 Machine Shop Assembly  Paint	Machinist Tech	13.90	14.76	15.63	16.50	17.37
	Assembly Tech I	13.10	13.92	14.74	15.56	16.38
	Assembly Tech II	13.61	14.46	15.31	16.16	17.01
	Assembly Tech III	13.95	14.82	15.70	16.57	17.44
	Paint Tech I	13.10	13.92	14.74	15.56	16.38
	Paint Tech II	13.61	14.46	15.31	16.16	17.01
Plant 4 Machine Shop Heat Treat	Machinist Tech	13.90	14.76	15.63	16.50	17.37
	Heat Treat Tech	13.90	14.76	15.63	16.50	17.37
Plant 17 Trim  Die Cast	Trim Operator	13.37	14.20	15.04	15.87	16.71
	Finished Sander- Props	13.58	14.43	15.28	16.13	16.98
	Casting Operator	14.27	15.16	16.06	16.95	17.84
Plant 24	Reman. Assembler	13.61	14.46	15.31	16.16	17.01
	Powerhead	14.38	15.27	16.17	17.07	17.97
	Mechanic					
Plant 98	Invest Cast Tech I	13.10	13.92	14.74	15.56	16.38
	Invest Cast Tech II	13.58	14.43	15.28	16.13	16.98
	Invest Cast Machinist	13.90	14.76	15.63	16.50	17.37
	Invest Cast Tech III	13.98	14.85	15.72	16.60	17.47

## APPENDIX A

Effective June 18, 2001 the measured day work schedule will be:

Plant	Classification	Starting Rate	After 26 Full Wks	After 52 Full Wks	After 78 Full Wks	Job Rate After 104 Full Wks
Plant 15 Machine Shop Assembly  Paint	Machinist Tech	14.43	15.33	16.24	17.14	18.04
	Assembly Tech I	13.64	14.49	15.35	16.20	17.05
	Assembly Tech II	14.14	15.03	15.91	16.80	17.68
	Assembly Tech III	14.49	15.39	16.30	17.20	18.11
	Paint Tech I	13.64	14.49	15.35	16.20	17.05
	Paint Tech II	14.14	15.03	15.91	16.80	17.68
Plant 4 Machine Shop Heat Treat	Machinist Tech	14.14	15.33	16.24	17.14	18.04
	Heat Treat Tech	14.43	15.33	16.24	17.14	18.04
Plant 17 Trim  Die Cast	Trim Operator	13.90	14.77	15.64	16.51	17.38
	Finished Sander-Props	14.12	15.00	15.89	16.77	17.65
	Castling Operator	14.81	15.73	16.66	17.58	18.51
Plant 24	Reman. Assembler	14.14	15.03	15.91	16.80	17.68
	Powerhead Mechanic	14.91	15.84	16.78	17.71	18.64
Plant 98	Invest Cast Tech I	13.64	14.49	15.35	16.20	17.05
	Invest Cast Tech II	14.12	15.00	15.89	16.77	17.65
	Invest Cast Machinist	14.43	15.33	16.24	17.14	18.04
	Invest Cast Tech III	14.51	15.42	16.33	17.23	18.14

## APPENDIX A

Effective June 17, 2002 the measured day work schedule will be:

Plant	Classification	Starting Rate	After 26 Full Wks	After 52 Full Wks	After 78 Full Wks	Job Rate After 104 Full Wks
Plant 15 Machine Shop Assembly  Paint	Machinist Tech	14.98	15.91	16.85	17.78	18.72
	Assembly Tech I	14.18	15.07	15.96	16.84	17.73
	Assembly Tech II	14.69	15.61	16.52	17.44	18.36
	Assembly Tech III	15.03	15.97	16.91	17.85	18.79
	Paint Tech I	14.18	15.07	15.96	16.84	17.73
	Paint Tech II	14.69	15.61	16.52	17.44	18.36
Plant 4 Machine Shop Heat Treat	Machinist Tech	14.98	15.91	16.85	17.78	18.72
	Heat Treat Tech	14.98	15.91	16.85	17.78	18.72
Plant 17 Trim  Die Cast	Trim Operator	14.45	15.35	16.25	17.16	18.06
	Finished Sander- Props	14.66	15.58	16.50	17.41	18.33
	Casting Operator	15.35	16.31	17.27	18.23	19.19
Plant 24	Reman. Assembler	14.69	15.61	16.52	17.44	18.36
	Powerhead Mechanic	15.46	16.42	17.39	18.35	19.32
Plant 98	Invest Cast Tech I	14.18	15.07	15.96	16.84	17.73
	Invest Cast Tech II	14.66	15.58	16.50	17.41	18.33
	Invest Cast Machinist	14.98	15.91	16.85	17.78	18.72
	Invest Cast Tech III	15.06	16.00	16.94	17.88	18.82

## APPENDIX A

Effective June 16, 2003 the measured day work schedule will be:

Plant	Classification	Starting Rate	After 26 Full Wks	After 52 Full Wks	After 78 Full Wks	Job Rate After 104 Full Wks
Plant 15 Machine Shop Assembly  Paint	Machinist Tech	15.54	16.51	17.48	18.45	19.42
	Assembly Tech I	14.74	15.67	16.59	16.59	18.43
	Assembly Tech II	15.25	16.20	17.15	18.11	19.06
	Assembly Tech III	15.59	16.57	17.54	18.52	19.49
	Paint Tech I	14.74	15.67	16.59	16.59	18.43
	Paint Tech II	15.25	16.20	17.15	17.15	19.06
Plant 4 Machine Shop Heat Treat	Machinist Tech	15.54	16.51	17.48	18.45	19.42
	Heat Treat Tech	15.54	16.51	17.48	18.45	19.42
Plant 17 Trim  Die Cast	Trim Operator	15.01	15.95	16.89	17.82	18.76
	Finished Sander- Props	15.22	16.18	17.13	18.08	19.03
	Casting Operator	15.91	16.91	17.90	18.90	19.89
Plant 24	Reman. Assembler	15.25	16.20	17.15	18.11	19.06
	Powerhead	16.02	17.02	18.02	19.02	20.02
	Mechanic					
Plant 98	Invest Cast Tech I	14.74	15.67	16.59	17.51	18.43
	Invest Cast Tech II	15.22	16.18	17.13	18.08	19.03
	Invest Cast Machinist	15.54	16.51	17.48	18.45	19.42
	Invest Cast Tech III	15.62	16.59	17.57	18.54	19.52

**APPENDIX B**

Effective June 19, 2000 the indirect wage schedule will be:

	Starting Rate	After 26 Full Wks	After 52 Full Wks	After 78 Full Wks	Job Rate After 104 Full Wks
01X	\$12.26	\$13.03	\$13.80	\$14.56	\$15.33
02X	12.39	13.17	13.94	14.72	15.49
03X	12.50	13.28	14.06	14.84	15.62
04X	12.61	13.40	14.18	14.97	15.76
05X	12.74	13.53	14.33	15.12	15.92
06X	12.86	13.66	14.46	15.27	16.07
07X	12.98	13.79	14.60	15.41	16.22
08X	13.10	13.92	14.74	15.56	16.38
09X	13.26	14.08	14.91	15.74	16.57
10X	13.36	14.20	15.03	15.87	16.70
11X	13.50	14.35	15.19	16.04	16.88
12X	13.66	14.51	15.36	16.22	17.07
13X	13.80	14.66	15.53	16.39	17.25
14X	13.95	14.82	15.70	16.57	17.44
15X	14.09	14.97	15.85	16.73	17.61
16X	14.24	15.13	16.02	16.91	17.80
17X	14.38	15.27	16.17	17.07	17.97
18X	14.54	15.45	16.36	17.27	18.16
19X	14.74	15.66	16.58	17.50	18.42
20X	14.86	15.79	16.72	17.65	18.58
21X	15.09	16.03	16.97	17.92	18.86
22X	15.20	16.15	17.10	18.05	19.00
23X					19.81
24X					20.05
25X					20.25
26X					20.89
27X					21.14
28X					21.33

**APPENDIX B**

Effective June 18, 2001 the indirect wage schedule will be:

	Starting Rate	After 26 Full Wks	After 52 Full Wks	After 78 Full Wks	Job Rate After 104 Full Wks
01X	\$12.80	\$13.60	\$14.40	\$15.20	\$16.00
02X	12.93	13.74	14.54	15.35	16.16
03X	13.03	13.85	14.66	15.48	16.29
04X	13.14	13.97	14.79	15.61	16.43
05X	13.27	14.10	14.93	15.76	16.59
06X	13.39	14.23	15.07	15.90	16.74
07X	13.51	14.36	15.20	16.05	16.89
08X	13.64	14.49	15.35	16.20	17.05
09X	13.79	14.65	15.52	16.38	17.24
10X	13.90	14.76	15.63	16.50	17.37
11X	14.04	14.92	15.80	16.67	17.55
12X	14.19	15.08	15.97	16.85	17.74
13X	14.34	15.23	16.13	17.02	17.92
14X	14.49	15.39	16.30	17.20	18.11
15X	14.62	15.54	16.45	17.37	18.28
16X	14.78	15.70	16.62	17.55	18.47
17X	14.91	15.84	16.78	17.71	18.64
18X	15.08	16.02	16.97	17.91	18.85
19X	15.27	16.23	17.18	18.14	19.09
20X	15.40	16.36	17.33	18.29	19.25
21X	15.62	16.60	17.58	18.55	19.53
22X	15.74	16.72	17.70	18.69	19.67
23X					20.48
24X					20.72
25X					20.92
26X					21.56
27X					21.81
28X					22.00

**APPENDIX B**

Effective June 17, 2002 the indirect wage schedule will be:

	<b>Starting Rate</b>	<b>After 26 Full Wks</b>	<b>After 52 Full Wks</b>	<b>After 78 Full Wks</b>	<b>Job Rate After 104 Full Wks</b>
01X	\$13.34	\$14.18	\$15.01	\$15.85	\$16.68
02X	13.47	14.31	15.16	16.00	16.84
03X	13.58	14.42	15.27	16.12	16.97
04X	13.69	14.54	15.40	16.25	17.11
05X	13.82	14.68	15.54	16.41	17.27
06X	13.94	14.81	15.68	16.55	17.42
07X	14.06	14.93	15.81	16.69	17.57
08X	14.18	15.07	15.96	16.84	17.73
09X	14.34	15.23	16.13	17.02	17.92
10X	14.44	15.34	16.25	17.15	18.05
11X	14.58	15.50	16.41	17.32	18.23
12X	14.74	15.66	16.58	17.50	18.42
13X	14.88	15.81	16.74	17.67	18.60
14X	15.03	15.97	16.91	17.85	18.79
15X	15.17	16.12	17.08	18.01	18.96
16X	15.32	16.28	17.24	18.19	19.15
17X	15.46	16.42	17.39	18.35	19.32
18X	15.62	16.60	17.58	18.55	19.53
19X	15.82	16.80	17.79	18.78	19.77
20X	15.94	16.94	17.94	18.93	19.93
21X	16.17	17.18	18.19	19.20	20.21
22X	16.28	17.30	18.32	19.33	20.35
23X					21.16
24X					21.40
25X					21.60
26X					22.24
27X					22.49
28X					22.68

**APPENDIX B**

Effective June 16, 2003 the indirect wage schedule will be:

	Starting Rate	After 26 Full Wks	After 52 Full Wks	After 78 Full Wks	Job Rate After 104 Full Wks
01X	\$13.90	\$14.77	\$15.64	\$16.51	\$17.38
02X	14.03	14.91	15.79	16.66	17.54
03X	14.14	15.023	15.90	16.79	17.67
04X	14.25	15.14	16.03	16.92	17.81
05X	14.38	15.27	16.17	17.07	17.97
06X	14.50	15.40	16.31	17.21	18.12
07X	14.62	15.53	16.44	17.36	18.27
08X	14.74	15.67	16.59	17.51	18.43
09X	14.90	15.83	16.76	17.69	18.62
10X	15.00	15.94	16.88	17.81	18.75
11X	15.14	16.09	17.04	17.98	18.93
12X	15.30	16.25	17.21	18.16	19.12
13X	15.44	16.41	17.37	18.34	19.30
14X	15.59	16.57	17.54	18.52	19.49
15X	15.73	16.71	17.69	18.68	19.66
16X	15.88	16.87	17.87	18.86	19.85
17X	16.02	17.02	18.02	19.02	20.02
18X	16.18	17.20	18.21	19.22	20.23
19X	16.38	17.40	18.42	19.45	20.47
20X	16.50	17.54	18.57	19.60	20.63
21X	16.73	17.77	18.82	19.86	20.91
22X	16.84	17.89	18.95	20.00	21.05
23X					21.86
24X					22.10
25X					22.30
26X					22.94
27X					23.19
28X					23.38

## APPENDIX C

### Job Evaluation

All occupations will be clearly described and clearly identified.

Each occupation will be evaluated on a point rating basis.

The point rating factors used will be:

- A. General schooling required
- B. Training period required
- C. Manual skill required
- D. Job knowledge required
- E. Versatility required
- F. Responsibility required
- G. Working conditions of the occupation

**APPENDIX D**  
**CUSTOMER SERVICE AND REPAIR**  
**SUPPLEMENT -- 1969**

Employees working in the Customer Service and Repair Department shall be subject to the following terms and conditions in addition to the provisions of the Agreement to which this supplement is appended.

1. All classifications covered by this supplement shall be subject to the Job Posting and Bidding provisions of the Agreement, excepting the Classification of Instructor.

Instructor vacancies will be filled by selection from the "A" and "B" mechanics in the department based on ability and seniority.

2. Employees selected for the Instructor "C" classification shall be on trial for the first 160 hours of working as an Instructor. If during this 160 hour trial period the Company determines the employee is not performing for whatever reason, he or she shall be given a written notice stating the area or areas he or she must correct or improve upon. If no improvement of performance is demonstrated after the written notice, he or she shall be removed from the classification and returned to his or her former job (if available) or one of like pay.

3. Having successfully completed the 160 hour trial period, and if his or her performance is satisfactory at the completion of 700 additional hours of instructing, the employee will progress to the next highest classification.

4. Advancement to the Instructor "A" classification shall be awarded upon satisfactory completion of 860 hours of Instructing as an Instructor "B".

5. Field Service Trainee Schedule will be as follows:

Two (2) weeks school.

Sixty (60) days in Repair Section.

Four (4) weeks instructing.

This work schedule will be repeated for each prod-line. If any other products are added to the Mercury prod-line, this training program will apply. Field Service Representatives will have the opportunity to accumulate sixty days of refresher training per year. Field Service Representatives shall at no time deprive regular employees of their 1 work assignment or overtime opportunity.

6. Propeller repair work will be assigned to the classification mechanic.

7. Tester will be hired as Class "C" Mechanic subject to automatic progression.

8. Instructors and mechanics will be told about new or changed products at a time that the Company feels to be the opportune time. Instructors will, however, be given this classified information before other Customer Service and Repair employees.

9. Employees hired or bidding into "C" mechanic classification must pass a mechanic aptitude test with a minimum score of 80 percentile.

10. In the event that Mercury Marine produces a product foreign to reciprocating internal combustion marine engines, all service and repair mechanics will be given preference for service work on these products based on knowledge, ability and seniority.

#### Letter of Understanding

The closing of the service repair facility coupled with the fact that the service school is operated only approximately seven (7) months out of the year, would normally result in the displacement for five (5) months of employees classified as Instructor A's. Those employees would then be required to perform whatever work was available until the service school again began operating the following fall.

In an effort to more fully utilize the skills of employees classified as Instructor A, the Company and the Union mutually agree as follows:

That during those months that the service school does not operate the Company will have the right to utilize some or all of the employees classified as Instructor A to perform work that is traditionally non-bargaining. If it is necessary to reduce the number of Instructor A's performing non-bargaining unit work then the least senior Instructor A will be reduced and returned to the Distribution Plant.

It is specifically agreed between the Parties that the work to be performed is non-bargaining unit work. It is also specifically agreed that the performance of this work by bargaining unit instructors will not give rise to any future claim that the work they perform is bargaining unit work.

It is also agreed between the Parties that the employees selected will remain part of the current bargaining unit with all rights and privileges granted to them under the current Labor Agreement. Employees selected will continue to receive the rate of pay that they received as Instructors.

It is also specifically agreed that the Company has the unilateral right at any time to discontinue the use of any or all Instructor A's in a non-bargaining capacity. Instructors whose services as a service training aide are discontinued will be returned to the bargaining unit and assigned work to which their seniority would entitle them.

Effective June 15, 1992 the position of Service Instructor and the work performed by them shall become non-bargaining. Employees holding the classification of Service Instructor as of June 15, 1992 will remain in the bargaining unit and hold the classification until they retire or bid out of the classification. All new instructors hired after June 15, 1992 will be non-bargaining unit employees.

## APPENDIX E

### MEASURED DAY WORK

#### 1. Application of Measured Day Work

1.1 Measured day work will be used in the areas and/or operations that the Company deems appropriate.

1.2 The production standards that are established for operations on measured day work in the Machining Department and Casting Plants will be appropriate for the work involved as determined by predetermined time value, standard data or stopwatch. The standards will represent a normal pace (100% = 3 mile per hour National norm) and will be used to gauge the performance of the employee and the work group.

1.3 The production standards that are established for operations on measured day work in the Assembly Department will be appropriate for the work involved as determined by predetermined time values, standard data or stopwatch. The standards will represent the pace of an average experienced operator working with good skills and effort (100% = 3.57 mile per hour) and will be used to gauge the performance of the employee and the work group.

1.4 When using the stopwatch method for setting production standards, the number of pieces to be studied will be sufficient to ensure a reasonable level of reliability.

#### 2. Practices To Be Observed For Measured Day Work

The following work practices and procedures are to assure efficient and effective operations to meet the needs of employees and the business.

2.1 Employees are expected to meet production standards as assigned, and report to their supervisor any conditions or circumstances which prevent them from performing effectively or completing their assigned work.

2.2 Employees are expected to follow the instructions and method of operation specified for their work and report promptly any inadequacies in the work instruction and method of operation to their supervisor.

2.3 Employees are expected to produce acceptable work and report promptly any deviations from design or quality specifications.

#### 3. Allowances

To the normal time pace as set forth in Section 1.2 and 1.3 of this Appendix, allowances will be added for the following factors for measured day work jobs.

3.1 Personal Allowance 5%.

3.2 Delay allowance for processed control operations in accordance with the following formula:

0% - 49% Process Control 2.5% Delay Allowance

50% - 59% Process Control 3.0% Delay Allowance

60% - 69% Process Control 3.5% Delay Allowance

70% - 79% Process Control 4.0% Delay Allowance

80% - 89% Process Control 4.5% Delay Allowance

90% - 100% Process Control 5.0% Delay Allowance

When the Company makes the decision to invest in new capital equipment it must be able to operate in the most efficient and cost effective manner. Delay allowances must be established that recognize the new technologies and ergonomic advances designed into the new equipment. During the first year of operating the new equipment the Company and the Union will study the delay allowances and by mutual agreement establish an appropriate standard.

3.3 Fatigue Allowance - To be applied in accordance with the following schedule when part is handled without the aid of mechanical devices.

Piece Weight	Under 1.00 Min.	1.00-2.00 Min.	2.01-3.00 Min.	Above 3.0 Min.
Under 15#	4.0%	3.0%	2.0%	1.0%
16# - 30#	5.0%	4.0%	3.0%	2.0%
31# - 45#	6.5%	5.5%	4.5%	3.5%
Above 45#	8.0%	7.0%	6.0%	5.0%

For operations requiring the continuous manual application of the piece part to a machine tool, use the Under 1.00 minutes column to determine the fatigue allowance. (Ex. - Belt Sanders, Snag Grinders)

4. Guaranteed Pay Protection - Machining Department & Casting Plants

4.1 The Company agrees to maintain for any direct employee on the payroll or on layoff or leave of absence as of October 23, 1975 their individual 1974 average straight time earnings or measured day work rate schedule, whichever is higher, for all hours worked on measured day work jobs.

4.2 Direct employees hired or who have bid out of their seniority department after October 23, 1975, will receive for pay protection purposes their average straight time earnings calculated from their time of hire or bid until

June 30, 1976, or the measured day work schedule, whichever is higher.

4.3 Direct employees who did not establish a 1974 average straight time earnings rate of pay by reason of layoff or transfer to a non-incentive job, shall have an average straight time earnings rate established for pay protection purposes. Such employees shall receive their established average straight time earnings or the measured day work schedule, whichever is higher.

4.4 All employees hired after June 30, 1976 will be paid in accordance with the measured day work schedule when assigned to measured day work jobs.

## 5. Guaranteed Pay Protection - Assembly Departments

5.1 The Company agrees to maintain for any Plant 15 direct employee on the payroll or on layoff or leave of absence as of October 01, 1977 their individual 1977 average straight time earnings or measured day work schedule, whichever is higher for all hours worked on measured day work jobs for all jobs which have the 3.57 mile per hour standards.

5.2 All Plant 15 incentive employees who worked on measured day jobs and were paid in accordance with Appendix E, Articles 4.1 and 4.2 of the Labor Agreement and did not work on incentive operations during any of the four (4) quarters of 1977 shall receive an increase to their 1974 individual pay protection of forty-five cents (\$0.45) for the purpose of establishing their 1977 individual pay protection.

5.3 All Plant 15 incentive employees who did not establish a 1977 average straight time earnings rate of pay by reason of layoff or transfer to a non-incentive job, shall have an average straight time earnings rate established for pay protection purposes. Such employees shall receive their established average straight time earnings or the measured day work schedule, whichever is higher.

5.4 The newly established 1977 individual pay protection as defined in the paragraphs above will be used for all hours worked on measured day work jobs at the 3.57 mile per hour standard.

5.5 All employees hired after October 01, 1977 in Plant 15 will be paid in accordance with the measured day work schedule when assigned to measured day work jobs.

## 6. Miscellaneous

6.1 The placement of indirect jobs on measured day work shall be the subject of negotiations during this Agreement.

6.2 Employees who bid from one seniority department to another seniority department as defined in the Labor Agreement will be paid in accordance with the measured day work schedule when assigned to measured day work jobs.

6.3 Direct employees who bid to different direct occupations in their current seniority department, as defined in the Labor Agreement, will retain their guaranteed individual average straight time earnings in accordance with 4.1, 4.2, 4.3, 4.4, 5.1, 5.2, 5.3, 5.4, 5.5 (whichever is applicable) above when assigned to measured day work jobs.

6.4 Employees assigned to measured day work jobs shall receive the rate of the job they are assigned to for paid lunch periods as set forth in Article V, Hours of Work.

6.5 The Company agrees that employees who are physically unable to perform at the normal measured day work pace for reasons other than physical disabilities shall not be subject to the downgrading provisions of this Agreement.

6.6 The North and South paint systems are to be considered one department for purposes of seniority. This is to include equal distribution of overtime.

6.7 The Union shall be afforded an opportunity of bringing in an outside time study engineer to review the appropriateness of any measured day work production standard that is disputed in accordance with Article XV Grievance Procedure.

7. The standards for the Paint Line in Plant 15 will be established in accordance with Appendix E, Article 1.2; and the pay for employees holding classifications in the Paint Line in Plant 15 shall be in accordance with Appendix E, Articles 4.1, 4.2, 4.3 and 4.4.

## APPENDIX F

### INDIRECT RATE PROGRESSION PROVISION

A. The purpose of job classifications are: (1) to distinguish between work assignments having different prime functions or basic elements, and (2) to distinguish between work assignments having different job conditions or requiring different types of levels of skills, responsibility or effort.

1. It is understood and agreed that the presence of a classification and pay rate in this Agreement does not necessarily require that there will be employees in such classification when production requirements do not justify additional manpower.

2. The No Down Grading Provision shall apply.

B. The Automatic Pay Progression Provision shall be as follows:

1. Employees bidding into indirect jobs shall be on trial for the first thirty (30) working days.

2. If during this thirty (30) working day trial period, the Company determines the employee is not performing for whatever reason, he shall be given a written notice stating the area or areas he must correct or improve upon. If no improvement of performance is demonstrated after the written notice, he or she shall be removed from the classification and returned to his or her former job (if available) or one of like pay.

3. Having successfully completed the thirty (30) day trial period and not to exceed six (6) months in each classification, the employee will automatically progress to the next highest classification.

C. All apprenticeable trade classifications shall be excluded from this Automatic Pay Progression Provision as defined in paragraphs B-1-2-3 of this Agreement.

Leadpersons and Set-Up occupations will also be excluded from this Automatic Progression Provision Agreement. Employees in these classifications will be promoted on the basis of seniority and ability to perform. (Thirty {30} working day trial period to apply.)

## **APPENDIX G**

### **LETTER OF UNDERSTANDING - PAYMENT OF DOUBLE TIME**

This letter of Understanding will confirm the parties agreement concerning the payment of double time to employees under Section 6.1B of the parties collective bargaining agreement.

Hours worked in excess of twelve (12) hours within a twenty-four (24) hour period will be paid for at the double time rate. Each shift's twenty-four (24) hour period will begin four (4) hours before the shifts normal starting time. For example if first shift starts at 7:00 a.m. then the twenty-four (24) hour clock for that shift will start at 3:00 a.m. and run until 3:00 a.m. the following day. For second shift the twenty-four (24) hour period would run from 11:00 a.m. to 11:00 a.m. or 11:30 a.m. to 11:30 a.m. depending on whether the shift normally starts at 3:00 p.m. or 3:30 p.m. For third shift the period would run from 7:00 p.m. to 7:00 p.m. Double time will be paid whenever an employee works more than twelve (12) hours during that period.

The above rule will not apply when shift starting times are changed for the following reasons:

1. Shift starting times that are changed to allow employees to attend Walleye Weekend or the Company Picnic.

2. Shift starting times that are changed to accommodate the inventory process.

The parties will meet and discuss any similar situations that may arise during the term of this agreement.

### **LETTER OF UNDERSTANDING - OPERATOR FLEXIBILITY**

The Parties recognize that increased operator flexibility and greater operator impact on quality are essential to produce a quality product and that work rules which reduce flexibility and encourage inefficiency are contrary to the best interests of Company and employees. Therefore, it shall not be the intention of any provision of this Agreement to require operators to perform work such as inspection of prior operations, in-plant preventative maintenance, material handling or other work that may cross former traditional departmental lines where such work is performed incidental to their normal duties. Where such additional work is required, it shall not change the operator's primary job duties or

creates a new job, it will be slotted in accordance with Section 19.6 B of this Agreement.

It shall be incumbent upon the Company to provide employees with the training necessary to properly perform such work.

### **LETTER OF UNDERSTANDING - NON-SCHEDULED PRODUCTION DAYS**

The Parties recognize that increased production requirements caused by fluctuating demand, production interruptions or by a need to supply non-Fond du Lac locations require that the Company have the ability to utilize, during non-scheduled production days, the employees who normally perform the required work.

This Agreement specifically allows the Company to select by seniority the people who normally perform the work to continue to perform that work during Non-Scheduled Production Work Days which are specified as -- The Vacation Shut Down Period, Inventory Shut Down, Christmas Shut-down and short-term layoffs where normal production of the Manufacturing, Casting or Foundry Plants are individually or entirely canceled.

The method for determining who shall be requested to work during these non-scheduled production days shall be:

- Vacation Shutdown - Voluntary
- Christmas Holidays - Voluntary
- Inventory and/or short term layoffs - Volunteers will be requested in seniority order from among the employees who normally run the jobs needed. Failing to get sufficient volunteers the work assignment becomes mandatory in reverse seniority order.

This Agreement shall also apply to employees normally assigned to jobs involving the picking and distribution of parts or product.

### **LETTER OF UNDERSTANDING - PAYROLL SIMPLIFICATION**

A man rate has been established for each direct employee. The only time a direct employee will receive a higher rate of pay is when he is assigned to a job where the job rate exceeds his man rate.

Direct employees shall receive the rate of the job performed when they are assigned out of department in seniority order, when they are reassigned at their request, when they are reassigned as a result of inability to perform the assigned

work, when they bid to a different classification or when they volunteer to work outside their department during the vacation shutdown period.

### **LETTER OF UNDERSTANDING - J.I.T. DRIVERS**

J.I.T. Drivers shall be able to load and unload their trucks at other than their own seniority plant.

### **LETTER OF UNDERSTANDING - PRODUCTIVITY POOL**

In recognition of the need to provide meaningful activity for employees displaced from their normal duties due to increased productivity in a specific manufacturing plant resulting from employee effort, a pool of employees will be created into which such displaced employees may elect to go. Such pool of employees will be designated the "Productivity Pool" and will operate as follows:

#### Pool Creation

1. Eligibility: Employees displaced by employee generated productivity gains in their operation who would otherwise be subject to layoff from their seniority department, are eligible to be assigned to the Productivity Pool. (Employees displaced for reasons other than employee generated productivity increases, i.e., capital investment, technology change, reduced production schedules in response to decreased demand, etc., in their department will be handled under established provisions of the Labor Agreement, or the Letter of Understanding regarding Non-Competitive Situations.)

2. Election: Employees who elect not to go into the Productivity Pool when first eligible will be laid off and recalled in accordance with Article XI of the Labor Agreement.

#### Pool Operation

1. Productivity Pool employees will be paid the rate of a Maintenance Helper or the "appropriate rate" of any higher established classification if Pool employee performs in that classification for eight (8) hours or more.

2. Pool employees may be assigned work in any facility that does not displace another bargaining unit employee and may be assigned a variety of tasks. Prior to using Productivity Pool employees in any facility with employees laid off, the receiving plant's labor/management committee will meet to determine if Productivity Pool employees are to be used, the type of work to be done and the duration of the assignment.

3. Seniority has no application in the Pool for work assignment except for original shift preference where a shift preference is available.

4. Work assignments may encompass work on any shift and, where a shift change is involved, advance notice will be given employees so assigned. (It should be recognized many projects will be done on off shifts.)

5. Employees who perform unsatisfactorily in the Pool and/or do not adjust to the concept, will be placed on layoff and subject to Article XI Layoff & Recall provision.

6. Disagreements arising under this arrangement shall be settled by the Parties without resort to the grievance procedure except for employees involuntarily removed from the Pool and placed on layoff status.

7. Employees in the Pool may elect to go on layoff at any time and will thenceforth be covered by Article XI Layoff & Recall.

8. Should there be a layoff resulting from other than employee generated productivity increases, employees with greater seniority in a specific plant may displace Pool employees from that plant who have less seniority with the less senior employees from that plant being placed on layoff.

The intent of this arrangement is to provide work for employees who would otherwise be laid off due to employee generated productivity increases. It is expressly recognized that this is a special case falling outside the normal contractual guidelines. Problems and issues will be handled by a joint Management-Labor Committee.

It is expressly understood that the Productivity Pool will operate during the term of this Agreement.

### **LETTER OF UNDERSTANDING - SUMMER EMPLOYEES**

The parties recognize that job security is very important to all employees and that providing greater job security can contribute to increased morale and to greater contributions by employees to the overall success of the Company. The parties further recognize that the seasonal nature of the Company's operations coupled with the employees desire for vacation during the summer months could lead to fluctuating employment with increases during the summer followed by the need to reduce the workforce. The period of greatest need normal runs from mid-May to mid-September.

The parties therefore agree that the Company shall have the right to hire temporary summer employees in the Distribution Plant and in the Logistics Center subject to the following guidelines:

A. Summer employees will not be utilized to displace bargaining unit employees, nor may they be used when bargaining unit employees are laid off, without the agreement of the Union's negotiating committee.

B. Summer employees must become members of the Union upon completing the sixty (60) day calendar period referred to in Article XI, section 9.3.

C. The period of employment will run from mid-May through mid-September.

D. Summer employees are covered under the terms of the collective bargaining agreement except that they accrue no seniority; are not eligible for vacation pay or time off; have no right to Accident & Sickness benefits; cannot bid for any openings and have no recall rights.

E. Summer employees will be eligible for holiday pay providing they work the day before and the day after the holiday as required under Article VII, section 7.7.

F. Prior to hiring summer employees the Company will give current employees the opportunity to switch shifts in those departments where summer employees will be utilized. This shall not apply to employees classified as Material Tech IV.

G. Permanent openings will continue to be filled according to Article XII.

H. The distribution facility will be required to provide paid lunch to all employees in the plant for the period of time that summer employees are employed.

I. Should the need for summer employees exceed 30% of department 875's work force then the Company and the Union must mutually agree to any increase in the number of employees.

J. The labor/management committee in Plant 95 will meet to determine the appropriate number of summer employees to be used in that facility.

K. Summer employees will not be used to displace seniority employees except to cover unforeseen circumstances that may arise on a day-to-day basis or unless a seniority employee voluntarily agrees to the assignment.

L. Summer employees will be classified according to the work that it is expected that they will perform the majority of the time.

M. Summer employees will not be allowed to work overtime until all regular employees have been offered the available overtime hours.

June 13, 1994

I.A.M. District #10  
Mr. Joseph Develice  
Business Representative  
1650 South 38th Street  
Milwaukee, WI 53215

Dear Mr. Develice:

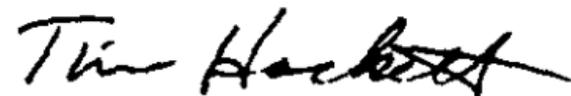
This will confirm the parties understanding reached during 1994 labor contract negotiations concerning our obligations to "reasonably accommodate" employees and applicants considered to be disabled as defined by the American's With Disabilities Act.

The parties recognize that every disabled applicant and employee is an individual, each with their own unique skills and abilities. The parties further recognize that requests for accommodations must be responded to on an individual basis giving due regard to the skills, abilities and needs of the individual. The parties are committed, in so far as possible, to work together to resolve issues arising out of our mutual duty to reasonably accommodate disabled applicant's and employees'.

The parties will establish a joint committee in each facility covered by this agreement to resolve issues arising out of requests for reasonable accommodations. The committee will consist of a representative(s) from human resources, the plant, the Union coordinator, plant chairman and the employee or applicant, if appropriate. Either party may include other representatives whenever their inclusion will be of help in resolving issues.

The parties pledge that they will use their best efforts to accommodate the needs of disabled applicants and employees consistent with the provisions of the collective bargaining agreement.

Sincerely,



Tim Hackett, Director  
Employee Relations/Health Care

Wednesday, June 18, 1997

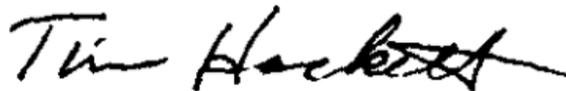
Mr. Joseph Develice  
Business Representative  
District #10, IAMAW  
1650 S. 38th Street  
Milwaukee, WI 53215

Dear Joe:

Pursuant to the understanding reached by the parties during contract negotiations, when the Company needs to permanently fill a job opening in a classification requiring a CDL the following procedure will be followed:

1. The Company will post the job noting on the posting that the job requires a CDL
2. The job is subject to a twenty working days probationary period
3. The Company will provide a Company truck for use by the employee in securing the CDL
4. At the conclusion of the twenty working day period the employee must have a CDL

Sincerely,



Tim Hackett, Director  
Employee Relations/Health Care

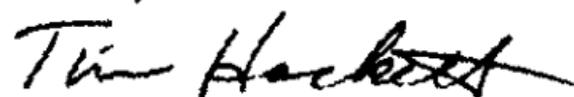
Wednesday, June 18, 1997

Mr. Joseph Develice  
Business Representative  
District #10, IAMAW  
1650 S. 38th Street  
Milwaukee, WI 53215

Dear Joe:

Pursuant to the understanding reached by the parties during contract negotiations, it is the intent of the Company to work with the Union to establish an apprenticeship program for the Tool & Cutter Grinders, Mechanic Specialist, Display Carpenters & Guided Equipment Maintenance classifications. It is anticipated that the apprentice period will be three years unless the parties agree that a State recommended four year program is more appropriate. Employees currently holding the classifications will retain their current rate of pay, including any negotiated increase until such time as their rate under the apprenticeship schedule exceeds their own rate of pay.

Sincerely,



Tim Hackett, Director  
Employee Relations/Health Care

**APPRENTICESHIP STANDARDS  
BARGAINING UNIT TRADES  
MERCURY MARINE, A BRUNSWICK COMPANY  
FOND DU LAC, WISCONSIN**

**I. Apprenticeship Committee**

Joint Apprenticeship Committees for each of the following plants shall be established:

Plants 3, 4S & 15	Fond du Lac
Plant 98	Fond du Lac
Plant 17	Fond du Lac

Each Plant Committee shall be comprised of three Company representatives and three Union representatives who will administer the program in that Plant. The Manufacturing Plant Committee shall be comprised of four Union representatives and four Company representatives. The Committee Members shall be selected or elected by the group they represent. The Plant Personnel Manager shall serve as the Committee Chairman and function as the Supervisor of Apprentices for the plant.

The Committee shall have the duty and responsibility of insuring that the recruitment, selection, employment, and training of apprentices during their apprenticeship shall be without discrimination because of race, color, religion, national origin, sex, age, or occupationally irrelevant physical handicap. The Company will take affirmative action to provide equal opportunity in apprenticeship and will operate the apprenticeship program as required under Title 29 of the Code for Federal Regulations, Part 30, and the equal employment opportunity regulations of the State of Wisconsin.

**II. Duties and Functions of Joint Apprenticeship Committee**

A. Review established minimum entrance provisions for apprentices including qualifications and recruiting procedures.

B. Review applications for the program and select applicants to fill apprenticeship openings.

C. Review the apprentice's progress in manipulative skills and technical knowledge of the trade through examinations of the work records.

D. Review apprenticeship records. All pertinent records relating to apprentices and the apprenticeship program shall be available to the Committee.

E. Promote cooperation for the successful operation of the apprenticeship program.

### III. Definitions

A. Company - Mercury Marine, A Brunswick Company

B. Union - Local 1947 of the International Association of Machinists and Aerospace Workers

C. Registration Agency - The State of Wisconsin, Department of Industry, Labor, and Human Relations, Division of Apprenticeship and Training

D. Apprenticeship Indenture Agreement - A written agreement between the Company and the person employed as an apprentice and registered with the registration agency.

The Apprenticeship Indenture Agreement contains a statement of terms and conditions of the employment and training, a statement of the trade to be learned, a schedule of wages, schedule of trade processes, and a requirement that the apprentice attend classes in subjects related to the trade.

E. Parties to the Apprenticeship Indenture Agreement - The apprentice and a duly authorized official of the Company, each of whom signs the apprenticeship agreement.

F. Definitions of Apprentice - An "Apprentice" shall mean a person who has agreed to learn a specific trade in accordance to these standards, and who, with the employer, has signed a written Apprenticeship Indenture Agreement furnished by the registration agency.

G. Committees - The Joint Apprenticeship Committees organized under these standards.

H. Supervisor of Apprentices - The person employed by the Company and assigned the responsibility of performing the duties outlined in these standards. The Supervisor shall be responsible for the administration of the program; initial screening of applicants to determine basic qualifications for apprenticeship openings; see that on-the-job training and related instruction is provided; maintain records; place apprentices under written agreements and be responsible for the successful operation of the program.

I. Standards of Apprenticeship - This entire document, including annexed appendixes. They are a supplement to the Bargaining Agreement.

### IV. Selection and Qualification of Apprentices

Selection of apprentices under the program shall be made from qualified applicants on the basis of qualifications alone, and without regard to race, creed, color, national origin, sex, age or occupational irrelevant physical handicaps in accor-

dance with objective standards which permit review, after full and fair opportunity for application; and this program shall be operated on a completely non-discriminatory basis.

Specific facts to be considered in the selection process:

A. Age – Eighteen (18) years minimum;

B. Health and medical examination – Medical certification that applicant is capable of physically completing the apprenticeship training and engage in the trade without limitations;

C. Applicant's employment record including job performance, attendance and "in-trade" experience;

D. Willingness to live on apprentice wages;

E. Education – Applicants should be high school graduates or present other proof of high school equivalency; special emphasis in trade-related courses and trade training;

F. Objective interviews to check application information and permit applicant to detail or expand on any additional information which they feel may be pertinent to their application;

#### V. Term of Apprenticeship

The term of apprenticeship shall be established by these apprenticeship standards in accordance with the schedule of work processes and related instruction as follows:

Tool & Die Maker (Die Sinker)	10,400 hrs	Work & School
Pattern Makers (Wood & Metal)	10,400 hrs	Work & School
Tool Maker	8,320 hrs	Work & School
Maintenance Mechanic	8,320 hrs	Work & School
Maintenance Electrician	8,320 hrs	Work & School
Die Maintenance Technician	8,320 hrs	Work & School
Industrial Painter	6,000 hrs	Work & School
Furnace Maintenance Mechanic (Plant 17)	8,320 hrs	Work & School

#### VI. Probationary Period

All apprentices shall serve a probationary or trial period of 1,000 work hours. During the probationary period, the apprenticeship agreement may be canceled at the request of either party thereto, and due notice given to the committee who shall notify the registration agency. After completion of the probationary period, the committee may for good cause recommend cancellation of the apprenticeship agreement and notify the registration agency of their recommendations and reasons for cancellation. This shall be in accordance with the Bargaining Agreement, it is understood that apprentices are not exempt from the Bargaining Unit.

## **VII. Hours and Conditions of Work**

Apprentices shall work the same hours during the work week and be subject to the same conditions as the skilled workers of their trade employed by the Company, in accordance with the Bargaining Agreement.

It is understood for the purpose of training, the Company shall assign apprentices to any shift or plant where such training can be accomplished and so notify the apprenticeship committee.

Apprentices shall at all times be under the direct supervision of the departmental Supervisor or a skilled employee in the trade.

For purposes of credit during the term of apprenticeship, the apprentices shall only receive credit for actual hours worked and actual hours of related instruction attended.

Apprentices may work overtime hours. In case apprentices are required to work overtime, they shall receive credit on the term of apprenticeship for only the actual hours worked.

## **VIII. Ratio of Apprentices to Skilled Employees**

The ratio of apprentices to skilled employees shall be one (1) apprentice for the first four (4) skilled employees, and one (1) additional apprentice for every eight (8) additional skilled employees, except where agreed to by the Committee.

## **IX. Discipline**

The Company shall have the right to discipline an apprentice and cancel the apprenticeship agreement of the apprentice at any time for cause upon recommendation of the apprenticeship committee.

The following shall be deemed reason for cancellation for the program.

1. Inability to learn.
2. Failure to maintain a grade of "C" or better in any related training class.
3. Unreliability.
4. Unsatisfactory work.
5. Lack of interest in work or education.
6. Failure to attend classroom instruction regularly.

This shall not limit the right of the Company to discipline an apprentice for cause for matters not related to training as an apprentice.

## X. Wages

Apprentices in each of the trades covered by these standards shall be paid a progressively increasing schedule of wages to be not less than the following:

	% of Skilled Wage Rate		
	6,000 Hrs Apprenticeship	8,320 Hrs Apprenticeship	10,400 Hrs Apprenticeship
1st 1,040 hrs	70%	65%	65%
2nd 1,040 hrs	75%	65%	65%
3rd 1,040 hrs	80%	65%	65%
4th 1,040 hrs	85%	70%	65%
5th 1,040 hrs	90%	80%	70%
6th 1,040 hrs (800 hrs)	95%	85%	75%
7th 1,040 hrs		90%	80%
8th 1,040 hrs		95%	85%
9th 1,040 hrs			90%
10th 1,040 hrs			95%

The Company shall pay, on behalf of the apprentices, for books, registration fees, and/or tuition required in connection with related instruction under the apprentice program. The books will become the property of the apprentice upon completion of the course.

Apprentices who are given credit for previous experience shall be paid, upon signing the apprenticeship agreement, the wage rate for the period to which such credit advances them.

When an apprentice has completed the required hours of training, he/she is to receive the wage paid the skilled employee in the classification to which he/she is regularly assigned, after approval of his/her completion of training by the apprenticeship committee.

## XI. Periodic Evaluation

Before each period of advancement or at any time that is determined by the employer, the apprentice will be evaluated on job performance by the trade Supervisor. If an apprentice's evaluation shows that he/she is not qualified for advancement, he/she may be required to repeat a specified process or series of processes; and if he/she shows that he/she does not have the ability to become competent in the trade, the apprenticeship agreement may be terminated by action of the Joint Apprenticeship Committee.

## **XII. Related Instruction and School Requirements**

**A. Provision for classroom instruction of apprentices.**

Each apprentice shall attend related instruction in accordance to instructions by the Company. The apprentice shall successfully complete an approved course of instruction in subjects related to the trade. The apprentice shall attend related instruction classes in accordance with the schedule for that trade followed by the area vocational assigned. The minimum number of hours completed shall be not less than 400 hours nor more than 576 hours. The employer shall pay for the time the apprentice is receiving related instruction in lieu of straight time hours worked, at the apprentice's regular straight time rate. School attendance shall be counted as hours of work.

**B. Enforcement of school requirements.**

In case of failure on the part of an apprentice to fulfill the obligation as to classroom attendance and learning requirements, the Company on the recommendation of the apprenticeship committee may suspend or revoke the apprenticeship agreement.

**C. All apprentices shall successfully complete the number of hours required for the Standard Red Cross First Aid and Personal Safety Certificate. The employer shall pay for the time spent at the apprentice's regular straight time rate.**

## **XIII. Consultants**

The apprenticeship committee may request interested agencies or organizations to designate a representative to serve as a consultant. Consultants will be asked to participate without vote in conferences on special problems related to apprenticeship training which affects the agencies they represent. The training manager of the Company shall be considered a consultant on all apprenticeship matters.

## **XIV. Seniority**

Seniority for apprentices shall be defined as the time spent enrolled in the apprenticeship program.

It is understood that apprentices have seniority only among apprentices in that same trade and plant, and cannot exercise plant-wide seniority while enrolled in the apprenticeship program.

For purposes of layoff and recall only, seniority for all apprentices will begin on date he/she is awarded the apprenticeship opening. The above will apply to all apprenticeship openings filled after June 16, 1980.

Upon satisfactory completion of the apprenticeship program, the employee's seniority shall date back to the last date of hire with the Company.

After completion of the Apprenticeship training periods, placement of the new graduate journeyman will be in accordance with the Job Biddings Procedure Article XII of the current Labor Agreement.

#### **XV. Continuity of Employment**

If an apprentice is temporarily laid off from the apprenticeship program due to business conditions, he/she shall be laid off according to seniority over other apprentices in the same classification and shall be reinstated, if available, on the same basis before any additional apprentices are employed.

It is understood that if reductions in the work force in the apprenticeable trades are necessary, apprentices will be laid off before any skilled employees.

It is understood that an apprentice who is temporarily laid off can exercise his/her plant-wide seniority in accordance with Article XI of the Bargaining Agreement.

#### **XVI. Certificate of Apprenticeship**

The employer agrees to request the Registration Agency to issue a Certificate of Apprenticeship to the apprentice upon satisfactory completion of apprenticeship in accordance with the standards covered herein.

#### **XVII. Notification to Registration Agency**

The Company shall notify the Registration Agency of all cancellations, suspensions, reinstatements, and completion's of apprenticeship.

#### **XVIII. Maintenance of Records**

The Company shall keep records of apprentice selection, job assignment, promotion, demotion, layoff or termination, rates of pay, and other such information that will aid in the successful operation of the program. All records shall be maintained for a period of at least five (5) years.

#### **XIX. Accident Prevention**

Apprentices shall receive instruction in accident prevention and safe working habits during their entire term of apprenticeship. Such instruction shall be coordinated with the actual work being performed on the job and the tools and equipment being used. Safety standards shall conform with the Occupational Safety and Health Act regulations.

## **XX. State and Federal Laws**

The sponsor of these Standards of Apprenticeship certify that they are in full conformance with all applicable Federal and State laws and regulations.

## **XXI. Adjusting Differences**

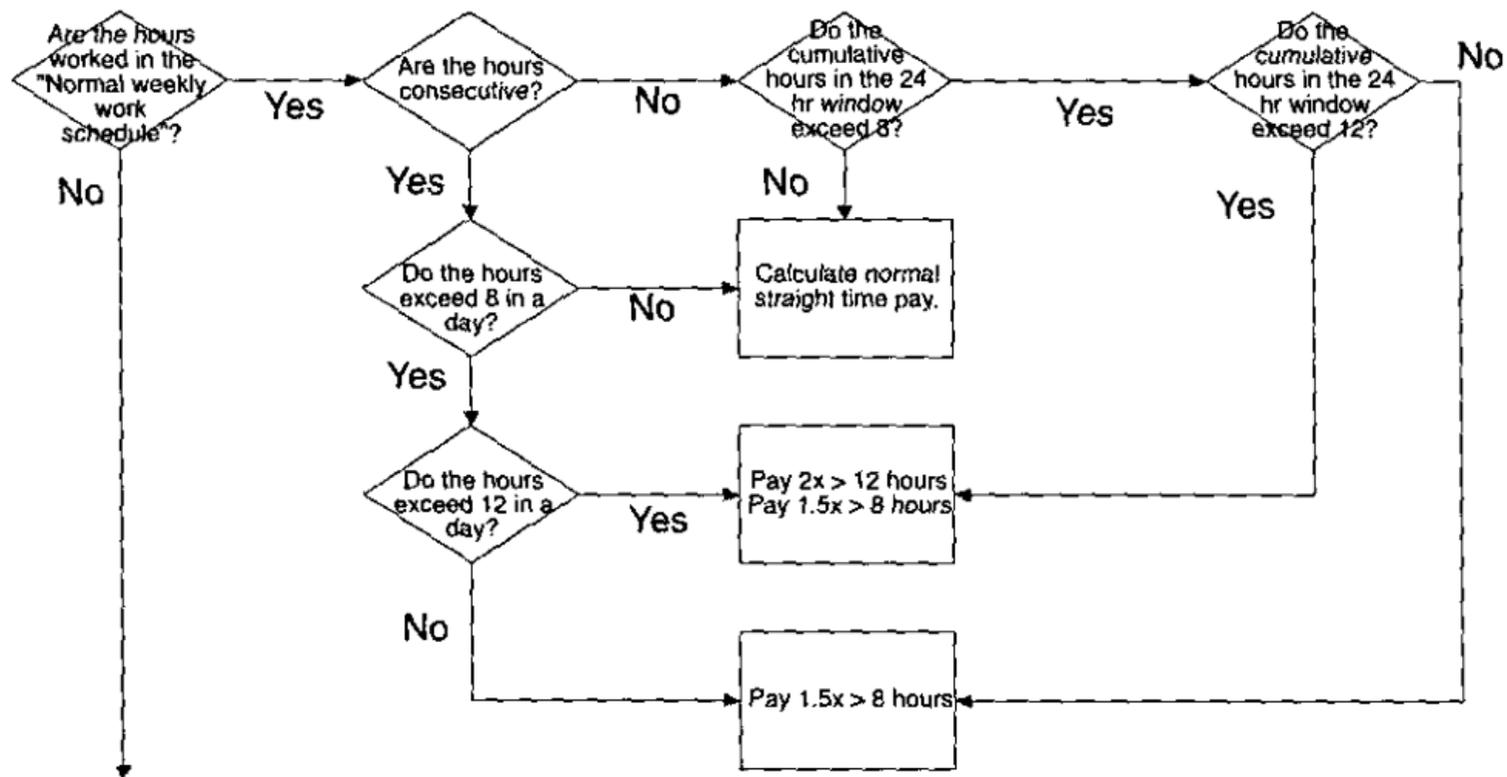
In cases of difference between the employer and the Apprentice relative to the Apprenticeship Program, if such differences cannot satisfactorily be settled between the parties, it shall be mandatory to bring them before the Joint Apprenticeship Committee.

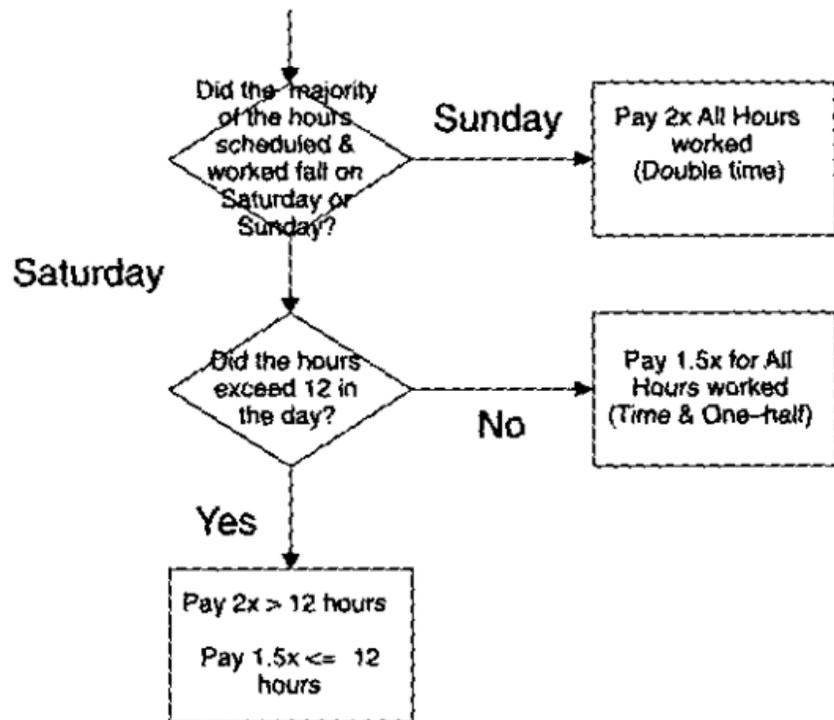
The Joint Apprenticeship Committee will evaluate and determine when an employee is ineligible for progression to a higher classification or subject to suspension or termination from the program. The evaluation will be based upon the normal job requirements in each plant, in each specific classification, and as a guide, the criteria used by the State Apprenticeship Commission will be used where applicable.

Should a dispute arise concerning the Standards of Apprenticeship that cannot be resolved by the Joint Apprenticeship Committee, an impartial arbitrator selected by agreement between the Company and the Union from a panel of five (5) of the teaching staff of the Vocational Schools and/or Technical Institutes in the State, will settle the dispute. The decision of the arbitrator shall be final and binding to both parties.

**XXII.** These standards may be modified as necessary to suit changing conditions. The Registration Agency should be advised of any modifications. Such modifications shall not alter apprenticeship agreements in effect at the time of such change without the express consent of parties to such agreement.

# OVERTIME CALCULATION PROCESS FLOW CHART JUNE 2000 NEGOTIATIONS





#### LANGUAGE -

"The normal weekly work schedule shall be five (5) consecutive days, Monday through Friday, inclusive" - **(Article 5.1)**

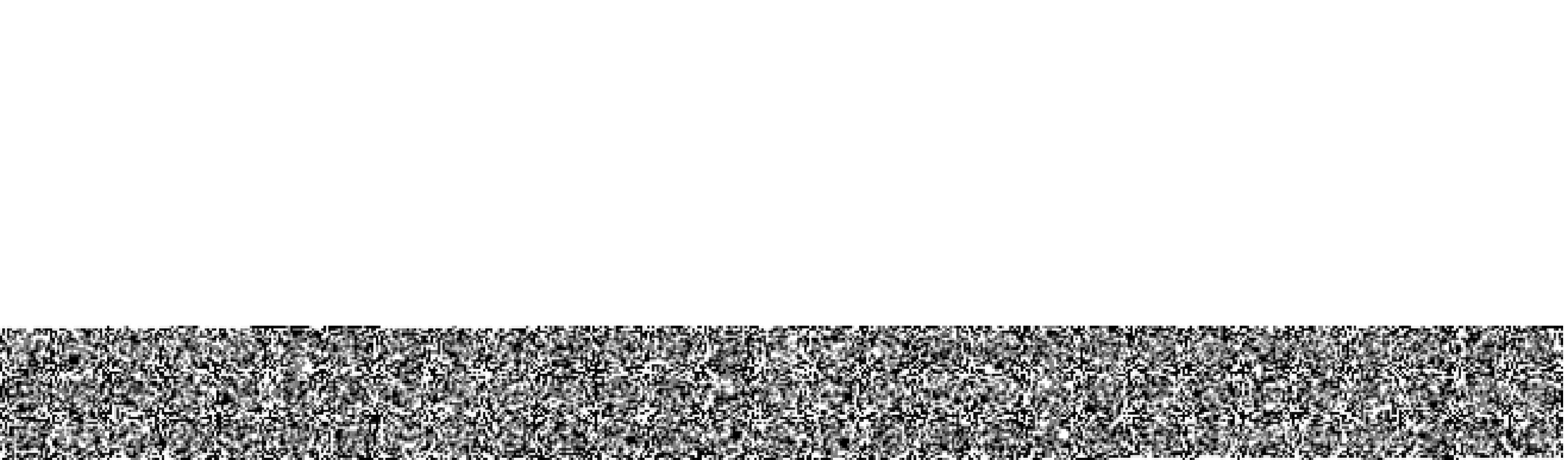
Double Time should be paid:

"Monday - Friday, all work performed in excess of (12) hours worked, exclusive of lunch periods, within the 24 hour window:" **(Article 6.1.B.)**

Effectively, the 24 hour window would apply at the start of the beginning of 3rd Shift on Monday and it's application ceases with the end of 2nd shift on Friday.

This process chart reflects the change to the Contract language that added the process to pay double time in **ALL** instances where hours worked exceeds 12 **consecutive** hours worked.

The current agreement also curtailed the use of the 24 hour window for overtime calculations for worked performed on Saturday and Sunday.



This Agreement signed this 17 day of January, 2001, is effective the 19th day of June, 2000.

Mercury Marine  
Signed by:

J. Hildebrand  
J. Hildebrand  
SA, V.P. & Chief of Staff

T. Hackett  
T. Hackett  
Director, Employee Relations

D.A. Rooney  
D. Rooney  
Sr. Director Human Resources

M. Prydyk  
M. Prydyk  
DBU Director Human Resources

D. Brace  
D. Brace  
Manufacturing Manager

D. Fyvie  
D. Fyvie  
Manufacturing Manager

L. Rink  
L. Rink  
Materials Manager

T. Schuessler  
T. Schuessler  
Distribution Center Manager

K. Braatz  
K. Braatz  
Human Resources Manager

B. Hochstatter  
B. Hochstatter  
Human Resources Manager

R. Steger  
R. Steger  
Human Resources Manager

District #10, I.A.M.A.W.  
Lodge 1947

Signed by:

K. Smith  
K. Smith  
Business Representative

R. Race  
R. Race

D. Longsine  
D. Longsine

W. Tull  
W. Tull

W. Scheutemann  
W. Scheutemann

M. Zillgès  
M. Zillgès

S. Turner  
S. Turner

M. Sasada  
M. Sasada

G. Habib  
G. Habib

H. Lemke  
H. Lemke