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# AGREEMENT

U.S. DEPARTMENT OF JUSTICE



NATIONAL ASSOCIATION OF  
MANUFACTURERS OF AMERICA, INC.

AMENDMENT



DOCUMENT 24833

PRODUCTION AND MAINTENANCE  
ASSOCIATES

AUGUST 24, 2001 - 8/25/05

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## INTRODUCTION

This Agreement is made and entered into this 24th day of August, 2001, reached through collective bargaining by and between Mitsubishi Motor Manufacturing of America, Inc., 100 N. Mitsubishi Motorway, Normal, Illinois (hereinafter referred to as the Company or MMMA), and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, and its affiliated Local Union 2488 (hereinafter referred to as the Union). This Agreement shall be binding on both the Company and the Union and will be administered by each in the spirit of mutual trust and respect, and in a harmonious labor-management environment that promotes cooperation and working together as members of the same team.

# **ARTICLE I**

## **OBJECTIVES AND RESPONSIBILITIES**

### **Section 1. Joint Objectives and Goals**

The Company and the Union pledge to maintain a genuine and unreserved spirit of cooperation between all parties concerned in order to achieve and promote harmonious labor relations. The bedrock of cooperation is respect and dignity for each person. To attain the highest degree of cooperation from all parties there must be unqualified trust in each other. Indispensable to the achievement and retention of such trust is recognition, in words and in deeds, that each and every individual is entitled to have his or her human rights and values respected by everyone. The parties pledge to work in harmony to produce the highest quality vehicles in the most efficient way so that they are price competitive and attractive to the consumer. It is the intention of the parties to be constantly conscious of their responsibilities and, in that context, to exercise good judgement, mutual respect and a spirit of cooperation with each other. Each party recognizes and accepts the fact that the success and security of each individual is dependent upon the success of the entire organization.

### **Section 2. Company Responsibilities**

The Company objectives are to commit its resources to maintain an environment which allows its employees to build the highest quality, most competitive priced vehicle available in the automobile industry and thereby to provide significant job security for its associates and prosperity and growth for the organization. The Company will provide a safe work place, equitable wages and benefits and will promote an environment based on the teamwork concept which establishes "Wa", or "harmony among people" in a non-adversarial environment that promotes mutual trust and respect. The Company believes that two key factors of success lie in the establishment of closely-knitted and cooperative relations in a broad range between all associates and the Company and in the creation and maintenance of a Union-Management relationship that promotes the resolution of problems in a non-adversarial manner.

### **Section 3. Union Responsibilities**

Considering the large investment MMMA is making in its new facility in Normal, Illinois and the creation of many new jobs and its commitment to provide significant job security for its associates, the Union commits its long term cooperation in the recognition and commitment to the principle of flexibility that the Company must have to maintain and improve quality and efficiency and to the implementation of work practices and flexible production systems similar to those used by Mitsubishi Motors Corporation (MMC) in Japan. This flexibility includes, among other things, a minimal number of job classifications, flexibility in job assignments and job transfers, associate training, harmony among the associates, the use of Kaizen and the Team concept. The Team Concept MMMA will use includes effective organization of the team members, the work to be performed by the team, common responsibility sharing, the participation in Quality/Productivity improvement programs, such as Quality Control Circles and Kaizen teams, the selection of the leader from the team, and the rotation of jobs within the team including the rotation of the team leader from among all associates who have gained experience by successfully performing all aspects of the team activity.

### **Section 4. Associate Responsibilities**

MMMA associates are the key to the viability and prosperity of the organization. Associates must be committed to accept their responsibility to promote a harmonious work environment by supporting the Team concept, other Team members, and establishing and attaining Team goals.

They must be willing to achieve the highest standard of quality and efficiency through constant improvement (Kaizen), participation in Quality Control activities. They must also respect the rights of others, promote the Company philosophy, abide by reasonable rules of conduct and attendance, maintain a safe work environment, and assist the Company in meeting its production goals and schedules.

## **ARTICLE II BARGAINING UNIT (RECOGNITION)**

Pursuant to all applicable provisions of the National Labor Relations Act, as amended, the Company does hereby recognize the Union as the exclusive representative for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment for the term of this Agreement of all production and maintenance associates (herein after referred to as Associates) at the Mitsubishi Motor Manufacturing of America, Inc., automobile assembly plant, 100 N. Mitsubishi Motorway, Normal, Illinois 61761, excluding all other employees, including, but not limited to, office and clerical employees, technical employees, professional employees, guards, managerial employees, Group Leaders, and supervisors as defined in the NLRA.

In the event the Company establishes any further automotive facilities, the Company and its representatives will remain neutral toward any efforts the Union makes to organize its production and maintenance associates at that facility. Upon request from the Union, the Company will advise its associates that it is not opposed to a union becoming their collective bargaining representative. The Union will be recognized as the exclusive bargaining representative when a majority of the production and maintenance associates in the appropriate bargaining unit have signed the Union authorization cards.

### **ARTICLE III MANAGEMENT RIGHTS**

The Company has the sole and exclusive right, subject to the terms of this Agreement, to plan, manage, direct and control MMMA. This, by way of illustration, includes the right, subject to the terms of the Agreement, to establish and to enforce rules, to discipline and to discharge employees, to determine employee qualifications, to assign work, evaluate and select employees for promotion or demotion, to determine the work to be performed, the methods, the processes and means of handling work or carrying on business, the transfer of work, to decide to insource or outsource parts, components and tooling, to schedule the hours of work, to establish and change production standards, including required manpower, line speed, model mix, operation arrangements, operations methods and required time for performing operations and to establish a personnel evaluation system.

The listing of specific management rights is not intended, nor shall it be considered a restriction or a waiver of any rights not listed in this Agreement whether or not such rights have been exercised in the past.

## ARTICLE IV BARGAINING UNIT WORK

1. Non-bargaining unit employees of MMMA and dispatchees from Mitsubishi Motors Corporation and/or DaimlerChrysler may perform hourly work that is normally performed by bargaining unit associates only under the following circumstances:
  - a. Associate training and guidance,
  - b. Investigating and improving the operation processes and the functions of equipment; and unexpected circumstances that call for prompt action to avoid damage to plant or equipment,
  - c. At the time of model change and production commencement, and
  - d. Guidance at the time of commencement of an additional shift.
  
2. Such *non-bargaining unit employees of MMMA and dispatchees* from Mitsubishi Motors Corporation and/or DaimlerChrysler will not be used to displace associates.

## **ARTICLE V NO STRIKE, NO LOCK-OUT**

During the term of the Agreement or any extension thereof, the *Union and the associates will not, for any reason, cause, participate in or permit its members or any associates to cause, take part in, or in any way threaten, encourage, or sanction any strike or slow-down, sympathy strike, sit-down, stay-in, walk-out, or any other action which shall restrict, curtail, interrupt, or interfere with work or production at the plant. Nor will the Union, its members or any associates prevent or attempt to prevent uninhibited and unrestricted access, ingress, or egress of any person or vehicle to and from the plant or engage in any other form of interference with the Company's operations or with the movement or transportation of any goods to or from the Company's premises.*

*If any action or activity prohibited by this Article occurs, the Union shall immediately take all available steps to stop the prohibited activity or action including notifying its members to immediately return to work and to cease the prohibited activity or actions.*

In consideration thereof, the Company will not lockout the associates covered by this Agreement. However, this shall not be interpreted as interfering in any way with the Company's right, subject to the terms of this Agreement, to extend, limit or curtail its operations or to shut down completely such operations or the plant when, in its sole discretion, it may deem it advisable to do so.

## **ARTICLE VI UNION SECURITY**

### **Section 1. General Provisions**

- A. Any associate who is a member in good standing on the effective date of this Agreement, shall, as a condition of employment, maintain his membership in the Union for the duration of this Agreement by payment or tender of periodic membership dues and initiation fees uniformly levied against all Union members.
  
- B. Any associate who is not a member of the Union in good standing on the effective date of this Agreement, shall, on the 31st day after such date, or on the 31st day following employment, or on the 31st day following transfer into the bargaining unit, whichever is later, as a condition of employment, become a member and maintain his membership in the Union by payment or tender of periodic membership dues and initiation fees uniformly levied against all Union members.
  
- C. The Union shall accept into membership each Associate covered by this Agreement who pays to the Union the dues and initiation fees uniformly required as a condition of acquiring or retaining Union membership.
  
- D. The Union shall furnish the Company, within thirty (30) days from the effective date of this Agreement, the name of all Associates paying dues directly to the Union.

### **Section 2. Dues Checkoff**

- A. During the term of this Agreement and in accordance with the provision of Section 302(c) of the Labor-Management Relations Act, 1947, as amended, the Company agrees to deduct Union Membership Dues, levied by the International Union or Local Union in accordance with the Constitution and By-laws of the Union, from the pay of each associate who executes or has executed the

"Authorization for Checkoff of Dues" form marked Exhibit "1" and attached hereto.

- B. A properly executed copy of such "Authorization for Checkoff of Dues" form for each associate for whom Union membership dues are to be deducted hereunder shall be delivered to the Company before any payroll deductions are made. Deductions shall be made thereafter only under "Authorization for Checkoff of Dues" forms, which have been properly executed and are in effect. Any "Authorization for Checkoff of Dues" which is incomplete or in error will be returned to the Union by the Company.
- C. Checkoff deductions, under all properly executed "Authorization for Checkoff of Dues" forms which have been delivered to the Company on or before the effective date of this Agreement, shall continue for the duration of this Agreement.
- D. Thereafter, the Union shall deliver to the Company any executed "Authorization for Checkoff of Dues" forms under which Union membership dues are to be deducted beginning with the following calendar month. In the event that membership dues other than those for the calendar month in which the deduction is made and initiation fees have become due and owing by an associate subsequent to the form, but prior to the first deduction by the Company thereunder, such membership dues and initiation fees will be deducted by the Company at the time it makes the first deduction for membership dues. The Union will notify the Company, in writing, when it makes delivery of "Authorization for Checkoff of Dues" forms of the amounts owing by associates who executed these forms.
- E. In the case of associates rehired, or returning to work after layoff or leave of absence, or being transferred back into the bargaining unit, who have previously properly executed "Authorization for Checkoff of Dues" forms, deductions will be made for membership dues as provided herein.

- F. In cases where a deduction is made which duplicates a payment already made to the Union by an associate, or where a deduction is not in conformity with the provisions of the Union Constitution and By-laws, refunds to the associate will be made by the Union.
- G. Dues deduction shall be remitted to the designated financial officer of the local Union once each month within one (1) calendar week after such deductions are made. Any deductions made from subsequent payrolls in that month shall be included with the remittance for the following month. The Company shall furnish the designated financial officer of the Union, monthly, with a list of those for whom deductions have been made and the amounts of such deductions.
- H. Any associate during probationary period whose employment is terminated, or any associate who is transferred to a classification not in the bargaining unit, or any associate whose seniority is broken by death, quit, discharge, layoff, disability leave, or retirement shall cease to be subject to checkoff deductions beginning the month immediately following the month in which such termination or transfer occurred or seniority was thus broken. The Company will notify the Union following the end of each month of the names of such associates and will designate the reason each such associate ceased to be subjected to the checkoff.
- I. Any dispute which may arise as to whether or not an associate properly executed or properly revoked an "Authorization for Checkoff of Dues" form, shall be reviewed with the associate by a representative of the Union and a representative of the Company.
- J. The Company shall not be liable to the International Union or the Local Union by reason of the requirements of this Section of the Agreement for the remittance or payment of

any sum other than that constituting actual deductions made from associates' wages earned.

- K. The deduction for monthly dues will be made from the second pay day for the calendar month.
- L. If the deduction is not made at the time described above, the deduction shall be made from the next pay.
- M. If an associate receives a back pay settlement or award for any calendar month when no dues have been deducted, a deduction for each month shall be made from the settlement or award.

### **Section 3. Indemnification**

The Union shall indemnify and hold the Company harmless against any and all claims or liabilities that may arise out of actions taken by the Company in complying with any of the provisions of this Article.

**Section 4. Authorization for Checkoff of Dues—Exhibit 1**

**AUTHORIZATION FOR CHECK-OFF OF DUES**

TO THE \_\_\_\_\_ COMPANY Date \_\_\_\_\_

I hereby assign to Local Union No. \_\_\_\_\_ International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), from any wages earned or to be earned by me or a regular supplemental unemployment benefit payable under its supplemental unemployment benefit plan as your employee (in my present or in any future employment by you). Such sums as the Financial Officer of said Local Union No. \_\_\_\_\_ may certify as due and owing from me as membership dues, including an initiation or reinstatement fee and monthly dues in such sum as may be established from time to time as union dues in accordance with the Constitution of the International Union, UAW. I authorize and direct you to deduct such amounts from my pay and to remit same to the Union at such times and in such manner as may be agreed upon between you and the Union at any time while this authorization is in effect.

This assignment, authorization and direction shall be irrevocable for the period of one (1) year from the date of delivery hereof to you, or until the termination of the collective agreement between the Company and the Union which is in force at the time of delivery of this authorization, whichever occurs sooner; and I agree and direct that this assignment, authorization and direction shall be automatically renewed, and shall be irrevocable for successive periods of one (1) year each or for the period of each succeeding applicable collective agreement between the Company and the Union, whichever shall be shorter, unless written notice is given by me to the Company and the Union, not more than twenty (20) days and not less than ten (10) days prior to the expiration of each period of one (1) year, or of each applicable collective agreement between the Company and the Union whichever occurs sooner.

This authorization is made pursuant to the provisions of Section 302(c) of the Labor Management Relations Act of 1947 and otherwise.

**CONTRIBUTIONS OR GIFTS TO THE UAW ARE NOT DEDUCTIBLE AS CHARITABLE CONTRIBUTIONS FOR FEDERAL INCOME TAX PURPOSES.**

\_\_\_\_\_  
Type or print name of Employee here

\_\_\_\_\_  
Signature of Employee here

\_\_\_\_\_  
Address of Employee

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Date of Signature Employee Clock Number Soc. Sec. #

\_\_\_\_\_  
Date of Delivery to Employer

## **ARTICLE VII CONTRACT OUT WORK**

It is the policy of the Company to utilize associates in the performance of manufacturing and maintenance work in the plant. The Company will, therefore, not utilize outside contractors for such work that is presently and historically performed by MMMA associates. Subject to the foregoing, both parties recognize that instances may arise during the term of this Agreement when the Company finds it necessary to utilize outside contractors for other work in the plant. In such instances, the Company will provide the Union reasonable notice and information prior to such utilization, and consider any comments or suggestions offered by the Union. Further, employees of an outside contractor will not be permitted to use Company owned or leased machines, tools and equipment for work in the plant to displace associates. However, MMMA equipment and machinery such as cranes and hoists may be used by outside contractors to assist in the completion of contract work not presently and historically performed by MMMA associates.

As all problems concerning contract-out work are excluded from the Problem Resolution Procedure, any such problems will first be subject to a special meeting between the Bargaining Chairperson and the General Manager of Human Resources. Any problems not settled there will be referred to the UAW Regional Director and the MMMA Vice President of Human Resources for final resolution.

## **ARTICLE VIII EQUAL EMPLOYMENT OPPORTUNITY**

### **Section 1. Equal Employment Opportunity**

The Company and the Union will abide by all applicable Equal Employment Opportunity laws. Both parties agree that the provisions of this Agreement shall apply to all associates covered by this Agreement without discrimination, and in carrying out their respective obligations under this Agreement, neither will discriminate against any employee on account of race, color, national origin, ancestry, marital status, age, sex, sexual orientation, religion, physical or mental handicap or unfavorable discharge from military service as per applicable law. The Company and the Union will not condone acts of sexual harassment, or any other form of illegal harassment, and will encourage an environment to prevent such acts.

Whenever a reference to male gender appears in this Agreement, it is understood that such language is non-restrictive and is intended to include females.

### **Section 2. Exclusive Contractual Procedure**

Any claim of violation of Section 1 above, including any claim of discrimination and/or unlawful harassment, should be taken up in accordance with Article XIII, Problem Resolution Procedure, which provides an exclusive procedure for resolution of all such claims.

The parties agree to investigate and resolve claims of discrimination and/or harassment as promptly and early in the procedure as reasonably possible.

### **Section 3. Non-Discrimination Against Union Activities**

The Company will not interfere with, restrain or coerce employees because of membership or lawful activity in the Union, nor will it, by discrimination in respect to hire, tenure or employment or any term of condition of employment, attempt to discourage membership in the Union.

## ARTICLE IX JOB SECURITY

The Company recognizes that job security is essential to an associate's well being and acknowledges that it has a responsibility, with the cooperation of the Union, to provide stable employment to its associates. The Union's commitments in the Union Responsibilities section of this Agreement are a significant step towards the realization of stable employment. Moreover, the Company recognizes its basic responsibility to provide stable and secure employment for its associates. Hence, the Company agrees that it will provide significant job security by not laying off associates unless compelled to do so by severe economic conditions that threaten the long term financial viability of the Company.

Even then, the Company will take affirmative measures before instituting any layoffs, including but not limited to such actions as: the reduction of salaries of its officers and management, other cost saving measures, assigning work previously contracted out to bargaining unit associates capable of performing this work, and the utilization of non-traditional work assignments that are mutually agreeable to both parties. Should layoffs ever be unavoidable, a jointly developed, mutually satisfactory program will be implemented that provides layoffs and recalls will be in accordance with seniority and provides the opportunity for voluntary layoffs.

In the final analysis, both parties agree that job security and the Company's ability to compete and prosper are inseparably linked one to the other.

## **ARTICLE X SENIORITY**

### **Section 1. Probationary Period**

A new associate of the plant shall be a probationary associate until he has completed an evaluation period of ninety (90) calendar days of employment, beginning with the first day worked of the most recent date of hire. Upon successful completion of this period, an associate will acquire seniority retroactive to his most recent date of hire. During the probationary period, any periods of absence shall extend the probationary period for that amount of time. There shall be no seniority among probationary associates.

### **Section 2. Seniority**

#### **A. Definition**

Seniority means an associate's unbroken service with the Company in years, months, and days since the associate's most recent date of hire. Seniority shall be established separately within the Production classification and the Maintenance classification.

- B.** If two or more associates have the same seniority date, the associate with the lowest last four (4) digits of his social security number shall be deemed to have the greater seniority, and then, if that still does not break the tie, the lowest last five (5) digits will be used, and so on until the tie is settled.
- C.** If an associate is transferred permanently from the Production classification to the Maintenance classification, he shall establish seniority as a member of the new classification as of the date of transfer. If the associate returns to a production classification, he will be restored to his original production classification seniority date.
- D.** If an associate was transferred into a non-bargaining unit position prior to August 28, 1989, and thereafter, returns to

a bargaining unit position, he shall have an amount of seniority equal to the period of time between his previous classification seniority date and August 27, 1993, and his seniority date will be reestablished accordingly.

If an associate is transferred into a non-bargaining unit position after August 28, 1989, and later returns to a bargaining unit position, he shall have an amount of seniority equal to his previous period of classification seniority, and his seniority date will be reestablished accordingly.

In any case that an associate's original seniority was not restored upon returning to the bargaining unit, then the associate's original seniority date will still be used for the purpose of determining seniority-related benefit entitlements.

- E. An employee who moves from a non-bargaining unit position into a bargaining unit position will have seniority begin on his date of entry into the bargaining unit, except that his original date of hire into the Company will be used as his seniority date for the purpose of determining seniority-related benefit entitlements.
- F. Notwithstanding their position on the seniority list, the Plant Committee, including the Chairperson, all Committeepersons, and full time appointed UAW representatives who are involved in the administration of this Agreement shall be granted preferential seniority in the event of layoff or recall.

### **Section 3. Loss of Seniority**

- A. Seniority will be broken and lost and employment shall cease for the following reasons:
  - 1. Termination if not reversed through the Problem Resolution Procedure.

2. Quit, retirement or death.
3. Failure to report to work for three (3) consecutive working days without prior notice, unless unusual conditions or circumstances exist.
4. Failure to return to work within three (3) consecutive working days after expiration of a leave of absence, unless otherwise excused.
5. Accepting employment while on leave of absence.
6. Any absence from active employment (except for the period of time of an approved leave of absence, a plant-incurred injury, or military service) for a period of time equal to the associate's seniority prior to such absence, or eighteen (18) months, whichever is longer.

B. Final notification of termination will be sent to the Associate's last known address on file with the Company.

C. Seniority Lists

The Company shall furnish updated seniority lists to the Union once each month. Further, once each quarter the Company shall provide the Union with a list of the names of associates who have left the Bargaining Unit during that period.

D. Associate Address and Telephone Number

All associates are required to register their current address and telephone number with the Company.

## ARTICLE XI TRANSFERS

### Section 1. Definitions

- A. A transfer of more than ninety (90) calendar days will be deemed to be a regular transfer.
- B. A transfer for any period of ninety (90) calendar days or less will be deemed to be a temporary transfer.
- C. Production Section - A part of the Company named as Stamping, Body, Paint, Trim, Chassis/Final, Car Conditioning, Quality Control Final, Quality Control Stamping/Trim, Quality Control Vehicle Testing and Material Handling. However, the sections may be expanded by the Company during the term of this Agreement.
- D. Group
  - 1. Production group - that part of a Section in Manufacturing, Material Handling or Quality Control that reports to a Group Leader.
  - 2. Maintenance group - Maintenance associates in: Body, Press/Plastics, Paint, Trim/Final, Utilities, Die Maintenance, and Tool Control. Maintenance groups include all shifts.
- E. Manpower Balance - The transfer of associates resulting from the assignment of work from one group to another; balance between shifts; reprocessed or rearranged work or reorganization of a group or section.

### Section 2. Regular Transfers

- A. Production associates may transfer in accordance with this procedure from one production group to another production group.

- B. Maintenance associates may transfer in accordance with this procedure from one group to another group.
- C. The Company will transfer associates to an opening in another section, or in a group within the same section, when quality, efficiency and production needs permit. Priority consideration will be given to associates who have made application for a regular transfer.
- ~~D. When a job is open for more than ninety (90) days, it is considered a permanent opening and will be filled in accordance with the regular transfer procedures. Excluded from this provision are jobs that are vacated by associates who are now off work due to disability, workers' compensation, and educational or other leaves.~~

### Section 3. Application for Regular Transfer

- ~~A. When the Company determines that a permanent production opening exists, the opening will be posted in appropriate locations for seventy-two (72) hours. An associate may file an application or revoke an application currently on file during this seventy-two (72) hour period.~~
- B. An associate may file an application, on a form to be provided by the Company, to be transferred to an opening, provided the associate has worked in his current group for at least twelve (12) months. The application shall be filed with the Human Resources Department and shall include the following information:
  - 1. The associate's current assignment and all previous assignments with the Company
  - 2. The opening for which a transfer is sought

3. The skills, experience, qualifications and knowledge the associate has for the opening to be filled
- C. An associate may have six (6) applications on file at any one time. When an associate is transferred, as provided herein, other applications he has on file will be cancelled and, thereafter, the associate may not again apply for transfer until twelve (12) months after the effective date of his current transfer.
- D. All unfilled applications for transfer will be voided at the end of the calendar year, except applications filed during the months of November and December which will be valid for the following year.
- E. The Company will furnish the Union Chairperson a list of such permanent openings as far in advance as possible of such transfers. Additionally, the Company will notify the Union Chairperson of any applicant who is transferred pursuant to this procedure.

#### **Section 4. Selection**

A. **Production Transfers**

When an opening is to be filled, the Company will review those applications on file for transfer to the group where the opening is to be filled. Production needs permitting, the Company will select for transfer the associate it believes has the capability and knowledge to perform the work of at least one job in the group. When two or more associates who have applications on file for an opening, and each has the capability and the knowledge to perform the work, then the associate with the greatest seniority will be transferred.

B. Maintenance Transfers

The process for a maintenance associate seeking a transfer to another group shall follow the same procedure outlined above for the transfer of production associates. Selection will be based on the associate's knowledge, known skill background, interest in and ability to be cross trained to acquire the appropriate skills to perform the work.

- C. After the initial opening is filled, the first subsequent opening created by the transfer will be subject to this procedure, and any subsequent openings thereafter will be filled at the Company's discretion. However, if the subsequent opening is in the Car Conditioning Section, the Quality Control **Sections**, or the **Material Handling Section**, the transfer procedure will be utilized. No production group shall be required to transfer more than one (1) associate from its rolls in a calendar month except groups of **twenty-three (23) to thirty-five (35)** shall be required to transfer two (2) associates **and groups of thirty-six (36) or more shall be required to transfer three (3) associates** in a calendar month. No Maintenance group shall be required to transfer more than **three (3)** associates from its rolls in a calendar month.
- D. Subject to the provisions of this Article, a seniority associate who has an application on file for the opening will be given preference over new hires. If no associate has an application on file, the opening may be filled at the discretion of the Company.
- E. Openings not filled by the above procedure will be filled at the discretion of the Company.
- F. Nothing in this transfer procedure shall restrict the Company from transferring associates in order to balance manpower requirements deemed necessary by the Company, except where such manpower balance would result in the transfer of associates from one

section to another section, at which time the transfer procedure would be utilized. Where practical, the Company will transfer the senior volunteer who is capable and has the present ability to perform the work. If there is none, the associate having the least seniority among those who are capable of doing the required job in the group from which the transfer is required will be transferred.

### **Section 5. Temporary Transfer**

The Company may temporarily transfer associate(s) for a maximum of ninety (90) calendar days per transfer, without regard to the other provisions of this Article. However, the experience and knowledge acquired while on a temporary transfer will not be used to supersede the known capability of a more senior associate under consideration for a regular transfer to that temporary position. Where practical, the Company will transfer the senior volunteer or applicant who is capable and has the present ability to perform the work. If there is none, the associate having the least seniority among those who are capable of doing the required job in the group from which the transfer is required will be transferred. However, probationary associates who are capable of performing the work will be temporarily transferred prior to a low senior associate.

### **Section 6. Notification**

Except in emergency cases, the Company shall give prior notice to the associate who is to be transferred.

For transfers from one shift to another, the Company will give one (1) week notice where possible.

**No regular transfers, including permanent manpower balances, will be made between December 1 and December 15 of each year.**

## ARTICLE XII UNION REPRESENTATION

### Section 1. Amount of Representation

- A. All elected and/or appointed Representatives referred to herein will be non-probationary Production and/or Maintenance Associates. The following Representatives will function on a full-time basis, i.e., Monday through Friday:

Union Representative	Number
Chairperson	1
District Committeeperson	6
Bargaining Committeeperson	4
<i>(One of the Bargaining Committeepersons will be from the maintenance group)</i>	
Health & Safety Representative	3
Union Representative-at-Large	5

- B. The Health and Safety Representative and Union Representative-at-Large will be appointed by the UAW Regional Director. The Health and Safety Representative will function as the Union member on the Joint Health and Safety Committee along with other duties as mutually agreed to by the UAW Regional Director and the Executive Vice President of Human Resources. The Union Representative-at-Large will perform duties relating to the Associate Assistance Program, Joint Orientation Program, education and training and benefits along with other duties as mutually agreed to by the UAW Regional Director and the Executive Vice President of Human Resources.

- C. For the purpose of representation, the Chairperson of the Bargaining Committee and the General Manager of Human Resources shall, by mutual agreement, establish Districts in the plant, which shall be limited to five (5) Districts.
  
- D. There shall be one (1) Union Coordinator assigned to every three (3) Groups on each shift from among the associates working in the groups. These Coordinators will be designated by the Union. The Coordinator's function is to provide representation and assistance in the solution of problems or potential problems within the Groups where the Coordinator works. It is the intent of the parties, in the spirit of true teamwork, that all best efforts be made by the affected associate(s) Union Coordinator and Group Leader to quickly resolve problems arising within the Group in an informed atmosphere and a non-precedent setting basis. The Union Coordinator will perform a full-time associates' job in the plant. Meetings with the Union Coordinator or problem handling shall be arranged during the periods in which there is clearly no interference with the job duties of both the Union Coordinator and Associate, such as lunch or relief time.

## **Section 2. Responsibilities**

- A. The Chairperson shall be responsible for the Union's overall administration of the Collective Bargaining Agreement. In addition, the Chairperson shall coordinate such activities as safety, training, benefits, and all joint programs and committees.
  
- B. The parties recognize the importance to resolve problems at the earliest possible stage. The Chairperson and the Manager of Employee Relations will meet weekly to discuss problems and how to fulfill the mutual responsibilities of the parties.

- C. The District Committeepersons have the responsibility to provide representation in their assigned District, and to work with the Company to administer the Collective Bargaining Agreement.
- D. The Bargaining Committeepersons have the duty and responsibility to negotiate, administer and assist the Chairperson in the overall administration of the Collective Bargaining Agreement and to provide representation in his assigned District.

### **Section 3. Rate of Pay**

- A. The rate of pay for all full-time Representatives will be the base rate paid for the job they held at the time they assumed their position, plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living allowance then in effect. It is understood that Union Representatives who are still in the "Hiring-In" progression rate schedule upon appointment will continue to receive his regular scheduled increases until reaching his full base rate in accordance with Article XVII, Section 3 of this Agreement.
- B. The Union Coordinators will perform a full-time job in the plant. They will be paid two (2) hours per week at their straight time base rate, plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living allowance then in effect for performing their representational duties. The two (2) hours pay will not be included for purposes of computing overtime.

### **Section 4. General**

- A. Upon entering a section of the plant to perform representational responsibilities in order to promote Teamwork and harmony among all employees, the Union Representative will notify the Superintendent or Group Leader of that area of their presence and purpose.

- B. The Union shall provide the Company with a list of names of all Union Representatives within three (3) working days of their selection and before they assume their office.
- C. The Chairperson and the Manager of Employee Relations will discuss the representation requirements during overtime conditions and mutually agree on an acceptable number of Representatives to work.
- D. All Union Representatives, upon the conclusion of their term in office, will return to their job.

## **ARTICLE XIII PROBLEM RESOLUTION PROCEDURE**

### **Section 1. Scope of Problem Resolution**

- A. In the event a non probationary associate has a "problem" concerning the interpretation or application of certain provisions of this Agreement, or any other work-related problem, the following procedure shall be followed, except where the Agreement specifically describes that a matter shall not be subject to this Problem Resolution Procedure or where it is subject to other resolution procedures.
  
- B. Probationary Associates may utilize the Problem Resolution Procedure to address problems relating to the interpretation or application of the terms of this Agreement with the exception of discipline and discharge or where the matter is subject to other resolution procedures, provided, however, any claim of violation of Article VIII, Section 1, including any claim of unlawful harassment, should be taken up by the Union in this Problem Resolution Procedure.
  
- C. The Union agrees that this procedure shall be the exclusive procedure for any problem resolution, except where otherwise specified in this Agreement, and it further agrees to discourage any associate to appeal to any court or other government agency any resolution rendered through this procedure.

## **Section 2. Step 1 - Informal Discussion**

- A. Any associate with a problem shall first discuss the problem with the associate's Group Leader or, in a situation where an associate has no Group Leader, with the immediate management person to whom the associate reports. This discussion should take place promptly after the actual cause of the problem or within three (3) working days after the associate has knowledge of the event leading to the problem. The problem must be discussed in sufficient detail so that both the Group Leader and the associate have a clear understanding of the problem and an opportunity to resolve it.
  
- B. If the problem is not resolved to the satisfaction of the associate, he may then discuss it with his Union Coordinator and the same management person it was discussed with in Paragraph A. above who will attempt to resolve the problem. Such discussions will take place during non-working hours such as lunch or designated relief time or before or after working hours.
  
- C. If further discussion is necessary, the District Committeeperson and a representative of the Employee Relations Section will make every reasonable effort to resolve the problem by discussing the issue in sufficient detail so that both parties have a clear understanding of the problem and an opportunity to resolve it. The District Committeeperson and the Employee Relations Representative will conclude discussions at Step 1C within five (5) working days of their initial discussion.

Because of the value and importance of full discussion in clearing up misunderstandings and preserving harmonious relations, every reasonable effort shall be made to resolve problems promptly at this point through discussions. The resolution of an associate's problem at this stage shall not set a precedent or a binding past practice on either party.

### **Section 3. Step 2**

If the Union is not satisfied with the results of the discussions in Step 1, the District Committeeperson must file a written description of the problem, signed by the aggrieved associate, with the Employee Relations Section within five (5) working days after such discussion on a form provided by the Company. Representatives of the Employee Relations Section shall meet with the Bargaining Committee to discuss the problem at a scheduled meeting. The Employee Relations Section must respond to the problem in writing within five (5) working days after this meeting.

### **Section 4. Step 3**

When the problem relates to the discharge of a non-probationary associate and the Union believes the discharge was not for cause, the problem may now be expedited to Step 4. Any other type of problem will be reviewed by the Joint Review Board.

The Joint Review Board will be made up of two (2) representatives from the Company (General Manager - Human Resources, or his designee, and one other person designated by the General Manager) and two (2) representatives from the Union (including the Chairperson and the Bargaining Committeeperson whose area is affected by the problem).

The Joint Review Board shall discuss the matter if the problem has been appealed by the Chairperson within ten (10) working days after the Step 2 written response has been received from the Company.

The Joint Review Board will convene within fifteen (15) working days after receiving written notice of the appeal of the problem.

The Company will provide the Union with it's written decision to the appeal of the problem within seven (7) working days after the conclusion of the Joint Review Board meeting.

## **Section 5. Step 4 - Arbitration**

- A. If the Union is not satisfied with the Company's Third Step written decision, the Chairperson, within fifteen (15) calendar days from receipt of the Company's written decision in the Third Step, shall submit a completed "Notice of Appeal to Arbitration" form to the Human Resources Department on a form supplied by the Company and agreed to by the Union.
- B. This notice shall specify the issues involved in the problem, all new facts ascertained by the Union and remedy requested. Problems appealed in this manner shall be discussed by the Union's International Representative and the Company's Executive Vice President of Human Resources prior to presentation before the Arbitrator.
- C. Problems not adjusted at this time may be referred to the Arbitrator in writing by either party to this discussion.
- D. Within fifteen (15) calendar days of the meeting described in Paragraph B above, the parties shall jointly request the Federal Mediation and Conciliation Service to furnish both parties with an appropriate panel of seven (7) Arbitrators. All of whom are to be members of the National Academy of Arbitrators.
- E. The parties shall then select an Arbitrator from this panel by mutual agreement or by alternatively striking a name therefrom until one (1) name is left. The selection shall be made within five (5) working days after receipt of the panel list. The parties may jointly select an available Arbitrator when necessary in order to expedite the arbitration process. The arbitration shall be conducted in accordance with rules to be mutually agreed upon.
- F. All costs of arbitration, including the Arbitrator's fees and expenses, shall be shared equally by the Company and the Union. Each party shall bear the expenses of its own

presentation including attorney's fees, outside consultants and the like.

G. The Arbitrator shall be empowered to hear, investigate and decide any differences between the parties concerning the interpretation or application of provisions of this Agreement. The Arbitrator shall have no power or authority to rule on or to decide any matter which is not covered by expressed provisions of this Agreement or which is left to the sole and exclusive right of the Company. The Arbitrator shall have no power to:

1. Add to, subtract from, or otherwise modify any of the provisions of the Collective Bargaining Agreement;
2. Establish or modify any wage;
3. Rule on problems concerning production standards;
4. Rule on problems concerning the Company's benefit plans;
5. Rule on problems concerning health and safety;
6. Rule on any matter(s) specifically excluded from the Problem Resolution Procedure by any part of this Agreement and/or subject to another procedure to resolve the dispute set forth elsewhere in this agreement.

H. All decisions within the defined authority of the Arbitrator shall be final and binding on all parties.

#### **Section 6. Time Limits**

A. Any problem not appealed within the time limits shall be considered settled on the basis of the last decision and not subject to further appeal or to arbitration. If the Company

does not answer a problem within the time period specified, the problem shall be deemed denied and may be taken to the next step of the Problem Resolution Procedure.

- B. The time limits provided for in this Section may be extended by mutual agreement of the parties. The party requesting the extension shall initiate the request in writing.
- C. Prior to the hearing by the Arbitrator, the parties may mutually agree to refer a problem back to the preceding step for the purpose of further discussion or investigation or inclusion of new evidence not set forth in the prior written record.
- D. In any step prior to the hearing by the Arbitrator, the Union Representative(s) and Company Representative(s) designated for that step shall have the authority to resolve a problem provided that the problem resolution settlement does not supersede or conflict with any provision of this Agreement.
- E. During or after the hearing by the Arbitrator, a problem may be withdrawn by agreement of the parties.

#### **Section 7. Effect of Resolution**

- A. No claims by an associate covered by this agreement, or by the Union, against the Company shall be valid for a period prior to the date the problem was first filed in writing, except those claims for back wages shall be limited retroactively to a period of sixty (60) days prior to the date the claim was first filed in writing.
- B. The claim for back wages shall not exceed the amount of wages the associate would otherwise have earned at the associate's regular rate including overtime, less:

1. any unemployment or worker's compensation the associate received or was entitled to; or
2. any compensation for personal services received or earned during the period covered by the problems that the associate would not have earned if the associate had been working.

### **Section 8. Problem Resolution Procedure Policy**

The parties acknowledge the desirability of ensuring prompt, fair and final resolution of associate problems. The parties also recognize that the maintenance of a stable, effective and dependable problem resolution procedure is necessary to implement the foregoing principles to which they both subscribe.

## **ARTICLE XIV DISCIPLINE AND DISCHARGE**

- A. Upon prior notification to the Union, the Company may, from time to time, post reasonable rules and regulations regarding the conduct of associates as part of MMMA's Code of Conduct.
- B. The Company will only exercise its right to discipline and discharge non-probationary associates for cause.
- C. Instances of unacceptable behavior of non-probationary associates will be reviewed individually. The action taken by the Company will depend on the circumstances of the violation and the degree to which it affects the work environment.
- D. The Company's discipline policy is intended to be corrective rather than punitive. Therefore, the Company will impose discipline on a corrective basis. Under certain circumstances, the serious nature of the offense could result in the associate being terminated without any previous corrective action.
- E. In the case of a potential suspension or discharge of an associate, an Employee Relations Representative and the Union Chairperson will review any unusual or mitigating circumstances relevant to the potential suspension or discharge. The review will take place prior to a final decision on the suspension or discharge, except that the associate may be required to leave the plant immediately when the safety of persons and the security of property is threatened. Thereafter, if the Company decides to suspend or discharge the associate, his Union Representative will be advised, and before the associate is required to leave the plant, Management will designate an office or area where the associate may discuss his suspension or discharge with his Union Representative.

The parties may independently conduct an investigation of the incident and the relevant facts that led to the suspension or discharge. If a protest of the suspension and/or discharge is entered in the Problem Resolution Procedure, the parties will exchange a written summary of the facts, discovered in their respective independent investigation, that they intend to use in support of their respective positions.

If the associate is absent from the plant when the action to suspend or discharge is taken, the Company will send a notice of suspension and/or discharge to the associate at his address of record and will advise him of his right to request representation.

- F. Any copies of corrective action taken against an associate will be placed in his personnel records. In imposing discipline on a current charge, the Company will not consider any incidents which occurred more than three (3) years previously. Further, if more than one (1) year has passed since the associate received a written reprimand, and provided no intervening incidents of misconduct occurred, the written reprimand will not be considered in assessing discipline for subsequent incidents of misconduct.
- G. Any procedures established by the Company to implement the MMMA Code of Conduct will be consistent with and not modify or otherwise limit the provisions contained herein. The Company will give the Union prior notice of any such procedures it intends to implement or change.
- H. An associate returning to work from an apparent attendance violation will be placed on notice of pending disciplinary action within five (5) working days after he returns to work. Once a decision is made that discipline is appropriate, it will be imposed within ten (10) working days. However, if either the associate or his Union representative are unavailable during the notice or the disciplinary action the times

will be extended by the number of days either was unavailable.

## ARTICLE XV WORKING HOURS

### Section 1. Working Hours

- A. The work week shall be a calendar week beginning at midnight Sunday and extending to midnight the following Sunday, with Saturday and Sunday as designated off duty days.
- B. The work day and holiday day is defined as twenty-four (24) consecutive hours beginning with the time that the associate's shift begins.
- C. For computing overtime premium pay, the work day is eight (8) hours and the regular working week is forty (40) hours.
- D. Saturday means the hours falling between midnight Friday and midnight Saturday, except that an associate whose shift begins on Friday and extends into Saturday will be considered as working on Friday for the entire shift.
- E. Sunday means the hours falling between midnight Saturday and midnight Sunday.
- F. Associates will be compensated as follows:
  - 1. Straight Time  

For the first eight (8) hours actually worked on any work day (Monday through Friday).
  - 2. Time and One-half  

For time actually worked in excess of eight (8) hours during a work day.

For time actually worked in excess of forty (40) hours during a work week.

For time actually worked on any shift which begins on Saturday.

3. Double Time

For time actually worked on any shift which begins on Sunday.

For time actually worked during any shift which begins on a specified holiday.

For time actually worked on Sunday or specified holidays in excess of eight (8) hours on any shift which begins the previous day and runs over into a Sunday or specified holiday.

- G. Neither overtime pay nor holiday premium pay will be compounded or pyramided. Only the highest single applicable overtime or premium payment will apply.

**Section 2. Relief and Lunch**

A. Relief

All associates will receive forty (40) minutes paid relief each 8-hour work day consisting of a fifteen (15) minute period in the first half of the shift, ten (10) minutes immediately prior to the lunch period, and a fifteen (15) minute period in the last half of the shift. If daily overtime is worked beyond the normal eight (8) hour shift, associates will receive additional relief in the amount indicated as follows:

<u>Amount of Overtime</u>	<u>Amount of Relief</u>
30 minutes	3 minutes
60 minutes	6 minutes
90 minutes	9 minutes
120 minutes	12 minutes

and so forth with an additional three (3) minutes of relief for each thirty (30) minutes of overtime worked.

B. Lunch

Associates will be allowed a forty (40) minute lunch period. The first 10 minutes of the lunch period will be paid relief. The remaining thirty (30) minutes will be unpaid.

C. Scheduling

The Company will establish relief and lunch period start and end times, and all associates will take their relief and lunch periods at the same time unless management determines that there are reasons to do otherwise. The Company will discuss any change in scheduling relief and lunch periods with the Union Chairperson as far in advance as possible.

## ARTICLE XVI LEAVES OF ABSENCE

### Section 1. Unpaid Leaves of Absence

- A. Unpaid Leave of Absence means Company approved time off from work, without pay, for a specific period of time.
- B. Associates who have not completed their probationary period are not eligible for an unpaid leave of absence, except where such leave is legally mandated.
- C. The Company may, at its discretion, grant unpaid leave to associates otherwise ineligible for unpaid leave in those instances where a serious or compelling reason is determined to exist.
- D. Unpaid Leaves of Absence will be approved for the following reasons:
  - 1. Union Business - An associate who is appointed, selected or elected to work for the UAW Local Union, or as a staff member of the UAW International Union, will receive a leave of absence for up to one (1) year or for the duration of the appointment, selection, or election to the office, and subsequent renewals, upon written request from the Union.
  - 2. Public Office - For the first term of election or appointment to a full-time public office, and subsequent renewals for each successive term upon application.
  - 3. Long Term Military Duty - To enter the U.S. Armed Forces for the duration of their service, or for four (4) years, whichever is less, unless additional leave is required by law. Associates returning from such a military leave of absence will be eligible for reinstatement in accordance

with applicable laws. Associates who fail to report for work within ninety (90) calendar days of (a) the date of discharge or after (b) a hospitalization which continued after discharge will be considered as having voluntarily resigned.

4. Peace Corps - Associates with one (1) year or more of continuous service may be granted up to three (3) years of unpaid leave.

E. Unpaid Leaves of Absence may be approved for the following reasons:

1. Educational Leave - Associates with one (1) year or more of continuous service will be granted up to one (1) year of unpaid leave.
2. Personal Leave - Associates may be granted not less than five (5) nor more than thirty (30) consecutive work days of unpaid leave for a serious and compelling personal or family reason.

F. Unpaid Leaves of Absence may be renewed or extended by the Company upon application by the associate. In no case will a Personal Leave be granted, renewed, or extended to total a period longer than an associate's total length of service.

G. Associates seeking an Unpaid Leave of Absence must request the leave in writing, on a form provided by the Company as far in advance as possible, but no later than ten (10) working days prior to the date the leave is to begin, unless unusual conditions or circumstances exist. However, short term Union Business leaves will be granted when it is requested in writing at least three (3) working days in advance.

H. An Unpaid Leave of Absence will not become effective until the associate receives an approved copy of the request form from the Company. The Company will

respond within five (5) working days to a request for an Unpaid Leave of Absence, and will provide the Union with a copy of the response.

- I. A request for renewal or extension of a previously approved Unpaid Leave of Absence will be made in writing on the same Company provided form specifying the length of renewal or extension desired and the reasons for same. The Company will provide the Union with a copy of the response.
- J. Upon completion of an unpaid leave, or when the Company approves a return from a leave of absence earlier than previously specified, the Company will endeavor to return the associate to the original group he worked in prior to his leave. If this is not feasible, the associate will be placed, first to a group in his branch, then to a group in his section, then to a group in his department, and then, if necessary, to a group plant wide.
- K. Seniority will accumulate during the period of absence for the leaves described in this Section.

## **Section 2. Short-term Military Leave**

An associate who is called to and attends an annual training encampment, or is called to and performs active duty as a member of the United States Armed Forces Reserve or National Guard is eligible for a leave of absence for the length so required.

Upon notice to report for military duty, the associate must provide the Company with a copy of his military orders in advance of his military duty, unless extenuating circumstances exist.

Seniority associates receive the difference in pay from the military and their straight time base rate, plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living allowance then in effect, up to eight (8) hours a day for a maximum of fifteen (15) days per calendar year. Probationary associates receive the difference in pay between the military and sixty percent

(60%) of their straight time base rate, plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living allowance then in effect, up to eight (8) hours per day, for a maximum of fifteen (15) days per calendar year.

If such pay is requested, the associate shall furnish the Company with documentation of his military pay while on duty, upon his return to work. The associate must submit documentation of his military pay before such payment will be approved.

### **Section 3. Jury Duty**

- A. An associate who is legally summoned and reports for pre-jury examination and/or jury duty during the hours the associate would otherwise have been scheduled to work, is eligible for pay up to a maximum of thirty (30) days in a calendar year.

The associate must give prior verification to his Group Leader that he is required to report for pre-jury examination and/or jury duty.

This section does not apply to an associate who, without being summoned, volunteers for jury duty.

- B. Seniority associates who report to jury duty shall be paid an amount equal to their straight-time base rate, plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living allowance then in effect, as of the last day worked.
- C. Associates who have not completed their probationary period and report to jury duty shall be paid sixty (60) percent of their straight-time base rate, plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living allowance then in effect, as of the last day worked.

Probationary associates are eligible for a maximum of ten (10) days paid jury duty leave in a calendar year.

- D. Payment is made for each normally scheduled eight (8) hour work day that associates are required to serve (excluding Saturdays, Sundays and holidays, or, in the case of seven day operations, excluding regular days off and holidays).

On any scheduled work day that an associate is excused from or completes his jury duty obligation more than four (4) hours prior to the end of his shift, he shall report to work.

- E. The payment is reduced by the daily jury duty fee paid by the court and any fees received from the court or agency, not including travel allowance or reimbursement of expenses.
- F. In order to receive payment, associates must furnish satisfactory evidence to the Company that jury duty was performed on the days for which payment is claimed.

#### **Section 4. Bereavement**

- A. In the event of a death in an associate's immediate family and upon request to the Company, the associate is eligible to receive three (3) consecutive working days of paid leave. If the bereavement is for the associate's parent, spouse, child, or stepchild, the associate is eligible to receive five (5) consecutive working days of paid leave.

B. Immediate family consists of the following:

Spouse	Parent
Stepparent	Grandparent
Parent of Current Spouse	Grandparent of Current Spouse
Child	Great-Grandparent
Grandchild	<b><u>Great-Grandparent of Current Spouse</u></b>
Daughter-in-law	Stepparent of Current Spouse
Sister	Spouse
Stepsister	Stepchild
Half-sister	Son-in-law
	Brother
	Stepbrother
	Half-brother

- C. In the event of the death of an associate's brother-in-law or sister-in-law, an associate will be entitled to one (1) normally scheduled working day of paid leave.
- D. In the case of either A or C above, an associate shall receive payment for normally scheduled eight (8) hour work days excluding Saturdays, Sundays, holidays and Paid Time Off days, or, in the case of seven day operations, excluding regular days off and holidays.
- E. A seniority associate who is otherwise eligible for bereavement pay shall be paid on the basis of his straight-time base rate, plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living allowance then in effect, as of the last day worked.
- F. An associate who has not completed the probationary period shall be paid sixty (60) percent of his straight-time base rate, plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living allowance then in effect, as of the last day worked.

G. To be entitled to bereavement pay, the associate must attend the funeral or memorial service, must furnish satisfactory evidence of attendance, and must submit an "Application for Bereavement Pay" form to the Company.

**H. The Company will consider requests of associates for additional days of unpaid leave up to the number of days of the bereavement entitlement. While production concerns and the associates' reasons will be considered, the Company will not unreasonably deny the request.**

## **ARTICLE XVII COMPENSATION**

### **Section 1. Method of Payment**

- A. The standard number of hours shall be eight (8) hours per day and forty (40) hours per week. This standard number of hours shall not be construed as a guarantee by the Company of any amount of work in any period, or as a limitation on hours of work in any period.
- B. Associates will be paid biweekly on Friday by direct deposit only.

### **Section 2. Hiring-In and Progression Rates**

- A. New production associates are hired in at seventy percent (70%) of the existing base rates and progress in increments of five percent (5%) each six (6) months up to the full existing base rates at thirty-six (36) months.
- B. New maintenance associates are hired in at eighty-five (85%) of the existing base rates and progress in increments of five percent (5%) each six (6) months up to the full existing base rates at eighteen (18) months.
- C. The following rates are in effect for the following periods based on associates' seniority:

#### Production Associates:

	<u>8/24/01</u>	<u>9/17/01</u>	<u>3/10/03</u>
Upon Hire	<u>\$16.66</u>	<u>\$17.13</u>	<u>\$17.61</u>
After 6 months	<u>\$17.85</u>	<u>\$18.35</u>	<u>\$18.87</u>
After 12 months	<u>\$19.04</u>	<u>\$19.58</u>	<u>\$20.13</u>
After 18 months	<u>\$20.23</u>	<u>\$20.80</u>	<u>\$21.39</u>
After 24 months	<u>\$21.42</u>	<u>\$22.02</u>	<u>\$22.64</u>
After 30 months	<u>\$22.61</u>	<u>\$23.25</u>	<u>\$23.90</u>
After 36 months	<u>\$23.80</u>	<u>\$24.47</u>	<u>\$25.16</u>

Die Maintenance/General Maintenance Associates:

	<u>8/24/01</u>	<u>9/17/01</u>	<u>3/10/03</u>
Upon Hire	<u>\$23.56</u>	<u>\$24.23</u>	<u>\$24.91</u>
After 6 months	<u>\$24.95</u>	<u>\$25.65</u>	<u>\$26.38</u>
After 12 months	<u>\$26.33</u>	<u>\$27.08</u>	<u>\$27.84</u>
After 18 months	<u>\$27.72</u>	<u>\$28.50</u>	<u>\$29.31</u>

- D. In addition to the amounts shown above, base rates for each classification and each step of progression will be increased to reflect the effect of any annual improvement factor increases (AIFs) and/or general increases implemented at DaimlerChrysler for comparable job classifications in the UAW-DaimlerChrysler contract next succeeding the current 1999 - 2003 contract, as spelled out in the related Letter of Understanding from C. F. Neal, Jr. to Nate Gooden dated August 24, 2001, regarding the wage parity concept. Such increases will be effective as of the first pay period in March following the corresponding date(s) of such adjustments at DaimlerChrysler.
- E. Associates in progression will receive the applicable COLA determined under Article XVIII.

**Section 3. Shift Premium**

- A. A shift premium will be paid to an associate for hours worked, including overtime hours, on a shift scheduled to start in accordance with the following chart:

	<u>Regular Shift Starting Time</u>	<u>Shift Premium Rate</u>
1)	At or after 5:00 a.m. and before 1:30 p.m.	0
2)	At or after 1:30 p.m. and before 9:30 p.m.	5% per hour worked
3)	At or after 9:30 p.m. and before 5:00 a.m.	10% per hour worked
B.	When an associate covered by A.1 above is required to start work before 5:00 a.m., he will receive shift premium of 10% per hour for all hours worked until 5:00 a.m.	
C.	When an associate covered by A.2 above is required to start work before 1:30 p.m., he will receive a shift premium of 5% per hour for all hours worked.	
D.	When an associate is covered by A.3 above and is required to start work before 9:30 p.m., he will receive a shift premium of 10% for all hours worked.	
E.	Shift premium is applied to the base rate, plus the amount of any cost-of-living allowance then in effect, and applicable seven-day operation premium.	

#### **Section 4. Report Pay and Call-In Pay**

An associate called to work, or permitted to come to work without proper notification that there will be no work, shall be provided with four (4) hours work or, at the Company's option, four (4) hours pay in lieu of work at the associate's base rate,

plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living allowance then in effect. The associate must remain available for work until assigned or released by the Company. If, with the approval of the Company, the associate leaves work in less than four (4) hours, he will be paid for actual hours worked. This provision shall not apply when the lack of work is due to a labor dispute, fire, flood or other cause beyond the control of the Company.

### **Section 5. Overpayments**

Deductions from an associate's wages to recover overpayments made in error will not be made unless the associate is notified in writing. The notice will specify the amount of the overpayment, and the amount of each deduction to recover such overpayment provided, however, that no such recovery shall be required if notice has not been given within ninety (90) days of the date on which the overpayment was made, and provided further that each such deduction shall not exceed twenty percent (20%) of the net amount of any one pay, or the amount necessary to fully recover the overpayment in equal deductions from five (5) consecutive pay periods, whichever is greater.

### **Section 6. Seven-Day Operations**

- A. Associates working on what are normally classified as seven-day operations shall receive thirty-five cents (35¢) per hour premium above their base rate for all hours worked as seven-day operations. This premium shall be included in computing payment in PTO, holiday pay, bereavement pay, jury duty pay, short-term military duty pay, and overtime pay.

B. Notwithstanding the provisions relating to overtime premium pay, as hereinbefore stated, associates assigned to seven (7) day operations will be paid as follows:

1. Hours worked in excess of forty (40) in a scheduled work week, or eight (8) in one (1) day, or hours worked on the associate's first scheduled day off in the work week will be paid at time and one-half.
2. Hours worked on the associate's second regularly scheduled day off in the work week will be paid at double time.
3. Associates assigned to seven-day operations will be paid time and one quarter for time worked on a Sunday that is not compensable at a higher overtime rate.
4. Associates assigned to seven-day operations will be paid double time and one-half in lieu of holiday pay for time worked on any days on which any of the designated holidays is observed, unless the holiday falls on one of the associates' regularly scheduled days off, in which event the associate, in addition to his holiday pay, will be paid double time for time worked.
5. Associates working on seven-day operations shall receive holiday pay in the event the holiday falls on one of their regularly

scheduled days off and they meet the other eligibility requirements for holiday pay.

## ARTICLE XVIII COST-OF-LIVING ALLOWANCE

All associates covered by this Agreement shall be subject to the following cost-of-living allowance formula determining the cost-of-living allowance as set forth below:

- A. The cost-of-living allowance will be determined in accordance with changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (revised, CPI-W) (United States City Average) published by the Bureau of Labor Statistics (1967 = 100), and will be calculated in accordance with the Letter of Understanding regarding "COLA - Calculation and Notification" signed by the parties.
- B. Effective as of the beginning of the first pay period following receipt by the Company from the Union of notice of ratification and thereafter during the period of this Agreement adjustments in the cost-of-living allowance shall be made on the following dates and, in each case, shall be based on the following Consumer Price Indexes:

<b>Effective on First Monday Commencing <u>on or After:</u></b>	<b>Based on Three-Month Average Consumer Price <u>Index for:</u></b>
<b>Sept 1, <u>2001</u></b>	<b>May, June, July, <u>2001</u></b>
<b>Dec 1, <u>2001</u></b>	<b>Aug, Sept, Oct, <u>2001</u></b>
<b>Mar 1, <u>2002</u></b>	<b>Nov, Dec, <u>2001</u>, Jan, <u>2002</u></b>
<b>June 1, <u>2002</u></b>	<b>Feb, Mar, Apr, <u>2002</u></b>
<b>Sept 1, <u>2002</u></b>	<b>May, June, July, <u>2002</u></b>
<b>Dec 1, <u>2002</u></b>	<b>Aug, Sept, Oct, <u>2002</u></b>
<b>Mar 1, <u>2003</u></b>	<b>Nov, Dec, <u>2002</u>, Jan, <u>2003</u></b>
<b>June 1, <u>2003</u></b>	<b>Feb, Mar, Apr, <u>2003</u></b>
<b>Sept 1, <u>2003</u></b>	<b>May, June, July, <u>2003</u></b>
<b>Dec 1, <u>2003</u></b>	<b>Aug, Sept, Oct, <u>2003</u></b>
<b>Mar 1, <u>2004</u></b>	<b>Nov, Dec, <u>2003</u>, Jan, <u>2004</u></b>
<b>June 1, <u>2004</u></b>	<b>Feb, Mar, Apr, <u>2004</u></b>
<b><u>Sept 1, 2004</u></b>	<b><u>May, June, July, 2004</u></b>
<b><u>Dec 1, 2004</u></b>	<b><u>Aug, Sept, Oct, 2004</u></b>

Mar 1, 2005  
June 1, 2005

Nov, Dec, 2004, Jan, 2005  
Feb, Mar, Apr, 2005

In determining the three-month average of the Indexes for a specified period, the computed average shall be rounded to the nearest 0.1 Index Point.

In no event will a decline in the three-month average Consumer Price Index below 514.9 provide the basis for a reduction in the wage scale by job classification.

- C.
- 1) The amount of the cost-of-living allowance effective the beginning of the first pay period following receipt by the Company from the International Union of Notice of Ratification of this agreement and ending September 2, 2001, shall be \$0.00 per hour.
  - 2) Commencing with the pay period beginning September 3, 2001, and for any period thereafter as provided in Subsection B., the allowance shall be determined in accordance with the following table:

<u>Three-Month Average Consumer Price Index</u>	<u>Cost-of-Living Allowance</u>
<u>514.9</u> or less	\$0.00 per hour
<u>515.0 – 515.2</u>	\$0.01 per hour
<u>515.3 – 515.4</u>	\$0.02 per hour
<u>515.5 – 515.7</u>	\$0.03 per hour
<u>515.8 – 515.9</u>	\$0.04 per hour
<u>516.0 – 516.2</u>	\$0.05 per hour
<u>516.3 – 516.4</u>	\$0.06 per hour
<u>516.5 – 516.7</u>	\$0.07 per hour
<u>516.8 – 516.9</u>	\$0.08 per hour
<u>517.0 – 517.2</u>	\$0.09 per hour

<u>517.3 – 517.4</u>	\$0.10 per hour
<u>517.5 – 517.7</u>	\$0.11 per hour
<u>517.8 – 517.9</u>	\$0.12 per hour
<u>518.0 – 518.2</u>	\$0.13 per hour
<u>518.3 – 518.4</u>	\$0.14 per hour
<u>518.5 – 518.7</u>	\$0.15 per hour
<u>518.8 – 518.9</u>	\$0.16 per hour
<u>519.0 – 519.2</u>	\$0.17 per hour
<u>519.3 – 519.4</u>	\$0.18 per hour
<u>519.5 – 519.7</u>	\$0.19 per hour
<u>519.8 – 519.9</u>	\$0.20 per hour
<u>520.0 – 520.2</u>	\$0.21 per hour

And so forth with one cent (1¢) adjustment for each 0.25 point change in the Average Index as calculated in accordance with the Letter of Understanding regarding "COLA -Calculation and Notification" signed by the parties.

- D. The amount of any cost-of-living allowance in effect at the time shall be included in computing overtime premium, shift premium, holiday payments, Report Pay, Call-In Pay, Paid Time Off Payments, Jury Duty Pay, Bereavement Pay and Short-term Military Duty Pay.
- E. In the event that the Bureau of Labor Statistics does not issue the appropriate Consumer Price Index on or before the beginning of one of the periods referred to in Subsection B., any adjustment in the allowance required by such appropriate index shall be effective at the beginning of the first Monday after receipt of the Index.
- F. No adjustments, retroactive or otherwise, shall be made due to any revision that may later be made in the published figures for the Consumer Price Index for any month on the basis of which the allowance has been determined.
- G. The continuance of the cost-of-living allowance shall be contingent upon the availability of the monthly Consumer

Price Index referred to in Subsection A. published by the Bureau of Labor Statistics, and calculated on the same basis as the Index for July, 2001, unless otherwise agreed upon by the parties.

- H. The cost-of-living allowance payable under the provisions of this Section shall be included in an associate's biweekly pay deposit.
- I. Pay adjustments made in a cost-of-living allowance period applicable to any previous cost-of-living allowance period will include the allowance applicable during the period to which the adjustments relate.

## ARTICLE XIX PAID TIME OFF (PTO)

### Section 1. General

The Paid Time Off (PTO) Program is intended to compensate associates during absences from work for vacations, illnesses, and other personal reasons. The following regulations shall govern the PTO program for associates covered by this Agreement.

### Section 2. Definitions

- A. "Eligible Associates" are associates who have completed the probationary period and are actively employed.
- B. "Scheduled PTO" is PTO that has been scheduled in advance in accordance with the requirements set forth below or reserved for use during plant shutdown.
- C. "Spontaneous PTO" is paid time off that does not require prior scheduling subject to the limitations set forth below.

### Section 3. Eligibility

- A. During the initial calendar year of employment, associates shall receive the PTO entitlement indicated in the following table:

Month of Hire	PTO Entitlement
Jan. 1 to Mar. 31	40 Hours
Apr. 1 to June 30	32 Hours
July 1 to Sept. 30	16 Hours
Oct. 1 to Dec. 31	0

**B. PTO Entitlement**

Beginning January 1 of the next calendar year following the date of hire, associates shall be eligible for PTO entitlement in accordance with the following table:

Years of Service as of January 1	PTO Entitlement
Less than 3 years	112 Hours
3 years but less than 5 years	128 Hours
5 years but less than 10 years	152 Hours
10 years or more	168 Hours

**C. Length of Service Requirements**

An associate who has not completed his probationary period may schedule PTO, but, may not utilize his PTO entitlement prior to the completion of his probationary period.

**Section 4. PTO Pay**

PTO pay will be computed at the associate's base rate, plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living allowance then in effect, as of the last full shift the associate worked prior to utilizing PTO.

A seniority associate who is separated from employment shall receive at the time of termination of employment a payment in lieu of PTO, computed as the amount of PTO which the associate would be entitled to minus any PTO which has been utilized during the current calendar year.

**Section 5. Scheduling and Utilizing PTO**

A. Associates may submit requests for PTO to their Group Leader during October and November of each year for use

during the following year. Requests for forty (40) or more consecutive hours of PTO submitted during this period will take priority over requests for less than forty (40) hours submitted during this period. Requests for scheduled full shift PTO will take priority over requests for scheduled half-shift PTO submitted during this period. No later than December 15, sections will set the PTO schedule for associates in accordance with operating requirements. Associates hired after section schedules have been set will be subject to scheduling in accordance with operating requirements and established schedules. When PTO requests of associates exceed the number that can be granted during a given period, consensus of the section or group may be used to determine which request can be honored. If such consensus cannot be achieved, then seniority in the respective group will be the basis for establishing priorities.

Requests for PTO submitted after November 30 for use during the following calendar year must be submitted before lunch on the work day prior to the requested absence. Such requests will be limited to available dates that do not interfere with production requirements.

All scheduled PTO must be utilized in regular half shifts or regular full shift increments. A regular half shift is defined as the period beginning with the shift starting time and ending at the beginning of the scheduled lunch period or as the period beginning at the end of the scheduled lunch period and continuing until the end of the scheduled shift.

- B. Spontaneous PTO - An associate may utilize up to thirty-two (32) hours of PTO entitlement with less than a one (1) work day notice to his supervisor. Such spontaneous PTO utilization is subject to the following limitations:
1. Spontaneous PTO must be used in regular full shift increments, except that sixteen (16) hours of the spontaneous PTO entitlement may be used in

regular half shift increments. A regular half shift is as defined in Section 5A above.

2. An associate must report the use of spontaneous PTO to his immediate supervisor at least thirty (30) minutes prior to the start of his normal regularly scheduled shift through the established procedure.
- C. PTO (spontaneous and scheduled) may only be utilized on regularly scheduled work days, excluding overtime shifts.
- D. When an associate is forced to permanently transfer to a new group, the affected associate will retain all prior approved PTO. When an associate is temporarily transferred, his PTO will be approved or denied in his original group.**

#### **Section 6. Accumulation of PTO**

- A. Associates may carryover a maximum of sixteen (16) unused PTO hours into the following calendar year. However, the spontaneous PTO entitlement described above may not be accumulated beyond the current calendar year.
- B. In those situations where an associate has not been afforded the opportunity to utilize his PTO entitlement in excess of sixteen (16) hours during the current calendar year, the associate may use such excess entitlement during the first four (4) months of the next year. If, because of operating efficiency or other reasons, the associate has not utilized his remaining PTO entitlement in excess of sixteen (16) hours which was carried from the previous calendar year, he will be paid the excess of sixteen (16) hours carryover no later than the second pay period in May. Such payout shall be computed at the associate's base rate, plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living

allowance then in effect, as of the last shift worked during the pay period prior to the payment.

### **Section 7. Plant Shutdown**

The Company may, at its discretion, shut down a part or all of the plant. The Company will notify associates of the shutdown schedule, if any, during the first quarter of the calendar year. Associates scheduled to work during the shutdown period will be notified by May 1. Associates not scheduled to work during the shutdown may be offered the opportunity but will not be required to work during that period. The shutdown period will normally be scheduled during the months of June, July or August. PTO must be utilized by all associates affected by the shutdown, and all associates must reserve five (5) PTO days for this purpose. However, it is understood that an additional five (5) days or a total of ten (10) days can be reserved for this purpose. When the shutdown period is longer than five (5) days but no greater than ten (10) days, the associate has the option of using only his available PTO or taking an excused unpaid leave for the additional days over and above the five (5) days of reserved PTO.

## ARTICLE XX HOLIDAYS

- A. Holiday pay for eligible associates, including associates who have not completed their probationary period, will be calculated on the basis of eight (8) hours pay at the associates regular base rate, plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living allowance then in effect, as of the last day worked. The specified holidays are:

### First Year

<u>9/3/01</u>	Labor Day
<u>11/12/01</u>	<b><u>Veteran's Day (Observed)</u></b>
<u>11/22/01</u>	Thanksgiving Day
<u>11/23/01</u>	Friday After Thanksgiving
<u>12/24/01</u>	Christmas Holiday Period
<u>12/25/01</u>	Christmas Holiday Period
<u>12/26/01</u>	Christmas Holiday Period
<u>12/27/01</u>	Christmas Holiday Period
<u>12/28/01</u>	Christmas Holiday Period
<u>12/31/01</u>	Christmas Holiday Period
<u>1/1/02</u>	New Year's Day
<u>1/21/02</u>	M.L. King Jr. Birthday
<u>3/29/02</u>	Good Friday
<u>5/27/02</u>	Memorial Day
<u>7/4/02</u>	Independence Day
<u>7/5/02</u>	Day After Independence Day

### Second Year

<u>9/2/02</u>	Labor Day
<u>11/5/02</u>	<b><u>Election Day</u></b>
<u>11/11/02</u>	Veteran's Day
<u>11/28/02</u>	Thanksgiving Day
<u>11/29/02</u>	Friday After Thanksgiving
<u>12/23/02</u>	Christmas Holiday Period
<u>12/24/02</u>	Christmas Holiday Period
<u>12/25/02</u>	Christmas Holiday Period

<u>12/26/02</u>	Christmas Holiday Period
<u>12/27/02</u>	Christmas Holiday Period
<u>12/30/02</u>	Christmas Holiday Period
<u>12/31/02</u>	Christmas Holiday Period
<u>1/1/03</u>	<b><u>New Year's Day</u></b>
<u>1/20/03</u>	M.L. King Jr. Birthday
<u>4/18/03</u>	Good Friday
<u>5/26/03</u>	Memorial Day
<u>7/3/03</u>	Day Before Independence Day
<u>7/4/03</u>	Independence Day

Third Year

<u>9/1/03</u>	Labor Day
<u>11/10/03</u>	Day Before Veteran's Day
<u>11/27/03</u>	Thanksgiving Day
<u>11/28/03</u>	Friday After Thanksgiving
<u>12/24/03</u>	Christmas Holiday Period
<u>12/25/03</u>	Christmas Holiday Period
<u>12/26/03</u>	Christmas Holiday Period
<u>12/29/03</u>	Christmas Holiday Period
<u>12/30/03</u>	Christmas Holiday Period
<u>12/31/03</u>	<b><u>Christmas Holiday Period</u></b>
<u>1/1/04</u>	New Year's Day
<u>1/2/04</u>	Day After New Year's
<u>1/19/04</u>	M.L. King Jr. Birthday
<u>4/9/04</u>	Good Friday
<u>5/31/04</u>	Memorial Day
<u>7/5/04</u>	<b><u>Day After</u></b> Independence Day
<u>7/6/04</u>	Independence Day Holiday Period

**Fourth Year**

<u>9/6/04</u>	<b><u>Labor Day</u></b>
<u>11/2/04</u>	<b><u>Election Day</u></b>
<u>11/12/04</u>	<b><u>Day After Veteran's Day</u></b>
<u>11/25/04</u>	<b><u>Thanksgiving Day</u></b>
<u>11/26/04</u>	<b><u>Friday After Thanksgiving</u></b>
<u>12/24/04</u>	<b><u>Christmas Holiday Period</u></b>
<u>12/27/04</u>	<b><u>Christmas Holiday Period</u></b>
<u>12/28/04</u>	<b><u>Christmas Holiday Period</u></b>
<u>12/29/04</u>	<b><u>Christmas Holiday Period</u></b>

<u>12/30/04</u>	<u>Christmas Holiday Period</u>
<u>12/31/04</u>	<u>Christmas Holiday Period</u>
<u>1/17/05</u>	<u>M. L. King Jr. Birthday</u>
<u>3/25/05</u>	<u>Good Friday</u>
<u>5/30/05</u>	<u>Memorial Day</u>
<u>7/4/05</u>	<u>Independence Day</u>
<u>7/5/05</u>	<u>Day After Independence Day</u>

- B. An associate must work the scheduled day before and the scheduled day after the holiday or holiday period to be eligible for holiday pay.
- C. An otherwise eligible associate not at work on either the workday preceding or following a holiday or holiday period for one of the following reasons will still be eligible for holiday pay.
1. Layoffs or approved leaves not exceeding ten (10) working days.
  2. Approved disability leaves provided the associate actively worked at least one full regularly scheduled shift during the pay period that included or immediately preceded the holiday or holiday period, bereavement leave, short-term military leave or jury duty leave.
  3. Scheduled PTO.
  4. Lack of work due to Acts of God or other conditions beyond the control of the Company.
- D. If an associate qualifies for both holiday pay and other benefit payments such as Sickness and Accident Benefits, Workmen's Compensation benefits, jury duty pay, short-term military duty pay, for the same day, holiday pay for the day not worked will be reduced by the amount of such benefit or payment.

## ARTICLE XXI OVERTIME

### Section 1. Overtime Scheduling

#### A. Daily Overtime

Associates can be required to work two (2) hours of overtime daily. As a general rule, daily overtime will be scheduled before the end of shift on the day before such time is to be worked. It is understood and agreed by the Union that certain instances, such as equipment breakdown, material shortages, process bottlenecks, and conditions beyond the control of the Company, may cause the Company to schedule daily overtime on the same day it is required.

#### B. Saturday Overtime

Associates can also be required to work on Saturday. When overtime work is required on Saturday, the Company will endeavor to schedule such overtime on Thursday of the week overtime is required on Saturday. Failure to give such notice will not relieve an associate of the obligation to work overtime. Associates can only be required to work two (2) Saturdays in a row and cannot be required to work the third consecutive Saturday, if they indicate their desire not to be scheduled. **However, associates will not be required to work more than eight (8) hours each shift on any mandatory Saturday.**

#### C. Except as provided in this Section, Sunday overtime will be voluntary.

#### D. Maintenance

In addition to other provisions in this Article, each maintenance associate may be required to work on two (2) additional Saturdays during each calendar year to assure

smooth production or to perform maintenance projects which cannot normally be performed during periods when normal production is scheduled. Further, maintenance associates may be required to work all daily overtime during the summer shutdown period, and on the Saturday and Sunday immediately preceding, following, or included in the summer shutdown period, except for July 4, when that particular holiday actually falls on a Saturday or Sunday; and the Saturday and Sunday immediately preceding, following, or included in the Christmas holiday period, except for December 24, December 25, December 31, and January 1, when those particular holidays actually fall on a Saturday or Sunday. It is understood that maintenance associates will not be required to work on any days which are designated as holidays under this Agreement.

E. Emergencies

The Union recognizes that certain emergency conditions may arise that will require associates to work beyond the limits mentioned in this Article. The Company will endeavor not to require associates to work beyond those limits unless such an emergency condition exists. When these types of conditions exist, the Company will discuss the situation with the Chairperson and arrive at a mutually acceptable solution to correct the conditions that created and/or resulted from the emergency.

F. Annual Automatic Exemptions

During periods when the Company is going to launch a new vehicle or introduce a new model, the above mentioned provisions restricting the right of the Company to require associates to work daily overtime or Saturdays or Sundays shall be suspended beginning two (2) weeks preceding build out and continuing for the week in which it launches and three (3) weeks thereafter. The period of suspension may be extended by mutual agreement.

G. Critical Operations

Critical operations are those that are essential to meeting scheduled production needs, and, as a result, must operate, in whole or in part, seven (7) days a week. The **Senior** Vice President of Manufacturing may, from time to time, designate operations as critical, provided however, that fifteen (15) days prior to making such designation, it will inform the Union, which will indicate its objections, if any, to the designation. Any operations designated as critical, shall, for a period of up to ninety (90) days after it is so designated, be exempt from the provisions of this Article. After an operation has been initially designated as critical, it may thereafter be redesignated as such by mutual agreement.

H. Mutually acceptable modifications to the provisions of this Section will be made for associates working on seven (7) day continuous operations.

I. When the Company chooses to request volunteers for Saturday, Sunday or holiday work and when the number of associates required for that work exceeds the number of volunteers, the Company will, when practical, seek volunteers from the same group on the opposite shift.

**Section 2. Balancing Overtime**

The intent of this provision is to afford associates in the same group and on the same shift the opportunity to share in available overtime work. It also provides the manner and method by which overtime balancing records will be maintained.

A. Overtime work will be balanced over time among associates by group by shift.

B. Initially, associates in each balancing group will be listed in seniority order on the overtime list. Thereafter, when overtime work is available, associates in each overtime balancing group will be canvassed beginning with the

associate with the lowest hours. If the number of associates needed to perform the overtime work is not obtained, the associates with the lowest hours who are capable and have the present ability to perform the available overtime work will be required to work. The associates who are required to perform the work and those lower on the overtime list will be charged for the overtime worked.

- C. A newly hired or a regular transferred associate will assume the average hours of the balancing group to which he is assigned.
- D. Associates temporarily transferred into a group will assume the average hours of the balancing group. However, the number of overtime hours which the associate had the opportunity to work while temporarily assigned to a group would also be charged to the associate upon return to his regular assignment. Temporary transfers are defined as assignments known to be ninety (90) days or less in duration.
- E. Overtime lists will be updated on a daily basis in each balancing group, and will be posted in a conspicuous place for the review of all associates in the group.
- F. The parties understand that these provisions are meant to achieve a balancing of overtime hours over time and no back pay under any circumstances.
- G. If, as a result of special circumstances, the spread of overtime hours within a balancing group necessarily exceeds thirty-six (36) hours between low and high, the Group Leader and District Committeeperson will determine a mutually acceptable method of balancing the overtime over time.

## Charging

1. The number of hours charged to an associate for overtime worked will be according to hours offered for daily or Saturday overtime (1 hour overtime = 1.5 hours charged) and according to hours of pay for Sunday or holiday overtime (1 hour overtime = 2 hours charged).
2. When overtime hours are made available to an associate and he fails to work for any reason, or he declines an offer to work, the hours available to the associate shall be charged as if he had worked them.
3. When an associate is not at work for any reason and he would have been eligible for overtime, he will be charged the hours that he normally would have been scheduled.
4. If the entire balancing group is scheduled or offered the same overtime, it is not necessary to charge any overtime hours. However, the overtime balancing sheets will reflect all hours offered for purposes of temporary transfers.
5. Once the associate with the least number of overtime hours in the balancing group accumulates 100 hours, the Group Leader will reduce the hours of each associate in the balancing group by 100 hours. This method reduces the low associate to zero hours and all other associates to their original hours minus 100.
6. Overtime balancing sheets will remain on the shop floor for a period of one (1) year, and will be made available for the review of associates in the balancing group.

7. Separate overtime balancing sheets will be maintained for daily overtime and weekend/holiday overtime for associates in the maintenance group, excluding those maintenance associates working on 7-day operations.

## **ARTICLE XXII HEALTH AND SAFETY**

### **Section 1. Joint Objectives**

The company recognizes its responsibility to continue to provide a safe and healthful working environment. The Union recognizes its responsibility to cooperate with the Company in maintaining and improving a safe and healthful working environment. Therefore, the parties agree to use their best efforts jointly to achieve these objectives, and to support reasonable safety rules.

### **Section 2. Implementation**

The parties recognize that the safety and health of associates and employees are a primary concern of the Company and the Union. The Company notes with pride the significant accomplishments in this area made by the Joint Health and Safety Committee and renews its pledge to work closely with the Union and associates in implementing and developing programs that will be the standard for safety and health practices. It is the obligation of associates, union representative, and members of all levels of management to work together to continue to improve the work environment. Therefore, the parties agree to continue to jointly develop, implement, and actively support all appropriate programs, procedures and practices in order to improve and strengthen health and safety at MMMA.

### **Section 3. Joint Health and Safety Committee**

- A. The Joint Health and Safety Committee will be continued during the term of this Agreement.
- B. The Joint Health and Safety Committee will consist of the Union Health and Safety Representatives and the Company Manager of Safety, or their designees.
- C. The functions of the Joint Health and Safety Committee shall be as follows:

1. Meet jointly at least once each month to review health and safety conditions within the plant and make such recommendations in this regard as they deem necessary or desirable.
2. Conduct a joint health and safety tour once each week.
3. Receive prompt notification of any associate fatalities or serious accidents. The Company will provide one two-way radio for use by the UAW Health and Safety Representatives to improve notification.
4. Promptly investigate major accidents.
5. Accompany governmental health and safety inspectors and international UAW Health and Safety Department staff on plant inspection tours.
6. **UAW Health & Safety Representatives will be notified in advance, of health and safety inspections by private agency officials, and licensed inspectors required or by consultants retained by the Company, and whenever possible by Government officials including state, city and county code enforcement, and be afforded an opportunity to accompany such officials or consultants and provide any pertinent information to them. A copy of such reports, including those of insurance inspectors, will be provided to the UAW Health and Safety Representatives.**
7. Review lost time accidents and other major accidents which occur in the workplace and do not result in lost time, and also review plant safety reports on such accidents, and make any necessary and desirable recommendations including job safety analysis.

8. Review and recommend health and safety education, information programs and associate job related health and safety training.
9. Where necessary, measure noise, air contaminants and air flow with equipment provided by the Company, and use or observe the use of appropriate industrial hygiene and safety testing equipment as required where available in the plant.
10. Upon request, the committee will be provided with photographs which relate to health and safety matters. Such photographs shall be for the confidential use of the committee only and shall not be reproduced, published and distributed in any way.
11. Be advised of known harmful chemical and physical agents to which associates are exposed, and protective measures and applicable emergency procedures.
12. Be advised of air sample results. In addition, whenever it is determined that any associate has had a personal exposure exceeding the permissible exposure limit as set forth in 29 CFR 1910.1000, Air Contaminates, the Joint Health and Safety Committee will be informed in writing of such exposure and of corrective action to be taken.
13. When a member of the Joint Health and Safety Committee has a reasonable basis for concluding that a condition involving imminent danger exists, the relevant information shall be immediately communicated to the other members of the committee so that a joint investigation can be carried out immediately and necessary and desirable recommendations made.

14. Review new chemical materials, new plant layouts, new manufacturing equipment, including machine guarding, and major process changes where associate health and safety and ergonomics may be affected and make recommendations as needed. The Company will implement a procedure to train engineers in hazard analysis, develop purchase specifications, and ensure involvement and advanced notification of the Joint Health and Safety Committee in early stages of the process development, including design, vendor tryout and function inspection. The Joint Health and Safety Committee will review the product/process design system to determine the most effective points for health and safety review. In addition, the Joint Health and Safety Committee will communicate relevant injury and illness data and ergonomic risk factor information to product and process engineers at MMC to support the design in safety efforts. Finally, the Joint Health and Safety Committee will be provided access to computerized design systems to review new model processes at the early stages of development. Members of the Joint Health and Safety Committee and ergonomic evaluators will be trained on the system.

#### **Section 4. Health and Safety Problem Resolution Procedure**

- A. Every reasonable effort shall be made to promptly resolve health and safety problems with the Group Leader and associates. If a problem is not resolved, or a safety awareness request (on the form provided by the Joint Health and Safety Committee) is not resolved, the facts and description of the problem shall be submitted in writing to the Joint Health and Safety Committee who

will conduct an investigation and attempt to resolve the problem.

- B. If a satisfactory resolution of the problem is not reached within ten (10) working days of receiving written notice of the problem, the matter will be discussed and resolved by the Health and Safety Appeals Committee comprised of: Manager of Safety, Manager of Employee Relations, General Manager of the area where the problem originated, Union Health and Safety Representative, Union Chairperson, and the Union District Committeeperson representing the area where the problem originated.
- C. If the Health and Safety Appeals Committee cannot resolve the problem by consensus of its members, a special meeting will be scheduled between the UAW Regional Director and the Vice President of Human Resources for the final resolution of the problem.

## Section 5. Safety Equipment

The Company will provide, without cost to associates, any protective devices or safety equipment that it requires the associates to wear and/or utilize in the performance of their job duties. Replacement of such devices or equipment because of normal wear and tear, or because of damage that is determined by the Joint Health and Safety Committee to be attributable to performing the associates' job duties, will also be without cost to associates, except for any such items or equipment lost, willfully damaged, or destroyed, with the following exceptions:

- A. The Company will provide each associate at the time of hire with one pair of safety shoes with the exception of associates assigned to the paint shop, who will be supplied with an additional pair of "specialty" shoes, from a company-designated supplier. After the first year of employment, the Company will pay \$110.00 annually for each eligible associate toward the cost of obtaining safety footwear from a Company-designated supplier that conforms to the requirements of ANSI Z41.1-1991

Standard. The associate must provide the Company with proper documentation that the described safety footwear was purchased before such payment will be made.

- B. The Company will provide prescription safety glasses to associates provided the associate furnishes a prescription that is not more than two (2) years old from his own doctor or optometrist. The Company will repair or replace such glasses if damaged by a cause attributable to the associate's employment or if the associate presents a new and different prescription from his doctor or optometrist. The Company will establish the standards and specifications for the frames and lenses and will select the supplier(s).

## **Section 6. Ergonomics**

**The Company recognizes the paramount importance of improving the ergonomics program and as such has agreed to assign the responsibility of its success to the highest level of management at MMMA.**

- A. The Ergonomics Steering Committee will continue to meet on a monthly basis and will be co-chaired by one (1) UAW Health and Safety Representative and one (1) Company Health and Safety Representative. The committee will consist of a Union Representative assigned to benefits; the Union Chairperson; the General Manager(s) of Manufacturing, **Production Engineering, Finance and Procurement and Supply or their designees**; the Manager(s) of **Material Handling and Employee Relations**; and **a representative of the Medical Clinic.**

**Ergonomic Improvement Teams (EITs) will be initiated within thirty (30) days of this Agreement and modeled after the Variable Reduction Teams (VRTs). EITs will be established in Body and Stamping areas, Paint and Plastics areas, Final Manufacturing (Trim, Chassis and Final areas), Quality Control, Material Handling, and Plant Engineering and Launch. Each EIT will be championed by the respective General**

Manager in Plant Engineering and Launch and Quality Control, the Manufacturing Engineering Managers in Final Manufacturing, Paint and Plastics, and the Body Shop and Stamping, and the Manager of Material Handling. Core team members include: the General Manager, Manufacturing Engineering Manager, one (1) Company and one (1) Union Joint Health and Safety Committee Representative, one (1) UAW Ergonomic Evaluator designated by the UAW and Superintendents designated by the Champion. The Champion may add additional members depending on the problems being addressed. Each EIT will evaluate injury and illness data for the area and job evaluations from the priority job list. Problem jobs will be prioritized and corrected in a timely manner. EITs in Final Assembly and Body Shop and Stamping will meet every two (2) weeks. The remaining EITs will meet on a regular basis as determined by each EIT Champion.

Each Ergonomic EIT will report progress during monthly Ergonomics Steering Committee meetings and the General Manager or Manager shall report on EIT progress on a quarterly basis at the Company-wide meetings.

The budget allocated for ergonomics will be reviewed by the Joint Health and Safety Committee.

- B. The Company and the Union have established a comprehensive ergonomics program at MMMA. All ergonomic activities within the Company will be conducted under the direction of the Ergonomics Steering Committee. The parties will continue and improve upon the established comprehensive jointly developed program dealing with ergonomics during the term of this Agreement. The primary objective of this program is to continue to explore ways to reduce injuries and illnesses through the application of ergonomic principles. Specifically, this program assists in eliminating and reducing stressors associated with repetitive motion and manual material work tasks by identifying ergonomic

risk factors in the workplace. The program contains the following five (5) elements:

1. Injury and Illness Analysis

The Company has implemented systems for gathering data on ergonomic injuries and illnesses. **A computerized OSHA recordable system will be established within six (6) months of the effective date of this Agreement. An interim system will be established within thirty (30) days of the effective date of this Agreement.** The Company will continue to encourage associates to report symptoms of ergonomic injuries and illnesses orally to management or in writing on Ergonomic Kaizen Forms. A CTD/Sprain/Strain Incident Analysis Report will be completed for every CTD/Sprain/Strain and will be tracked. The Company will prepare reports showing trends, types of injuries and areas highest in injury frequency. These reports will be used to focus efforts in areas where risk is highest and to monitor the overall effectiveness of the ergonomics program.

2. Job Evaluations

Job evaluations will be performed whenever the Company becomes aware of an ergonomic risk in a specific work activity. Additionally, a new job evaluation will be performed when a job is substantially changed after control measures have been implemented **and when an employee is diagnosed with an ergonomic injury and on new model jobs. New model job analysis will be performed at the earliest stage of development and always prior to production. The job evaluations will be entered into a computerized database established by the Company.**

**All jobs will be evaluated every two (2) years to monitor the progress on reducing the total plant wide ergonomic risk. When an ergonomic related injury or illness occurs, the job(s) will be**

evaluated within two (2) weeks. Ergonomic Evaluators will perform all evaluations unless mutually agreed upon otherwise. In addition, the Company will provide the necessary tools for conducting ergonomic evaluations.

The Company and Union will select a mutually agreeable method of structured ergonomic job evaluation.

The components of a job evaluation will include: 1) asking associates which work activity may be causing the injury or symptom, 2) identifying the specific work activities that are likely contributors to the ergonomic risk, symptom, or diagnosis, 3) observation of the job, 4) identification and evaluation of potential countermeasures to reduce ergonomic risk, 5) asking associates for ideas about minimizing ergonomic risk factors, and 6) a description of the feasible control measures to be implemented.

The Company will use three (3) Ergonomic Evaluators each week for sixteen (16) hours per Evaluator. The selection of the Evaluators will be the responsibility of the International/Regional UAW.

A Union Health and Safety Representative and EIT Champion will jointly oversee the ergonomic evaluators in each EIT. The Company will provide appropriately furnished work stations for the Ergonomic Evaluators, located in the area to which they are assigned, to conduct business.

Ergonomic Evaluators will be responsible for supporting the efforts of the EITs, conducting job analysis, recommending countermeasures, analyzing injury and illness data, tracking problem jobs and maintaining related computerized information systems.

**Ergonomic Consultants may be utilized subject to mutual agreement.**

**The Company agrees to utilize best industry design practices and guidelines for the evaluation of existing jobs and new models. Ergonomic Evaluators and engineers will be trained to utilize these tools.** In addition, the Company has established ergonomic selection guidelines for auto assembly tools intended to reduce ergonomic risk factors of newly purchased tools. The Company will develop a comprehensive project management system for tracking the progress and completion of approved ergonomic countermeasures.

**Symptom surveys will be conducted every two (2) years on all jobs.**

### 3. Implementation of Countermeasures

The Company will use feasible engineering controls and administrative controls to eliminate or reduce ergonomic risk. Control measures are deemed necessary when any work-related ergonomic risk causes or aggravates symptoms of an ergonomic injury or when job activities are substantially likely to result in the development of an ergonomic injury.

Engineering controls will be utilized whenever feasible. When engineering controls are determined to be necessary, feasible administrative controls will be used as necessary to control ergonomic risk before engineering controls are implemented.

**Engineering controls or administrative controls utilized to control ergonomic risk factors will not be removed or eliminated without mutual agreement of the Joint Ergonomics Committee.**

A master list of all ergonomic problem jobs for the facility will be maintained. Problem jobs that are not corrected within two months will be placed on the

agenda for the next meeting of the Joint Health and Safety Committee.

#### 4. Medical Management

The Company maintains a system of medical management utilizing recognized protocols for evaluation and treatment of ergonomic injuries and illnesses. The Company's medical management program includes early detection and evaluation of work-related ergonomic injuries and illnesses.

When there is an ergonomic injury related work restriction, the medical personnel shall prepare a report which clearly describes the motion of activity that is to be avoided or reduced. Associates will be placed only on jobs within their medical restrictions.

The Company will provide, upon request, a copy of the medical records to the associate.

#### 5. Training and Education

The Company will continue to provide ergonomics training to its management. Associates will receive a minimum of thirty (30) minutes of ergonomics training and education per year. The training will include symptoms and consequences, risk factors (posture, force and repetition), methods to minimize risk and the importance of the reporting problem jobs, ergonomic injuries and symptoms.

The Company will provide forty (40) hours of training for Ergonomic Evaluators during the first year of this Agreement and twenty-four (24) hours of training each remaining year of this Agreement. Training provided during the first year of the Agreement will include: anthropometry, ergonomic design guidelines, risk factors, countermeasures, the NIOSH 1991 Lifting Formula, human anatomy, types of

cumulative trauma disorders, shop floor practice using analysis tools and checklists, and gathering data on forces. A member of the UAW Health and Safety Department Staff may assist in training the ergonomic evaluators.

In addition to the training above, the co-chairs of the Joint Ergonomics Committee or their designees will attend one (1) joint UAW ergonomics conference a year. The Company will cover all related expenses.

- C. The Company will continue to accelerate its plant-wide program of reviewing new installations and existing conditions that need changes. Priority will be given to operations having high incidents of cumulative trauma disorders.
- D. A Company and a Union Health and Safety Representative will jointly audit the entire ergonomics process semi-annually and make recommendations for improvements to the Joint Health and Safety Committee.

Members of top plant management and Union leaders will receive sixteen (16) hours of ergonomic training.

## **Section 7. Education and Training**

The Company and the Union recognize the importance of providing the Joint Health and Safety Committee with sufficient information under their control concerning the causes of illnesses and accidents so that preventative measures can be taken and the continuing joint education and training of associates, regarding health and safety matters can be effective. The Company will schedule sixty (60) minutes of safety meetings each quarter for all associates. Modifications of the schedule shall require prior notification to the Joint Health and Safety Committee. Topics for the meetings and the time allotted for each topic and the training format will be determined by the Joint Health and Safety Committee. In

addition, the Union will be afforded the opportunity to attend the monthly Company Wide Safety Meetings. New hire orientation and training will include, but not be limited to, Hazard Communications Phase I, Evacuation and Seek Shelter Procedures, Hazardous Materials Awareness, Ergonomics Awareness and Lockout Awareness. Associates will receive job specific health and safety training which will include, but is not limited to, Hazard Communication and safety job procedures prior to beginning a new job.

**The Company agrees to establish and maintain a computerized training records system. The system will be established during the first six (6) months of this Agreement.**

The Joint Health and Safety Committee members will receive two weeks of training annually from a mutually agreeable source, and additional training as deemed necessary by the parties.

Both the Company and Union logos will be placed on jointly-developed programs, forms and training materials related to health and safety.

#### **Section 8. Paint Shop Exhaust Re-entrainment**

The Company will investigate and, where practical and economically feasible, attempt to control or eliminate the Paint Shop exhaust re-entrainment.

**The Company will continue the process of correcting the Paint Shop exhaust re-entrainment problem by establishing an odor reporting system, conduct periodic surveys, perform necessary preventive maintenance to minimize air contaminants, use smoke tests to track the path of exhaust re-entrainment, label all make up air and exhaust units on the roof and conduct chemical analysis of all exhaust stack emissions.**

#### **Section 9. Isolated Work Areas**

When an associate is required to work alone in an isolated area and when such an assignment is recognized as potentially

hazardous, the Company will take necessary precautions which might include personal protective equipment, a reliable communication system, personnel surveillance arrangements and/or adequate support personnel as required.

## **Section 10. Noise Abatement and Hearing Conservation**

The Company will continue to develop and implement feasible engineering controls in an effort to reduce noise levels that require the use of hearing protection. To achieve this goal, a written annual noise abatement plan will be developed and reviewed by the Joint Health and Safety Committee. A Joint Noise Control Committee will be established and consist of a representative from Plant Engineering, a Health and Safety representative from the Company and the Union, and others deemed appropriate from time to time by the Joint Health and Safety Committee.

The Noise Control Committee will meet at least quarterly, record minutes and report to the Joint Health and Safety Committee regarding progress on the Noise Abatement Plan. An annual evaluation will be conducted and will include:

1. Copies of the plant's noise abatement program;
2. Summary of audiometric tests;
3. Progress on implementing engineering controls;
4. The number of associates that are required to wear hearing protection;
5. The number of associates at risk of exposure at or above 85 dBA;
6. The number of associates at risk of exposure above 90 dBA.

## **Section 11. Energy Control Program**

The Joint Health and Safety Committee has developed a Joint Energy Control Program. This program was established to protect associates from energization or start-up of machinery and equipment, or the release of stored energy that could cause injury.

This joint program will commit to writing all aspects of energy control and collect all records in one place so as to establish compliance with the OSHA Standard on Control of Hazardous Energy [29CFR 1910.147 (c)(1)].

The Joint Energy Control Program will include:

Training and Retraining for all associates as required by the OSHA Standard; 29 CFR 1910.147 (c)(7)(i)(A/B/C);

General Lockout procedures;

Specific written and posted procedures for each equipment situation which might expose associates to the hazards of uncontrolled energy;

The identification of activities which require lockout protection;

The requirements of compliance self-inspections;

The requirements of lockout devices and equipment;

The procedure for use of departmental locks;

The procedure for use of alternative power control devices;

The procedure for removal of abandoned locks.

Each element of this program, including procedures, has been developed by the Joint Health and Safety Committee in consultation with the Maintenance Bargaining Committee person and will be implemented. All documents are made available for examination. The Joint Health and Safety Committee will participate in training selection, development and delivery of the program. The energy control program will be reviewed

and re-emphasized on a regular basis by the Joint Health and Safety Committee. The Company will train all authorized associates in the Joint Energy Control Program.

## **Section 12. Hazardous Materials Control Committee**

A program for the control of hazardous materials has been developed which requires that hazardous materials be evaluated and approved prior to use by the plant Hazardous Materials Control Committee. A Union Health and Safety Representative will be a member of this committee which will meet on a regular basis and develop procedures for its operation.

In addition, the Company and Union agree to develop and implement, within six months of the effective date of this agreement, a Hazardous Chemical Reduction Program committed to the goal of continuous reduction in the use of hazardous materials. A Union Health and Safety Representative will be included on the ISO 14001 Environmental Committee. Information available to all committee members includes environmental information such as, but not limited to, RCRA data, form R reporting data, Hazardous Air Pollutant Assessments under the Clean Air Act 112(h) and spill reports.

The Company will establish a computerized program for storing, retrieving, maintaining and tracking MSDSS during the first six (6) months of this Agreement.

## **Section 13. Imminent Danger**

An associate who has a reasonable basis for concluding that his work assignment may result in serious physical harm or illness will immediately inform his Group Leader. Failing resolution, the relevant information shall be immediately communicated to the Joint Health and Safety Committee so that a joint investigation can be carried out immediately and necessary and desirable recommendations made.

## Section 14. Medical Facilities

The Company will provide professional and courteous quality medical care in the Medical Department. The Joint Health and Safety Committee will conduct an annual survey of associates to evaluate medical staff performance. The results of the survey will be reviewed with the appropriate medical management department staff and posted in the plant. The Company will make appropriate improvements. To protect the confidentiality of associate medical information, the Company has established a confidentiality of medical information policy. The Company considers violations of the confidentiality policy a very serious matter and will take immediate appropriate corrective action. The policy will be posted in the Medical Department and reviewed annually by the Joint Health and Safety Committee.

- A. Under current operating conditions, the plant Medical Clinic will be staffed with appropriate personnel whenever the total plant population exceeds 200 persons. In addition, on a case-by-case basis, whenever there are less than 200 persons in the plant, a decision to staff the Medical Clinic may be made if the work to be performed is of a particularly hazardous nature. Associate medical appointments will be scheduled in a timely manner.
- B. The Company will continue to provide transportation to area medical facilities for treatment of a job related injury.
- C. The Company will provide to associates who are exposed to toxic agents or materials that are determined to be hazardous to the associate's health, at no cost to them, such medical services, physical examinations and other appropriate tests in accordance with governmental regulations or good medical practice.

- D. The Company will provide to each associate upon his request a written report of the results of such examinations or tests which are related to occupational exposures. These results, as well as such instances where it is determined that an associate has had a personal exposure exceeding permissible levels as set forth in 29 CFR 1910.1000, Air Contaminants, will be reviewed with the associate by the plant medical department prior to their release. Upon the associate's written request, copies of such information will be forwarded to the associate's personal physician.

### **Section 15. UAW Access To Computer Information**

Within 90 days of the effective date of this Agreement, the UAW Health and Safety Representatives will be provided two desktop computers with internet access and three (3) computer stations with internet access will be provided for the three (3) part-time Ergonomic Evaluators.

### **Section 16. Governmental Regulations**

The Company is committed to comply with all federal and state regulations, including standards, pertaining to new equipment layouts and processes.

### **Section 17. Confidentiality**

As soon as practical following these negotiations, the Company will implement a system to ensure that no more than four (4) digits of an associates social security number are used on posted reports, training records and the medical log.

Information made available to the UAW Health and Safety Representatives will be used only to further the program objectives. Further dissemination, beyond the Company and the Union of information specifically designated as confidential by the Company, other than that required by law, will not be performed without prior authorization.

## **Section 18. Union Financial Liability**

The International Union, Local Union 2488, Union and Joint Health and Safety Committees and Union members of such Health and Safety Committees, and Union officials, associates and agents shall not be liable for any work-connected injuries, disabilities or diseases which may be incurred by associates of the Company or its subsidiaries or by third parties while on Company property.

The Company shall have the responsibility to continue to make reasonable provisions for the health and safety of its associates during the hours of their employment. The Union shall cooperate with the Company's effort to carry out its obligations.

## **Section 19. Heat Protocol**

The Company will conduct a comprehensive evaluation of the plant cooling and chiller systems and make necessary changes to ensure that the systems function at peak performance. A copy of the evaluation results and changes made will be provided to the Joint Health and Safety Committee. The existing heat protocol developed by the Joint Health and Safety Committee will remain in effect.

The Paint Shop General Manager, the Paint Shop District Committeeperson and the Joint Health and Safety Committee will evaluate heat conditions and airflow in the paint shop. Appropriate countermeasures will be implemented.

The parties have established a preliminary guideline for heat exposure within the paint shop booths. This guideline may be updated in the future based on mutual agreement. When the temperature in the paint shop booths reaches 88 degrees and the humidity is 70% or an equivalent heat index, the Company will:

- Provide alternative cooling methods such as cooling bandannas and cooling vests.
- Provide water outside the booth

- And, provide temporary relief from the high heat stress areas.

The Company will install a mutually agreeable number of additional fans in and around the ED Sand jigging deck based on input from associates in the area. The Company plans to make additional improvements such as enclosing the area and increasing airflow and adding additional vents overhead.

## **Section 20. Audit of Health and Safety Conditions**

The existing comprehensive audit system will continue to provide the ability to closely and jointly evaluate operations for unsafe conditions. This system will be reviewed by the Joint Health and Safety Committee within three (3) months following the effective date of the Agreement.

## **Section 21. Preventative Maintenance**

The Company will continue and strengthen the preventative maintenance program on all safety-related equipment and will regularly maintain equipment containing metal working fluids. The Company will insure that metalworking fluids in the tooling department are properly maintained on at least a monthly basis. Within six (6) months of the effective date of this agreement, the Joint Health and Safety Committee will develop a preventive maintenance program to maintain powered hand tools, PC carts, and line side racks. The program will include committing necessary manpower to ensure that immediate corrective action is taken. Defective air-powered hand tools will be repaired or replaced immediately. The Company will maintain a back-up for D.C. tools. The Joint Health and Safety Committee will have the opportunity to review the preventative maintenance program as it relates to safety and make necessary and desirable recommendations.

## **Section 22. Dissemination of Information**

The Company agrees to provide to the Union Health and Safety Representative the results of all health and safety surveys

conducted by the Company and the same data the Company is required to compile on the OSHA "Summary of Occupational Injuries and Illnesses", as it is now constituted, and the total man-hours worked for the comparable period. Upon notification to the General Manager, Human Resources Department, and after making proper arrangements, the International Union Health and Safety Representative shall have access to the plant.

### **Section 23. Cedar Draw Oil**

The Company will take the following actions in respect to exposure from Cedar Draw oil in the Stamping section: 1) attempt to find a reformulation or feasible substitute to eliminate the use of Cedar Draw oil; 2) **if a safer substitute cannot be found within six (6) months of the effective date of this agreement, a joint committee will be established to a) investigate engineering controls to reduce exposure; b) investigate methods to reduce the use of Cedar Draw oil; and c) allow associates to use as many pairs of gloves, sleeves and other personal protective equipment as necessary to prevent skin contact, as well as strongly encourage the use of barrier cream. The Joint Health and Safety Committee will conduct a health symptoms survey every year, of associates, including maintenance associates, who work in the Stamping section. The surveys will continue until no longer necessary. The Joint Health and Safety Committee will meet to discuss the results of the survey on an annual basis.**

### **Section 24. Contractor Safety Program**

The parties recognize that an effective contractor safety program has been established at MMMA and should be continued and strengthened. A contractor safety manual has been developed and is disseminated to and reviewed by each contractor before beginning work in the plant.

### **Section 25. Job Safety Analysis**

The Company will establish a Job Safety Analysis program. The program will utilize a form similar to the CTD/Sprain/Strain Incident Analysis Report as the basis for collecting information.

The JSA's will be documented and posted near the job site. JSA's will be reviewed periodically with affected associates.

#### **Section 26. Pedestrian Safety**

**The Joint Health and Safety Committee, within one (1) year of the effective date of this Agreement, will study the need and nature of pedestrian aisles in the plant. The study will determine standards and guidelines and appropriate measures will be implemented to correct identified, agreed upon deficiencies.**

#### **Section 27. Machine Guarding Systems**

**The Company recognizes the importance of integrating safety devices into control circuits in a manner that ensures a high level of performance reliability. The Company further agrees to continue the commitment to new technology by incorporating the trapped key gate interlock system into all equipment specifications working toward eliminating the "joy" plug gate interlocks on existing equipment. In addition, the Company will comply with all state and federal regulations and voluntary compliance standards such as ANSI RIA 15.06-1999 as well as future revisions.**

**ARTICLE XXIII  
PRODUCTION STANDARDS AND  
PERIODIC MEETINGS BETWEEN UNION  
AND MANAGEMENT**

- A. The Company and the Union firmly believe that there is the need and importance of a genuine and unreserved spirit of cooperation in order to achieve sound labor relations as described in the Joint Objectives and Goals.

It is indispensable to this objective for both parties to have an effective method of communication in place through which each party has the opportunity to discuss matters regarding production standards, required manpower, and operation status.

- B. Toward this specific end, the Company and the Union will have periodic meetings at the Company level and Sectional level within the Bargaining Unit to exchange information and share a full understanding of the operations.
- C. The Company level meeting will be comprised of the President, Executive Vice President(s), Vice President(s), and other designated management personnel relating to the issues to be discussed, and the Union Chairperson and Bargaining Committeepersons, International Representative(s), and other designated personnel from within the Company related to the issues to be discussed. On issues that require further study, the Company or the Union will respond in a reasonable time after the conclusion of the study.
- D. Sectional level meetings will be comprised of the Manager/Superintendent, Manufacturing Planning Specialist(s), District Committeeperson, Union Coordinator within the Section, other designated personnel from within the Company related to the issues to be discussed, including a language interpreter if necessary.

- E. The agenda of the periodic meetings shall not include the Problem Resolution Procedure or negotiation matters.
- F. The Company level meeting will be held at a mutually agreeable time but no less than twice a year. Sectional level meetings will be held at a mutually agreeable time during non-working hours but no less than once a month.
- G. Because production standard matters, as described in Article III, Management Rights, of this Agreement, are solely *within the discretion of the Company and are not* subject to arbitration, every effort shall be made to resolve all differences concerning Production Standards with the Group Leader and Associate(s) utilizing the team concept. If the matter is not peacefully resolved at that level, the matter may be discussed as one of the agenda items at a sectional level periodic meeting. If the matter is still not resolved, it may be referred to a special meeting between the General Manager of Human Resources and the Union Chairperson. Failing resolution of the matter, a special meeting will be scheduled between the UAW Regional Director, or his designee, and the Vice President of Human Resources, or his designee from within the Company, for final resolution of the matter. Both parties agree to utilize this procedure as the exclusive remedy for all production standard problems.

## **ARTICLE XXIV JOINT PROGRAMS**

### **Section 1. Joint Orientation Program**

The Company and the Union will continue to provide a mutually satisfactory Joint Orientation Program to introduce MMMA and the Union to newly hired associates. The Union will be provided a four (4) hour time segment during the Program as allocated from time to time by the General Manager of Human Resources and the Union Chairperson.

### **Section 2. Education and Training Programs**

During the term of this Agreement, the Company will establish education and training programs for all its employees. When such programs involve only bargaining unit associates, the Company will review its contents with the Union Chairperson and consider his comments and recommendations prior to implementation.

### **Section 3. Employee Assistance Program**

The Company and the Union jointly developed a mutually acceptable **Employee Assistance Program**. A Joint Committee has been established for this program with an equal number of Company and Union Representatives and will meet at least two (2) times per year. The Committee has developed the purpose, goals, objectives and structure of the program. The method for making decisions and resolving disagreements on this Committee will be the consensus process.

## **ARTICLE XXV GENERAL PROVISIONS**

### **Section 1. Kaizen**

The Company recognizes the need to train associates in the proper utilization of Kaizen principles and techniques which will establish the foundation upon which constant improvements can be based and which will provide associates with the enthusiasm and motivation to continuously improve quality, productivity, cost and safety of operations. It shall be the responsibility of the **Superintendent** in the affected areas to constantly be aware of the Kaizen activity in each shop, to assign only qualified associates to perform such activities, and to notify the Safety and Maintenance sections and the Union Bargaining Committeeperson prior to implementation of the activity.

All problems concerning Kaizen group activities will be subject to a special meeting between the Bargaining Committee and the Vice President of Human Resources and two other representatives of Management for final resolution.

### **Section 2. Attendance**

*Regular attendance at work and reporting for work promptly are essential to improving productivity and quality and to the success of the team concept.*

Accordingly, it is understood that the individual associate is ultimately responsible for his regular and prompt attendance.

### **Section 3. Bulletin Boards**

- A. The Company will furnish six (6) bulletin boards to be used by the Union for posting of notices of meetings, elections, recreational events and similar notices. Bulletin boards shall be glass enclosed and lockable. Notices referring to controversial matters shall not be posted. The

location of said bulletin boards will be mutually agreed upon between the Union and the Company.

- B. All notices must be signed by the UAW Local 2488 Union President prior to posting.

#### **Section 4. Role of Team Leader**

A. Team Leaders for Special Projects

1. The Team Leader is recognized as an important resource to the Group Leader in the accomplishment of the Team's goals and objectives. The Group Leader has the final responsibility for all aspects of the Team's function and operation.
2. When a team is formed for a special project, the following will apply:
  - a. The Company will decide when special team activities require a Team Leader and will select and rotate associates for those positions from among all associates who have gained experience by successfully performing all aspects of the team activity. The Company, over a reasonable period of time, will provide on-the-job training to all associates in all aspects of team activity in order to give them an opportunity to gain such experience.
  - b. The Team Leader will coordinate the activity within his team, as directed by the Group Leader, to achieve the goals of the special activity for which the team was formed.

- c. Coordination of this activity within the team is to be accomplished through a spirit of team work and cooperation, not direct supervision by the Team Leader.

**B. Team Leaders for Daily Operations**

Prior to initiating Team Leaders for daily operations, the Company will meet with the Union to formalize a mutually acceptable program. The final program will include, with meaningful Union input and participation, a premium pay provision, a seniority system among the selected Team Leaders, and a selection process based on past performance, leadership ability, and satisfactory test results. The program will also entail a trial period in a designated section of the plant during which the effectiveness and the continuation of the program will be determined.

The parties understand the potential benefits of this program as it relates to quality and efficiency and will, in that spirit, reach consensus on its details prior to final implementation.

**Section 5. Shift Assignment**

- A. MMMA and the UAW recognize the need to maintain quality and efficiency of operations between and among shifts. MMMA and the UAW also recognize that from time to time an associate may desire to change shifts and should be provided a reasonable opportunity to do so. Such a shift change will be made in accordance with seniority, provided, the associate requesting the shift change has the qualification and ability to perform the work.
- B. Definitions:

1. New associate: Any associate with seniority of less than ninety (90) days.
2. Eligible associate: Any associate who has obtained ninety (90) or more days of seniority.

C. Shift assignments shall be made in the following manner:

1. The Company has the right to assign all new associates to any shift for up to ninety (90) days after his most recent date of hire. Such associates shall not be subject to displacement during that time, unless approved by the Company.
2. An eligible associate who makes application will displace a lesser seniority associate in his corresponding group on another shift provided the requested shift change does not affect the quality and efficiency of operations between and among shifts. The displaced associate shall then be reassigned to the corresponding group on the other shift.
3. An eligible associate who makes application and is assigned to a new shift will not be eligible for a shift change for three (3) months from the effective date of the prior shift change assignment, unless he is reassigned to another shift by the Company, or as a result of being displaced by a more senior associate, in which event he will be immediately eligible to make application for a shift change.
4. Shift preference requests will be honored for an eligible associate no later than two (2) weekends from the Monday following the date the application for reassignment was received by the Company. Both the associate granted the shift change and the associate reassigned will be given one (1)

week's notice. All shift changes will be made on the first work day of the work week, unless mutually agreed otherwise.

- D. During the launch of a new vehicle, introduction of a new model, start-up or discontinuance of a shift, for an associate to train or to be trained, or to maintain quality and efficiency of operations, the Company may suspend the shift preference provisions in A through C above and/or assign associates from one shift to another shift. Normally, such suspensions and/or assignments will last until production has returned to normal or the need for training has been accomplished, or a period of time not to exceed ninety (90) days, whichever is shorter. However, this period may be extended by mutual agreement between the Company and the Union.
- E. The Union understands the nature of the automobile manufacturing business and will cooperate with the Company in the implementation of this agreement. The Company will keep the Union advised of matters relating to these provisions as far in advance as is reasonable under the circumstances.

## **Section 6. Clothing and Foul Weather Gear**

The Company will provide each associate with eight (8) clothing items (shirts, pants, and belts) each anniversary year.

Should the Company anticipate outside work assignments, it will, when reasonable, notify the affected associates on the day before such an assignment. The associate will be expected to dress appropriately. Should adverse weather conditions arise, the Company will issue foul weather gear for associates' use. Coveralls will be provided for associates' use on an as needed basis for product protection and for protecting associates' uniforms from extraordinary damage or wear.

All such clothing and foul weather gear will be available for the associates' use at no cost.

## **Section 7. Tools**

Since the opening of the plant, MMMA, as a matter of Company policy, has provided associates with adequate tools necessary to perform their work. The Company will continue this policy.

## **Section 8. Physical Examinations**

- A. An active associate will be paid his base rate, plus applicable shift and seven-day operation premiums, and the amount of any cost-of-living allowance then in effect, for scheduled work time lost for Company required physical examinations.
- B. An associate required to undergo a medical examination by the Company as a result of a job requirement or to diagnose a medical condition, may have an independent third party physician, selected by the parties, resolve any dispute between the Company medical doctor and the associate's medical doctor on the findings of the Company's medical examination. The cost of the independent third party physician shall be shared equally by the Company and the Union.
- C. An associate's medical records will be made available within five (5) working days following receipt of a written request from an associate. Once the complete medical record is provided to the associate, subsequent requests will be limited to records compiled after the last submission.

## ARTICLE XXVI BENEFITS

### Section 1. Benefits

A. The current Health Care Insurance Plans will remain in effect until December 31, 2001. The effective date of any modifications to health care will be January 1, 2002 unless specifically identified. The effective date of any modifications to Life, ADD, and Disability insurances will be September 1, 2001 unless specifically identified.

B. During the term of the Collective Bargaining Agreement, the Company shall not, without the agreement of the Union, amend, suspend or terminate the Plans and Programs referenced herein except as required to qualify or maintain the Plans and Programs in accordance with the Employee Retirement Income Security Act of 1974 (ERISA) as amended, the Internal Revenue Code of 1986 as amended, or any other applicable Federal law and related regulations.

*The Company may change insurance carriers or claims administrators through which it provides the Group Insurance Program and the Health Care Program except, for the duration of this Agreement Blue Cross and Blue Shield Illinois may only be changed with the consent of the Union. However, prior to any change in carrier or claims administrator the parties will meet and confer over the reasons for any change at least sixty (60) days in advance of such change. The change in carrier or claims administrator shall not result in any loss of benefits to the associates.*

C. The Group Insurance Program, Health Care Insurance Program, Retiree Benefits, Benefits for Layoff & Disability, Pension Plan, 401(k) Savings Plan and Layoff Benefit Plan are summarized in this Article, Sections 2 through 8. The interpretation and application of these plans will be in

accordance with the provisions for the specific coverages as described in the official plan documents. More detailed summary plans descriptions will be available to each associate. The following are brief outlines highlighting significant features of each program and are not to be construed as specific terms and conditions of each plan.:

- D. The Benefits Outline in this Article XXVI includes the following Plans:

Section 2. Group Insurance Program

- A. Life and ADD Insurance
- B. Voluntary Term Life
- C. Sickness and Accident
- D. Long-term Disability

Section 3. Health Care Insurance Program

- A. Medical Insurance - PPO
- B. Medical Insurance - HMO
- C. Dental Program
- D. Vision Program
- E. Hearing Aid Expense Program

Section 4. Retiree Benefits

- A. Retiree Health Care Coverage
- B. Medicare Part B Reimbursement

Section 5. Benefits for Layoff & Disability

Section 6. Pension Plan

Section 7. 401(k) Savings Plan

Section 8. Layoff Benefits Plan

- E. Dependent as used in these plans means spouse and eligible children as defined by the Auto National Account Program (ANAP) at the time of November 1, 1989.

- F. When both husband and wife are employed by Mitsubishi Motor Manufacturing of America, Inc., **each may enroll in a different health care benefit plan option. However, an associate cannot be listed as the primary enrollee on one health care benefit plan option and also be listed as a dependent under another health care benefit plan option provided by the Company. In addition, dependent children cannot be enrolled under more than one health care benefit plan option.**
- G. Effective January 1, **2002**, and with mutual agreement between the parties, the Company may make arrangements for eligible associates to have the opportunity to join additional alternative health care plans if alternatives are available. Such an alternative plan may be referred to, but not limited to, a Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Exclusive Provider Organization (EPO), Dental Maintenance Organization (DMO), etc. The Company's contributions toward coverage under such an alternative plan shall not be greater than the amount the Company would have contributed to the PPO Medical Plan. The health care options will be offered once annually subject to the continued availability and approval of the respective plan by the parties.
- H. The provisions of this Article are not subject to the Problem Resolution Procedure provisions in this agreement.

## Section 2. Group Insurance Program

### A. LIFE AND ADD INSURANCE

	<u>Life Insurance</u>	<u>Accidental Death &amp; Dismemberment Insurance</u>
TYPE:	Term Insurance	Term Insurance
ELIGIBILITY:	First day of the calendar month that coincides with or is just after the date of the associate's employment. If he is not actively at work on the day he would normally become eligible, the associate will be eligible on the day he returns to active work.	First day of the calendar month that coincides with or is just after the date of the associate's employment. If he is not actively at work on the day he would normally become eligible, the associate will be eligible on the day he returns to active work.
EMPLOYEE CONTRIBUTION:	None	None
BENEFITS:	110% of annualized base rate exclusive of COLA, applicable shift premium, overtime premium, or any other premium to a maximum of \$70,000.	110% of annualized base rate exclusive of COLA, applicable shift premium, overtime premium, or any other premium up to a maximum of \$70,000. Schedule of benefits for loss of limbs or sight.

**ACCELERATED  
BENEFIT:**

A terminally ill associate who has a life expectancy not to exceed twelve (12) months, may receive an accelerated death benefit.

Associates would be eligible to receive 50% of their benefit, up to a maximum of \$50,000, prior to death.

Beneficiaries would receive the remaining benefits after the associate's death.

**B. VOLUNTARY TERM LIFE**

A voluntary term life insurance program is offered to associates on an employee-pay-all basis. Associates will be eligible on the first of the month that coincides with or is just after the associate's employment, subject to enrollment guidelines.

**C. SICKNESS AND ACCIDENT**

**DEFINITION:**

If, while insured for these benefits, the associate becomes disabled due to an accidental injury or sickness covered by these benefits, a weekly benefit is payable. He must be unable to do all duties pertaining to his

work. Payment will be made after the waiting period provided he remains so disabled. The associate must be under the direct care of a doctor; such care starts when the doctor examines the associate.

**ELIGIBILITY:** First day of the calendar month that coincides with or is just after the date the associate completes six (6) months of service. If he is not actively at work on the day he would normally become eligible, the associate will be eligible on the day he returns to active work.

**EMPLOYEE CONTRIBUTION:** None

**BENEFITS PAID:** Benefits will commence on the later of the first day absent from work or the first day of attendance by a legally qualified physician in the event of absence from work due to bodily injury, hospitalization (defined as a physician certified hospital stay of 23 hours or more or out-patient surgery), and the eighth day from the later of the first day of absence from work or the day of attendance by a legally qualified physician in the event of absence from work due to illness.

If the physician certifies that the absence was due to injury, hospitalization, or illness, the Company will recognize up to

two (2) days prior to the office or hospital visit as the start of the Sickness and Accident benefits.

**BENEFIT:** 60% of the associate's weekly base rate before the start of the period of disability for which a benefit is paid, adjusted to the next higher dollar, to a maximum of \$800.

#### **D. LONG-TERM DISABILITY**

**DEFINITION:** A benefit will be provided to an associate who is totally disabled so as to be prevented because of bodily injury or disease from engaging in regular employment or occupation for remuneration or profit with the Company at the plant or plants where he has seniority.

**ELIGIBILITY:** First day of the calendar month that coincides with or is just after the date the associate completes six (6) months of service. If he is not actively at work on the day he would normally become eligible, the associate will be eligible on the day he returns to active work.

**EMPLOYEE CONTRIBUTION:** None

**EMPLOYEE BENEFITS BEGIN:** After 52 consecutive weeks of total disability or after final payment is made under the

Sickness and Accident Benefits,  
whichever is later.

**BENEFITS  
DURATION:**

For disabilities commencing prior  
to September 1, 1998:

For associates with ten (10) or more years of service whose disability commences prior to age 60, Long-term Disability benefits will be paid until the first to occur of (a) the associate's 65th birthday, or (b) recovery.

For associates with ten (10) or more years of service whose disability commences on or after age 60, Long-term Disability benefits will be paid for a period equal to the lesser of (a) 60 months, (b) the period until age 70 (or 12 months, if greater than the period to age 70) or (c) recovery.

For associates with less than ten (10) years of service, the period Long-term Disability benefits are paid will not exceed the associate's seniority at the time the disability began.

For disabilities commencing on  
or after September 1, 1998:

For associates whose disability commences prior to age 60, the period Long-term Disability benefits are paid will not exceed

the associate's seniority at the time the disability began, but not later than the earlier of (a) age 65, or (b) recovery.

However, for associates with ten (10) or more years of service whose disability commences on or after age 50, Long-term Disability benefits will be paid until the first to occur of (a) the associate's 65th birthday, or (b) recovery.

For associates whose disability commences on or after age 60, Long-term Disability benefits will be paid for a period equal to the seniority at the time the disability began, but not later than the earlier of (a) 60 months, (b) the period until age 70 (or 12 months, if greater than the period to age 70) or (c) recovery.

**BENEFIT:**

53% of the associate's monthly base rate just before the start of the period of disability to a maximum of \$3,750.

**Section 3. Health Care Insurance Program**

**A. MEDICAL INSURANCE - PPO**

**ELIGIBILITY:**

An associate will become eligible for medical benefits on the date he attains seniority. An associate who previously had medical coverage as a supplemental worker will retain that benefit

HOSPITAL SERVICES	PPO Coverage	Non-PPO Coverage
<b>Inpatient Hospital Services:</b> Room allowance based on the hospital's most common semi-private room rate. Pre-Admission Testing, Skilled Nursing, Facility and Coordinated Home Care are paid on the same basis.	100%	80%
<b>Inpatient Psychiatric &amp; Substance Abuse:</b> Maximum day limit per admission is 45 days with a 60-day renewal period. Patient must first access the EAP and receive referral to receive in-network benefit levels.	100%	80%
<b>Medical/Surgical Benefits:</b> For inpatient or intensive care; medical and surgical care; inpatient consultations; anesthetics.	100%	80%
<b>Outpatient Hospital Services:</b> Includes Radiation and Chemotherapy.	100%	80%
<b>Outpatient Surgery &amp; Diagnostic Tests:</b> Hospital Services	100%	80%

PHYSICIAN SERVICES	PPO Coverage	Non-PPO Coverage
<b>Well Baby Care:</b> To age 1. Services provided by a Participating Physician payable at 100% up to \$100; 70% thereafter. State required immunizations as of September 1, 1998 to age 19.	100%	Not in Benefit*
<b>Outpatient Surgery &amp; Diagnostic Tests:</b> Physician services, including surgery and tests performed in physician's office.	100%	80%
<b>Office Visits</b>	70%	Not in Benefit*
<b>Outpatient Psychiatric:</b> Patient must first access the EAP and receive a referral to receive in-network benefit levels.	100% for visits 1-5; 90% for visits 6-10; 75% co-insurance thereafter; <b>25</b> visit calendar year maximum	80% for visits 1 – 5; 72% for visits 6 – 10; 60% co-insurance thereafter; <b>25</b> visit calendar year maximum
<b>Outpatient Substance Abuse:</b> 35 visits per calendar year; 140 lifetime. Patient must first access the EAP and receive a referral to receive in-network benefit levels.	100%	80%

OTHER BENEFITS	PPO Coverage	Non-PPO Coverage												
<b>Transplant Coverage:</b> Kidney, cornea, and bone marrow transplants in approved facilities paid as any other condition. Heart, heart-lung, lung, pancreas and liver transplants in approved facilities paid as any other condition with a separate lifetime maximum benefit for physician services of \$25,000.														
<b>Emergency Medical:</b> Emergency services payable if treatment is within 72 hours of accident or onset of illness.	100%	100%												
<b>Early Detection Screening:</b> <u>Effective January 1, 2002, the following early detection screenings will be covered:</u> <table data-bbox="66 786 501 1321"> <thead> <tr> <th data-bbox="66 786 319 813"><u>TEST</u></th> <th data-bbox="319 786 501 813"><u>FREQUENCY</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="66 813 319 878"><u>Blood Cholesterol</u></td> <td data-bbox="319 813 501 878"><u>Every 5 years after age 20</u></td> </tr> <tr> <td data-bbox="66 911 319 976"><u>Fecal Occult Blood</u></td> <td data-bbox="319 911 501 976"><u>Annually after age 50</u></td> </tr> <tr> <td data-bbox="66 1008 319 1073"><u>Sigmoidoscopy**</u></td> <td data-bbox="319 1008 501 1073"><u>Every 5 years after age 50</u></td> </tr> <tr> <td data-bbox="66 1105 319 1203"><u>Colonoscopy**</u></td> <td data-bbox="319 1105 501 1203"><u>Every 10 years after age 50</u></td> </tr> <tr> <td data-bbox="66 1235 319 1321"><u>Barium Enema X-Ray**</u></td> <td data-bbox="319 1235 501 1321"><u>Every 5-10 years after age 50</u></td> </tr> </tbody> </table> <p data-bbox="66 1354 453 1386"><b>**one test of the three allowed</b></p>	<u>TEST</u>	<u>FREQUENCY</u>	<u>Blood Cholesterol</u>	<u>Every 5 years after age 20</u>	<u>Fecal Occult Blood</u>	<u>Annually after age 50</u>	<u>Sigmoidoscopy**</u>	<u>Every 5 years after age 50</u>	<u>Colonoscopy**</u>	<u>Every 10 years after age 50</u>	<u>Barium Enema X-Ray**</u>	<u>Every 5-10 years after age 50</u>	100%	<b>Not in Benefit*</b>
<u>TEST</u>	<u>FREQUENCY</u>													
<u>Blood Cholesterol</u>	<u>Every 5 years after age 20</u>													
<u>Fecal Occult Blood</u>	<u>Annually after age 50</u>													
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<u>Colonoscopy**</u>	<u>Every 10 years after age 50</u>													
<u>Barium Enema X-Ray**</u>	<u>Every 5-10 years after age 50</u>													

<b>OTHER BENEFITS (Continued)</b>		
<b>Mammography:</b> Payable according to the American Cancer Society guidelines.	100%	Not in Benefit*
<b>Prescription Drugs:</b> (excludes Contraceptives). Drug coverage is effective the first of the month following six full months of employment.  Mail order prescriptions provided by mail order vendor.	<b>Generic \$3 copay;</b> <b>Brand \$5 copay</b>  Mail Order: <b>Generic \$3 copay;</b> <b>Brand \$5 copay</b>	75% after <b>Generic \$3 copay;</b> <b>Brand \$5 copay</b>  Mail Order: <b>Generic \$3 copay;</b> <b>Brand \$5 copay</b>
<b>Additional Surgical Opinion: Voluntary Basis</b>	100%	
<b>Other Covered Services: Ambulance Services; durable medical equipment; prosthetic devices; orthotic devices; hospice care; home health care.</b>	100%	
<b>Allergy Treatment:</b> Office visits, tests, treatment.	50%; \$500 annual; \$5000 lifetime	0
<b>Physical Therapy:</b> In outpatient hospital setting or Medicare approved facility, 60 visit annual maximum. In certain other approved facilities and physician offices, 30 visit annual maximum. Total physical therapy visits at all covered facilities cannot exceed 60 visits annually.	100%	80%

Hearing Exams	100% every 36 months
Hearing Aids	100% every 36 months
Vision Exams	\$5.00 copay for up to one exam every 2 years
Transplants	100%
Chemotherapy	100%
Family Planning & Infertility	100%

**C. DENTAL PROGRAMS**

**ELIGIBILITY:** First day of the month following twelve (12) months of employment.

**GENERAL DESCRIPTION:** A standard dental plan. The associate may choose any licensed dentist.

**ANNUAL DEDUCTIBLE:** \$50 per person/maximum of \$100 per family. No deductible on diagnostic and preventative services.

**COVERAGES:** **Type A Services** are paid at 100% of Reasonable and Customary (R&C). Covered Type A Services include:

- ◆ Oral examinations, including teeth scaling and cleaning three (3) times per **calendar** year
- ◆ Topical fluoride treatment up to age 20, and over age 20 if medically necessary

- ◆ Emergency treatment to relieve pain or discomfort
- ◆ Space maintainers for dependent children under age 19 to replace prematurely lost teeth
- ◆ One (1) set of bitewing X-rays per calendar year and one (1) set of full mouth X-rays every five years.
- ◆ Effective January 1, 2002, four cleanings per calendar year will be covered for two full calendar years following periodontal surgery.

**Type B Services** are paid at 90% of Reasonable & Customary (R & C). Covered Type B Services include:

- ◆ Additional bitewing or full mouth X-rays "required" for diagnosis of a specific condition requiring treatment.
- ◆ Amalgam, silicate, acrylic, synthetic porcelain, and composite fillings
- ◆ Inlays, onlays, gold fillings or crowns, but only if the tooth cannot be restored with an amalgam, silicate, acrylic synthetic porcelain or composite filling
- ◆ Extractions
- ◆ Oral surgery

- ◆ Medically necessary general anesthesia in connection with oral or dental surgery
- ◆ Periodontal treatment for mouth tissues and gum disease, excluding extra-coronal and other splinting
- ◆ Endodontic treatment, including root canal therapy
- ◆ Antibiotic injections by the dentist
- ◆ Repairs or recementing of crowns, inlays, bridgework, or dentures

**Type C Services** are paid at 50% of R & C. Covered Type C Services include:

- ◆ Extracoronral and other splinting when an integral part of a complete course of periodontal treatment
- ◆ Initial installation of fixed bridgework (including inlays and crowns as abutments)
- ◆ Initial installation of partial or full removable dentures
- ◆ Replacement of or additions to bridgework or dentures. Dentures normally will be replaced by dentures. If a professionally adequate result can be achieved only with bridgework, the Plan will recognize those charges.

**Orthodontic Treatments** for children under age 19 are paid at 50% of R & C. Orthodontic services are covered if treatment is to:

- ◆ Move or reposition the teeth, or
- ◆ Realign or reshape the jaws when misalignment is caused by accidental injury or is due to abnormal development. The Plan does not pay for the replacement or repair of an orthodontic appliance.

**Maximum Benefit**

\$1,400 per calendar year; \$1,500 effective January 1, 2002; and \$1,600 effective January 1, 2003, excluding orthodontic expenses

**Orthodontic Maximum Benefit**

\$1,500 per lifetime; \$1,700 effective January 1, 2002; and \$1,800 effective January 1, 2003 for children as long as any treatment begins prior to age 19.

**D. VISION PROGRAM**

**ELIGIBILITY:**

First day of the month following twelve (12) months of employment. (Vision exams for individuals covered by an HMO Medical Plan will be provided by the HMO based on the terms of

the HMO. All other provisions will be as stated below.)

Basic details of the plan are summarized below:

	Participating Provider	Non-Participating Provider
Examination	Usual & customary charge less deductible	75% of usual & customary charge less deductible
Regular Lenses	Acquisition cost less deductible	Up to \$13 single vision Up to \$20 bifocal Up to \$24 trifocal
Contact Lenses		
Cosmetic	Acquisition cost up to \$75	Up to \$35
Medically Necessary	Acquisition cost less deductible	Up to \$96
Frame	Up to a maximum acquisition cost of <b>\$19.75</b> less deductible	Up to \$14
Deductible		
Examination Material	\$5 \$7.50	\$5 None
Frequency of Covered Service		
Examination	24 months	24 months
Lenses	24 months	24 months
Frame	24 months	24 months

## **E. HEARING AID EXPENSE PROGRAM**

**ELIGIBILITY:** First day of the month following twelve (12) months of employment. (Individuals covered by an HMO Medical Plan will have hearing coverage provided through the HMO based on the terms of the HMO.)

Basic details of the plan are summarized below:

Covered Services after Initial, Non-Covered <u>Examination</u>	<u>Participating Provider Only</u>
Audiometric Exam	Usual customary charge
Hearing Aid Evaluation	Up to <u>\$111</u>
Hearing Aid Appliance	<u>Up to \$1,500 for acquisition cost plus dispensing fee</u>
Frequency of Covered Service	Once every 36 months
Number of Aids Covered	One aid except under certain circumstances for eligible children under age 20 where two aids may be covered.

### **Section 4. Retiree Benefits**

#### **A. Retiree Health Care Coverage**

**EFFECTIVE DATE:** January 1, 2002

**ELIGIBILITY:** Associates who retire on or after the effective date after attaining

age 62 with at least 10 years of service accrued after age 50.

**COVERAGE:**

Retirees, spouses, and surviving spouses who were covered under the active plan at the time of the associate's retirement, will be covered. Spouses must be married to the retiree for at least one year prior to retirement. Surviving spouses will only be covered until the earlier of death or remarriage.

**BENEFITS:**

The Company will provide the retiree and the retiree's spouse who is over age 65 with a Medigap E Policy. The Company will make arrangements to provide a special prescription drug plan with copays equal to the active prescription drug plan and a \$6,000 annual maximum per person. In addition, each year the Company will reimburse up to \$120 for any combination of the following preventative health services;

- a. an annual clinical preventive medical history and physical examination which may include tests and services from item b. below and patient education to address preventive health care measures;

- b. any one or a combination of the following preventive screening tests or preventive services, the frequency of which is considered medically appropriate:
- (i) fecal occult blood test and/or digital rectal examination;
  - (ii) mammogram;
  - (iii) dipstick urinalysis for hematuria, bacteriuria and proteinuria;
  - (iv) pure tone (air only) hearing screening test, administered or ordered by a physician;
  - (v) serum cholesterol screening (every five (5) years);
  - (vi) thyroid function test;
  - (vii) diabetes screening;
- c. influenza vaccine administered at any appropriate time during the year and Tetanus and

Diphtheria booster (every ten (10) years);  
d. any other tests or preventive measures determined appropriate by the retiree's attending physician.

The Company will also provide an At-home Recovery Benefit equal to the At-home Recovery Benefit provided under Medigap J and subject to the same requirements, limitations and exclusions.

Retirees, spouses, and surviving spouses who are under age 65 will receive the COBRA coverage (medical and prescription drug only) from the Company for up to 60 months following the associate's retirement. After 60 months, coverage for spouses may be continued until age 65 upon payment of the full COBRA premium.

B. Medicare Part B Reimbursement

The Company will pay the Medicare Part B Premium up to the maximums shown in the schedule below for retirees age 65 and older if they retire from the Company on or after attaining age 55 with 5 years of service.

The Company will pay the Medicare Part B premium for the retiree's spouse if the retiree was married to the spouse at least one year prior to retirement.

**For the terms of this Agreement, the maximum monthly reimbursement will be \$72.30.**

In the event of a retiree's death, benefits will continue to the surviving spouse until the earlier of death or remarriage.

**Section 5. Benefits for Layoff & Disability**

As of the effective date, provide that Life and Health coverages will be maintained in force following layoff or disability leave as follows:

- A. Life, Accidental Death and Dismemberment, Hospital, Surgical, Medical, Drug, Dental, Vision and Hearing Aid coverage will be continued to the end of the month following the month of layoff. Beyond such date, all but Dental and Disability coverage will be continued as shown in the following table. The Disability benefit coverages will cease as of the date of layoff.

Years of Seniority	Number of Months Coverage Continuation
Less than 1	0
1 but less than 2	3
2 but less than 3	5
3 but less than 4	7
4 but less than 5	9
5 but less than 10	12
10 and over	24

- B. Life, Accidental Death and Dismemberment, Hospital, Surgical, Medical, Drug, Dental, Vision and Hearing Aid coverage will be continued while on disability leave for a period of time equal to the length of leave or the length of the associate's seniority as of the day preceding the date of disability, whichever is less. Disability coverage will cease as of the last day worked.

## Section 6. Pension Plan

EFFECTIVE DATE: January 1, 1988

ELIGIBILITY: The first entry date coinciding with or next following the completion of one (1) year of vesting service.

EMPLOYEE CONTRIBUTION: None

NORMAL RETIREMENT BENEFIT

AMOUNT: The amount of monthly normal retirement benefit is equal to:

- (i) \$40.00 multiplied by his Benefit Service for retirements through 9/30/2001;
- (ii) \$43.25 multiplied by his Benefit Service for retirements through 9/30/2002;
- ~~(iii) \$45.25 multiplied by his Benefit Service for retirements through 9/30/2003; and~~
- ~~(iv) \$47.45 multiplied by his Benefit Service for retirements on or after 10/1/2003;~~

**SPECIAL EARLY  
RETIREMENT  
BENEFIT  
AMOUNT:**

Associates who retire on or after January 1, 1998, who are at least age 55 with 10 years of service at retirement will be eligible to commence benefits early with reductions of 5% for each year commencement precedes the associate's 62nd birthday. No reduction will be made in the accrued pension if commencement occurs after age 62.

**VESTING:**

100% vested after five (5) years of service.

**BENEFIT  
PAYMENTS:**

An associate may retire and receive full benefits when he reaches age 65 or at any age after that. Early retirement is permissible at age 55 if the associate has five (5) years of service, but his benefits will be reduced. The associate has the option of single life annuity, joint and 60% survivor annuity, joint and 100% survivor annuity pay-out methods, and ten (10) year certain and life annuity.

**JOINT PENSION  
BOARD:**

The Joint Pension Board which includes equal members from the Company and the Union, and if necessary, an impartial chairman, acts as a body to:

- ◆ Determine eligibility for benefits under the Plan.
- ◆ Verify the calculation of any benefit payable under the Plan was done in accordance with the requirements of the Plan and all applicable law and regulatory requirements.
- ◆ Resolve disputes that arise out of the Plan Administration including the use of an impartial chairman, if necessary.
- ◆ Administer and carry out the rules and procedures set forth in the Plan.
- ◆ Receive, at least annually, applicable reports that show fund receipts, disbursements, and assets of the fund.

**OTHER  
BENEFITS:**

A pre-retirement 50% surviving spouse's benefit for fully vested members. All members are eligible for disability retirement and will continue to accrue benefit service while disabled.

## Section 7. 401(k) Savings Plan

**ELIGIBILITY:** First of the month after obtaining seniority, subject to enrollment criteria.

**EMPLOYEE CONTRIBUTION:** Associates will be allowed to contribute up to 20% of their total earnings into the Savings plan on a pre-tax basis subject to IRS limits.

**COMPANY CONTRIBUTION:** The Company will match the first 3% of base rate the associate saves with another 70% contribution.

The Company will be responsible for the administrative costs of the 401(k) Plan. These costs will not be paid out of the trust fund assets.

**VESTING:** Associate contributions are always fully vested. The vesting schedule for company contributions is as follows:

<u>Years of Service</u>	<u>Vested Percentage</u>
1	20%
2	40%
3	60%
4	80%
5	100%

Full vesting also occurs upon approved retirement from active service, total disability or death.

**INVESTMENT  
OPTIONS:**

The associate directs investment of all monies in one or more investment options. These investment options will be structured as a range of choices offering associates differing levels of risk and potential return. The Company has the ability to change investment options after meeting with the Union and discussing the reasons for change at least sixty (60) days prior to such change.

**WITHDRAWAL:**

An associate may withdraw his savings for any reason allowed by law. He will have to pay ordinary income tax on the money he withdraws, and possibly a penalty tax depending on the reasons for his withdrawal.

Legal reasons for withdrawing money from the Plan currently include:

- ◆ reaching age 59 ½
- ◆ retiring
- ◆ terminating employment
- ◆ becoming disabled
- ◆ financial hardship, and
- ◆ death.

**LOANS:**

Two (2) loans (but no more than one every 12 months) are

available from the account within IRS 401(k) borrowing guidelines.

## **Section 8. Layoff Benefit Plan**

**ELIGIBILITY:** After completion of ninety (90) calendar days of employment beginning with the first day worked of the most recent date of hire.

**EMPLOYEE CONTRIBUTION:** None

**PAYMENT OF BENEFITS:** Benefit will be paid to an eligible associate equal to an amount which, when added to any governmental benefit, does not exceed 80% of the associate's base rate plus COLA and, if applicable, shift premium and seven-day operation premium that was in effect on the last day at work prior to the layoff. Payment for layoffs less than a week will be pro-rated on an hourly basis. Payment of benefits will be contingent upon the associate applying for and receiving state and federal governmental benefits, if otherwise available.

**DURATION OF BENEFITS:** Benefits will be paid for the duration of the layoff, but not more than an accumulation of 70 weeks for associates with 5

years or more of seniority during any three (3) year period. For associates with less than 5 years of seniority, benefits will be paid for not more than an accumulation of 52 weeks during any three (3) year period.

No benefit will be paid in the event of a work stoppage, or any fault attributable to the associate.

## HEALTH CARE PROGRAM

The current Health Care Program (including Medical, Prescription Drug, Vision, Hearing, and Dental benefits) will continue in effect during the terms of this Agreement with the modifications noted in Section 3 of Article XXVI and those below.

1. Effective upon receipt by the Company from the Union of notice of ratification of this Agreement, aqua therapy will be a covered service under the PPO Medical Plan physical therapy provision.
2. The PPO Medical Plan will cover a hospital stay in connection with childbirth for up to 48 hours following a vaginal delivery or up to 96 hours following a delivery by cesarean section.
3. Effective January 1, 2002, wigs and appropriate related supplies shall be a covered benefit for enrollees under the age of 18 subject to the limitations outlined below for those enrollees suffering hair loss from the effects of chemotherapy.
  - a. For the purchase of a wig and necessary related supplies (stand and tape coverage will be provided) up to \$200.
  - b. Thereafter, at intervals of not less than 12 months, coverage will be provided up to \$125 towards the purchase of a wig and necessary related supplies.
4. If an associate is enrolled in the HMO medical plan, the Dental Plan will cover fully bony impacted wisdom teeth at 100% of usual and customary charges and without deductibles if the procedure is medically necessary and is not covered under the medical plan.

5. Effective January 1, 2002, the Company will make available one yearly flu shot through the Company's onsite medical clinic. Eligible dependents can receive one (1) flu shot per calendar year payable under the applicable medical insurance office visit provision.
6. Effective January 1, 2002, the frame allowance under the Vision Plan will increase to \$19.75 from the current \$18.75.
7. The PPO Maintenance Legend Drug list will be expanded to include the following drugs in 100 unit doses, or a 34 day supply, if greater:
- Atorvastatin calcium
  - Glimepiride
  - Losartan potassium
  - Metformin hydrochloride
  - Moexipril
  - Montelukast sodium
  - Nisoldipine
  - Trandolapril
  - Valsartan
  - Zafirlukast
8. Effective January 1, 2002, the hearing aid evaluation benefit under the Hearing Aid Expense Program will increase from \$107 to \$111. The maximum covered hearing aid expense for a hearing aid evaluation test shall be adjusted on January 1 of each year, beginning in 2003, by the percentage increase as of the October levels in the Combined Consumer Price Index (CPI) for the immediately preceding twelve months. The adjustment will be determined in accordance with changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (revised CPI-W) (United States City Average) published by the Bureau of Labor Statistics (1967=100). The results will be rounded to the nearest dollar.

9. For active associates who die, their spouse and dependents who are receiving coverage for health, prescription drug, vision, hearing and dental will receive coverage until midnight on the 90<sup>th</sup> calendar day following the death of the associate.
10. Effective January 1, 2002, the annual maximum for dental services per calendar year under the Dental Plan will be increased from \$1,400 to \$1,500; and effective January 1, 2003 to \$1,600.
11. Effective upon receipt by the Company from the Union of notice of ratification of this Agreement, refractive error will be covered under the vision examination benefit provision.
12. Effective January 1, 2002, the orthodontia lifetime maximum under the Dental Plan will increase from \$1,500 to \$1,700; and effective January 1, 2003 to \$1,800 for children under age 19. If treatment begins prior to age 19, the child will be covered until the first to occur of a) the lifetime maximum is met, or b) treatment is complete.
13. Effective January 1, 2002, coverage for Hepatitis C (HCV) screenings will be payable under the PPO office visit provision if the enrollee is at risk or when signs or symptoms may indicate a Hepatitis C infection.
14. Effective January 1, 2002, dental coverage will be extended from age 23 to age 25 for unmarried dependent children who go to school on a regular basis and depend solely on the employee for support.
15. Effective January 1, 2002, four cleanings per calendar year will be covered at 100% reasonable and customary for two full calendar years following periodontal surgery under the Dental Plan.

## **GROUP INSURANCE PROGRAM**

The current Life, Accidental Death and Dismemberment (AD&D), Sickness and Accident, and Long-term Disability Insurance will continue in effect during the terms of this Agreement with the modifications noted **in Section 2 of Article XXVI.**

## RETIREE HEALTH CARE BENEFITS

The current Retiree Benefits will continue in effect during the terms of this Agreement with the modifications noted in Section 4 of Article XXVI and those noted below.

1. Effective January 1, 2002, the Company will replace the Medigap J Policy with a Medigap F Policy for the retiree and retiree's spouse who is over age 65. The Company will make arrangements to provide a special prescription drug plan with the active prescription drug plan co-pays and a \$6,000 annual maximum per person.

In addition, each year the Company will reimburse up to \$120 for any combination of the following preventative health services:

- a. an annual clinical preventive medical history and physical examination which may include tests and services from item b. below and patient education to address preventive health care measures;
- b. any one or a combination of the following preventive screening tests or preventive services, the frequency of which is considered medically appropriate:
  - (i) fecal occult blood test and/or digital rectal examination;
  - (ii) mammogram;
  - (iii) dipstick urinalysis for hematuria, bacteriuria and proteinuria;
  - (iv) pure tone (air only) hearing screening test, administered or ordered by a physician;
  - (v) serum cholesterol screening (every 5 years);
  - (vi) thyroid function test;
  - (vii) diabetes screening;

- c. influenza vaccine administered at any appropriate time during the year and Tetanus and Diphtheria booster (every 10 years);
- d. any other tests or preventive measures determined appropriate by the retiree's attending physician.

The Company will also provide an annual maximum \$1600 At-home Recovery Benefit equal to the At-home Recovery Benefit provided under Medigap J and subject to the same requirements, limitations and exclusions.

- 2. Effective January 1, 2002, retirees, spouses, and surviving spouses who are under age 65 will receive the COBRA coverage (medical and prescription drug only) from the Company for up to sixty (60) months following the associate's retirement. After sixty (60) months, coverage for spouses may be continued until age 65 upon payment of the full COBRA premium.
- 3. Effective January 1, 2002, all retired associates and eligible spouses or surviving spouses who are receiving or entitled to future Retiree Health Care Coverage under the terms of this Agreement or prior Agreements will be provided with retiree health care benefits as described in Section 4A of Article XXVI.

Notwithstanding the foregoing, the Company reserves the right to amend the terms or administration of the Retiree Benefits as may be required to assure compliance with legislative or regulatory changes.

## PENSION PLAN

The Company will continue to maintain the Mitsubishi Motor Manufacturing of America, Inc. Pension Plan for Associates (the "Pension Plan") as in effect at the close of the current contract, modified and supplemented, as noted in Section 6 of Article XXVI and as noted below.

1. For retirements on or after October 1, 2001, through September 30, 2002, the benefit level will be \$43.25 per month times years of Benefit Service. For retirements on or after October 1, 2002 through September 30, 2003, the benefit level will be \$45.25 per month times Benefit Service. For retirements on or after October 1, 2003, the benefit level will be \$47.45 per month times Benefit Service.

2. Disability Retirement Benefits:

For disabilities commencing on or after January 1, 1999, an associate will be considered disabled for purposes of the Pension Plan as long as he is totally and permanently disabled from performing a job for MMMA to which he would be entitled according to seniority. For disabilities commencing prior to January 1, 1999, the prior plan provisions will apply.

3. Benefit Increases for Retirees:

For retirees as of August 23, 2001, who, at the time of retirement, were at least age 60 and had 10 years of Benefit Service or were age 65 without regard to Benefit Service, will receive additional lump sum benefits in accordance with the following schedule:

Date of Payment	Lump Sum Amount
February 1, <b>2002</b>	<b>\$550</b>
February 1, <b>2003</b>	<b>\$550</b>
<b>February 1, 2004</b>	<b>\$550</b>
<b>February 1, 2005</b>	<b>\$550</b>

For deceased retirees who would have been eligible, **\$330** will be paid to a surviving spouse who is receiving ongoing benefits under the plan.

Notwithstanding the foregoing, the Company reserves the right to amend the terms of or administration of the Pension Plan as may be required to assure compliance with legislative or regulatory changes.

4. For retirement on or after October 1, 2001, the Qualified Joint and Survivor Annuity will be defined as a 60 percent survivor benefit instead of a 50 percent survivor benefit.

## 401(K) SAVINGS PLAN

The Company will continue to maintain the Mitsubishi Motor Manufacturing of America, Inc., Savings Plan for Associates (the "Savings Plan") as in effect at the close of the contract, modified and supplemented as noted in Section 7 of Article XXVI and as noted below:

1. During the course of this Agreement, the Company will agree to research fund options to potentially change the existing fund selection by adding or replacing fund(s). The Company will share the results of its finding with the Union and notify the Union prior to the implementation and/or replacement of the fund(s), if any.

Notwithstanding the foregoing, the Company reserves the right to amend the terms of or administration of the Savings Plan as may be required to assure compliance with legislative or regulatory changes.

## LEGAL SERVICES PLAN

The Company will continue the current Legal Services Plan during the term of this Agreement with the following modification:

1. Effective as of January 1, 2002, current retirees and associates who retire on or after January 1, 2002 and qualify to receive pension benefits will be eligible to participate in the Legal Services Plan.

## ARTICLE XXVII MMMA SUPPLEMENTAL WORKFORCE

### A. General

1. The parties recognize that, to the extent provided herein, and as mutually agreed to by the parties, it may be necessary to supplement the regular workforce with Supplemental Workers. A Joint Review Committee comprised of the local union bargaining committee and appropriate representatives of the International Union and the Company will review forecasts of expected requirements (quantity and usage) and approve requests for Supplemental Workers which exceed that provided for in this Agreement on a mutually agreeable basis. With respect to quantity, the parties agree there shall be up to two hundred (200) supplemental workers per shift for utilization on Monday, Friday, and Saturday. The usage, rights and benefits of such workers will be as indicated below.
  
2. Supplemental Workers are employees hired by the Company who will be primarily scheduled to work on Monday, Friday, and Saturday, unless such day is a holiday in which case Supplemental Workers may be used on the previous or next scheduled work day.
  - a) On the days Supplemental Workers are scheduled to work, they may be scheduled for all or any part of the hours posted for the department or section to which they are assigned.
  
  - b) Supplemental Workers may be scheduled to work overtime only after such overtime in excess of thirty (30) minutes has been offered to eligible full time associates within the branch.

- c) Supplemental Workers may be utilized on other days when excessive absenteeism adversely affects plant quality and production such as Halloween, Valentine's Day, opening day of deer season, and other days that the Company and the Union mutually agree that there may be unusually high absenteeism.
- d) The utilization of Supplemental Workers will not be considered as an infringement of the rights of full-time associates under the MMMA-UAW Collective Bargaining Agreement. Nevertheless, Supplemental Workers will not be used to avoid hiring regular, full-time associates.
3. Supplemental Workers will accrue no credit towards acquiring seniority. In the event such workers become full-time associates, they will be considered as new hires and will receive no credit towards acquiring seniority for time they were employed as Supplemental Workers.
4. Supplemental Workers may be discharged or otherwise terminated by the Company at any time without recourse to the Problem Resolution Procedure, provided, however, that cases of claimed discrimination on account of race, color, national origin; ancestry, marital status, age, sex, sexual orientation, religion, physical or mental handicap or unfavorable discharge from military service as per applicable law or cases of alleged violations of rights arising out of this Article may be taken up by the Union in the Problem Resolution Procedure.
5. Supplemental Workers will be subject to the Dues Checkoff and Union Security provisions of this Agreement. Monthly dues for Supplemental Workers will be as determined by the UAW.

6. Supplemental Workers will not be used for the purpose of establishing a production standard on an operation; nor will their performance be considered either in establishing a production standard or in a dispute over the production standard.
7. Supplemental Workers, except as mutually agreed to by the parties, are not subject to movement through the administration of the Shift Assignment Procedure.
8. It is recognized that the need and location of Supplemental Workers may vary from time to time. However, when practical, Supplemental Workers will be assigned to sections and groups to which they had previously been assigned provided such assignments do not adversely affect quality and production.
9. The termination of a Supplemental Worker, regardless of the reason, will not be considered an opening as defined under the Transfer Procedure.

#### B. Pay

Supplemental Workers will be paid the base wage for the classification to which they are assigned, subject to the provisions of Article XVII, Section 2, Hiring-In and Progression Rates with the understanding that wage increases pursuant thereto will progress in increments of five percent (5%) for every 960 hours of work up to the full base wage. Each increase will be effective at the beginning of the first pay period following the completion of the required number of hours of actual work by the Supplemental Worker for the Company.

Supplemental workers in progression who are hired as associates will continue to receive the applicable progression rate.

### C. Benefits

1. Supplemental Workers will have only such rights, privileges, compensation or benefits as are expressly provided under this Article, including the following provisions of this Agreement:
  - a) Article XV, Section 1 - Working Hours
  - b) Article XV, Section 2 - Relief and Lunch
  - c) Article XVII, Section 1 - Method of Payment
  - d) Article XVII, Section 2 - Hiring-In and Progression Rates
  - e) Article XVII, Section 3 - Shift Premium
  - f) Article XVII, Section 4 - Report Pay and Call-In Pay
  - g) Article XVIII - Cost-of-Living Allowance
  - h) Article XXV, Section 8 - Physical Examination
2. Supplemental Workers may be eligible for holiday pay only when the holidays set forth in the MMMA-UAW Collective Bargaining Agreement are observed on a Supplemental Worker's regularly scheduled work day, provided the worker has worked the last scheduled day prior to and the next scheduled day after such holiday(s).
3. Supplemental Workers will be provided life insurance coverage in the amount of \$3,750 and accidental death and dismemberment insurance coverage in the amount of \$1,875. A worker will become eligible for such coverages commencing as of the first day of the month following the month of hire. The Company will pay the full premium for these coverages for any

month in which an eligible worker receives pay from the Company for any time during such month. These coverages will cease, if otherwise in effect, as of the day employment is terminated.

4. Supplemental Workers and eligible dependents will be eligible for Medical coverage, (hospital, surgical, medical) but not Prescription Drug, Dental, Vision, Hearing, or other health care benefits, for any month in which the Supplemental Worker performs work for the Company following the point at which he has worked a total of 520 hours for the Company. In the event that the Supplemental Worker who has reached 520 hours is unable to work in a month, medical coverage will continue for that month, no additional coverage will be provided until the Supplemental Worker returns to active work.
5. Supplemental Workers will be eligible to participate in the Dependent Care Flexible Spending Account after he has worked a total of 520 hours.

**ARTICLE XXVIII  
CONTRACT WAIVER, RATIFICATION & TERM  
OF AGREEMENT**

**Section 1. Agreement Waiver and Separability**

**Waiver**

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

**Separability**

- A. In the event that any of the provisions of this Agreement are or become invalid or unenforceable by reason of any federal or state law, regulation, or court decision, the remaining unaffected provisions shall remain in full force and effect.
  
- B. If the applicable law renders invalid or unenforceable any of the provision(s) of this Agreement, the Company and the Union may agree upon a replacement for the affected provision(s). Such replacement provision(s) shall become effective immediately upon agreement of the Parties, without the need for further ratification by the Union membership, and shall remain in effect for the duration of this Agreement.

## **Section 2. Ratification**

This Agreement will become effective on the dates provided herein, subject to the International Union notifying the Company in writing that such Agreement was ratified by its respective membership.

## **Section 3. Term of Agreement**

### **A. Effective Dates**

This Agreement shall be in effect from the 24th day of August, 2001 through the 25th day of August, 2005 and shall continue in effect from year to year unless either party provides the notice of intent to modify or terminate set forth in Section 3.B below.

### **B. Method of Modification/Termination**

In order to modify or terminate this Agreement, the party seeking such modification or termination must give written notice to the other party of its intention to seek modification or termination of this Agreement at least sixty (60) days prior to the date on which this Agreement is due to expire. Failure to provide such timely notice will convert this Agreement into a year-to-year contract with said sixty (60) day notice being required before this Agreement can be modified or terminated.

### **C. Negotiations for a New Agreement or Extension**

In the interest of maintaining harmonious and peaceful labor relations, at least forty-five (45) days prior to the expiration date of this Agreement, the parties will begin negotiations for a new agreement. In the event the parties are unable to reach agreement before the termination of this agreement, the parties may agree, in writing, to extend this agreement for the purpose of permitting the parties every opportunity to reach a new agreement.

#### Section 4. Settlement Agreement

MITSUBISHI MOTOR MANUFACTURING OF AMERICA, INC., (hereinafter MMMA) and the INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, UAW, and its Local Union #2488, (hereinafter Union), have agreed to the terms and conditions of a Collective Bargaining Agreement covering MMMA associates, the contents of which are annexed hereto.

The Agreement shall continue in full force and effect until 11:59 p.m. on the 25th day of August, 2005, or thereafter as provided therein. Except as may otherwise appear in said Agreement, the provisions of the Agreement shall be effective beginning the first pay period following receipt by MMMA from the Union of Notice of Ratification of the Agreement.

The Agreement contains blanks in which dates are to be inserted for eligibility and payment of benefits. The parties agree to number the sections of the Agreement in such manner as shall be appropriate, as additions, deletions, and substitutions may require, and to change references and cross-references to sections of the Agreement accordingly.

This Agreement will become effective on the dates provided herein, subject to the International Union notifying the Company in writing that such Agreement was ratified by its respective membership.

The signatures hereon shall be applicable to each of the Agreements attached hereto in the same manner and with the same effect as if physically subscribed hereon.

Dated:           Normal, Illinois  
                    August 24, 2001

INTERNATIONAL UNION, UNITED  
AUTOMOBILE, AEROSPACE AND  
AGRICULTURAL IMPLEMENT WORKERS  
OF AMERICA,  
UAW  
AND ITS  
AFFILIATED LOCAL  
UNION 2488

MITSUBISHI MOTOR  
MANUFACTURING OF  
AMERICA,  
INCORPORATED

Nate Gooden  
Dennis Williams  
John Guinan  
John Byers  
Al Weygand  
Frank Musick  
Ron Dannenhower  
Mike LaCour  
Jerry Ruble  
John Collings  
Jim Howe  
Mark Haasis  
Justin Z. West  
Scott Andrews  
Brian Pataki  
Pat Renken  
Jhan Roberts  
Jim Tarr  
Gary Nichols  
Kathy Noble  
John Powell  
Tim Denaro  
Denny Drnjevic  
Diane Ware  
Sandra Haasis

Keizo Fuchita  
C. F. Neal, Jr.  
Karen Mueller  
Rita Patterson  
Eugene Schlueter  
Mel Hall  
Drew Huhra  
Mike Guttas  
John McMahon  
Rick Price  
Adolph Green  
Don Page  
Yoshihito Uematsu  
Jiro Nitta  
Makoto Takahashi  
Cindy Kirby  
Mickeisha Armstrong  
Michael Martin  
Sandy Smith  
Paula Schildt

## LETTER OF UNDERSTANDING ALTERNATIVE WORK SCHEDULE

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

The Company and Union agree to study the practicality of implementing mutually agreeable alternative work schedules, including, but not limited to, a three-crew operation, a four-day work week, flexible starting times.

Should the Company determine that a need for an alternative work schedule exists, it will advise the Union and the parties will negotiate for a period of six (6) months with the objective of reaching agreement on a mutually acceptable program that the parties agree to implement.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

## LETTER OF UNDERSTANDING APPRENTICE DEVELOPMENT

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the course of our negotiations, the Company and the Union spent considerable time discussing the need for additional apprentices. Consistent with these discussions and in response to current skilled trades demographics, the Company has agreed to place **four (4) apprentices** in the Apprenticeship Program **in each calendar year of 2002, 2003 and 2004.**

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING  
ARTICLE XIV**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

During the course of negotiations, the parties discussed the application of Article XIV, Section F, to future situations involving discipline or discharge for falsification of employment applications. It was agreed that the Company will not discharge or discipline an associate for falsification of his employment application or any other record connected with his seeking employment with MMMA after a period of three (3) years from his date of hire.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING  
ARTICLE XXVI**

August 24, 2001

**Mr. Nate Gooden**  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48218

Dear Mr. **Gooden**:

During the course of these negotiations, the parties discussed the retiree health care benefits.

Recognizing the changes occurring at a national level regarding Medicare and health care cost containment, the parties agree that during the term of the Agreement, they will meet and discuss offering Medicare+ Choice plans (including Medicare Risk HMOs) for their retirees and spouses as plans become available in the marketplace.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:  
**Nate Gooden**  
UAW Vice President

## LETTER OF UNDERSTANDING BARGAINING UNIT WORK

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the course of our negotiations, the parties discussed some possible abuses of the contractual provisions allowing non-bargaining unit employees and dispatchees from Mitsubishi Motors Corporation and/or **Daimler**Chrysler to perform bargaining unit work. As a result of the deep concern expressed by the Union, the Company reaffirmed that it will continue to monitor the situation and continue to instruct and train its supervisors as to the intent of the contractual provisions in an effort to further minimize any possible disputes in the future. Additionally, the Company assured the Union that it will monitor those groups where repetitive complaints occur and, if necessary, will schedule a meeting with the Department General Manager, a representative of Employee Relations, and the appropriate Bargaining Committeeperson.

However, if the Union alleges that non-bargaining unit employees of MMA and/or dispatchees from Mitsubishi Motors Corporation and/or **Daimler**Chrysler are performing bargaining unit work that goes beyond that allowed under Article IV, the Union will bring the situation to the attention of the **General Manager**, or his designee, for a prompt investigation with the appropriate Bargaining Committeeperson, or his designee. If, after investigation, the **General Manager**, or his designee, agrees with the Bargaining Committeeperson, or his designee, that the bargaining unit work being performed is beyond that allowed under Article IV, then the

General Manager, or his designee, will assign a qualified associate to replace the non-bargaining unit employee or dispatchee without unnecessary delay.

The Company reaffirms the express policy of MMMA that the principle function of a group leader is to direct the activities of the associates under his supervision. Therefore, Group Leaders are not to perform bargaining unit work except as expressly provided for under Article IV. Accordingly, the Department General Manager will re-advise the Group Leaders of the express policy of the Company and the proper application of Article IV, and will instruct them as to the seriousness of any violation of this policy.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:

Nate Gooden

UAW Vice President

## LETTER OF UNDERSTANDING COLA - CALCULATION AND NOTIFICATION

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

This letter is to confirm certain agreements reached by MMMA and the International Union, UAW, regarding the calculation of the Cost-of-Living Allowance pursuant to Article XVIII of this Agreement.

The table in Article XVIII (c) has been constructed to provide that 1¢ adjustments in the Cost-of-Living Allowance shall become payable, sequentially, for each 0.3, 0.2, 0.3, 0.2, 0.3, 0.2 change in the Average Index, and so forth, with that sequence being repeated thereafter in the table so as to produce an average adjustment over time of 1¢ for each 0.25 change in the Average Index.

In applying the provisions of Article XVIII of the Agreement, the Company shall prepare a notification letter to the Union setting forth the Consumer Price Index for each of the three months that form the basis for an adjustment, and the average of those three months, rounded to the nearest 0.1 index point using the Engineering Method of Rounding as described in the Attachment. This letter will be prepared and sent to the Union after publication of the appropriate Consumer Price Index for the third month used for each adjustment period in accordance with Article XVIII of the Agreement.

If the Union claims that the Company's calculations in any particular instance were not made in accordance with the terms of this letter of understanding, it may refer the matter to Arbitration.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:

Nate Gooden

UAW Vice President

Attachment

## ENGINEERING METHOD OF ROUNDING

The following rules of rounding shall apply to the determination of the Consumer Price Index:

1. If the leftmost of the digits discarded is less than 5, the preceding digit is not affected. For example, when rounding to four digits, 130.646 becomes 130.6.
2. If the leftmost of the digits discarded is greater than 5, or is 5 followed by digits not all of which are zero, the preceding digit is increased by one. For example, when rounding to four digits, 130.557 becomes 130.6.
3. If the leftmost of the digits discarded is 5, followed by zeros, the preceding digit is increased by one if it is odd and remains unchanged if it is even. The number is thus rounded in such a manner that the last digit retained is even. For example, when rounding to four digits, 130.5500 becomes 130.6 and 130.6500 becomes 130.6.

## LETTER OF UNDERSTANDING CONFLICTING INSTRUCTIONS

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During negotiations, the Union expressed its concern that associates were receiving conflicting instructions on occasions when more than one Group Leader is directing them. The Company will meet with manufacturing management to inform them of this concern and of the difficulty it causes the associates when they are subject to conflicting directives from more than one Group Leader. The Company agrees that these situations should be minimized.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

## LETTER OF UNDERSTANDING CONTRACT OUT WORK COMMITTEE

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During these negotiations the Union expressed its concern regarding the contracting out of work. Both parties acknowledge that outside contractors can be utilized in accordance with the terms of the Agreement, and that reasonable notice of such work will be provided to the Union.

Accordingly, the parties recognize there is a need to promote communications between the parties in order to enhance the understanding and cooperation of the contractual requirements with regard to Contract Out Work. Therefore, the parties agree that a Contract Out Work Committee **has been** established consisting of the Employee Relations Manager, the Production Engineering Manager, the Bargaining Chairperson, and the Bargaining Representative from the maintenance group.

The Contract Out Work Committee will meet periodically to become reasonably informed of current maintenance and construction programs and to consider comments and suggestions offered by the Union members of the committee. It is intended these committee meetings will be a positive approach for sharing information of available manpower skills, equipment, and facilities available to do the work competitively in quality, cost and performance, and within the projected time limits.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:  
**Nate Gooden**  
UAW Vice President

**LETTER OF UNDERSTANDING  
COST-OF-LIVING ALLOWANCE**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

If, during the term of this Agreement, **Daimler**Chrysler modifies its C.O.L.A. formula, adjustment periods, and/or payment dates, the parties will determine if equivalent changes are appropriate at MMMA.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING  
CPI REVISION**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

This will confirm our understanding that if the BLS makes any change in the form or basis of calculating the Consumer Price Index, the parties agree to request such agency to make available, for the life of this Agreement, a monthly Consumer Price Index in the same form and calculated on the same basis as it was prior to such change.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

## LETTER OF UNDERSTANDING DISABILITY/WORKERS' COMPENSATION

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the course of our negotiations, the parties discussed a variety of issues regarding the administration of workers' compensation and disability. It was agreed that the following measures would be taken in order to address the concerns discussed:

1. When an employee initially reports a work related incident to the on-site medical clinic, the Company will, at that time, seek authorization from the employee to release medical information to MMMA's Workers' Compensation section. This will assist the Workers' Compensation section in obtaining medical records for compensability decisions.
2. OSF Saint Joseph Medical Center will begin sending corresponding medical records immediately to MMMA when sending bills to MMMA's Workers' Compensation section. This will assist the Workers' Compensation section in obtaining medical records for compensability decisions. In addition, the Company will use its best effort to incorporate this standard with other hospitals in the area.
3. To accelerate the start of disability payments and avoid administrative delays, the Company will instruct the disability carrier to have disability checks sent directly to the employee's home.

4. Historically, the Company's disability carrier administered disability claims by reviewing medical information after receipt of a physician's certification of disability. Payments were not issued until the carrier received all the medical documentation to support the definition of disability.

In the future, the disability carrier will issue payment of disability upon receipt of a physician's statement that certifies disability under the plan. Medical documentation supporting the physician's certification of disability will no longer be required to initiate or start disability payment.

5. When an employee files a lost-time claim for workers' compensation, the Workers' Compensation section will review the claim for compensability within seven (7) days of being notified of the claim by the employee. If the Workers' Compensation section is unable to approve or deny the claim within this seven (7) day period, the Workers' Compensation section will issue a deferred decision status.

This deferred decision status will allow the employee to apply for disability while Workers' Compensation continues to review the claim for compensability. The employee will be required to sign a reimbursement agreement to allow reimbursement to the disability carrier in the event their workers' compensation claim is found to be compensable. The Company will allow the employee to file for sickness and accident on the same day the employee files the lost-time claim for workers' compensation.

6. The Company will initiate payment of claims within seven (7) working days after receipt of a physician's certification of disability. Both the Company and Union realize there may be rare occasions when the carrier fails to meet this standard.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

## LETTER OF UNDERSTANDING EDUCATION ASSISTANCE

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the course of our negotiations, the parties discussed the terms of MMMA's current Education Assistance Program. The following sets forth the terms of that plan which will be in effect during the term of this agreement:

A. Eligible Associates

Eligibility is limited to non-probationary associates who are on the active employment roles of the Company. In the event that the associate is no longer actively employed after the application for education assistance has been approved due to short or long term disability leave, job-related injury or illness, absence or approved leave of absence, the associate shall remain eligible for reimbursement under this plan provided they meet all of the requirements set forth below. This provision shall only be applicable if the associate has enrolled in the course(s). An associate whose employment is discontinued waives all eligibility for reimbursement.

B. Courses

Education assistance is limited to courses that are directly related to the performance of the primary duties of the associate's current job or have a potential benefit to the

Company or some relationship to future responsibilities. In addition, courses that are part of a degree program at an accredited institution will be covered. Courses will include correspondence courses that are approved by the Company as long as the correspondence courses meet the other requirements outlined in the Education Assistance Program.

C. Educational Institutions

Courses taken from nationally or regionally accredited universities, colleges, community colleges (listed in the Education Directory--Colleges and Universities), vocational schools accredited by recognized accrediting institutions, a public high school or other institutions approved by MMMA.

This plan will provide reimbursement for education expenses and fees that are an integral part of an approved course. These shall include tuition, registration fees, and lab fees. Exclusions include expenses for parking, transportation, supplies, entrance examination fees, books, recreational activities, graduation fees and other such expenses.

Also excluded from eligibility for reimbursement are any expenses that are covered by State and Federal education assistance plans or programs or scholarships. In no event shall there be any duplication of payment for any eligible expenses.

D. Reimbursement

The maximum reimbursement per eligible associate is **\$2,500** per calendar year, and such reimbursement is subject to the following terms and conditions:

1. The eligible associate has received the prior approval by the Company of the educational institution, course, and fee prior to enrollment. Such approval is the sole and exclusive right of MMMA.

2. The eligible associate completes the approved course and receives a grade of "C" (average) or a "PASS" in a Pass/Fail course.
  3. The eligible associate is an active associate upon completion of the course or is no longer actively employed for one of the following reasons:
    - a) Approved disability leave
    - b) Approved leave of absence
    - c) Absent due to an injury or illness determined by MMMA to be job related.
    - d) Laid off with recall rights.
- E. Dependent children of active, retired, or deceased UAW-represented MMMA employees who are pursuing post-secondary education or training, at an institution accredited by a governmental or nationally recognized agency are eligible to apply for tuition assistance. The assistance is limited to an annual benefit level of up to \$750 per eligible dependent.
- F. Funding for the Education Assistance Program – for both active associates and dependents – will be provided through the Joint Activity Fund. In the event the Fund does not have sufficient resources to satisfy such obligations on a timely basis, the Company shall make the required payments and otherwise ensure that the benefits provided herein shall remain in place for the duration of this Agreement. Any such MMMA "stopgap" payments shall not be recoverable from the Joint Activity Fund.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING**  
**EQUAL APPLICATION AGREEMENT**

August 24, 2001

Mr. Nate Gooden  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

Pursuant to the Letter of Understanding, Equal Application Agreement, dated August 27, 1998, an Equal Application Program was developed. The agreed upon manual, dated May 4, 2001 and incorporated by reference herein, provides a guide to the Equal Application Committee members.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:  
Nate Gooden  
UAW Vice President

**LETTER OF UNDERSTANDING  
EQUAL EMPLOYMENT OPPORTUNITY**

August 24, 2001

**Mr. Nate Gooden**  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

To facilitate and assist in the prompt and fair resolution of claims that arise out of Article VIII, Section 1, the Chairperson of the Bargaining Committee may request the Chairperson of the Civil Rights Committee of the Local Union to assist in the investigation of such claims prior to Step 3 of the Problem Resolution Procedure.

If the assistance is requested, it shall not serve to delay Step 3, and will not be conducted during work time. No member of the Civil Rights Committee shall participate in the Problem Resolution Procedure or receive pay from the company for time spent on the investigation.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:  
**Nate Gooden**  
UAW Vice President

**LETTER OF UNDERSTANDING  
ERGONOMICS**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

The Company will continue to abide by the provisions of OSHA Agreement No. 103494589 during the term of this Agreement.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

## LETTER OF UNDERSTANDING EXPEDITED ARBITRATION

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

The parties agree to expedite the arbitration procedure for a problem when the sole issue is whether there was cause for the discharge of the associate.

If the Union is of the opinion that such a discharge merits consideration for possible expedited arbitration, the Union shall within, but not beyond, 30 calendar days of the Company's answer in Step 4.B of the Problem Resolution Procedure, prepare and deliver a written "notice of appeal to expedited arbitration" to the General Manager of Human Resources.

Such problems shall be heard in the chronological order of their referral.

The parties agree to waive the right to file a post hearing brief in such expedited arbitration. The Arbitrator shall render a decision within 10 calendar days of receipt of the transcript or, in the alternative, within 10 days of the hearing, provided the Arbitrator and the parties agree at the time the hearing is scheduled that a tape recorder will be used to record the proceedings of the hearing.

In either event, the Arbitrator will limit his opinion to that which is necessary to briefly explain his decision.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING  
FMLA**

August 24, 2001

**Mr. Nate Gooden**  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the course of negotiations, the parties agreed that associates would not be required, but may be permitted; the opportunity to utilize scheduled PTO or spontaneous PTO when on an FMLA leave.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:  
**Nate Gooden**  
UAW Vice President

**LETTER OF UNDERSTANDING  
HIRING-IN AND PROGRESSION ADJUSTMENT**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

During 2001 negotiations, the parties discussed the impact of the \$1.52 COLA fold-in on associates at various steps in the New Hire Progression. The parties agreed that after the fold-in, such associates should remain in the same relative position to associates who had completed the progression period, since all associates, regardless of their position in progression, have been receiving the same \$1.52 COLA adjustment.

Therefore, this will confirm our understanding that, notwithstanding any other provision of this Agreement, the base rates shown in Article XVII, Section 2 will be raised by the amounts indicated below for associates in the New Hire Progression as of August 24, 2001:

Step In Progression	Additional Increase	
	Production Associates	Die Maintenance/ General Maintenance Associates
Less than six (6) months	<u>\$0.46</u>	<u>\$0.23</u>
At least six (6) but less than twelve (12) months	<u>\$0.38</u>	<u>\$0.15</u>
At least twelve (12) but less than eighteen (18) months	<u>\$0.30</u>	<u>\$0.08</u>
At least eighteen (18) but less than twenty-four (24) months	<u>\$0.23</u>	\$0.00
At least twenty-four (24) but less than thirty (30) months	<u>\$0.15</u>	\$0.00
At least thirty (30) but less than thirty-six (36) months	<u>\$0.08</u>	\$0.00

These increases will be made in the amounts and for the respective periods indicated only for those associates in Progression as of August 24, 2001, and only up to the point they complete each step of the Progression period. For example, a production associate currently in the first step of Progression will receive the additional \$0.46 increase until he completes six (6) months, the additional \$0.38 increase for the next six (6) months,

the additional \$**.30** increase for the next six (6) months, the additional \$**.23** increase for the next six (6) months, the additional \$**.15** increase for the next six (6) months, and then the additional \$**.08** increase for the final six (6) months.

Any associate hired on or after August 24, 2001 will be paid on the basis of the rates shown in the Article XVII, Section 2 of Hiring-in and Progression Rates.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:

Nate Gooden

UAW Vice President

**LETTER OF UNDERSTANDING**  
**HMO MEDICAL PLAN**

August 24, 2001

Mr. Nate Gooden  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

During the course of these negotiations, the parties discussed the increasing cost of providing health care benefits.

Both parties recognize premiums in Health Maintenance Organizations (HMO) are expected to have double-digit increases in the next few years and that currently approximately two-percent (2%) of associates are participating in the Health Alliance HMO plan. If HMO premiums continue to increase significantly, such that the HMO premium costs exceed similar types of costs under the PPO medical plan, the parties agree that during the term of the Agreement, they will meet and discuss ways to replace, modify or eliminate the Health Alliance HMO plan.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:  
Nate Gooden  
UAW Vice President

## LETTER OF UNDERSTANDING JOINT ACTIVITY FUND

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

Effective January 1, 1999, the Company will make available funding up to \$2.50 per overtime hour worked in incremental amounts in excess of five percent (5%) of straight time hours worked (calculated on a twelve month rolling average). Such funding will be calculated in accordance with the following incremental table:

Overtime Hours as Percent of Straight Time Hours	Additional Amount Per Hour
5% or less	\$0.00
Greater than 5% thru 12%	\$0.50
Greater than 12% thru 13%	\$0.75
Greater than 13% thru 14%	\$1.00
Greater than 14% thru 15%	\$1.50
Greater than 15% thru 16%	\$2.00
Greater than 16%	\$2.50

The proceeds of the Fund will be used for mutually approved expenditures, including but not limited to jointly developed education and training programs on sexual harassment, discrimination and diversity, jointly developed and administered product quality improvement programs and tuition assistance for associates and dependent children.

The expenditure of funds for approved projects and activities will be monitored by the Joint Activity Board. The Board will consist of the Executive Vice President of Human Resources of MMMA and the UAW Vice President, or their designees. The Board will also set policies, provide guidelines and allocate funds for projects and activities. If fund levels are insufficient to support existing projects or activities, the Board will mutually agree on available methods to continue them.

In the event of discontinuance or expiration, any balances in the Fund will remain with the Company and the Union will have no claim on such funds.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:

Nate Gooden

UAW Vice President

**LETTER OF UNDERSTANDING  
JURY DUTY FOR 2ND & 3RD SHIFT  
ASSOCIATES**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

MMMA will make an accommodation for 2nd and 3rd shift associates who are legally summoned and report for pre-jury examination and/or jury duty. The following procedure will be used to administer this accommodation:

1. When a 2nd or 3rd shift associate provides prior verification to the group leader that he or she is required to report for pre-jury examination and/or jury duty, the associate **may elect to** be temporarily assigned to 1st shift effective the first day of the jury service.
2. No associate shall be replaced because of a temporary assignment to 1st shift.
3. When the jury obligation is completed, the associate will be automatically reassigned to his previous shift effective on the **beginning of the** next scheduled work **week**.
4. Conditions for time away from work and payment shall be according to Article XVI, Section 3, Jury Duty.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved: . . . . .

**Nate Gooden**

UAW Vice President

## LETTER OF UNDERSTANDING KAIZEN WORK

August 24, 2001

Mr. Nate Gooden  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

During negotiations, the parties discussed the practicality of having maintenance associates perform most Kaizen-related projects. The Company agrees to continue the current practice while following the guidelines below:

- A. Any Kaizen that involves electrical, pneumatic, or mechanical addition will be done by maintenance associates or qualified contractors.
- B. Any Kaizen that involves structural or weight-bearing loads will be done by maintenance associates.
- C. The following are Kaizen projects that can be performed by production associates:
  - 1. The addition of parts racks that do not require cutting or welding of steel.
  - 2. Furniture for QCR's.
  - 3. The addition of non-powered tools.
- D. Only Body Shop associates are allowed to build and weld dollies and racking.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:

Nate Gooden

UAW Vice President

**LETTER OF UNDERSTANDING  
LEGAL SERVICES PLAN**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

During the 2001 negotiations, the Company agreed to continue the existing benefit level of the Legal Services Plan. **In addition, the Company and Union have agreed that the Legal Service Plan Committee will meet twice per year. During these committee meetings the parties will discuss the performance and service of the Legal Services Plan provider. If the Committee agrees that the services of the current provider are unacceptable, the Company will explore the possibility and desirability of changing or adding providers.**

The plan shall not provide benefits or in any manner pay for any legal action against the Union, Company, its officers, its agents, its parent companies, including workers' compensation or unemployment compensation matters involving the Company.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING  
LUMP SUM PAYMENTS**

August 24, 2001

**Mr. Nate Gooden**  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

During this Agreement, performance bonuses and similar lump sum payments, if any, implemented at DaimlerChrysler under the 2003 UAW-DaimlerChrysler Agreement, in lieu of annual improvement factor increases (AIFs) or general increases and not as profit sharing or similar payments, will be paid at MMMA on the same basis as at DaimlerChrysler. Such payments will become effective on the first pay period in March following such payments at DaimlerChrysler. If such payments are not tied to annual earnings, associates in progression at the time such payments are made will receive a percentage of the DaimlerChrysler payment amounts corresponding to their position in progression on the effective date of such payments.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:  
**Nate Gooden**  
UAW Vice President

**LETTER OF UNDERSTANDING**  
**MAINTENANCE OVERTIME**

**August 24, 2001**

**Mr. Nate Gooden**  
**UAW Vice President**  
**8000 East Jefferson Avenue**  
**Detroit, MI 48214**

**Dear Mr. Gooden:**

**As per our current practice on utilization of maintenance associates, the Company will schedule maintenance overtime (including weekday and weekend overtime) when it subcontracts out any work that has historically been done by maintenance associates. In addition, the Company will discuss the utilization of the Tool and Die Group when sending dies out for repair.**

**Very truly yours,**

**C. F. Neal, Jr.**

**Accepted and approved:**  
**Nate Gooden**  
**UAW Vice President**

**LETTER OF UNDERSTANDING  
MAINTENANCE TRAINING**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

The parties have finalized and implemented the Apprenticeship Standards and agree to continue that program as set forth in Exhibit A, during the term of this Agreement.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**EXHIBIT A**

**Apprenticeship STANDARDS**

AGREED TO BY

Mitsubishi Motor Manufacturing of America  
100 N. Mitsubishi Motorway  
Normal, Illinois 61761-8099

and

UAW Local 2488  
10226 E 1400 North Road  
Bloomington, Illinois 61704

IN COOPERATION WITH

U.S. DEPARTMENT OF LABOR

Bureau of Apprenticeship and Training

## INDEX

### Section/Topic

1. Purpose
2. Objective
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24. Certificate of Completion
25. Approval and Modification of Apprenticeship Standards
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28. Complaint Procedure

## ATTACHMENTS

1. Electrician Maintenance Associate Schedule of Instruction and Work Processes
2. Die Maintenance Associate Schedule of Instruction and Work Processes
3. Documentation of Receipt of Complaint Procedure

## **Section 1. PURPOSE**

The purpose of the Apprenticeship Program is to provide a training program for future Maintenance Associates at Mitsubishi Motor Manufacturing of America, Inc. (MMMA). The Program is designed to address and accommodate the uniqueness of the MMMA production system and the basic principles of traditional UAW apprenticeship programs.

## **Section 2. OBJECTIVE**

The objective of the Program is to select, train and provide a means to develop in a fair, reasonable and equitable manner, Maintenance Associate Apprentices who have a high degree of theoretical and technical background to reinforce their practical on-the-job experience and instruction which will enable them to perform skillfully, efficiently and safely all the requirements of the apprenticeship program, based on the future needs of the Company for Maintenance Associates.

## **Section 3. ADMINISTRATION**

The administration of this Program shall be the responsibility of the Company. The Company shall designate a Maintenance Training Apprentice Coordinator (Coordinator) to monitor and guide the Apprentice to the successful completion of the schedule of instruction and work processes, their attendance and overall progress and for notifying the Bureau of Apprenticeship and Training, U.S. Department of Labor of all actions required by this Program.

The Apprentices shall be under the general direction of the Coordinator and under the immediate direction of the Group Leader to whom the Apprentice is assigned. The Company shall maintain all records pertaining to the progress of Apprentices.

The Committee shall determine the number of apprentices and the assignment of graduates.

During their time in the Program, Apprentices will be assigned to a separate Section and all aspects of their employment administered accordingly by the Coordinator.

#### **Section 4. GENERAL**

The provisions of this section shall apply to Apprentices while in the Program.

The following articles and sections of the Collective Bargaining Agreement between the Company and the International Union, United Automobile Workers of America, UAW, and its Affiliated Local 2488 (Union) dated August 27, 1992, shall not be applicable to Apprentices :

- A. General Provisions (Shift Assignment) - Article XXV, Sections 4 and 5
- B. Overtime - Article XXI
- C. Transfers - Article XI
- D. Seniority - Article X, Section 2

Further, the provisions of this Program will prevail when in conflict with any provision of the Collective Bargaining Agreement.

#### **Section 5. PROGRAM STANDARDS**

The Program Standards cover the employment and training of Apprentices.

The purpose of Program Standards is to make certain that proper care is exercised in the selection of the Apprentices and their training is uniform and sound to assure the Company well trained and proficient Maintenance Associates. In support of the above purpose, these Program Standards have been agreed upon in accordance with Title 29 CFR Part 29.

## **Section 6. EQUAL OPPORTUNITY IN APPRENTICESHIP**

The recruitment, selection, employment and training of Apprentices shall be without discrimination because of race, color, national origin, sex, sexual orientation, or religion, as per applicable law. The Company will take affirmative action to provide equal opportunity in apprenticeships. The Program shall be operated as required under Title 29 CFR Part 30.

## **Section 7. DEFINITIONS**

- A. "COMPANY" shall mean Mitsubishi Motor Manufacturing of America, Inc. (MMMA).
- B. "UNION" shall mean the duly authorized representatives of the International Union, United Automobile Aerospace and Agricultural Implement Workers of America, UAW, and its Affiliated Local Union 2488.
- C. "REGISTRATION AGENCY" shall mean the Bureau of Apprenticeship and Training (BAT), United States Department of Labor.
- D. "APPRENTICE" shall mean a person engaged in learning the maintenance requirements inherent in the MMMA maintenance system and who is covered by a written agreement providing for training in accordance with the Program Standards.
- E. "APPRENTICESHIP" shall mean a written agreement between the Company and the person employed as an Apprentice.
- F. "COMMITTEE" shall mean the Training Committee consisting of an equal number of members from the Company and the Union.
- G. "COORDINATOR" shall mean the Maintenance Training Coordinator, the person employed by the Company and assigned the responsibility to

perform the duties outlined accordingly in this Program.

- H. "ADMINISTRATOR" shall mean the Administrator of Maintenance Training, the Vice President and General Manager, Human Resources.
- I. "PROGRAM STANDARDS" of apprenticeship shall mean this entire document including these definitions.
- J. "MAINTENANCE ASSOCIATES" shall mean associates in the MMMA Maintenance and Die Maintenance classifications with demonstrated and documented proficiencies in certain skills. The minimum "proficiency" required for Maintenance Associates status shall be four (4) years in a recognized training program or eight (8) years of documented closely-related work experience of Maintenance Associates status shall be accomplished through review and recommendation by the Committee with approval by the Administrator.

#### **Section 8. MINIMUM APPRENTICESHIP ELIGIBILITY REQUIREMENTS**

In order to be eligible for consideration for an apprenticeship, an applicant must meet the following minimum requirements:

- A. Eighteen (18) years of age or older.
- B. Completed probationary period if an associate.
- C. Satisfactorily pass associate new hire screening if a non-associate applicant.
- D. Pass minimum requirements on appropriate aptitude test as administered by the Committee.
- E. Have high school diploma or General Equivalency Diploma.

- F. Meet Company established physical standards (applicants may be required to furnish a statement of physical condition from a physician and/or undergo a medical exam by a Company-appointed physician).

## **Section 9. APPLICATION AND SELECTION PROCESS**

Notice to eligible associates of Program applications and testing will be posted on the Company's bulletin boards.

For outside applicants, notification shall be made through contact with local schools and the public employment service.

Applications for the Apprenticeship will be accepted by the Personnel Section from applicants who consider themselves eligible under this Program. A numbered application blank will be filled out and each applicant will sign a register noting that they have received and filed an application. Applicants must designate on the application for what classification they are applying. Assignment for all those who qualify and are selected into the Apprenticeship Program will be based on this designation. Applicants may only change their designation by re-applying the following year.

Applications shall only be accepted for a two (2) week period following the date the notice was posted. The notice shall include the deadline date for submittal of applications.

### **A. INITIAL PROCESSING**

After a preliminary check of each application by the Personnel Section, those meeting the minimum eligibility requirements as outlined in this Program will be referred to the Committee for further processing. Those who do not meet eligibility requirements will be notified by mail by the Committee.

B. TESTING

Eligible applicants will be informed by mail of the place and time(s) of the initial testing that will be given to determine applicant's knowledge and aptitude. The tests may be administered and scored by an outside agency selected by the Company. The scores will then be communicated to the Committee.

C. TESTING RESULTS NOTIFICATION

The outside Consultant shall compile the scores and based on the overall results, determine the appropriate cutoff score. Those who achieve the minimum cut off score or higher will be considered "Pool Qualified." The outside consultant shall categorize and communicate the score to the applicants by mail. The JAC shall be notified of the test results in the categories "Pool Qualified" or "Pool Unqualified." The JAC shall then schedule meetings with all of the applicants. The time, date, frequency and location shall be widely published. During the meeting, applicants will be informed of their right to self-select out of the process at this point or at any other point during the selection process. Those who self-select out of the selection process will be eligible to re-apply in succeeding years. Those who elect to keep their scores shall retain those scores for 2 years.

D. INTERVIEW AND EDUCATION/EXPERIENCE REVIEW

Each of the criteria below shall be rated by the JAC. The JAC shall determine the amount of credit that shall be given for each of the criteria on a case by case basis. Credit shall generally not be given for any criteria that is 5 or more years old.

1. Academic Record
2. MMMA Work History
3. Related Knowledge/Work Experience
4. Structured Interview (with Consultant and attended by the JAC)
5. Physical Qualification

The medical history of each Pool Qualified applicant shall be validated by the Company Medical Staff to ensure the applicant is qualified, in accordance with the Company standards, to perform any normal Maintenance Associate tasks.

E. FINAL SELECTION INTO PROGRAM

The JAC will select applicants for entry into the Program from the list of Pool Qualified applicants. Each Pool Qualified applicant shall be assigned a number. A team consisting of members of the JAC and the outside consultant shall use a computerized random generator program to generate a number. Numbers will continue to be generated until there are enough numbers to fill the available Program positions, in addition to sufficient alternates. At that time, the outside consultant shall inform the JAC of the identity of the applicants to whom those numbers were assigned. Applicants shall be notified by mail of their acceptance. The applicants shall notify the JAC in writing within three working days of their acceptance or rejection of the appointment. In the event that an Applicant rejects the offer, another number will be drawn. Those who are not selected will be notified by mail. If they so desire, they will have one week from their notification date to contact the JAC to arrange a meeting to discuss why they were not selected.

Test scores can be used for two application years. Interviews are only good for one application year.

## **Section 10. CREDIT FOR PREVIOUS EXPERIENCE**

Credit for previous related military experience, previous apprentice training program, or an experience in a maintenance skilled trade classification in a plant may be given up to a maximum of 4,000 hours credit towards the Program's 8,000 total hours. Credit for such previous experience or educational knowledge shall be given the Apprentice at the time they have satisfactorily demonstrated that they possess such experience and possess the related skills and knowledge.

Final determination of the credit allowance shall be made by the Committee. All Apprentices shall sign an agreement on the determination of the credit allowance prior to starting the Apprenticeship.

At the time such credit is given, the Trainee's wage rate shall be correspondingly adjusted within the Program's wage rate schedule based on the amount of credit given toward completion of the training schedule.

## **Section 11. TERM OF THE APPRENTICESHIP**

The term of the Program shall be established by the Program Standards in accordance with the schedule of instruction and work processes as outlined in Attachments 1 and 2 attached hereto.

Each phase of the scheduled hours of shop training contained in a local program will be considered complete if it is within ten percent (10%) of the figure assigned to a particular phase of training.

Where optional time is agreed to in the work schedules, not more than five percent (5%) of the total time may be assigned to optional work as set forth in the Program Standards. Deviations from the limitations of this paragraph may be approved by the Committee.

## **Section 12. PROBATIONARY PERIOD**

The first five hundred (500) hours of employment in the Apprenticeship for every Apprentice who is a seniority transferee shall be a probationary period. During this probationary period, Apprentices may elect to return to their previous classification and

their Apprenticeship Agreements will be terminated by the Committee subject to approval of the Administrator. The Company, the Union and the Registration Agency shall be advised of all such terminations.

New hires who are enrolled into the Program shall be subject to a probation period in accordance with Article X, Section 1 (Probationary Period) of the current Collective Bargaining Agreement.

Termination of the Apprenticeship Agreement during the probationary period may be made by either party without cause. Termination of the Apprenticeship Agreement during the probationary period for new hires shall result in termination of employment.

### **Section 13. RATIOS**

In the essence of safety, the ratio of apprentices to journeyman shall be one (1) Apprentice to each eight (8) journeyman in a respective trade.

When there is no one laid off or available in a trade, the company and union (Bargaining Committee) may mutually agree to add apprentices over and above the one (1) to eight (8) ratio.

When a reduction in force is necessary, the appropriate contract language would be implemented.

The number of Apprentices in the program shall be determined by the Company based on the anticipated needs of the Company, the facilities and budget available, future employment opportunities and the number of qualified journeyman available to instruct. It is the intent of the parties to have the apprenticeship program begin prior to the end of year 1995.

### **Section 14. HOURS OF WORK**

Apprentices will normally work at straight time of eight (8) hours per day, Monday through Friday and forty (40) hours per week. Apprentices shall work the same hours during the work week and be subject to the same conditions as the Maintenance Associates employed by the Company and may be offered overtime when all

General Maintenance or Die Maintenance Associates in the group to which they are assigned for that rotation have been offered such overtime.

Actual Overtime hours worked by Apprentices shall be included in computing hours credited toward completion of the Program.

The Committee may limit the hours of overtime work of an Apprentice where excessive work schedules interfere with the related training.

### **Section 15. DISCIPLINE**

Each Apprentice shall satisfactorily perform and complete all work and learning assignments both on-the-job and in related instruction, and shall comply with the rules, regulations and decisions of the Committee and the Company.

The Committee shall have the authority to discipline the apprentices and to recommend further corrective action to the Administrator. This corrective action may include termination of the Apprenticeship Agreement at any time for unacceptable trainee behavior as it pertains to the program such as, but not limited to the following:

- A. Lack of satisfactory performance or progress in learning the required skills.
- B. Lack of satisfactory performance or progress in related training courses.
- C. Excessive or habitual absence or tardiness.
- D. Insubordination or other acts of misconduct.
- E. Lack of interest as evidenced by inattentiveness to work processes, poor quality workmanship, attitude toward work and working relationships.
- F. Receiving two (2) consecutive "unacceptable" scores in the same category on the monthly Group Leader evaluations.

- G. Falsifying work or instruction hours, misrepresenting work proficiencies, falsifying or altering documents, or any other acts of this nature.

The following corrective actions may be imposed for reasons deemed necessary:

- A. Repeat a class.
- B. Advancement may be delayed or additional instruction required.
- C. The length of Program increased.
- D. Special tests or tasks assigned in order to determine knowledge and/or proficiency.
- E. Appear before the Committee to explain why Trainee should be allowed to remain in the Program.
- F. Termination of Training Agreement.
- G. Other actions as deemed necessary or appropriate.

This is not intended in any way to limit the right of the Company to apply corrective action to Apprentices for cause for failure to follow MMMA Code of Conduct and other work rules which apply to all associates. The Committee will be advised of any such disciplinary action and/or forfeiture of employment by the Company.

## **Section 16. WAGES**

Training Period	Trainee Hourly Wage Rate
1st 3000 hours	Current Prod. Assoc. Base Rate *
next 1000 hours	75% of Maint. Base Rate or Current Prod. Assoc. Base Rate; whichever is higher

next	1000 hours	80% of Maint. Base Rate or Current Prod. Assoc. Base Rate; whichever is higher
next	1000 hours	85% of Maint. Base Rate or Current Prod. Assoc. Base Rate; whichever is higher
next	1000 hours	90% of Maint. Base Rate
next	1000 hours	95% of Maint. Base Rate

- \* Apprentices hired from outside the Company will be hired in at 85% of the existing Production Associate base rates and progress in increments of five percent (5%) each six (6) months up to the full existing Production Associate base rate at eighteen (18) months. Once the Apprentice reaches the full existing Production Associate base rate, the Apprentice's wage progression shall follow the schedule above.

Apprentices who receive credit for previous experience shall be paid, upon entrance (or upon reaching full existing Production Associate wages for new hires), the wage rate of the training period to which such credit advances them.

Prior to each wage advancement, the Coordinator shall evaluate the Apprentice's attendance and progress reports. The Committee must give a satisfactory evaluation before wage advancement can occur.

After graduation, Apprentices shall receive full wage parity with Maintenance Associates.

Any time away from work such as, but not limited to, paid and unpaid absences, holidays and vacations shall not be included in the calculation of training period hours.

The Company agrees to pay, on behalf of Apprentices covered by this agreement, for books, registration fees and/or tuition required in connection with related training under the Program.

Apprentices will be paid their regular base hourly rate while attending required classes of academic instruction. Hours spent in classroom instruction shall not be considered hours of work in computing overtime.

**Section 17. RELATED INSTRUCTION AND SCHOOL ATTENDANCE**

Each Apprentice shall enroll in and attend classes not less than three and one-half (3.5) hours weekly and for at least a minimum number of related instruction hours as outlined in the Schedule of Instruction and Work Processes.

The quality of the classroom instruction shall meet with the approval of the Committee. The schedule of related instruction shall be outlined in attachments hereto.

In the case of failure on the part of the Apprentice to fulfill their obligation as to school attendance or successful Program accomplishment, the Committee may recommend suspension or termination of their Training Agreement to the Administrator who shall make the final determination. The Trainees hereby agree to abide by any such determination by the Administrator.

The Registration Agency and the Local Union shall be notified for any such termination as this will terminate the eligibility of the Trainee as a student.

In the event of a course grade failure, the Apprentice shall repeat the course at the Apprentice's own expense and on the Apprentice's own time, outside of regular compensated Program hours. The Apprentice shall retake the class until such time the Apprentice is able to pass satisfactorily. However, if the Apprentice fails the course twice, the Apprentice shall appear before the Committee for consideration of corrective action or termination of the Apprenticeship Agreement.

Any recommendations by the Committee for corrective action or termination of the Training Agreement shall require the approval of the Administrator

**Section 18. RESPONSIBILITIES OF THE  
APPRENTICESHIP COMMITTEE**

The function of the Committee shall be to serve in an advisory capacity to management and the Union in matters pertaining to the Program Standards and to monitor the administration and enforcement of the Program Standards.

The Committee shall be composed of three (3) members selected by the Company and three (3) members selected by the Union. The Company and the Union shall each designate a Co-Chairman from its three (3) Committee representatives, respectively. The Co-Chairmen will jointly chair all Committee meetings and share overall responsibilities for administration or Committee activity. ("Co-Chairman" is a neutral designation and is not intended to reflect gender.)

The Coordinator shall serve as a member and Secretary of the Committee, but shall not have voting rights.

The Committee shall meet at least once a month to review all Trainees' On-the-Job Training (OJT) evaluation forms and Group Leader progress reports. In addition, the Committee shall hold a separate General Business meeting once a month. Special meetings may be requested by any Committee member through either of the Co-Chairpersons.

In all decision-making matters by the Committee, the majority rules with a quorum of at least two (2) Company representatives and (2) Union representatives. In the event of a tie, the matter shall be decided by the Administrator.

Committee meetings shall be scheduled during normal first shift work hours.

Any Committee member may monitor and/or consult with any Apprentice during working hours or classroom time as needed, but great care should be taken not to adversely impact the Apprentice's learning.

Committee members may be assigned to specific areas in the plant to answer questions and to address concerns for or about

Apprentices. Specific assignments shall be worked out by the Co-Chairmen.

All agreements, letters, memos and related communication from the Committee shall be signed by both Co-Chairmen (or their designees), signifying approval of said documents by the Committee.

It shall be the duty of the Committee to:

- A. See that prospective Apprentices are oriented to the Program and impressed with the responsibilities they would be accepting, as well as the benefits they would receive.
- B. Accept or reject applications, in accordance with the selection process, after preliminary examination by the Personnel Section.
- C. Place Apprentice under agreement and ensure proper documentation for Trainees is maintained, in accordance with the provisions of this agreement.
- D. Evaluate, investigate and recommend credit for previous experience.
- E. Hear and mutually decide on all questions involving the Trainees which relate to their training.
- F. Establish a working relationship with local educational institutions for the development of the form, content and schedule of the course or courses of instruction to be provided through local educational institutions. The Committee will also cooperate with the school authorities in coordinating the related classroom instruction with the Apprentice's OJT schedules.
- G. Offer constructive suggestions for improvement of training on-the-job.

- H. Certify the names of graduate Apprentices. No certificates will be issued unless recommended by the Committee and approved by the Administrator.
- I. Keep accurate minutes of all meetings and retain a record of all candidates evaluated and reasons for Committee's action.
- J. Be responsible for the successful operation of the Apprenticeship Program Standards in the plant and the successful completion of the Program by the Apprentices under the Standards.
- K. Recommend for approval by the Administrator such rules and regulations as are necessary to govern the Program provided, however, that the rules and regulations do not conflict with the Program Standards.
- L. Use every effort to ensure that the Apprentice is employed in a reasonable manner and adequately instructed.
- M. Ensure that a conducive environment for learning exists between Trainees and Maintenance Associates. Ensure that Maintenance Associates fulfill their responsibilities for OJT.

#### **Section 19. COORDINATOR OF APPRENTICESHIP**

Apprentices shall be under the general direction of the Coordinator and under the immediate direction of the Group Leader of the section while working with a Maintenance Associate to whom assigned. The Coordinator is authorized to move Apprentices from one section to another section in accordance with the predetermined schedule of work training. No Apprentice may be retained on a schedule work process for the period longer than the time scheduled for such work process unless permission is granted in writing by the Committee.

The Coordinator shall have complete control of Apprentice shift assignment. If a section requests that a Trainee be assigned to another shift, that section may request, in writing to the Coordinator, such change and approval for the change will be determined by the Coordinator.

The Coordinator, or an individual charged with this responsibility, in consultation with the Committee, shall ensure the following records are completed by the Apprentices, skilled apprentices and Group Leaders and evaluated by the Committee:

- A. Monthly Trainee OJT form -- completed by the Trainee. Reviewed in the Apprentice's presence and signed by the Maintenance Associate and Group Leader to whom the Apprentice is assigned. The Monthly Apprentice OJT form confirms the hours worked/trained and shall be submitted by the Apprentice to the Coordinator no later than the 5th working day of each month.
- B. Monthly Apprenticeship Evaluation form -- completed by and signed by the Apprentice and the Maintenance Associate and Group Leader to whom the Apprentice is assigned. Reviewed in the Apprentice's presence. The Monthly Apprentice Evaluation will document the Apprentice's daily training progress in the assigned area. The form shall be submitted by the Apprentice to the Coordinator no later than the 5th working day of each month.

The Coordinator and the committee shall enforce the following corrective actions in regards to apprentices submitting late records:

- |  |   |
|--|---|
| A. 1 <sup>st</sup> late report                           | Written Warning.  |
| B. 2 <sup>nd</sup> late report<br>in a 6 month<br>period | 1 year probation;<br>Notify Committee.  |
| C. 1 <sup>st</sup> late report<br>during probation       | Trainee appears<br>before Committee<br>review of<br>Apprenticeship<br>Agreement. If<br>termination is<br>recommended, final<br>approval required by<br>Administrator. |
| D. 2 <sup>nd</sup> late report<br>during probation       | Automatic termination<br>of Apprenticeship<br>Agreement.  |

If the Coordinator finds that an Apprentice shows a lack of interest or does not have the ability to continue in the Program, all the facts in the case shall be placed before the Committee for its decision.

Under these circumstances, the Committee may recommend to the Administrator that the Apprentice be placed in corrective action, required to repeat a specific process or series of processes, or the Apprentice's Training Agreement be terminated.

The Registration Agency and the Union shall be advised of all terminations and the reasons therefore.

## **Section 20. RESPONSIBILITIES OF THE APPRENTICE**

During classroom instruction and OJT, Apprentices shall display proper motivation and attitude. Apprentices shall receive, at various times, instruction/direction from classroom instructors, Maintenance Associates, and Group Leaders and the Coordinator. The Apprentice shall make every effort to receive and execute these directions to the best of his or her ability.

During any "hands-on" instruction, the Apprentice shall first inform the individual providing instruction of the Apprentice's specific competencies and experience in the area of instruction.

Should an Apprentice complete assigned tasks before the allotted time, it is the responsibility of the Apprentice to ask for additional tasks and work assignments to attain additional knowledge and ability.

Apprentices shall meet all required attendance standards.

Apprentices shall be in their assigned classes on time, having possession of the required books, tools and materials.

Apprentices shall maintain a binder containing all documentation issued to the Apprentice during the Program.

Apprentices shall complete all required reports in a timely and accurate fashion.

Apprentices may not be excused from classroom instruction or work by instructors or Maintenance Associates. Only the Coordinator may approve absences. Any PTO or leave of absence requests shall be coordinated through the Coordinator.

Apprentices shall have the Group Leader to whom assigned complete and initial their weekly timecard. The Apprentice shall then submit the timecard to the Coordinator for approval no later than 8 a.m. the Monday of each week.

Apprentices found to be cheating, copying work from other Apprentices, gaining unauthorized knowledge of test material or presenting work for a grade that has been done by another person shall have their Training Agreement terminated.

With prior approval from the Group Leader, an Apprentice who has demonstrated proficiency in a specific skill or task may execute the skill or task again without the direct oversight of a Maintenance Associate. This is particularly applicable when the Trainee is in the last 2,000 hours of training when the close scrutiny of a Maintenance Associate is less necessary.

In order for Apprentices to practice trouble-shooting skills and build confidence in their ability, it is desirable to allow an increasing freedom of work assignment and supervision as training progresses. This shall never be done in excess, however, and shall never be done with the intent to displace a Maintenance Associate.

## **Section 21. DISPUTE RESOLUTION**

All disputes that arise from the Program, including all aspects of the selection process, shall be excluded from the Problem Resolution Procedure. Should any dispute relative to the Program or its standards arise, it shall be resolved consistent with the philosophy of cooperation and harmonious relations between the Company and the Union.

Every effort shall be made to resolve all disputes by the parties directly involved in the matter.

If the dispute is not resolved at that level, the dispute may be discussed as one of the agenda items at a monthly Committee General Business meeting. Concerns must be brought to the Committee in a timely manner. The Committee shall make a recommendation as to the resolution of the matter, subject to the approval of the Administrator.

If the approved recommendation does not resolve the dispute, it may be referred to a special meeting between the Vice President and General Manager of Human Resources and the Union Chairperson.

Failing resolution of the matter, a special meeting shall be scheduled between the UAW Regional Director, or his designee, and the Vice President of Human Resources, or his designee from within the Company, for final resolution of the matter.

## **Section 22. SENIORITY**

Upon successful completion of all phases of the Apprentice Program, the Apprentice will be assigned by the Company, as openings become available.

The new graduated Apprentice's seniority will be effective the date he or she began the Program, but not to exceed four (4) years.

If the training was interrupted by a Leave of Absence, other than those provided by law, he or she shall not be credited with such time.

If for any reason a lay-off occurs, the Apprenticeship Training Agreement shall remain in effect in accordance with the Collective Bargaining Agreement unless terminated by the Administrator upon recommendation by the Committee. However, credit for related instruction shall be given when the Trainee continues such instruction during the lay-off.

### **Section 23. APPRENTICESHIP AGREEMENT**

The Apprenticeship Agreement entered into under this Program shall contain a clause making the Program Standards part of the Agreement with the same effect as if expressly written therein. For this reason, each applicant shall be given an opportunity to read the Program Standards before signing their Apprenticeship Agreement.

The following shall receive copies of the Apprenticeship Agreement:

- A. The Apprentice
- B. The Company
- C. The Committee
- D. The Registration Agency
- E. The Union
- F. Veterans Administration (if the Apprentice is a veteran.)

## **Section 24. CERTIFICATE OF COMPLETION**

Upon successful completion of the Program, the Committee shall request the Bureau of Apprenticeship and Training, U.S. Department of Labor to issue a Certificate of Completion. In addition, the United Automobile, Aerospace and Agricultural Implement Workers of America, (UAW), Local 2488, shall notify the Skilled Trades Department, International Union, UAW, that a certificate signifying successful completion of the Program has been requested from the Bureau of Apprenticeship and Training, U. S. Department of Labor.

## **Section 25. APPROVAL AND MODIFICATION OF PROGRAM STANDARDS**

The Program Standards shall be registered as incorporating the basic fundamentals recommended by the Bureau of Apprenticeship and Training, U.S. Department of Labor.

The Program Standards may be amended or new schedules added at any time upon mutual agreement of the Company and the Union Bargaining Committee, and Skilled Trades Department, International Union, UAW. Such changes or amendments to those Program Standards will be submitted to the Registration Agency for approval.

## **Section 26. HEALTH AND SAFETY**

The Company shall instruct the Apprentices in health and safety training work practices in accordance with plant procedures, state and federal regulations.

There shall be no liability on the part of the Company or the Committee for an injury sustained by an Apprentice engaged in maintenance training when such training is not on Company time.

## **Section 27. CURRICULUM/SCOPE OF TRAINING**

The training curriculum shall emphasize, an electrical concentration as well as concentration in areas of specific departmental need, using the following breakdown:

Classroom Training	approx. 750 - 800 hours
Hands-on Training	approx. 7200 - 7250 hours
T O T A L	approx. 8,000 hours (approximately 4 years)

The term of apprenticeship shall be established in accordance with Attachments 1 and 2, (Instruction and Schedule of Work Processes).

**Section 28. COMPLAINT PROCEDURE**

Trainees are encouraged to raise any problems or concerns with the Group Leader, Coordinator, individual Committee members or the Committee as a body. Most problems or concerns can be addressed through clear communication and a desire to mutually resolve problems.

Any Trainee or applicant for the Program who believes that he or she has been discriminated against on the basis of race, color, religion, national origin, or sex with regards to training or that the equal opportunity standards with respect to his or her selection have not been followed in the operation of the Program, may personally or through an authorized representative, file a complaint with the Department of Labor. The complaint must be filed no later than 180 days from the date of the alleged discrimination or specified failure to follow the equal opportunity standards. The complaint shall be in writing and shall be signed by the complainant. It must include the name, address and telephone number of the person allegedly discriminated against, the Program sponsor involved, and a brief description of the circumstances of the failure to apply the equal opportunity standards.

All Trainees shall sign and date Attachment 3 to document that they have received a copy of the complaint procedure.

Agreed to: November 6, 1995

For the Company:

Mitsubishi Motor Manufacturing  
of America, Inc.

Shoji Sakai  
Executive Vice President

Patrick Walter  
V.P. & General Manager

Eugene Schlueter  
Assistant General Manager

David Heisner  
Manager

Randal Maloney  
Manager

For the Union:

International Union, United  
Automobile, Aerospace and  
Agricultural Implement Workers  
of America, UAW and its  
Affiliated Local Union 2488

Ron Troutman  
International Representative

Terry Bolte  
Local 2488 Bargaining Comm.  
Chr.

James Tarr  
Maintenance Bargaining Comm.  
Rep.

International Skilled Trades  
Department  
Richard Karas  
Assistant Director

William J. Peterson  
International Rep.

Registered as incorporating the basic standards of the  
Bureau of Apprenticeship and Training  
U.S. Department of Labor

Richard D. Swain  
Regional Director, Bureau of Apprenticeship and Training  
United States Department of Labor

Date of Registration: 2/7/96  
Date of Revision: \_\_\_\_\_

Registration No. IL007-0993

ATTACHMENT 1

**ELECTRICIAN MAINTENANCE ASSOCIATE  
SCHEDULE OF WORK PROCESSES**

Work Process	HOURS
Safety instructions	
Electrical Construction	1250
High Voltage Equipment	
Control Panels	
Robotics	
Welding Equipment, etc.	
Electrical Maintenance	2000
Machines, Press Systems	
Cranes, Shuttle Conveyor Systems	
Substation Systems	
Plant/Office Lighting Systems	
Water/Air Systems, etc.	
Electronic Controls	2500
Water Treatment Control	
Robotics, Weld Controllers	
PLC, Data Link, ALC	
Control Wiring, etc.	
Repair & Rebuild Electrical Equipment	720
Robots, Transfer Systems	
Motors, Instrument, PLC's etc.	
Optional	690
Related Educational Instruction	<u>840</u>
Total (Hours)	8000

## ATTACHMENT 2

### DIE MAINTENANCE ASSOCIATE SCHEDULE OF WORK PROCESSES

Work Process	HOURS
Safety Instructions	
Tool Crib	200
Milling, Drilling & Grinding CNC, Drill Press, Radial Drill & Hand Drill & Tap, etc.	1550
Lathes Facing, Boring, Threading, Knurling, etc.	1250
Bench Work Die Mold Building, Finishing, Assembly, Die Tryout, Die Spotting, Jigs, Fixtures, etc.	3300
Die Engineering	200
Optional	750
Related Education Instruction	<u>750</u>
Total (Hours)	8000

ATTACHMENT 3

**CONFIRMATION OF RECEIPT OF  
DEPARTMENT OF LABOR COMPLAINT PROCEDURE**

On \_\_\_\_\_, I received a copy of the United States Department of Labor complaint procedure (29.11 of the Labor Standards for the Registration of Apprenticeship Programs).

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**LETTER OF UNDERSTANDING  
MAINTENANCE WORK SCHEDULE**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

Should the Company determine the need to establish a maintenance associates work schedule to more adequately meet the demands of weekend work, the parties will meet to negotiate a mutually acceptable program that may be implemented on a trial basis.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING**  
**MEDICAL FACILITIES OPERATIONS**

August 24, 2001

Mr. Nate Gooden  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

During the course of these negotiations, the operations of the medical facility within MMMA was discussed. It is agreed that associates requiring an appointment with the Company medical doctor or for physical therapy may volunteer to schedule an appointment during their off-shift time. If they choose not to voluntarily schedule an appointment at this time, they will be afforded the opportunity to schedule the appointment during their regularly scheduled shift times. At no time will an associate be mandated to schedule an appointment during their off-shift time.

It is also agreed that a Company doctor will maintain office hours until at least 6:00 p.m. three (3) days a week and a nurse practitioner will be scheduled until at least 6:00 p.m. one(1) day per week to accommodate the needs of the second shift associates.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:  
Nate Gooden  
UAW Vice President

**LETTER OF UNDERSTANDING  
MONDAY/FRIDAY PTO**

August 24, 2001

**Mr. Nate Gooden**  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI\_48214

Dear Mr. **Gooden**:

During the 1995 negotiations, the Union expressed the need to allow more associates the opportunity for time off on days when Supplemental Workers are utilized. To this end, the Company agrees that **four (4) associates per group, per shift, in groups of thirty (30) to forty-four (44), and five (5) associates per group, per shift, in groups of forty-five (45)** or more will be permitted to take scheduled PTO on Mondays and Fridays when Supplemental Workers are utilized.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:  
**Nate Gooden**  
UAW Vice President

**LETTER OF UNDERSTANDING  
NOTICE OF DAILY OVERTIME**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

During the course of our negotiations, the Company and the Union discussed the intent of Article XXI, Section 1.A and the problems or inconveniences caused to some associates when little or no notice is given for required daily overtime. Therefore, except for emergency production needs, the Company will notify associates by the end of the last regularly scheduled break. The appropriate management will be advised of the concerns expressed by the Union in an effort to minimize such incidents where it is practical to do so.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

## LETTER OF UNDERSTANDING OTHER DEMANDS

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the negotiations, the parties discussed local items and agreed to the following:

1. Vending Machines - The Company will locate two (2) sandwich machines at appropriate locations other than the cafeteria area.
2. Picnic Tables - The Company will provide five (5) picnic tables at appropriate places outside the plant.
3. Payroll Shortages - If an associate incurs a payroll shortage of more than \$100.00, the Company will correct the shortage by electronically transferring the amount to the associate's account within three (3) working days of notification, if so requested by the associate.
4. Travel Policy - During these negotiations, the Company explained to the Union the travel policy that applies to bargaining unit employees.
5. Pay Telephones - The Company will provide five (5) additional pay telephones at appropriate places in the plant.

**6. Die Moves – The Stamping Section has the responsibility for the movement of dies.**

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING**  
**OUTSIDE VENDORS**

**August 24, 2001**

**Mr. Nate Gooden**  
**UAW Vice President**  
**8000 East Jefferson Avenue**  
**Detroit, MI 48214**

**Dear Mr. Gooden:**

**During these negotiations, the parties discussed the issue of outside vendors performing work in the plant.**

**It is not the Company's intent to have the outside vendors that perform booth and bathroom cleaning, salvage removal, or trash pick-up performing work inside the plant normally done by the Company maintenance or production associates.**

**Very truly yours,**

**C. F. Neal, Jr.**

**Accepted and approved:**  
**Nate Gooden**  
**UAW Vice President**

**LETTER OF UNDERSTANDING  
PLACEMENT OF RESTRICTED ASSOCIATES**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the course of negotiations, the Company and the Union discussed, in great detail, the placement of restricted associates. As a result of these discussions, the Company assured the Union that it will continue the practice of placing restricted associates returning to work on open jobs which they can perform, first, in their own group on their own shift. Further, when openings occur in the plant and there are no associates off work eligible to return to that opening from that group, the Company will return the most senior associate capable of performing the work to that opening.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING  
POW / MIA FLAGS**

August 24, 2001

**Mr. Nate Gooden**  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the current negotiations, the Union requested that the Company fly the POW/MIA flag more frequently. In view of the special sensitivity associated with POW/MIA issues, the Company agreed to consider exceptions to its normal policy on flags when so requested by the Union. These exceptions may include individual special requests, special days recognized by the U.S. government to honor or remember POW's or MIA's or other appropriate holidays, such as Memorial Day and Veteran's Day.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:  
**Nate Gooden**  
UAW Vice President

**LETTER OF UNDERSTANDING  
PRODUCTION TOOLING TRAINING**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

Consistent with efficiency of operations, the Manager of Employee Relations and the Maintenance Bargaining Committeeperson will meet during the term of this Agreement to develop a training program for the operation of MHI machines **including CNC functions**.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING  
PTO SCHEDULING**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

During the 1992 negotiations, the Union expressed the need to allow more associates the opportunity to utilize their scheduled PTO. The Company therefore agrees that a minimum of one (1) associate per group, per shift, in groups of fourteen (14) or less; two (2) associates per group, per shift, in groups of fifteen (15) to twenty-nine (29); and three (3) associates per group, per shift, in groups of thirty (30) to forty-four (44); and four (4) associates per group, per shift, in groups of forty-five (45) or more will be permitted to take scheduled PTO at any one time, except for those groups which currently provide for a higher allotment of scheduled PTO, in which case the current allotments will be maintained.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING  
QUALITY AND EFFICIENCY PERFORMANCE  
IMPROVEMENT PLAN (QEPIP)**

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the 2001 negotiations, the Company agreed to continue the program designed to provide associates with monetary rewards for achieving continuous quality and efficiency improvements, namely the Quality and Efficiency Performance Improvement Plan (QEPIP).

Using realistic and objective standards such as the JD Power Quality Survey and other measurement indices appropriate to the MMMA situation, the program measures and compares MMMA's performance in quality and efficiency from 2001 Model Year to the 2002, 2003, 2004 and 2005 model years. The parties understand the 2005 model year comparison is only applicable to the JD Power Quality Survey results, and not the other measurement indices. The program is unique to the MMMA product line and production circumstances but is conceptually similar to a performance-based plan existing elsewhere in the U.S. automobile industry.

If measured improvements are achieved in quality and/or efficiency, eligible associates can receive QEPIP bonuses for the 2001, 2002, 2003, 2004 and 2005 model years payable in the first pay period of December 2001, June and December 2002, 2003 and 2004; and June 2005 respectively. However, it is understood that the minimum QEPIP bonus for the 2001 model

year will be \$600.00. It is further understood the 2001 model year program will measure and compare MMMA's performance in quality and/or efficiency to the 1998 model year using the 2000 program year table. To be eligible for December bonuses, an associate must have seniority as of December 1 of the year in which the bonus is paid and must have worked 1040 hours during the twelve (12) months preceding December 1 of the year in which the bonus is paid. To be eligible for June bonuses, an associate must have seniority as of May 1 of the year in which the bonus is paid and must have worked 1040 hours during the twelve (12) months preceding May 1 of the year in which the bonus is paid.

Both parties recognize that for the Corporate Audit category, replacement/successor and additional/new models will be handled as follows:

- For replacement /successor models: allocate one-half of the applicable per vehicle amount to the replacement/successor model and the other half to its predecessor. For example, that corresponds to \$50 for each such model at the bottom of the Schedule and \$100 for each at the top. Payments for quality improvements on the remaining carryover models would continue unchanged, e.g., \$100 at the bottom and \$200 at the top.
- For additional/new models: distribute the total amounts associated with each payout percentage evenly among the higher number of models. For example, an additional/new model would reduce the current payout at the top from \$200 for each of four vehicles to \$160 for each of five vehicles, thereby leaving the \$800 maximum payout for this category unchanged.

If measure improvements are achieved in quality and/or efficiency under the QEPIP program, eligible associates can receive QEPIP bonuses up to a maximum of \$2600 per calendar year.

**The** QEPIP program will be monitored and reviewed by a Joint Company and Union QEPIP Committee comprised of the local Union Bargaining Committee and appropriate representatives of the International Union and the Company. The QEPIP Joint Committee will be authorized to modify the program by mutual agreement at any time during the term of this Agreement.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

## QEPIP BONUS CALCULATION TABLES

If MMMA is producing four models, the annual JD Power "Problems Per 100 Vehicles" Bonus Calculation Table will be as follows:

ANNUAL PAYOUTS – MODEL YEARS 2002 - 2005						
MEASUREMENT	MODEL	>0≤3%	>3≤5%	>5≤8%	>8≤12%	>12%
J.D. POWER P/100 PROBLEMS PER 100 VEHICLES	VEHICLE 1	25	125	150	200	250
	VEHICLE 2	25	125	150	200	250
	VEHICLE 3	25	125	150	200	250
	VEHICLE 4	25	125	150	200	250

If MMMA is producing four models, the annual JD Power "Top 50% Rankings" Bonus Calculation Table will be as follows:

### TOP 50% RANKINGS (JD POWERS)

\$120	VEHICLE 1
\$120	VEHICLE 2
\$120	VEHICLE 3
\$120	VEHICLE 4
\$120	1 <sup>st</sup> PLACE OVERALL RANKING
\$600	

If MMMA is producing four models, the Corporate Audit Bonus Calculation Table will be as follows:

ANNUAL PAYOUTS – MODEL YEARS 2002 – 2004						
MEASUREMENT	MODEL	>0≤3%	>3≤5%	>5≤8%	>8≤12%	>12%
CORPORATE AUDIT	VEHICLE 1	100	125	150	175	200
	VEHICLE 2	100	125	150	175	200
	VEHICLE 3	100	125	150	175	200
	VEHICLE 4	100	125	150	175	200

The Efficiency Bonus Calculation Table during the term of the Agreement will be as follows:

ANNUAL PAYOUTS – MODEL YEARS 2002 – 2004					
MEASUREMENT	>0≤2%	>3≤4%	>4≤6%	>6≤10%	>10%
EFFICIENCY	100	125	150	175	200

## LETTER OF UNDERSTANDING REINSTATEMENT OF PROBLEM

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the negotiations for the current Agreement, the parties agreed to the following:

1. The parties acknowledged the desirability of ensuring prompt, fair and final resolution of associate problems. The parties also recognized the maintenance of a stable, effective and dependable problem resolution procedure is necessary to implement the foregoing principle to which they both subscribe. Accordingly, the parties view any attempt to reinstate a problem properly disposed of as contrary to the purpose for which the Problem Resolution Procedure was established and violative of the fundamental principles of collective bargaining.

However, in those instances where the International Union, UAW, by either its Executive Board, Public Review Board, or Constitutional Convention Appeals Committee has reviewed the disposition of a problem and found that such disposition was improperly affected by the Union or a Union Representative involved, the International Union may inform the Company's Employee Relations Manager in writing that such problem is reinstated in the Problem Resolution Procedure at the step at which the original disposition of the problem occurred.

It is agreed, however, that the Company will not be liable for any claims for damages, including back pay claims, arising out of the problem that either (i) are already barred under the provisions of the agreement at the time of the reinstatement of the problem or (ii) that relate to the period between the time of the original disposition and the time of the reinstatement as provided herein. It is further agreed that the reinstatement of any such problem shall be conditioned upon the prior agreement of the Union and the associate or associates involved that none of them will thereafter pursue such claims for damages against the Company in the Problem Resolution Procedure, or in any court or before any Federal, State, or municipal agency. Notwithstanding the foregoing, a decision of the arbitrator on any problem shall continue to be final and binding on the Union and its members, the associate or associates involved and the Company and such problems shall not be subject to reinstatement.

This provision is not to be construed as modifying in any way either the rights or obligations of the parties under the terms of the Agreement, except as specifically limited herein, and does not affect sections thereof that cancel financial liability or limit the payment or retroactivity of any claim, including claims for back wages, or that provide for the final and binding nature of any decisions by the Arbitrator or other problem resolutions.

It is understood that this provision and parties obligations to reinstate problems as provided herein can be terminated by either party upon thirty (30) days notice in writing to the other.

This understanding will not affect any case settled prior to August 27, 1995.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:

**Nate Gooden**

UAW Vice President

## LETTER OF UNDERSTANDING SAFETY

August 24, 2001

Mr. Nate Gooden  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

During this negotiations, the parties discussed and agreed to the following:

1. Containers/Racks - The Company will continue to require suppliers to provide parts in properly maintained containers. Should an unsafe container be discovered, it will be removed from service. The Company will monitor the condition of racks and containers as they enter the plant on a temporary basis as needed.
2. The Joint Health and Safety Committee will establish, within 90 days of the effective date of this agreement, a communication system to insure that severe weather alarms in the plant sound simultaneously with the Bloomington-Normal ESDA system.
3. The Company will install a local exhaust ventilation system on the fuel mule fill station in the vehicle emissions lab. In addition, the ventilation systems in the vehicle emissions lab will be cleaned and properly maintained in the future.
4. Anti-fatigue mats will be inspected on a quarterly basis by the UAW Coordinator and the Superintendent. The Company will maintain a stock

of replacement mats to insure that defective mats are replaced in a timely manner. Fatigue mats will be selected by the Joint Health and Safety Committee.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:

Nate Gooden

UAW Vice President

**LETTER OF UNDERSTANDING**  
**SAME-SEX DOMESTIC PARTNER BENEFITS**

August 24, 2001

Mr. Nate Gooden  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

During the course of these negotiations, the parties have agreed to offer same-sex domestic partner benefits in recognition that the Company employs, and the UAW represents, people from various and diverse backgrounds. The Company and the UAW value diversity and strive to ensure that their policies and practices are inclusive and non-discriminatory.

Therefore, consistent with our belief that a diverse workforce is an important asset, and in line with the interest of being fair, equitable and fiscally responsible, the Company and the UAW have agreed to expand the eligibility requirements to eligible same-sex domestic partners of eligible active employees for medical, prescription drug, dental, vision and hearing aid coverages effective April 1, 2002.

Eligibility Rules for Same Sex Domestic Partners

Effective April 1, 2002, the Company will offer medical, prescription drug, dental, vision and hearing aid coverages to eligible active employees who have a qualifying same-sex domestic partner relationship.

This understanding is an expansion of the Medical Insurance, Dental, Vision and Hearing Aid Expense Programs, presently available under our Agreement for

active employees and their eligible dependents. In addition, all other provisions of the Medical Insurance, Dental, Vision and Hearing Aid Expense Programs shall apply.

In the event an active employee dies while having an eligible domestic partner enrolled for coverage, the Company will continue medical, prescription drug and hearing aid coverages (but not dental or vision expense coverages) for the enrolled and eligible domestic partner (and eligible children, if any) as if the domestic partner were a surviving spouse and the domestic partner relationship has existed for at least one year immediately prior to his/her death.

The parties agree that a same sex domestic partner is defined as a relationship between two people who meet ALL of the following criteria:

- Are the same sex;
- Have shared a continuous committed relationship with each other for no less than six (6) months, intend to do so indefinitely, and neither has any such relationship with any other person;
- Are jointly responsible for each other's welfare and financial obligations;
- Reside in the same household;
- Are not related by blood to a degree of kinship that would prevent marriage from being recognized under the laws of their state of residence;
- Must reside in a state where marriage between persons of the same sex is not recognized as a valid marriage by the state, or, if residing in a state which recognizes same-sex unions, enter into such union as is recognized by the state;
- Each is over age 18, of legal age, legally competent to enter a contract; and
- Neither is married to a third party.

Employees will be required to submit a notarized affidavit attesting that their domestic partner relationship meets all of the above criteria. The effective date of coverage will be the date the affidavit is notarized, provided the employee is

otherwise eligible for health care coverage and notifies the Company within 31 days from the date the affidavit is notarized, or, if later, the first of the month following receipt of the affidavit by the Company.

The Company shall have the right of determining eligibility for the benefit, consistent with the provisions described above. The primary enrollee claiming initial or continuing eligibility of a domestic partner and/or dependent(s), if any, shall furnish any documentation that may be necessary to substantiate the claimed eligibility of the domestic partner and/or dependent(s).

The parties agree that in those instances where a legal jurisdiction (i.e., state) recognizes same sex marriages, or other forms of same-sex unions, a legal marriage, or other legal union, will be required to establish or continue coverage for those employees who reside in such jurisdiction.

In these cases, coverage will be effective as of the date of the marriage, or other such state recognized union, provided the employee is otherwise eligible for health care coverage and notifies the Company within the time limitations currently in place for adding a dependent.

Children of an employee's domestic partner will be considered eligible if they meet the requirements to be the employee's dependents under IRS code. In those cases, employees will not be taxed on the value of the child's coverage (see Tax Consequences below).

It continues to be the employee's responsibility to remove dependents who are no longer eligible for coverage under the Company-provided health care plans, i.e., at the point in time when they are no longer eligible under the provisions of our negotiated agreements and this letter of understanding.

## Continuation of Coverage

Same-sex domestic partners, when deleted from Company-provided coverage, do not qualify for COBRA coverage under the federal government's regulations regarding COBRA continuation of coverage. In addition, certain alternative plans may not provide COBRA-like coverage. The Company will make arrangements for a COBRA-like cash pay continuation of coverage with eligibility rules and payment arrangements as apply under COBRA for persons who no longer meet the eligibility rules as defined in this letter and under our bargaining agreement.

## Tax Consequences

Because of IRS regulations, enrollment of a domestic partner is likely to result in tax consequences since the IRS and state laws do not presently recognize a same-sex partner as a legal spouse. The parties agree that in those instances when the non-employee partner does not qualify as a dependent of the employee under IRS code, the fair market value of the benefits provided for the partner will be imputed (taxable) income to the employee.

The Company will assume that when an employee enrolls a same-sex domestic partner for medical, prescription drug, dental, vision and hearing aid coverages, the domestic partner does not meet the IRS code requirements for dependent status, unless the employee provides acceptable proof to the Company to the contrary.

## Confidentiality

As with all personnel files, health care elections are treated as strictly confidential information. Company and UAW Benefits Representatives will be instructed regarding the confidentiality of all benefit matters and to apply strict confidentiality regarding the issue of domestic partner eligibility.

## Health Care Plan Options Accepting Same-Sex Domestic Partners

It is the intent of the Company to make same sex domestic partner eligibility available under all health care plans offered by the Company to eligible members. Some Health Plans may not make such coverage available to the Company and, therefore, the Company will not be able to make such coverages available to employees who are enrolled under these plans.

For example, some state laws may not allow insured plans to provide same-sex domestic partner benefits for health care. In these instances, employees eligible for PPO Plan coverage who elect domestic partner coverage may change their health care plan to the PPO Medical Plan (which is self-insured and therefore not subject to such state laws) or to another available alternative plan that does accept domestic partner coverage, concurrent with the effective date of adding a qualifying domestic partner for coverage.

### Next Steps

The Company will develop an employee communication describing our agreement on this benefit.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:  
Nate Gooden  
UAW Vice President

## LETTER OF UNDERSTANDING SATURDAY ABSENCES

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

During the 1995 negotiations, the Union expressed the need to allow more associates the opportunity to be excused from Saturday work when Supplemental Workers are utilized. The Company agrees that a minimum of one (1) associate per group, per shift, in groups of fourteen (14) or less; two (2) associates per group, per shift, in groups of fifteen (15) to twenty-nine (29); and **four (4) associates per group, per shift, in groups of thirty (30) to forty-four (44); and five (5) associates per group, per shift, in groups of forty-five or more** will be permitted to take excused, unpaid time off on any Saturday when Supplemental Workers are utilized, except for those groups which currently provide for a higher allotment of excused, unpaid time off, in which case the current allotments will be maintained. It is understood that an associate who requests to be excused from Saturday work in conjunction with either scheduled Monday or Friday PTO will have priority.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

## LETTER OF UNDERSTANDING SCHEDULED LUNCH PERIODS

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the course of these negotiations, the parties discussed the concerns of the Union regarding frequent advancements of the regularly scheduled lunch period. It was agreed that the lunch period will only be advanced by **the Superintendent** when emergency circumstances exist such as machine or equipment breakdown, or material or part shortages.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING**  
**SETTLEMENT BONUS**

**August 24, 2001**

**Mr. Nate Gooden**  
**UAW Vice President**  
**8000 East Jefferson Avenue**  
**Detroit, MI 48214**

**Dear Mr. Gooden:**

**During the present negotiations, the parties agreed to provide a Settlement Bonus of \$1,350 to each eligible Associate no later than September 7, 2001.**

**Eligible associates are those associates (excluding part-time Supplemental Workers) who, on the ratification date of the Agreement, and the payment date are actively at work or approved to be on one of the following leaves for less than ninety (90) days: Sickness and Accident, long-term Disability, educational, military, personal, workers' compensation or FMLA.**

**Very truly yours,**

**C. F. Neal, Jr.**

**Accepted and approved:**  
**Nate Gooden**  
**UAW Vice President**

**LETTER OF UNDERSTANDING  
SPECIAL RETIREMENT WINDOW**

August 24, 2001

**Nate Gooden**

UAW Vice President  
East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

The Company will modify the provisions of the retirement plan to provide for a one-time-only window for applications from associates for early unreduced retirement benefits. This opportunity will be offered as follows:

- Eligibility:** Associates who, as of January 1, 2002 are at least 57 and have at least 7 years of Benefit Service under the pension plan.
- Window Period:** January 1, 2002 through March 31, 2002.
- Pension Enhancement:** Eligible associates who retire during the window period will be eligible to receive pension benefits without reductions for early commencement. Prior to age 62, an additional supplement of \$350 per month will be paid to the retiree. This supplement will cease when the retiree turns age 62 and one month.

Retiree Health Enhancement: Eligible associates who retire during the window period will be eligible to receive Retiree Health Care Coverage without the 60 month limitation on coverage prior to age 65. In addition, these associates and their spouses will continue dental and vision coverage until age 65.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

**LETTER OF UNDERSTANDING**  
**UAW/MMMA PARTNERSHIP FOR QUALITY**  
**(PFQ)**

August 24, 2001

Mr. Nate Gooden  
UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. Gooden:

Pursuant to the Letter of Understanding, UAW/MMMA Partnership for Quality (PFQ) dated August 27, 1998, the Partnership for Quality (PFQ) was developed. The parties agreed to the final version of the program on May 3, 2001, and that document is incorporated by reference herein.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:  
Nate Gooden  
UAW Vice President

## LETTER OF UNDERSTANDING V-CAP DEDUCTIONS

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

UAW Local 2488 shall furnish the Company with an Authorization for V-CAP Deductions card for each associate for whom a deduction is to be made. The card shall contain the following information:

- a) Name and address of associate
- b) Department
- c) Social Security Number
- d) Amount to be deducted each month

Cards that cannot be processed will be returned to Local 2488 for correction.

The Company will make such authorized deductions from its last regularly scheduled pay period of each month commencing on April 1, 1990, and continuing while such authorization is in effect.

A deduction not made in one period will not be carried forward to a subsequent month.

For each deduction period, the Company will issue a single check for represented associates to UAW V-CAP, care of the International Union, for deductions made in the preceding period. Overpayment to the Union resulting from cancelled associate authorizations will be removed in a subsequent period.

The Company shall also forward to the Union a computer generated listing which will indicate the name, address, payroll location code, local union number, full social security number and the amount deducted for each associate during that deduction period. Year to date deduction totals for each associate will also be included in the report.

The Union will pay the Company a monthly fee of one hundred dollars (\$100.00) for general administration, computer time, and the cost of processing new authorization changes or cancellations.

The Union will also pay the Company a fee of one thousand dollars (\$1000.00) for initial setup and programming costs.

The Company will bill the International Union for the amounts owed pursuant to the above paragraph, which bill shall be paid in the month following the month in which billed.

Associates who wish to cancel their authorization for payroll deductions will sign a card supplied by the Union for that purpose. Refunds will be the responsibility of the Union.

The designated Financial Officers of the Local Union will collect and forward as one transmittal all signed Authorization Cards and Cancellation Cards for the initial processing and for each period to the Company.

An Authorization Card which is not revoked by an associate who has left active service shall continue in effect upon reinstatement to active status.

The Union shall indemnify and hold the Company harmless against all claims or liabilities that may arise out of actions taken by the Company to comply with any of the provisions of this letter.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:

**Nate Gooden**

UAW Vice President

## LETTER OF UNDERSTANDING VEHICLE PURCHASE PLAN

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the course of negotiations, the parties discussed the Vehicle Purchase Plan that is made available to eligible associates of MMMA from Mitsubishi Motor Sales of America, Inc. (MMSA) and **DaimlerChrysler**.

This letter sets forth the intent of the Company to continue the administration of these plans as long as these plans are made available from MMSA and **DaimlerChrysler** for eligible associates of MMMA. The terms, conditions and continuation of these plans is determined exclusively by MMSA and **DaimlerChrysler**. Currently, **MMSA is offering a purchase plan based on dealer invoice. DaimlerChrysler recently announced to their dealers and MMMA that the CDI (Certain Designated Individuals) Plan has ended. DaimlerChrysler has indicated in writing to the Company that they are making other arrangements for providing MMMA the same type of program benefits that CDI offered. Until a permanent replacement program can be offered to employees, DaimlerChrysler has indicated that they will provide our employees with the Friends Program.**

It is understood and agreed that MMSA, **DaimlerChrysler** or MMMA may at any time modify, change or discontinue the Program and MMMA shall have no obligation to bargain concerning the decision to do so. The Union will be advised in advance of any such actions. Further, this Vehicle Purchase Plan

is not subject to the Problem Resolution Procedure. The Company agrees to periodically post bulletins informing the associates of the enhanced Vehicle Purchase Plan.

Very truly yours,

**C. F. Neal, Jr.**

Accepted and approved:

**Nate Gooden**

UAW Vice President

## LETTER OF UNDERSTANDING WAGE PARITY CONCEPT

August 24, 2001

**Mr. Nate Gooden**

UAW Vice President  
8000 East Jefferson Avenue  
Detroit, MI 48214

Dear Mr. **Gooden**:

During the course of the 2001 negotiations, the parties discussed the method by which MMMA associates would continue to maintain wage parity with DaimlerChrysler workers.

In this regard, it is understood that the appropriate AIF and general increases mentioned in Article XVII for the production associate and general maintenance/die maintenance associate classifications will be equivalent to the full amount of the increase received by the DaimlerChrysler major assembler and the DaimlerChrysler electrician respectively under the 2003 UAW-DaimlerChrysler Agreement. The MMMA increases will take effect as of the first pay period in March following the corresponding dates of such adjustments at DaimlerChrysler.

It is further understood that the COLA in effect at the time of the adjustment following any such AIF or general increase, or lump sum payments in lieu thereof, will be modified as necessary to offset any differences in incremental COLA payments occurring under the two agreements. For example, if the 2003 UAW-DaimlerChrysler Agreement calls for an initial across-the-board 3% lump sum payment, no September 2003 COLA, and diversions of \$.03 per quarter starting in December, MMMA would pay the lump sum in March 2004 and reduce the COLA in effect in March 2004 by the amount of the September 2003 COLA adjustment plus

the \$.06 associated with the December 2003 and March 2004 diversions.

Very truly yours,

C. F. Neal, Jr.

Accepted and approved:

Nate Gooden

UAW Vice President



2004



JANUARY							APRIL							JULY							OCTOBER							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
				1	2	3	3	4	5	6	7	8	9	10	4	5	6	7	8	9	10	3	4	5	6	7	8	9
4	5	6	7	8	9	10	11	12	13	14	15	16	17	11	12	13	14	15	16	17	10	11	12	13	14	15	16	
11	12	13	14	15	16	17	18	19	20	21	22	23	24	18	19	20	21	22	23	24	17	18	19	20	21	22	23	
18	19	20	21	22	23	24	25	26	27	28	29	30	25	26	27	28	29	30	31	24	25	26	27	28	29	30		
25	26	27	28	29	30	31								29	30	31					31							

  

FEBRUARY							MAY							AUGUST							NOVEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	2	3	4	5	6	7	8	1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	9	10	11	12	13	14	15	8	9	10	11	12	13	14	7	8	9	10	11	12	13
15	16	17	18	19	20	21	16	17	18	19	20	21	22	15	16	17	18	19	20	21	14	15	16	17	18	19	20
22	23	24	25	26	27	28	23	24	25	26	27	28	29	22	23	24	25	26	27	28	21	22	23	24	25	26	27
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MARCH							JUNE							SEPTEMBER							DECEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
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22	23	24	25	26	27	28	22	23	24	25	26	27	28	22	23	24	25	26	27	28	19	20	21	22	23	24	25
28	29	30	31				29	30	31					26	27	28	29	30			26	27	28	29	30	31	

2005



JANUARY							APRIL							JULY							OCTOBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1	3	4	5	6	7	8	9	3	4	5	6	7	8	9	3	4	5	6	7	8	9
2	3	4	5	6	7	8	10	11	12	13	14	15	16	10	11	12	13	14	15	16	10	11	12	13	14	15	16
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FEBRUARY							MAY							AUGUST							NOVEMBER						
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1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	8	9	10	11	12	13	14	8	9	10	11	12	13	14	8	9	10	11	12	13	14
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22	23	24	25	26	27	28	22	23	24	25	26	27	28	22	23	24	25	26	27	28	22	23	24	25	26	27	28
29							29	30	31					29	30	31					29	30					

  

MARCH							JUNE							SEPTEMBER							DECEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	8	9	10	11	12	13	14	8	9	10	11	12	13	14	5	6	7	8	9	10	11
15	16	17	18	19	20	21	15	16	17	18	19	20	21	15	16	17	18	19	20	21	12	13	14	15	16	17	18
22	23	24	25	26	27	28	22	23	24	25	26	27	28	22	23	24	25	26	27	28	19	20	21	22	23	24	25
29							29	30	31					26	27	28	29	30			26	27	28	29	30	31	

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BLOOMINGTON, IL 61704-5195

*% Ralph Timan*