

K3637

AGREEMENT

Between

MAYTAG

Newton Laundry Products

and the

UAW

and its Local 997

Effective July 9, 2004

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Preamble

AGREEMENT

THIS AGREEMENT is made and entered in this Fifth day of July, 2004, by and between the Maytag, Newton Laundry Products (hereinafter called the "Company") and the INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, and its Local Union 997 (hereinafter called the "Union"), on behalf of the Employees in the bargaining units recognized and described in Article I of this Agreement.

WHEREAS, the Company and the Union agree to cooperate to promote harmonious relations and efficient operations, and to these ends will carry out the provisions of the following Agreement in a spirit of harmony and goodwill. Neither party will exercise any coercion or intimidation upon any of the Employees.

NOW, THEREFORE, it is agreed as follows:

ARTICLE I

RECOGNITION AND APPROPRIATE UNITS

Section 1. Scope of Agreement. The Union is recognized as the exclusive representative of the Employees in the appropriate unit of the Plant at Newton, Iowa, for the purpose of collective bargaining with respect to wages, hours, and other conditions of employment. This Agreement shall apply to the Employees in the appropriate unit in the Plant, and the scope of the appropriate unit in the Plant as defined in Section 2 of this Article.

Article 1 - Section 2

Section 2. Scope of Appropriate Unit. The appropriate unit referred to in Section 1 shall include all production and maintenance Employees, but shall exclude all salaried Employees and all Employees in Engineering, Laboratory, Industrial Engineering, Research and Development, Accounting, Public Relations, Marketing and Industrial Relations. The term "Employees", used hereafter in this Agreement, means Employees in the appropriate bargaining unit.

Excluded Employees, such as Technicians, who have traditionally performed work similar or identical to work performed by Employees in the bargaining unit, occasionally or regularly, may continue to perform such work, provided that the scope and volume of such work shall not be increased so as to erode the bargaining unit.

Section 3. Work By Unit Employees. The Company will not assign work normally performed by Employees in the appropriate unit to Employees of the Company specifically excluded from that unit, except on occasion where it was clearly necessary; but this shall not be construed to limit the Company's right to have work performed in its Plant or elsewhere by employee of other employers, whether this work be the same or similar to work performed by Employees of the Company included in the appropriate unit. However, it is the intention and policy of the Company to have all types of work performed in its Plant by its own Employees whenever it is reasonably practicable, and in no event shall any seniority Employee who customarily performs the work in question be laid off as a direct and immediate result of work being performed by any outside contractor on the Plant premises. This Section shall in no way modify the application of Article IV, Section 2. If there is a violation of this Section, the

Article I- Section 3

Employee within the bargaining unit who lost time because of such violation shall be paid his applicable rate for such lost time.

Section 4. Extension of Agreement. In the event the Company should build, lease or buy and operate any manufacturing facilities or product warehouse, or expand and operate any existing manufacturing facilities or product warehouse, in Jasper County, Iowa, the production and maintenance Employees employed in such new or expanded facilities will be considered, if legally permissible, a part of the bargaining unit covered by this Agreement.

ARTICLE II

NO STRIKE-NO LOCKOUT

Section 1. Mutual Pledge of the Parties. The Union and the Company have agreed to cooperate to promote harmonious relations and efficient operations, and to carry out the collective bargaining procedure set up in this Agreement in a spirit of harmony and goodwill. The Company agrees not to conduct a lockout during the term of this Agreement. The Union agrees not to strike nor to approve or give support to the participation of any member of the bargaining unit in any walkout, sit-down, or stay-in strike, or any other interference with, slowdown or stoppage of work of the Company. The Union will take prompt action to induce members of the bargaining unit, violating the provisions of the Agreement, to cease such violations, and in event of failure, on the part of the member of the bargaining unit to heed such notice and persuasion, the Union agrees that the Company may resort to appropriate disciplinary action, subject to the Grievance Procedure.

Article II - Section 2

Section 2. Special Exception to Pledge. The provisions of Section 1 shall not apply in the case of grievances listed in (a) below, when the Union has elected to decline arbitration, and where the procedures of this Section 2 are observed by the Union, except that should any strike be called under this Section, it shall not take the form of a sit-down, stay-in, or wildcat strike.

- (a) Grievances involving (1) changes in existing Labor Standards, (2) the establishment of new Labor Standards, or (3) the establishment of incentive base and hourly rates for new and/or changed job classifications, or (4) changes in the work content of an established job classification which would affect the evaluated rating of the classification, may be appealed through the Grievance Procedure. Any such grievance shall be considered settled on the basis of the Company's written answer in Step 4, unless the Union has declined arbitration and, within sixty (60) calendar days from the date of said answer, the International Union, by written notice, signed by an officer thereof, notified the Company that the International and Local Union have authorized a strike of the bargaining unit, as provided by the Constitution of the International Union.
- (b) No strike shall be brought without the giving of such notice, which shall specify the grievance or grievances involved, and the strike shall not begin until ten (10) days following the giving of the notice. During this period, or any mutually agreed upon extension thereof, an earnest effort shall be made by both parties to settle the dispute. If no settlement is reached at the end of the ten (10) day period, or at the end of any mutually extended

Article II - Section 2

period, the Union shall, within thirty (30) days, call a strike, or the grievance or grievances shall be deemed settled on the basis of the Company's latest proposal.

ARTICLE III

NO DISCRIMINATION

Section 1. No Discrimination. There shall be no discrimination against any Employee in the bargaining unit by either party for any illegitimate reason, such as color, race, creed, religious belief, nationality, sex, disability, physical handicap or age, as prohibited by Federal or Iowa Law. On all jobs, the principle of equal pay for equal work as between male and female Employees shall be applied. Wherever the pronoun "he" is used in this Agreement, it shall apply to persons of both male and female gender.

ARTICLE IV

MANAGEMENT

Section 1. Reserved Rights. Management of the Company and direction of the working forces, including the right to plan work and control plant operations; to hire, transfer, suspend or discharge Employees for proper cause; to judge impartially the relative skill, ability, and other qualifications of Employees; to set and adjust wage rates in accordance with the terms of this Agreement; to relieve Employees from duty, because of lack of work or other legitimate reasons; to introduce new or improved production methods or facilities, is vested exclusively in the Company, subject to the terms of this Agreement, provided

Article IV - Section 1

that, nothing herein contained be used for the purpose of discriminating unfairly against any Employee.

Section 2. Work by Management Representatives.

Employees excluded from the bargaining unit shall not be permitted to perform work normally performed by Employees within the bargaining unit, unless such work is required in the satisfactory performance of their responsibilities as management representatives. Beyond such limitation, no such Employee, however, shall perform work which is normally done by Employees within the bargaining unit, unless it is incidental work which is not done on a routine basis, or unless it is in an emergency situation. If there is a violation of this Section, the Employee within the bargaining unit who lost time because of such violation shall be paid his applicable rate for such lost time.

ARTICLE V

DEDUCTION OF UNION DUES

Section 1. Procedure. For Employees who are members of the Union, and who have on file with the Company, a valid Wage Deduction Order and Authorization in the form prescribed by Law, the Company will deduct from wages earned, and pay to the Union, the regular Union initiation fee and regular dues according to the following procedure:

- (a) The Union shall certify to the Company, the names of Employees for whom deductions are to be made, and the monthly dues and initiation fee (unless specifically instructed not to deduct the latter) due from each Employee, and shall hereafter certify the names of any additional

Article V - Section 1

Employees for whom deductions are to be made, with the amount of monthly dues and initiation fees due from such Employees. The additional certifications will be made to the Company Manager of Payroll by the first day of the week in which the first pay in any month is to be paid, or by the first day of the week in which the third pay is to be paid, and such certifications shall be accompanied by a valid Wage Deduction Order and Authorization signed by the newly certified Employees.

- (b) The Union will advise the Company of any change in the amount of regular monthly dues and initiation fees, and the President of the Local Union shall certify that such changes were officially made.
- (c) From the first pay of each month, the Company will deduct the dues for that month and initiation fees from the earnings of Employees on the certified lists and for which valid Wage Deduction Order and Authorization Forms are on file. The amount of Union dues deducted from any Employee's pay will be accumulated on a year to date basis and that amount will be reported on the Employee's check stub. Initial deductions from the pay of Employees listed on lists filed after the first day of the week of the first pay, and before the first day of the week of the third pay, will be made from the third pay. If an Employee has no pay coming in the first pay period, or the pay is not sufficient to cover the Union's deductions and other authorized wage deductions, the Union deduction will be made from the third pay in that

Article V - Section 1

particular month if it is sufficient to cover all authorized deductions. The initiation fee will be deducted in the first pay of the following month, if that pay is sufficient, and if not, the deductions of the initiation fee will be carried to the third pay, etc. Occasionally, dues will not have been deducted from the earnings of an Employee who was eligible for such deduction in a given month, and in such cases, if the Union notifies the Payroll Office, in writing, the Company will make such deductions in the succeeding month as set forth above. Under no conditions will the Company make such deductions later than the succeeding month.

- (d) The Company will promptly pay over to the Financial Secretary of the Union, dues and initiation fees so deducted, and will furnish the Union, monthly, with a list of the Employees for whom deductions have been made and the amount of such deduction, in Check Number order for each Plant, and also a list of Employees on a prior list for whom no deduction has been made because of quit, discharge, absence from payroll, or withdrawal or transfer out of the unit.
- (e) The Union agrees to indemnify and hold the Company harmless against any and all claims, suits, orders, or judgments brought or issued against the Company as a result of any action taken or not taken by the Company pursuant to any written communication, from the Union under the provisions of this Article.

Article V - Section 2

Section 2. Resumption of Deductions. Upon the rehire of an Employee within twelve (12) months of the date of his leaving employment, or upon the recall of an Employee during the period that he retains his recall rights, the Company will resume deduction of dues for him if he has a valid Wage Deduction Order and Authorization on file. If a recalled Employee does not receive a pay in the first pay of the month of his recall, his Union Dues shall be deducted from the third pay paid in that month if the recalled Employee receives pay in that pay period.

Section 3. V-Cap Contributions. For Employees who have on file with the Company a valid Wage Deduction Order and Authorization, the Company will deduct from wages earned, and pay the appropriate amount to the National UAW V-CAP Fund according to the following procedure:

- (a) The Union shall certify to the Company, the names of Employees for whom deductions are to be made and the amount of such deduction.
- (b) From the second pay of each month, the Company will deduct the V-CAP contribution for that month from the earnings of Employees who have a V-CAP Wage Deduction Order and Authorization Form on file. The amount of such deduction from an Employee's pay will be accumulated on a year to date basis and that amount will be reported on the Employee's check stub or voucher. If an Employee has no pay coming in the second pay period, or the pay is not sufficient to cover the V-CAP deduction and other authorized wage deductions, no deduction will be made that month.

Article V - Section 3

- (c) On a monthly basis, the Company will furnish the Union with a list of the Employees for whom deductions have been made and the amount of such deductions, in Employee number order.
- (d) If an Employee leaves the active payroll for any reason, his V-CAP Wage Deduction Authorization Order becomes invalid.
- (e) Upon request, the Company will prepare an annual computer tape of V-CAP members according to the tape specification layout as provided by the National CAP Department.
- (f) The Union agrees to indemnify and hold the Company harmless against any and all claims, suits, orders, or judgments brought or issued against the Company as a result of any action taken or not taken by the Company pursuant to any written communication, from the Union under the provisions of this Memorandum.
- (g) The Company agrees to remit said deductions promptly to UAW V-CAP, care of the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW).
- (h) Annual administrative costs are estimated at \$600 per year. This amount is to be paid by the UAW during July of each year. These expenses will be reviewed on a periodic basis and should such costs be 10% greater or lesser than \$600, the Company will reopen for discussion the matter of administrative costs.

Article VI - Section 1

ARTICLE VI

UNION REPRESENTATION

Section 1. Central Grievance Committee. A Central Grievance Committee shall be established to handle Fourth-Step Grievances comprised of the fulltime Newton Union Representatives, the International Representative, the President and the Vice President of the Local Union. The composition of the Central Grievance Committee in any given Fourth-Step meeting will normally consist of the Union Representatives involved in the grievances to be heard, in addition to the International Representative and the President of the Local Union.

Section 2. Third-Step Grievance Committee. A Third-Step Grievance Committee shall be established and shall consist of: the Chief of Assembly/Support, Alternate Chief of Assembly/Support, and the two (2) Area Representatives (one of which shall be the Skilled Trades Representatives); and the five (5) Area Representatives. In any one of these Step Three Grievance meetings, the Chairman of the Skilled Trades Council and/or the Rate Representative may be present as required by the Union.

Section 3. Chief of Assembly/Support Representatives. There shall be one (1) Chief of Assembly/Support Plant Representative, who shall be paid by the Company up to forty (40) hours per week as provided in Section 6, who shall be permitted to confer with any Area Representative in such plant at any time.

Section 4. Area Representatives. Newton Laundry Products shall have seven (7) Area Representatives (one

Article VI - Section 4

of which shall be the Skilled Trades Representative), who shall be paid by the Company up to forty (40) per week as provided in Section 6. Each such Area Representative shall be restricted to the area which he represents in investigating and discussing grievances.

Section 5. Rate Representative. A Rate Representative shall be designated, who shall be paid by the Company up to forty (40) hours per week as provided in Section 6, and who may function in the Plant, as required by the Union, in the resolution of issues with respect to the propriety of Labor Standards or base rates as determined by job evaluation.

Section 6. Payment and Procedures Applicable to Plant, Rate, and Area Representatives. All Plant, Rate, and Area Representatives, as set forth in Sections 3, 4, and 5 above shall be assigned continuously to the day shift, and no Employees shall be permitted to process a grievance growing out of such continued assignment. No such Representative shall cause an Employee to suspend his work or leave his department until permission has been granted by the Department Head or his designated representative. A total of forty (40) hours each week is the maximum payment which will be made to any one of such Representatives and/or his alternate at the rate set forth in the Wage Schedule for such Representatives, except that when twenty-five percent (25%) or more of the Employees are scheduled to work on the day shift on Saturday or Sunday in the area represented by an Area Representative, such Area Representative shall be paid by the Company for the time actually spent in his area during such period; or when one hundred (100) or more of the Employees in the assembly departments or one hundred

Article VI - Section 6

(100) or more of the Employees in the support departments are scheduled to work during such periods, the Chief of Assembly or the Chief of the Support areas will be paid for the actual time spent in the Plant during the day shift on Saturday or Sunday. The Rate Representative shall be permitted to work weekend overtime when five (5) or more elected representatives are permitted to work. When Representatives are scheduled to work as described previously, they will be permitted to work the planned schedule of hours (up to a maximum of eight) even though the number of Employees working is reduced below the required number during the planned schedule.

This same policy shall apply for payment of Chief of Assembly or Chief of Support and Area Representatives during the summer and winter shutdown periods except that Alternate Representatives shall not serve as a Chief of Assembly or Chief of Support or Area Representative during such shutdown. When the Company mutually agrees in advance through the Manager of Human Resources, the Rate Representative will receive payment on an overtime basis. The Company shall provide notice, in advance, as to whether or not the necessary number of Employees will be scheduled in the area or the Plant, as the case may be. No claim may be made against the Company for payment of such time if for any reason the Representative or his alternate is not in the area or in the Plant. When any such Representative is absent from the Company premises, and is not in any way functioning as a Union Representative with Company representatives, the Representative may, by specific request to the Manager of Human Resources, designate his alternate to serve in his place, and after such specific designation,

Article VI - Section 6

such alternate shall be paid the same rate as the Representative for the time involved. Such Representatives will be eligible to file a bid, a transfer request or a request for interdepartmental transfer to vacancies in wage groups 1, 2 or 3 or into a job classification in Wage Group 4 where the work content of the classification has been evaluated in the first degree of the experience factor. Bids or any transfer requests to vacancies in the second degree of the experience factor of Wage Group 4 or above will be permitted only if such Representative has previously become qualified and could now perform the work with a minimum amount of supervision. If successful in bidding or requesting any transfer, the transfer will be so indicated on the Representative's work history, however, they will not be included in any overtime group.

Section 7. Department Stewards. In the Plant, there shall be permitted one (1) Department Steward for each Department Head whom the Company will recognize as entitled to present grievances in behalf of Employees under that Department Head's jurisdiction. Designated Department Stewards (except those representing Skilled Trades Employees in Departments 64, 92, and 93) shall rotate shifts as set forth in Article VIII, Section 8 and shall have no authority, responsibility or function while serving on a shift other than the day shift. Names of such recognized Department Stewards shall be furnished by the Union to the Company; and the Company will furnish the Union with the names of the Department Heads who are authorized to participate in the Grievance Procedure. Before leaving his work area to investigate or present a grievance, a Department Steward shall notify the Supervisor or Department Head, giving the reason for his departure from his work station and reasonable time (not

Article VI - Section 7

to exceed forty-five (45) minutes) to permit the assignment of a replacement. They will punch their time cards out upon leaving their work area, and they will punch in their time cards when they return to work. If a Department Steward does not leave his job excessively during a shift, he will normally be returned to the assignment he left. It is understood that effective June 1, 1984, Alternate Representatives described in Section 15 shall serve as both Alternate Representative and the Department Steward in his home department.

Section 8. Line Stewards. In the Plant for each department on the first and third shifts, only, there shall be permitted one (1) Line Steward who shall be permitted to assist Employees in the presentation of grievances. In instances where a department's jurisdiction extends over widely separated geographical areas, the Company will recognize Line Stewards for various areas as agreed upon. Where such Employees rotate shifts, one (1) Line Steward will be recognized for each shift, but such Line Steward shall have no authority, responsibility, or function while he is serving on the day shift. Names of such recognized Line Stewards shall be furnished by the Union to the Company. Before leaving their work station to investigate or present a grievance, the Line Stewards shall notify the Supervisor, giving the reasons for their departure from their work station and reasonable time (not to exceed forty-five (45) minutes) to permit the assignment of a replacement. They will punch their time cards out upon leaving their work area, and they will punch in their time cards when they return to work. If a Line Steward does not leave his job excessively during a shift, he will normally be returned to the assignment he left. A Line Steward may agree, in writing, to remain on a fixed shift, in which case the Union shall receive a copy of such agreement, and

Article VI - Section 8

there shall be no grievances permitted protesting such non-rotating assignment of the Line Steward.

Section 9. Union Activity. No Union activity, other than the handling of grievances, as provided in this Agreement, shall be conducted on Company time or Company premises, except that bulletins pertaining to bona fide Union matters may be distributed by the Union on the premises near the areas of egress from the plants, provided that such bulletins are first presented to the Plant Human Resources Manager. This shall not prohibit the Union from signing up members when both parties are on recognized lunch periods or before and after work.

Section 10. Payment For Grievance Handling. Union Representatives specified in the Grievance Procedure will be paid for time lost from work while participating in scheduled meetings, specified in the Grievance Procedure, during their regular working hours in Steps 1, 2, 3 or 4 of the Grievance Procedure. Department and Line Stewards who lose time from their work in the investigation of grievances, or to participate with an Employee in the presentation of a Step 1 oral grievance, will not be paid for such time, but shall have such time lost counted as time worked for the purpose of determining when overtime premium shall apply for work which they may subsequently perform during the same work week.

Section 11. Payment For Special Meetings Called By The Company. Employees will be paid their hourly rate for time lost from work attending meetings with the Company during their regular working hours if such meetings are arranged, in advance, by a Company representative and it is clearly understood who will attend the meet-

Article VI - Section 11

ing and who will be paid by the Company for the time spent in the meeting. Meetings in the First Step of the Grievance Procedure paid under this Section shall be limited to those occasions when a Supervisor requires an Employee to meet with him in an office for the purpose of discussing the Supervisor's answer to a Step 1 Grievance. The Company may require any Employee to report to the Supervisor's office for a meeting upon any subject and at any time. If the Employee requests to have his Union Representative present during such meeting, the Supervisor will arrange for the applicable Representative to be present, but the Representative will not be paid for such time unless during the course of the meeting, the Supervisor administers discipline to the Employee. On the day shift, the applicable Union Representative shall be either the Department Steward or the Area Representative. On the first or third shifts, the applicable Union Representative shall be the Line Steward. Meetings with any Company Representative in any place, initiated by an Employee or any Union Representative in the presentation of Step 1 Grievances, will not be paid under this Section.

Section 12. Cancellation of Meetings. Whenever a scheduled grievance meeting, as set forth in Article VII, or a special meeting called by the Company as set forth in Article VII, or a special meeting called by the Company as set forth in Section 11 above, has been postponed by the Company representative, the Company will endeavor to notify the Union Representatives who were scheduled to participate in such meeting at least one (1) hour in advance of the scheduled time of the meeting. Likewise, whenever such meetings are cancelled by Union Representatives, they shall endeavor to notify the appropriate Company representative at least one (1) hour prior to the scheduled starting time of such meeting.

Article VI - Section 13

Section 13. Union Officers' Shift Time. The Vice President, Recording Secretary, Financial Secretary, and the Chairman of the Skilled Trades Council will be assigned continuously to the day shift, provided that no Employee shall be permitted to process a grievance growing out of the continued assignment of such Employee to the day shift; and further provided that if such Employees accept transfer to a job which does not operate on the day shift, they shall either resign their office or the application of this Section shall be automatically suspended.

Section 14. Visitation Privileges of Union Representatives. Union representatives who are not on the Company's active payroll, such as the Local Union President and the International Union Representative assigned to the Local Union, shall not enter plant premises, except with the prior knowledge and approval of appropriate Company representatives. The Chief of Support/Assembly Plant Representatives may, after similar knowledge and approval, be permitted to enter the other area of responsibility; but Union Officers, Area Representatives, Department Stewards, and Line Stewards shall not enter any plant, area or department which they do not represent, except as it may be necessary for them to pass through such department or area. Under no condition shall they function as a Union Representative in such foreign area.

Section 15. Alternate Representatives. Whenever reference is made in this Agreement to a Union Representative, it shall also mean his designated alternate, who shall act in the capacity of a Union Representative in the elected Union Representative's absence. Effective June 1, 1984, such designated Alternate Representative shall also serve in the capacity of Department Steward in

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his home department. Names of such Alternate Representatives shall be furnished by the Union to the Company prior to being recognized as Alternate Representatives. Such Alternate Representatives shall be assigned continuously to the day shift.

Section 16. Representatives Seniority. Representatives described in Sections 3, 4, and 5 of this Article (Chief Representatives, Area Representatives, and Rate Representative, excluding any other positions), shall have their seniority date adjusted in order to provide at least one (1) day more seniority than the most senior employee working in the Plant at any time during the life of this Agreement.

This adjusted seniority date described above shall have the effect of insulating such representatives from any downgrade or layoff from the Plant as described in Article X, Sections 3 and 4, and will, in effect, provide the specified Representatives with super seniority. Such adjusted dates shall only apply to those Representatives currently acting and serving as a Representative when a layoff occurs and shall only include those Representatives described in Sections 3, 4, and 5 of this Article.

ARTICLE VII

GRIEVANCE PROCEDURE

Section 1. Definition of Grievances. A grievance is defined to be any difference which may arise between the parties or between an Employee and the Company involving the interpretation, application, or violation of any pro-

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vision of this Agreement. Grievances alleging a violation of Articles VIII, IX, X, XI, XII, XIII and XVI, unless otherwise specifically provided, shall be signed by the aggrieved Employee. Grievances alleging a violation of any other provision of the Agreement may be signed by the applicable Area Representative, provided that the grievance does not identify an aggrieved Employee and does not ask for an adjustment or change in the conditions or status of any Employee.

Section 2. Grievance Procedure. Grievances may be processed through the Grievance Procedure set forth, in this Article, up to and including arbitration. There shall be no violation of Article II, Section 1, of this Agreement on account of such grievances. Any grievance that either is not processed or is disposed of in accordance with this Grievance Procedure shall be considered settled, and such settlement shall be final and binding upon the Company, the Employee or Employees involved, the Union and its members. Except with respect to the right to present an individual grievance as expressly set forth in Step 1 below, the Union shall in the redress of alleged violations by the Company of this Agreement or any agreement supplementary hereto be the exclusive representative of the interests of each Employee or group of Employees covered by this Agreement, and only the Union shall have the right to assert and press against the Company any claim, proceeding, or action asserting a violation of this Agreement.

No Employee or former Employee shall have any right under this Agreement in any claim, proceeding, action, or otherwise on the basis of, or by reason of any claim that the Union or any Union officer or Representative has acted or failed to act relative to pres-

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entation, prosecution, or settlement of any grievance or other matter as to which the Union or any Union officer or Representative has authority or discretion to act, or not to act, under the terms of this Agreement.

Step 1.

- (a) **General Grievances.** The grievance shall initially be taken up with the Supervisor by the Employee, alone or, if the Employee elects, accompanied by either his Line Steward or his Department Steward or his Area Representative on an oral basis. The Supervisor shall attempt to adjust the grievance as soon as possible, but if the matter requires investigation or consultation, he shall be permitted to give his answer at any time within two (2) workdays, or longer if it is mutually acceptable to extend this period.
- (b) **Grievances On a Labor Standard.** In this Article, the words "Labor Standard" shall be construed to include a Preliminary Estimate and an Area Code. When a Labor Standard for a new or changed job has been approved and released, and an Employee who performs the operation believes the Standard to be improperly established, a written "Step 1 Grievance On A Labor Standard" may be filed by the Employee if he has run the job on-standard a minimum of twenty-four (24) hours. If the Standard has been run so infrequently during the thirty (30) days after its establishment that no Employee has run the job on-standard for a minimum of twenty-four (24) hours, any Employee who has run the job on-standard for six (6) hours during that thirty (30) day period may, file a grievance.

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If no Employee has run the job on-standard for six (6) hours during that period, an Employee may file a grievance after that period as soon as he has run it an accumulated six (6) hours. Such "Step 1 Grievance On A Labor Standard" shall be signed by the Employee and filed with the Supervisor, and shall be immediately referred to the Industrial Engineering Department. Such grievances shall state either that:

- (1) The Labor Standard was not established according to the requirements of Article IX, Section 7 (f), or
- (2) There was not sufficient change to justify a new Standard, as required in Article IX, Section 7 (j), or
- (3) The Standard on a changed job was not properly related to a Standard on a prior job as required in Article IX, Section 7 (i) and (1), or
- (4) If a Preliminary Estimate is involved, that it was not established according to the requirements of Article IX, Section 9.

Upon receipt of the grievance by the Industrial Engineering Department, a meeting shall be arranged between a representative of the Industrial Engineering Department, the Supervisor involved, the Rate Representative and the Area Representative involved in the grievance to clarify the grievance.

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Following such meeting, the Industrial Engineering Department will prepare a Comparative Data Sheet and an MTM Analysis of the elements in the Labor Standard which have been changed (where they are, by the nature of the grievance, required), and within five (5) work days after the meeting (unless the Company can show clearly justifiable reasons for extending this period) shall notify the Rate Representative that such grievance has been investigated and that the Company representatives are prepared to discuss it. The Rate Representative, accompanied if he wishes by the Area Representative, shall meet with the representative of the Industrial Engineering Department and the Supervisor involved to discuss the grievance and the prepared data. He shall be given a copy of the Comparative Data Sheet and a copy of the MTM Analysis of the changed elements (if such have been prepared). The Rate Representative shall then be permitted a period of fifteen (15) work-days (unless the Company has agreed to extend such period) during which they shall investigate the grievance and determine whether or not it is warranted. If they determine that the grievance is not warranted, they shall so advise the Employee and notify the Industrial Engineering Department, thereby withdrawing the grievance. A copy of the Summary of Industrial Engineering Investigation and Review will be provided to the Rate Representative for the purpose of giving it to the grieving Employee. If they determine that the grievance is warranted, they shall assist the Employee in the preparation and filing of a Step 2 Grievance as set forth below. If they fail both to

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notify the Industrial Engineering Department that the grievance has been withdrawn and to file a Step 2 Grievance within a period of fifteen (15) workdays (or within an agreed extension), the grievance shall be deemed to have been withdrawn.

- (c) **Grievance On An Area Code.** When an Employee who is working on an Area Code, and has operated under it for the minimum number of hours set forth in the table below, believes that one or more of the Labor Standards included in the Area Code is improperly established, he may file a written "Step 1 Grievance On An Area Code", on forms to be provided by the Company. Such grievance shall clearly state which Labor Standards or parts of Labor Standards the Employee alleges to be improper. Such grievance shall be signed by the aggrieved Employee. If more than five (5) Employees are directly involved, the names of the Employees shall be listed, and the form shall be signed by one (1) Employee in the group. The form shall be delivered to the Supervisor, who shall note the time of receipt on the form and shall deliver the form to the Industrial Engineering Department. Thereafter, the grievance shall be handled precisely as set forth in Subparagraph (b) above, except that the Industrial Engineering Department shall be permitted the number of workdays shown below following their initial meeting with the Supervisor and the Rate Representative involved for the purpose of clarifying the grievance, during which to investigate the grievance, unless the Company can show clearly justifiable reasons for extending such period.

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The number of hours which the Employee must have worked on the Area Code before he may be permitted to file such grievance, and the time permitted to investigate the grievance shall be as set forth below:

No. of Standards In Area Code	No. Of Hours To Be Worked	Workdays To Investigate
2	32	7
3	38	7
4	44	9
5	50	9
6	56	11
7	62	11
8	68	13
9	74	13
10	80	15
(Or More)		

In the application of hour requirements as related to this table, it is understood that the grieving Employee must have earned at least six (6) hours on each standard he is grieving in the area code. An Employee working under an Area Code who has earned twenty-four (24) or more hours on any one Labor Standard included in such Area Code may file a "Step 1 Grievance On A Labor Standard" against such Labor Standard as set forth in Subparagraph (b) above.

- (d) **Retroactive Adjustments Of Labor Standard, Preliminary Estimate, and Area Code Grievances.** If an adjustment on any Labor Standard is granted at any Step of the Grievance

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Procedure, the adjustment will be made retroactive to the date the grieving Employee first worked on such Labor Standard provided the Employee filed the "Step 1 Grievance On A Labor Standard" or "Step 1 Grievance On An Area Code", or a "Step 1 Grievance On A Preliminary Estimate" within thirty (30) days after he had the required number of hours to do so. Such thirty (30) day period may be extended by mutual agreement of the parties.

Step 2.

If the Grievance Answer in Step 1 is not satisfactory, the grievance shall be reduced to writing on a form to be provided by the Company and readily available in each department, and signed by the aggrieved Employee. If more than five (5) Employees are directly involved, the names of the Employees shall be listed, and the Grievance Form shall be signed by one (1) Employee in the group. The Article and Section of the Agreement alleged to have been violated must be identified, and subsequent processing of the grievance will be confined to a consideration of that Article and Section only. The grievance shall state as clearly as possible the precise nature of the Employee's position. If the grievance is against a Labor Standard, it must be signed by the Rate Representative and it shall identify as accurately as possible the precise aspect of the Labor Standard which is alleged to be improper. All other grievances shall be signed by the appropriate Union representative involved. The Grievance Form shall then be delivered to the Supervisor, who shall note the time of receipt on the form and shall deliver the form to the Department Office for subsequent typing and distribution. As soon as such typing has been completed, receipt copies

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of the grievances shall be forwarded to the Union Representative who signed the grievance, the Area Representative, and the Chief of Assembly/Support Representative, the Alternate Chief of Assembly/Support Representatives and the Skilled Trades Chairman if applicable. At least once each week in each department, according to a predetermined schedule, a meeting shall be held between the Department Head or his designated representative, accompanied if he desires by other Company representatives and the Department Steward, the Area Representative involved, and the Chief of Assembly/Support Representative to discuss grievances which have been submitted as set forth above at least two (2) workdays prior to such meeting. If no such grievances are on file, no meeting will be held, unless a special meeting on a nongrievance subject has been arranged in advance for the scheduled meeting time, as described in Article VI, Section 11.

Following the meeting, the Department Head or his designated representative shall answer the grievance in writing within three (3) workdays after the meeting, unless a longer time is agreed upon, and the written answer shall be returned to the Area Representative, with a copy for the Chief of Assembly/Support Representative, Alternate Chief of Assembly/Support Representative, and the Chairman of the Skilled Trades Council if applicable and for each Employee signing the grievance. If no written answer is received from the Company representative within three (3) workdays following such meeting, or within such longer period as may have been agreed upon, the Chief of Assembly/Support Representative if he so desires, may appeal such grievance to Step 3.

- (a) Labor Standard Grievances in Step 2. After a grievance has been entered in Step 2 and the Area

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Representative asks to examine a Labor Standard because it is incidentally involved in connection with a grievance involving the appropriateness of an allowance payment or the determination of whether an Employee is entitled to be put on an off standard or downtime basis, the Company will make the necessary data available at the next Step 2 Grievance Meeting. In no event will the Company provide either a recheck or a Comparative Data Sheet for grievances originating in Step 2, and if the grievance actually involved the time values of a Labor Standard or the question of the extent of change from a prior Standard, and a recheck or Comparative Data Sheet is needed, the grievance will be returned for resubmission as a written Grievance in Step 1 (b). In such case, the date the grievance was filed at Step 2 will be considered the date the grievance is resubmitted at Step 1 for purposes of determining eligibility for a retroactive settlement. If the Union alters its definition of the complaint against the Labor Standard, the Company shall be permitted the necessary time to investigate the new complaint.

- (b) **Downgrading Grievances in Step 2.** When an aggrieved Employee signs and submits a grievance in Step 2 alleging that he was improperly transferred during a downgrading, the Chief of Assembly/Support Representative may within three (3) workdays after the filing of such grievance submit in writing to the Manager of Human Resources a list of Employees who, he alleges, may have been improperly transferred in the same downgrading procedure, if it is subsequently determined that the transfer of the aggrieved

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Employee was improper. Such list of Employees must indicate the job classification to which each Employee presumably would have been transferred if the aggrieved Employee had not been improperly transferred. If the grievance to which the list of Employees relates is subsequently resolved in favor of the aggrieved Employee, the Employees on such list may enter written Step 2 Grievances within three (3) workdays after such resolution if each such Employee signs an individual grievance, and if such grievances are ultimately resolved in favor of the Employee, retroactive settlement, if any, may be paid to the date of the original grievance which preceded the filing of the list, but not beyond that date.

Step 3.

If the grievance answer is not satisfactory, an appeal may be filed by the Chief of Assembly/Support Representative within ten (10) workdays after the Department Head's answer has been time-stamped in the Plant Labor Relations Office and placed in the receptacle in the Plant Labor Relations Office for attention of the Chief of Assembly/Support Representative, and if not filed within that time period, it shall be considered settled and not subject to further processing. Such appeal shall be filed in writing with the Company Representative designated to represent the management in this Step. Such appeal shall be made on the Appeal Form provided by the Company. The reasons why the answer of the Department Head was not satisfactory shall be set forth briefly on the Appeal Form. The copies of the Appeal Form shall be filed with the Company Representative by delivery to his office within said ten (10) workdays. There shall be a

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Third-Step Grievance Meeting once each week at a regularly scheduled time, provided grievance appeals are on file. All grievances appealed within three (3) workdays preceding the meeting shall be considered at the regular meeting in the following week. The Company Representative shall prepare a written answer and give it to the Chief of Assembly/Support Representative within five (5) workdays following the meeting on the Union's copy of the Appeal Form. A copy shall be prepared for each Employee signing the Grievance Form and the Area Representative (and the Chairman of the Skilled Trades Council if he is involved). If no written answer is received from the Company Representative within five (5) workdays, or within such longer period as may have been agreed upon, following the meeting, the Union if it so desires may appeal such grievance to Step 4.

Step 4.

If the grievance is not settled in Step 3, the matter may be taken up at a meeting between Company Representatives and the Central Grievance Committee. An appeal, on a Form to be provided by the Company, shall be filed, setting forth the reasons why the Step 3 answer was unsatisfactory. Such an appeal must be filed within ten (10) workdays after the answer in Step 3, or the grievance shall be considered settled and not subject to further processing. Such meetings shall be held every other Friday if there are any Fourth-Step Appeals on file, and shall begin at 9:00 A.M. and shall continue until 12:00 Noon; and shall reconvene at 1:30 P.M. and shall continue until 3:30 P.M., unless the meeting terminates earlier because all grievances have been discussed. The parties may mutually agree to continue beyond 3:30 P.M.

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Grievances which have not been discussed at the time the meeting adjourns will be automatically referred to the next regular meeting thereafter. All grievances appealed during the three (3) workdays immediately preceding the regular scheduled meeting will not be considered at that meeting, but will be considered at the next regular meeting thereafter. The Company shall prepare its final written answer and deliver a copy to the Union President, the Chief of Assembly/Support Representative, and the Area Representative involved (and the Chairman of the Skilled Trades Council if he is involved), and to each Employee signing the grievance within five (5) workdays after the meeting.

Step 5.

If a grievance is not settled or abandoned after the above procedure has been followed, and it involves:

- (1) A dispute or claim arising out of either the interpretation or application, or both, of any provision of this Agreement, it shall be referred to arbitration under the procedures of Subparagraph (a) below, or
- (2) A dispute concerning the Labor Standard time value established by the Industrial Engineering Department, it shall be referred to arbitration under the procedures of Subparagraph (b) below.

Such grievance, however, must be appealed to arbitration within thirty (30) calendar days from the date of the written answer in Step 4, by filing the number of the

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grievance in a "Notice Of Desire To Arbitrate" with the Director of Human Resources, or the grievance shall be considered settled and not subject to further processing, except that the Union shall have the option of declining to arbitrate grievances defined in Article II, Section 2, within thirty (30) calendar days from the date of the written answer in Step 4, and may resort to the strike procedure as set forth therein, provided that when the Union has elected to arbitrate such grievance, by filing the "Notice Of Desire To Arbitrate", this option to resort to such strike procedure shall be foreclosed, with respect to that particular grievance. Upon mutual agreement of the parties, and in lieu of proceeding immediately to arbitration, the Parties may, within the thirty day period set forth in this paragraph refer a grievance to an FMCS mediator. In such event, the Parties shall mutually select the mediator who shall attempt to mediate a resolution to the grievance.

(a) Grievances Concerning Interpretation And Application Of This Agreement.

- (1) The parties may agree upon and designate a Permanent Arbitrator. If they do so, either party may, by notice to the other party and to the Arbitrator, terminate the tenure of such Permanent Arbitrator, and another Permanent Arbitrator shall, if possible, be agreed upon and appointed in his place. If no such agreement can be reached, the selection of the Arbitrator shall be made as follows: Within five (5) workdays following receipt of the "Notice Of Intention To Arbitrate", the President of

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the Union and the Director of Human Resources, shall attempt to select an Arbitrator. If they fail to agree upon the Arbitrator, a joint request shall be made to the Federal Mediation and Conciliation Service, which shall be requested to furnish five (5) names of Arbitrators to the Union and the Company, with each party having the right to strike two (2) names from the list of Arbitrators furnished by that Service. The Arbitrator remaining on the list shall serve as Arbitrator, or if there is more than one Arbitrator remaining on the list, the selection shall be made by the Federal Mediation and Conciliation Service.

- (2) The number of cases that can be presented to any Arbitrator at any one time shall be limited to the number of grievance cases appealed to arbitration at any one time.
- (3) The Arbitrator shall be supplied with a copy of the grievance file, and either party may submit a written statement in advance of the arbitration hearing, setting forth briefly the facts, with the contentions of the party, mailing a copy of this statement at the same time, to the other party.
- (4) The Arbitrator shall hear the case promptly. Expenses and fees of the

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Arbitrator shall be borne equally by the Company and the Union.

- (5) The Arbitrator's Award shall be final and binding on both parties for the term of this Agreement. His authority shall be limited to applying and interpreting this Agreement, and he shall have no power to add to, subtract from, or modify any of the terms of this Agreement or any Supplementary Agreements hereafter made a part hereof.

(b) Grievances Concerning Labor Standard Time Values.

- (1) A claim that the Industrial Engineering Department has not established a Labor Standard time value accurately may be presented to a Special Arbitrator listed on the jointly-agreed panel of persons technically qualified to make determinations in this area. The Union shall have the right to name any member of the above panel to act as the Special Arbitrator. If a referral to a Special Arbitrator does occur, the Arbitrator named by the Union shall hear all subsequent similar cases, unless the Union advises the Company, in writing, that it is dissatisfied and desires to select from the panel, another Special Arbitrator. Likewise, the Company may advise the Union that the

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current member of the panel selected as the Special Arbitrator is unsatisfactory, and the Company shall request the Union to select another member of the panel to act as the Special Arbitrator. It is understood, however, that neither party shall have the right to disqualify the last remaining Special Arbitrator on such panel unless the parties have met and agreed upon a new panel.

- (2) Upon receipt of the Union's request to arbitrate under this Subparagraph (b), the Company will arrange an opportunity for the Union Incentive Representative to observe the job involved in the grievance, so as to record the job conditions and take time measurements, if such observation is desired by the Union in connection with the preparation of the Union's case for arbitration. Such Union Incentive Representative may be an Employee of the Company. A representative of the Industrial Engineering Department shall be present during such observation to similarly observe the job, record the job conditions, and take time measurements. Such opportunity to observe the job will be arranged within a period of ten (10) workdays after the Union's request, or when the job in question is next run if it does not run within the ten (10) workdays.
- (3) The request to arbitrate must clearly

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identify the operation covered by the Labor Standard in dispute, and where a Group Labor Standard is involved, the specific operation in the group of operations where the allegedly erroneous time value determination exists. The Special Arbitrator shall be supplied with a copy of the Grievance File, and at least seven (7) days in advance of the date established for his review, he shall be supplied with a written Statement prepared by each party setting forth the element or elements of the Labor Standard which the party believes requires special consideration, and any other contentions which the party believes to be pertinent to the disputed Standard, mailing a copy of this Statement at the same time to the other party.

The Special Arbitrator may, at his request, meet with the representatives of the Company and the Union to provide them an opportunity to present additional information pertinent to an understanding of the operation or operations involved and related matters. The Special Arbitrator shall observe the operation or operations promptly, and during such observation the operation or operations involved must be performed under the job conditions and according to the method specified in the Labor Standard. The Rate Representative and one (1) representative of the Industrial Engineering

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Department shall be permitted to be present during such observation in addition to the Employee's normal supervision.

Within seven (7) days following the date of the observation by the Special Arbitrator, either party may submit a Post-Review Statement to the Arbitrator, and shall simultaneously submit a copy of such Statement to the other party. The expenses and fees of the Special Arbitrator shall be borne equally by the Company and the Union.

- (4) The Special Arbitrator shall study the entire operation or operations involved unless it is mutually agreed otherwise. He shall have only the right to determine whether the Labor Standard was or was not established within the limits of Industrial Engineering accuracy, to be determined by using the following tests:

- (a) If the element to be measured was established by the Company by the use of Method Time Measurement Values, the Arbitrator shall be required to use Method Time Measurement, also. If the element to be measured was established by the Company by a Stop Watch Observation, the Arbitrator shall be permitted to level a stop Watch Observation to incentive performance pace,

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defined to be a walking pace of four (4) miles per hour. The incentive allowance for incentive performance pace is eighteen percent (18%).

- (b) If the element to be measured is a machine or process-controlled element, the time value shall be established by the machine or process cycle.

If the Arbitrator's measurement is by Stop Watch Observation and a recalculation would not change the time value of the total Labor Standard by plus or minus five percent (5%), or if his measurement is by Method Time Measurement Analysis and would not change the time value of the total Labor Standard by plus or minus two percent, (2%), the Labor Standard shall not be revised. If the recalculation would exceed these limits, he shall establish a new time value for the Labor Standard. Any allowances or standardized data used in such calculation shall be the allowances and standardized data in general use at Maytag, Newton Laundry Products in Labor Standards covering similar operations.

- (5) The Arbitrator's Award shall be final and binding on both parties for the term of this Agreement. His authority shall be as set forth in this Subparagraph, and he

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shall have no power to add to, subtract from, or modify any of the terms of this Agreement or any supplementary agreements hereafter made a part hereof. If the Labor Standard time value is changed, the new Standard shall go into effect with retroactive adjustment to the date of the filing of the grievance.

- (6) If a grievance concerns the questions of whether or not there was a method change sufficient to justify the establishment of a new Standard, the grievance shall go to the regular Arbitration as provided in Step 5 (a) above; but it is understood that the Union Incentive Representative shall have the right to observe the job after filing a request to arbitrate, as provided in Subparagraph (b) (2).

Section 3. Participation Of Aggrieved Employee.

The individual Employee involved in the grievance, or one (1) representative of the group of Employees involved, may be present at each Step of the Grievance Procedure at the request of either party. Whenever such an Employee is requested by the Company to be present at such meetings, he will be paid at his hourly rate for time lost from his regular work.

Section 4. Time Limits. Unless a grievance on an event, such as a demotion, promotion, transfer, recall, or conduct report, is filed in Step 2 within thirty (30) calendar days after the event occurs (or thirty (30) calendar days after the aggrieved Employee returns from a leave of

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absence), it will not be considered under the above procedure. Grievances on disciplinary suspension or discharge cases must be filed within the time limit established in Article XII. Grievances alleging improper placement in a downgrading procedure, and which are related to the original grievance, must be filed within the same time limits as set forth in Section 2, Step 2, of this Article. Grievances on any continuing condition should be filed promptly. The settlement of grievances (other than incentive grievances as set forth in Section 1, Step 1 (d) of this Article) may be made retroactive to a date as much as thirty (30) days prior to the date that the grievance was first presented in writing to the Company. A later date may be the effective date of the grievance settlement.

Section 5. Alternates For Area Representatives And Chief of Assembly/Support Representatives. Whenever the Chief of Assembly/Support Representative or an Area Representative is mentioned in this Article, it is understood that his designated alternate may serve whenever he is absent from the Plant, or is otherwise unable to function in the Grievance Procedure up to and including arbitration. His alternate will not be recognized, however, unless the Plant Labor Relations Manager has been notified by the Chief of Assembly/Support Representative or the Area Representative that such is the case.

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ARTICLE VIII

HOURS OF WORK

Section 1. Normal Daily And Weekly Schedules.

The Company shall have the right to schedule working hours and days, provided that if a change is made in the hours of any shift, the Company will discuss the change with the Union. (This means that whenever a weekly schedule involving twenty-five (25) or more Employees in a single department is changed, the Company will notify the Chief of Assembly/Support Representative prior to the effective date of the change); and further provided:

- (a) The normal daily work schedule shall be eight (8) hours, exclusive of lunch periods.
- (b) There shall be no split shifts (except for lunch periods), except by mutual agreement of the Company and the Union.
- (c) The normal weekly work schedule shall be five (5) consecutive days, Monday through Friday, inclusive, except for Employees covered under Paragraph (e) below and Section 4 (c) of this Article.
- (d) The Plant payroll week consists of seven (7) consecutive days beginning midnight Saturday for pay purposes only. Payday for all Employees shall be on Friday, except that Employees scheduled on the third shift in the Newton Plant shall receive their check before the end of their Thursday shift. Employees scheduled on the first shift in the Newton Plants shall receive their check before the end of their Friday shift. When a National holiday falls on Friday resulting in the closure of local banks, payday for all shifts shall be on Thursday.

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- (e) Steam Plant Operators (Plant 2), who, by nature of their duties, are required to work Saturday and/or Sunday, will have normal weekly work schedules of five (5) consecutive days which need not start on Monday and may occur in two plant payroll weeks. The start of the first scheduled day in each plant payroll week will determine the twenty-four (24) hour periods for that payroll week. It is understood that Employees in this group do not qualify for premium payment merely by working on a calendar Saturday or Sunday, but such Employees will be paid the applicable premium rate whenever they work on the sixth day (time and one-half) or the seventh day (double time) following their normal five (5) day schedule. It is also understood that no premium shall be paid when an Employee requests to be returned to his normal weekly work schedule after filling in for another Steam Plant Operator who was on vacation. At the time such Employees change shifts, such an Employee may work during the first week on his new shift assignment on the sixth and/or seventh day following the five (5) days of his prior week's schedule, and such an Employee will qualify for sixth and/or seventh day premium pay, but his new shift schedule shall establish a new weekly work schedule to be used in determining the new sixth and seventh day for the duration of his assignment to the particular shift. An Employee scheduled on a Monday through Friday work week under this paragraph who would otherwise be entitled to receive premium pay on calendar Saturday or Sunday as such, shall not have his weekly work schedule changed to a seven day

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schedule for the sole purpose of avoiding such premium payment for calendar Saturday and Sunday.

This Section shall not be construed as a guarantee of hours per day or per week.

Section 2. Daily Overtime Compensation. The Company shall have the right to schedule overtime provided that all hours compensated in excess of eight (8) hours within any twenty-four (24) hour period shall be considered daily overtime hours and paid for at the rate of time and one-half. Such twenty-four (24) hour periods shall commence at the Employee's regular shift starting time on his first scheduled work day of each work week. If he is assigned to a different work shift, a new twenty-four (24) hour period will be established commencing at such new starting time. Hours paid as overtime hours within a previously established twenty-four (24) hour period shall not be considered for calculation of overtime hours in the new twenty four (24) hour period. When Employees exchange shifts or starting times for their own personal convenience, with the agreement of the Supervisor; or when an Employee is transferred to a different classification or shift, as a function of seniority (including such changes resulting from job bidding, transfer, request, interdepartmental requests for transfer, medical placements, etc.) such change shall not require the payment of daily overtime, but when the Company assigns an Employee to a different shift during a work-week, to include downgrades other than medical, the provisions of this Section shall apply. Absences of Union representatives on Union business, either inside or outside the plant, requested by the President of the Union, where approval of such absence is given by the Company in

Article VIII - Section 2

advance, shall be permitted and shall be counted as hours worked in the determination of daily or weekly overtime as set forth above.

Section 3. Lunch Periods. When Employees are scheduled on one (1) or two (2) or three (3) shifts, Employees on the second shift (day) shall have a thirty (30) minute lunch period, without pay, except where longer lunch periods are established practice. Employees on the third shift (afternoon) or first shift (night) shall have a one-half (1/2) hour lunch period, without pay. However, if it is necessary for the Company to schedule an Employee for only eight (8) continuous hours, the Employee shall have an eighteen (18) minute lunch period, with pay at his hourly rate. It is the intention of the Company to make a reasonable effort to suit the convenience of the Employee in cases where it is necessary to schedule special lunch periods. When the Company assigns an Employee, who normally works on eight (8) hour continuous shifts with a paid lunch period, to a shift with an unpaid lunch period, they shall notify the Employee one (1) day in advance of such change; and if such prior notice is not given, the Employee shall be paid his lunch period allowance, and in addition, if he so requests, he shall be permitted to quit at his regular quitting time if such quitting time is earlier than the quitting time of the shift to which he has been assigned. The lunch periods, either paid or unpaid, of Employees need not necessarily coincide with the lunch periods of other Employees on the same shift, as the Company reserves the right to schedule individual lunch periods so as to meet production requirements.

Unpaid lunch periods shall start no earlier than the end of the fourth hour of an Employee's regular starting

Article VIII - Section 3

time and no later than one hour thereafter. When it is necessary for the Company to schedule an Employee's lunch period at a time other than that specified above, he shall be notified as soon as practicable, and shall be permitted an eighteen (18) minute paid lunch period on that day only, which, whenever practicable, shall be uninterrupted, unless the Employee voluntarily requests that he be granted a thirty (30) minute unpaid lunch period instead of an eighteen (18) minute paid lunch period.

Where an Employee who normally observes a thirty (30) minute unpaid lunch period qualifies for an eighteen (18) minute paid lunch period, he may be idle for the remaining portion of a regular thirty (30) minute unpaid lunch period.

The Company will not require an Employee to punch out early at the end of his shift solely to avoid the overtime premium payment which would otherwise apply because the Employee has qualified for an eighteen (18) minute paid lunch period.

Employees shall be permitted to leave their work area and/or the Company premises during lunch periods, both paid and unpaid; but it is necessary, as in the case of the Steam Plant Operators and other operations requiring continuous observation to require such an Employee who qualifies for an eighteen (18) minute paid lunch period to remain in his work area and where necessary, interrupt his paid lunch period to attend to his work station assignment. Except as otherwise provided, Employees shall not perform any work during their lunch periods.

Article VIII - Section 4

Section 4. Week End Overtime.

- (a) **Saturday Overtime.** The Company will pay time and one-half to Employees scheduled to work on Saturday, except Employees as set forth in Section 1 (e) of this Article.
- (b) **Sunday overtime.** Daily overtime at the rate of double time will be paid for all hours worked on Sunday, except for Employees as set forth in Section 1 (e) of this Article, who, by the nature of their duties, are required to work Saturday and/or Sunday and who have normal weekly work schedules of five (5) consecutive days, which need not start on Monday.
- (c) For the purpose of computing premium pay on Saturday and Sunday, as provided in Paragraphs (a) and (b) above, the Saturday and Sunday shall be the calendar day except:
 - (i) for Employees whose regular shift starting time extends into the beginning of the calendar Saturday or Sunday by not more than one (1) hour, the Saturday or Sunday under this Section shall be the twenty-four (24) hour period beginning one (1) hour after the start of the calendar Saturday or Sunday, provided that when an Employee works beyond such one hour limit, all hours worked by him after Midnight of that day shall fall outside this exception and be paid for on a calendar day basis; and

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- (ii) for Employees whose regular shift starting time begins not more than one (1) hour prior to the beginning of the calendar Saturday or Sunday, the Saturday or Sunday under this Section shall be the twenty-four (24) hour period beginning one (1) hour before the start of the calendar Saturday or Sunday, provided that when an Employee is called in early on a shift that starts Saturday or Sunday night and he starts work prior to 11:00 p.m. on such Saturday or Sunday, all hours worked by him prior to Midnight of that day shall fall outside this exception and be paid for on a calendar day basis.

Section 5. No Pyramiding Of Premiums. An Employee shall receive either daily overtime or weekly overtime under Sections 2 and 4, whichever is greater, but not both, and shall receive the highest premium applicable during the same hours worked under Section 2, 4, and 7.

Section 6. Distribution Of Opportunities To Work Overtime. Opportunities to work daily and weekly overtime and to extra work in short workweeks shall be distributed according to the following rules:

- (a) Employees in each department who are working on the same shift, and who would normally divide overtime, shall be placed in groups which will be identified on the Overtime Group List. Opportunities to work overtime will be distributed equitably among the employees in each overtime group.

Article VIII - Section 6

- (b) Overtime records shall be kept within the Department Office for each overtime group in the department, which will establish any differential in overtime distribution among the Employees within the group. These overtime records will be made available for inspection by the Employees involved and the Union Representatives.
- (c) When any Employee within an overtime group achieves an excess of twelve (12) or more charged hours of overtime in excess of any other Employee in the same group, such other Employee may file a written notice with the Department Head, to the effect that one (1) or more Employees in the group are twelve (12) or more charged hours of overtime in excess. Such a notice must be signed by one (1) Employee, and must be filed prior to the end of the shift during which the overtime assignment, which would result in the further unbalance, was scheduled.

If, following the receipt of such notice, an Employee who is twelve (12) or more hours in excess of the aggrieved Employee who signed the notice is permitted to work overtime without clearly justifiable reasons, the Company shall pay to the aggrieved Employee, who signed the notice, the earnings that the Employee who was in excess and who was permitted to work earned during such period. Such payment shall be charged as overtime worked. If any such notice is filed, it shall become cancelled and shall have no effect when no Employees in the group have twelve (12) or more hours in excess of the aggrieved Employee. If more than one (1) such notice is on file and an error in scheduling over-

Article VIII - Section 6

- time occurs, the Employee with the lowest overtime credits, who had a notice on file, will be paid the earnings received by the Employees improperly scheduled. If several Employees filing such notice have equal overtime credits, the penalty payment will be divided among them. This paragraph shall not prevent the Company from scheduling groups of Employees, working in the skilled trades classifications, and Employees who normally work with them, such as truckers and laborers, for Saturday and then Sunday overtime, even though the Sunday assignment may be after an unbalance of twelve (12) or more charged hours has been created.
- (d) When all Employees working in an overtime group on a particular day have been scheduled to work overtime and the Company desires to schedule additional Employees to perform such work, such additional Employees from the Department shall first be scheduled and then, if necessary, Employees from outside the Department, and the overtime charged to the overtime record of such Employees so scheduled. So far as is practicable, the Company will endeavor to schedule such additional Employees who have the least amount of overtime credit in their own overtime group, except as otherwise provided in (g) of this Section. If the Company schedules an Employee on a daily overtime basis to perform work normally performed by Employees in another overtime group, and all Employees in such other overtime group have not been scheduled, and the Company cannot show a reasonable justification for such scheduling, the Employee with the least amount of charged hours in the group which normally performs such work

Article VIII - Section 6

may file a grievance, asking for payment as set forth in Subparagraph (c) above.

- (e) When weekend overtime is scheduled, the Employee with the least amount of overtime in the parallel groups on different shifts will be scheduled for such work, unless such schedule requires the Employee to work sixteen (16) consecutive hours or unless such schedule requires the Employee to work an unreasonably long period of time, which is not a consecutive period, and there is less than five (5) hours between the start of the weekend overtime assignment and the completion of his prior work assignment. (If the work on fixed shifts is different, the groups will be regarded as nonparallel groups.) Where it is found that an excess number of Employees in an overtime group have been scheduled for weekend overtime (more than the number found to be actually needed in that overtime group), such excess Employees may perform work normally performed by Employees in other overtime groups for the first four (4) hours of the overtime assignment to satisfy the reporting pay requirements. At the end of such four (4) hour period, the excess Employees shall be scheduled off. This provision is not to be construed to prohibit the assignment of an Employee intermittently during the entire shift to work of another overtime group. Neither is it to be construed to permit the Company to violate the intent of this Section by assigning an Employee to work of another overtime group for substantial and uninterrupted periods when it is clearly evident that an Employee from the other overtime group should have and could have been

Article VIII - Section 6

scheduled. Violations of this subparagraph may be processed through the Grievance Procedure requesting payment to the aggrieved Employee, as defined in Article VIII, Section 6 (c).

- (f) Hours will be charged as time and one-half hours or double-time hours on the assumption that the Employee qualified for the maximum possible premium during such hours. It is specifically understood that straight-time hours assigned as extra work in a short work week will not be charged in the overtime records.

Where overtime work is offered an Employee, but the Employee is excused or fails to report, or where overtime would have been offered to an Employee who is absent, such hours shall be charged in maintaining these differential records. Where several Employees have equal number of overtime hours, an Employee in such group who is absent will not be scheduled for overtime if the remaining Employees with the equal number of overtime hours are sufficient to perform the work. When an Employee is excused from scheduled overtime and is charged with the hours scheduled, and the scheduled overtime is subsequently cancelled, he shall not be charged with such hours. When an Employee has been excused from scheduled overtime, he shall not subsequently be required to report for the overtime assignment, except in case of an emergency. If the original overtime assignment from which such an Employee has been excused is rescheduled, or if a new overtime assignment is scheduled, to begin at a time more than eight (8) hours removed from

Article VIII - Section 6

the starting time of the overtime assignment from which the Employee has been excused, such excused Employee shall be reconsidered for the rescheduling of the new overtime assignment.

- (g) Work performed by an Employee on a temporary basis in a classification other than his regular classification is to be credited as overtime worked within the group in which the Employee regularly balances overtime, and where an Employee is scheduled for overtime in his regular classification, and incidentally does work outside his classification, the total period of overtime shall be credited as overtime worked in the group in which such Employee regularly balances overtime. If an Employee is temporarily assigned during straight-time hours to work which is not covered by his regular overtime group and by virtue of such assignment works overtime that day as provided for in Subparagraph (d) above, and if the resulting overtime hours credited to his regular overtime group causes him to exceed the normal out-of balance limits established in Subparagraph (c) above, no claim of unfair overtime balance can be filed in such a case. Where less than an entire overtime group is scheduled for an overtime assignment, a list of the Employees scheduled for such assignment shall be posted on the departmental bulletin board. Where possible, such list shall be posted in advance of the start of the overtime or as soon thereafter as practicable.
- (h) When an Employee is permanently transferred into another overtime group, and is scheduled to

Article VIII - Section 6

begin work in such group, he shall automatically be credited with the bargaining unit overtime granted up to that date to the Employee with the most bargaining unit overtime in the new group. When an Employee is returned to an overtime group, after having been classified in an out-of-unit classification for 45 days or less, he shall be credited with overtime credits which he had, when he left the group, plus credits for overtime which he worked while classified in an out-of-unit classification. When an employee is returned to an overtime group after having been classified in an out-of-unit classification for more than 45 consecutive days, he shall be credited with the overtime granted up to that date to the employee with the most overtime in the group.

- (i) All hours worked or paid as a result of call-in pay assignments will be charged to the overtime records maintained in each department. These hours will be charged at the applicable straight-time or premium rate, as defined in Subparagraph (b) above. When an Employee is offered call-in work and requests to be excused from such assignment, he will be charged with the same hours as the Employee who works such call-in assignment. When call-in pay assignments are of an emergency nature, as defined below, the Company shall be free to call any qualified Employee without regard to the overtime lists, or the amount of overtime previously assigned to that Employee or any other Employee. The Company shall not under any conditions be required to pay any other Employee, under the provisions of this Article and Section, when such

Article VIII - Section 6

call-in assignments result because of an emergency situation.

When such call-in assignment results from other than an emergency situation, as defined below, the Company shall be required to follow the procedures set forth under this Article and Section with respect to the distribution of overtime, and shall be subject to the payment procedure described in Subparagraph (c) above when such payment is warranted. The phrase "emergency situation", as used in this Article and Section, shall mean any situation in which the Company representatives, having decided to make call-in work assignments are faced with an insufficient amount of time to consult the overtime records and to call Employees in order of their positions on the overtime lists. No other consideration shall determine whether or not the situation is an "emergency situation". The sole determinant shall be the amount of time available to Company representatives when the decision has been made to call in Employees for such work assignments.

- (j) While an Employee is absent on vacation, or excused absence days in conjunction with such vacation, or is absent for five (5) or more consecutive vacation days, excused absence days, or combination thereof, he shall not be charged with overtime which he presumably would otherwise have worked. Overtime worked taking inventory or during vacation shutdowns or generated by work during lunch periods, shall be entered in the overtime records, but it is specifically understood that, in the scheduling of such overtime, the

Article VIII - Section 6

Company will not be required to consult the overtime records, nor will any grievance be processed because, as a result of such overtime assignment, an Employee has achieved an excess of twelve (12) or more hours over another Employee within the same overtime group, even though such other Employee may have a written notice on file as set forth in Subparagraph (c) above.

- (k) During periods of overtime, if neither the Chief of Assembly/Support Representative nor the applicable Area Representative is entitled to be working, and five (5) or more Employees represented by the same Steward are scheduled for overtime, the Steward shall be one of such group if qualified to perform the work available. If five (5) or more Employees within one department (or within the "various areas" referred to in Article VI, Section 7) are scheduled for overtime, and are not represented by any Line Steward because they are on the day shift, and neither the Chief of Assembly/Support Representative nor the applicable Area Representative is entitled to be working, the Department Steward shall be one of such group if qualified to perform the work available. If any Steward, entitled to an overtime assignment as noted above, asks to be excused, no Steward need be scheduled. This provision will not be used to require the Company to schedule more than one (1) Steward at a time, provided that the Company will recognize any Steward who is scheduled as the representative of all Employees within the department who are then working. If the Company fails to schedule a Steward as set forth above, the Company shall pay to the Steward who ought to have been sched-

Article VIII - Section 6

uled the applicable overtime rate for the number of hours which he would have worked had he been scheduled. If a Steward fails to report for such scheduled overtime, the Company shall be deemed to have met the requirements of this Section, and no penalty payment shall be made to any Steward.

- (l) Employees who are scheduled for overtime work because they are serving as Stewards, actually working as Leadworker, participating in training courses, or because they have had their starting time changed in the middle of a workweek, shall have such overtime noted on the overtime records, but it shall not be accumulated, nor shall it be the basis for a grievance alleging improper distribution of available overtime.
- (m) When less than the full complement of the Employees within an overtime group is required for an overtime assignment and where there are sufficient Employees within the overtime group available who wish to work overtime, Employees who do not wish to work overtime will be excused from doing so insofar as practicable.
- (n) Except in the case of an emergency, or unforeseen circumstances, a scheduled weekend overtime assignment shall be voluntary unless the notice of such assignment is posted by 3:30 P.M. the Thursday immediately preceding such weekend, and in the case of daily overtime, the Employee must be notified of the daily overtime assignment by the end of the work shift on the day preceding the overtime assignment.

Article VIII - Section 6

- (o) When two (2) or more overtime groups are combined by the Company, the Employees in the smaller group or groups will be charged with the overtime hours credited to the Employee in the larger group who has the most overtime hours.
- (p) Employees will be scheduled for extra work in a short workweek in reverse order of seniority within each overtime group, by shift, (that is, the Employee with the least seniority shall be scheduled first). Each Employee in turn will be scheduled for the extra work up to the number required within each overtime group. Any Employee excused from such an assignment will sacrifice any benefit which otherwise may have been available to him because of the short workweek. During a short work week, work which is not included in any over time group shall be distributed among the least senior qualified Employees available within the Department.
- (q) Employees will not be required to accept an overtime assignment on a weekend which includes a holiday(s), except in a case of emergency or unforeseen circumstances. This provision will not apply to weekends in conjunction with shutdown periods or to Employees identified in Article VIII, Section 1 (e).
- (r) Due to consideration for Employees' safety, it is the intent of both the Company and the Union that Employees will not be scheduled for more than 12 consecutive paid hours, except in the case of emergency or unforeseen circumstances.

Article VIII - Section 7

Section 7. Holidays. The following Holidays shall be recognized as Holidays under this Agreement:

Fixed Holidays:

Independence Day	Christmas Day
Labor Day	New Year's Day
Thanksgiving Day	Good Friday
Thanksgiving Friday	Memorial Day

Floating Holidays:

During each contract year there shall be three (3) Floating Holidays which shall be observed on the following days:

2004

Thursday, December 23, 2004
Wednesday, December 29, 2004
Thursday, December 30, 2004

2005

Tuesday, January 3, 2006
Wednesday, January 4, 2006
Thursday, January 5, 2006

2006

Tuesday, December 26, 2006
Tuesday, January 2, 2007
Wednesday, January 3, 2007

2007

Monday, December 24, 2007
Monday, December 31, 2007
Tuesday, January 2, 2008

Article VIII - Section 7

In addition to the Holidays observed above, a Bonus Holiday will be provided which shall consist of eight (8) hours straight-time pay. The Bonus Holidays shall be observed on May 1, 2005, May 7, 2006, May 6, 2007, May 4, 2008.

The Holiday shall be the observed calendar day, except for those Employees whose scheduled shifts extend into the beginning of the calendar Holiday by not more than one (1) hour, in which case the Holiday shall be the twenty-four (24) hour period beginning one (1) hour after the calendar Holiday, and except for those Employees whose scheduled shifts begin by not more than one (1) hour prior to the end of the calendar Holiday, in which case the Holiday shall be the twenty-four (24) hour period beginning one (1) hour before the calendar Holiday.

If a Holiday falls on Sunday, it shall be observed on Monday; and if it falls on Saturday, it shall be observed on Friday. When any Holiday which falls on a Saturday or a Sunday, and is observed on Friday or Monday, the Saturday or Sunday involved will not be paid as a Holiday, even though Employees may be assigned to work on such Saturday or Sunday, but will be paid only as a normal Saturday or Sunday. When Independence Day occurs during the summer vacation shutdown, Employees who are scheduled to take vacation time off during that portion of the shutdown period which includes the Holiday may be scheduled off on Friday immediately preceding the shutdown, and no claim for a short week benefit may be made solely because of such Friday off.

The paragraph above shall apply to the Steam Plant Operators when assigned to a five (5) day schedule. When

Article VIII - Section 7

Steam Plant Operators are assigned to a seven (7) day schedule, the calendar holiday shall be the day observed as the holiday.

An Employee shall be entitled to benefits on such Holidays as follows:

- (a) Double time (twice the individual Employee's straight-time hourly earnings) will be paid for any hours worked on any of the days observed as Holidays, provided that such Holiday premium pay may be offset against overtime pay to which the Employee might be entitled under any other provision of this Agreement for the same hours worked. Employees who work a holiday may elect to receive holiday pay plus straight time pay for all hours worked, plus an equal number of paid hours as time off as additional excused absence days as provided in Article XIII.
- (b) An Employee shall be paid for eight (8) hours, in addition to pay received for hours actually worked on a Holiday, at the Employee's straight-time earnings for the next to last week worked prior to the week in which the Holiday occurs, or in case of the Holidays during the winter vacation shutdown, the next to last week worked prior to the start of shutdown, or in the case of Independence Day during the summer shutdown, the last week prior to the start of such shutdown, if the Employee met the following conditions: If no earnings are produced for the week described above, or if the week's earnings include bereavement pay, the average straight-time earnings for the last week worked preceding such week shall be used in such calculation.

Article VIII - Section 7

- (1) He must have one (1) month of continuous service as of the date of the Holiday.
- (2) He must work all scheduled hours on his last scheduled workday prior to, and his first scheduled workday after the Holiday, unless his failure to do so was for good and sufficient reason and not related to a desire to extend the Holiday period.
- (3) If he is laid off by the Company two (2) weeks or less prior to the Holiday, his last scheduled day shall be the day prior to the layoff. To qualify, he must report on his first scheduled day after the Holiday.
- (4) If he was scheduled for work on a Holiday, he must work on the Holiday to be entitled to Holiday pay.
- (5) He must have worked at some time during the fourteen (14) calendar days immediately preceding the Holiday, unless his failure to do so was caused by his being on temporary duty with the Armed Forces of the United States.

Section 8. Rotation of Shifts And Notification Of Changes in Shift Hours. Employees performing parallel jobs on different shifts shall be rotated. Parallel jobs shall be defined as the same or substantially similar job duties being performed at the same work station or location on different shifts. Where employees are rotated, they shall

Article VIII - Section 8

normally change shifts every four (4) weeks. The Company may, on occasion, find it necessary to vary the rotation in order to maintain operating efficiency. In some circumstances, the work activity may require fixed shifts (Plant 2 Porcelain Department). Additionally, Employees working on parallel jobs on different shifts may agree in writing with the Department Head to work fixed shifts. If a change is made in the hours of any shift, the Company will notify the Union of such change.

An Employee whose job duties are for any reason confined to the first or third shift and who is able to perform a parallel job on other shifts shall not be fixed, provided he is qualified to perform the same or substantially similar job duties on such other shifts that are within his Supervisor's jurisdiction. Such Employee shall rotate shifts with the junior Employee and with those Employees who are in rotation with the junior Employee. Where a classification under a Supervisor's jurisdiction does not have a sufficient number of Employees to permit rotation as provided above, the junior Employee in the classification in the Department and those Employees who are in rotation with the junior Employee shall rotate with the Employee whose job duties are for any reason confined to the first or third shift (e.g. Relief Operator opposite those Union Officers listed in Article VI, Section 13).

Section 9. Call-In Pay. Employees called in to work, not scheduled immediately before or after an Employee's regular work period and continuous therewith, will be granted four (4) hours of work or pay for four (4) hours of work at the Employee's incentive base rate (in the case of incentive Employees) or hourly rate (in the case of hourly Employees). Such part of the four (4) hours, as are worked, shall be paid for at the applicable overtime or

Article VIII - Section 9

Holiday Pay rate. This guarantee payment will not apply where the work is scheduled as an extension of the Employee's regular shift, and time (not to exceed one (1) hour) is scheduled out at the Employee's request for his personal convenience. If an Employee is called in to work within the four (4) hour period created by a prior call to work, the prior four (4) hour period and pay guarantee shall be terminated when he reports to work in response to the subsequent call-in, and a new four (4) hour period and pay guarantee shall begin.

Section 10. Reporting Pay. Employees who report for work at their regular starting time, and who have not been notified not to report (notice posted on the department bulletin board during the time the Employee was scheduled will constitute notice to all Employees including those who are absent) shall be guaranteed four (4) hours of work or pay for four (4) hours, at the Employee's incentive base rate (in the case of incentive Employees) or hourly rate (in the case of hourly Employees). This guarantee does not apply in cases of disciplinary suspension or discharge or where the failure to provide work results from emergencies beyond the reasonable control of the Company such as violations of Article II, Section 1, or accidents, fires, storms, floods, or power failures.

Section 11. Jury Service. An Employee shall be excused from work on a workday during which he serves on a Jury or is subpoenaed as a witness in any Federal, State, or County Court, provided he gives prior notice to his Salaried Supervisor. Upon presentation of a Statement from the Clerk of the Court, upon a Form to be provided by the Company, attesting to the precise amount of money he has been paid by the Court for such jury service, and the precise days and hours during which such jury service

Article VIII - Section 11

occurred, the Company will pay the Employee the difference between the number of straight-time hours he would otherwise have worked (not more than eight (8) in any one (1) day, or forty (40) in any one (1) week) times the Employee's applicable straight-time hourly rate, and the pay he received for jury service. A second shift Employee will not be paid for time lost from any portion of his scheduled work shift when he might reasonably be expected to have worked for an uninterrupted period of at least four (4) hours and he fails to do so. If an Employee on the first shift is required to serve on Jury Duty for at least four (4) hours in one (1) day, he shall not be required to work his scheduled shift the immediate following calendar day. An Employee on the first shift may be excused up to one (1) hour prior to the end of the shift if he is scheduled to report for Jury Service on that day. If an Employee on the third shift is required to serve on Jury Duty for at least four (4) hours in one day, he shall not be required to work his scheduled shift the evening of the day of such Jury Duty.

Section 12. Bereavement Pay. In the event of a death in an Employee's immediate family (defined for this purpose as: current spouse; parent; child; grandparent; grandchild; brother; sister; current spouse of brother or sister; current spouse of son or daughter; current spouse's parents, brother or sister or current spouse of such brother or sister) an Employee on request, will be excused up to a maximum of three (3) regularly scheduled days of work during the period beginning with the date of death and ending three (3) calendar days following the funeral, provided he attends the funeral. The Company shall pay each Employee at his hourly base rate (including the applicable Cost-Of-Living Allowance) up to eight (8) hours a day for each day of such absence up to a maximum of three (3) days.

Article VIII - Section 12

In the event of the death of a grandparent of an Employee's current spouse, the paid absence under this Section shall be limited to one (1) day, for the purpose of attending the funeral. An Employee working the first shift may be paid for an absence under this Section either the day of or the day following the funeral.

ARTICLE IX

WAGES

Section 1. Wage Schedules. Wage rates are set forth in Wage Schedules attached hereto and made a part here of.

Section 2. Establishment Of New Hourly And Incentive Base Rates. The hourly and incentive base rates for new or changed job classifications shall be established by the Company by comparing factors of the job content of the work involved in such job classification with the work involved in other job classifications for which rates have already been established, so that the rate for such job classification will be in relation to and compatible with the existing structure. The Chief of Assembly/Support Representative of the Plant in which such job classification is located shall be provided with a job description, the factor point values, the applicable wage rate, and Wage Group of such job classification. Where there is a change in the work content of a job classification, the job description shall be revised, but the Wage Group rating of the classification shall not be changed, unless the total factor points resulting from one or more changes in the degree ratings exceed an increase or decrease of at least twelve (12) points and the total of

Article IX - Section 2

such factor points is within the factor point range of a different Wage Group. If the degree rating changes do not equal an increase or decrease of twelve (12) points, they shall be noted on the Evaluation Sheet, with the date of such changes, and will be accumulated into the calculation of the total factor point changes in connection with a future work content change, provided, however, if any given change in work content results in twelve (12) or more points of change and the total points fall in another Wage Group, the prior noted point changes shall not prevent the Wage Group change from occurring. The Rate Representative shall have the right, upon request, to discuss the factor point value assigned new or changed job classifications or changes in the work content of an established job classification which would affect the evaluated rating of the classification with representatives of the Job Evaluation Section of the Human Resources Department, and may, after discussion, file a written grievance in the Second Step of the Grievance Procedure challenging the correctness of the Company's evaluation of the factors, and such grievance may be processed through the Grievance Procedure. Such grievance, however, must define the alleged error in the Company's evaluation of the several factors. Such grievance, to be considered in the Grievance Procedure, must be filed within thirty (30) calendar days after notification to the Chief of Assembly/Support Representative of the evaluation of such job classification, or within thirty (30) calendar days after an Employee has been first assigned to work in such job classification, whichever is longer. If no such grievance is filed within such applicable thirty (30) calendar day period, the rate will not be subject to review under the Grievance Procedure.

Article IX - Section 3

Section 3. New Employee Rate. Employees hired on or after June 1, 1995 (excluding apprenticeship skilled trades classifications) will be compensated at a rate which is 70% of the applicable incentive base rate or hourly rate including 70% of the applicable COLA and will increase 5% after each six month period during the first 36 months of employment. (Reference Exhibit C Wage Structure Tables).

Section 4. Night Shift Premium. All Employees on the first (Night) shift shall, for hours worked on that shift, receive twenty-five cents (25¢) per hour in addition to their regular pay, and all Employees on the third (Afternoon) shift shall, for hours worked on that shift, receive twenty cents (20¢) per hour in addition to their regular pay. An Employee scheduled on a shift which does not precisely duplicate the hours of normal shifts will be paid the shift premium, if any, for his entire shift which attaches to the shift upon which he is scheduled for fifty percent (50%) or more of his straight-time hours. Pay for overtime hours worked by any Employee shall include the shift premium, if any, which was applicable to the straight-time shift on which he commenced to work that day, unless he works four (4) or more hours of such overtime hours, in which case the shift premium, if any, for such overtime hours shall be that which attaches to the shift during which his overtime hours were worked or the shift premium which attaches to his straight-time hours, whichever is the greater. Only for the purpose of identifying the shifts for the application of this Section, the first (Night) shift shall be between 12:00 Midnight and 8:00 A.M.; the second (Day) shift shall be between 8:00 A.M. and 4:00 P.M.; and the third (Afternoon) shift shall be between 4:00 P.M. and 12:00 Midnight.

Article IX - Section 5

Section 5. Temporary Assignment Outside An Employee's Classification. An Employee temporarily assigned to work in a lower rated classification shall be compensated at his regular rate. An Employee temporarily assigned to a higher rated classification shall be compensated at the rate of such higher rated classification. To qualify for the rate of the higher rated classification, the duties to which the Employee is assigned must be the principal duties of the higher rated classification.

Section 6. Rates On Permanent Transfers.

- (a) An Employee transferred to another job classification will be paid at the rate of such other classification, except during his probationary period of employment in which case his rate shall be as set forth in Section 3 of this Article.
- (b) An Employee transferred into a job classification which has a long-step-rate schedule will be allowed step rate credits in accordance with his experience and ability, as determined by the Company. He will qualify for step-rate adjustments in such classification as set forth in the Wage Schedule, using the date of his transfer as the beginning of the applicable step-rate period; provided, an Employee returning to his former long-step-rate classification within twelve (12) months after he left such classification shall qualify for the same step-rate position, or portion thereof, he occupied at the time of his leaving such classification.

Section 7. Establishment Of Labor Standards. The Company and the Union, being firmly committed to the

Article IX - Section 7

principle that high wages can result only from high productivity, agree that the Company will establish Labor Standards that:

- (a) Are fair and equitable to both the Company and the workers; and
- (b) Are based on the working capacity of a normally qualified worker properly motivated and working at an incentive pace; and
- (c) Give due consideration to the quality of workmanship and product required; and
- (d) Provide proper allowances for fatigue, personal time, and normal delays, and
- (e) Provide for payment of incentive workers based on the earned hours produced on standard (except when such Employees are working on a Preliminary Estimate, etc), and for each one percent (1%) increase in acceptable production over standard, such workers shall receive a one percent (1%) increase in pay over the applicable incentive rate.

The Company will, at its discretion as to the time and as to jobs to be placed on, or removed from incentive, continue the earned-hour incentive system now in effect, and extend it to jobs in such other job classifications which, in the opinion of the Company, can properly be placed on incentive, with the objective of increasing productivity and providing an opportunity for workers to enjoy higher earnings thus made possible. The

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plan shall be maintained in accordance with the following principles:

- (f) Permanent direct and indirect Labor Standards are to be set, after study by the Industrial Engineering Department, and Standards shall be expressed in terms of standard hours per unit of output, and are to be computed from the normal minimum work time for a given job, plus proper allowances for personal time, fatigue, and normal delays, plus an allowance for incentive opportunity of eighteen percent (18%) for manual work elements, and eighteen percent (18%) for net machine observation time. It is expressly understood that where changes in job conditions are made to require manual activity in place of machine observation time, that such activity can be added, without establishing a Labor Standard which is higher than the prior Labor Standard, until the observation time in the prior Labor Standard is used up. It is the intent of the Company to provide in the Labor Standards, an opportunity for normally qualified Employees, properly motivated and working at an incentive pace, to achieve the calculated premium level, provided, however, that the Company does not guarantee that every Employee will achieve such level. The Company will not limit the earnings of Employees who, by extraordinary ability or exceptional effort, achieve more than anticipated production, provided:

- (i) That the methods specified in the Labor Standard are being followed.

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- (2) That machine feeds and speeds, conveyor speeds, process cycles, etc., taken into account when the Labor Standard was established, are being maintained.
- (3) That the quality level and safety requirements on which the Labor Standard is based are being maintained.
- (g) The rate of such Employee shall be the applicable incentive base rate. Such rate shall be his base rate for all standard hours produced and for the minimum earnings guarantee on incentive work, as set forth in Section 16 of this Article. The premium earned by an Employee, working either individually or in a group shall be directly proportionate to his or the group's rate of production over standard. Earnings on incentive work shall be computed from the standard hours produced multiplied by the Employee's incentive base rate.
- (h) No incentive pay will be allowed an Employee or a group for scrap or defective parts caused by the Employee or the group when more work must be added to render the parts acceptable for use. When an Employee or group makes defective parts and is required to sort or repair them, the time required to sort or repair them shall be computed with the time during which the defective parts were made, even if these times fell in different days.
- (i) A prior Labor Standard on assembly lines will apply when the production level has been changed and then returns to the prior level, except

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that the prior Standard will not apply if a definite change of method has been made as provided in (j) below. In such a case, the Standard change will apply only to the affected elements as provided in (l) below.

- (j) Permanent direct or indirect Labor Standards, as established by the Industrial Engineering Department, shall remain in effect for the duration of this Agreement, unless they are, or become, inapplicable because of arithmetical or clerical errors, or because of changes in job conditions, resulting from changes in equipment, methods, materials, quality standards, production levels, and machine speeds or feeds, which substantially affect the Standard (including an individual Standard which is part of a Group Standard). An accumulation of minor changes of this type, over a period of time, may, in total, substantially affect the Standard. Changes which substantially affect a Labor Standard are defined as changes or an accumulation of minor changes which increase the Labor Standard time value by two percent (2%) or more, or which decrease the Labor Standard time value by five percent (5%) or more. In such case, a new Labor Standard will be established to take account of such change or changes, and time allowances or disallowances may be applied to the existing Labor Standard until a new Labor Standard is issued, or until the original conditions are restored, making the original Standard applicable. If changes which affect a Labor Standard by less than the percentages set forth above are observed, no new Standard shall be established, but the change (and percentage

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effect) will be noted on the Labor Standard and taken into account if future additional changes make the total change in the Labor Standard time value exceed the percentages set forth above.

- (k) A description of type and location of tools, equipment, stock, etc., and method prescribed on the job to which the Standard applies, shall be available for inspection by any Employee assigned to the job or his Area Representative. If a question arises concerning a methods change, the Area Representative shall have the right to compare this description with the methods actually in use, by observing the job in operation. If a Step 1 "Grievance On A Labor Standard" is filed, claiming noncompliance with this provision, a Comparative Data Sheet shall be prepared by the Industrial Engineering Department, showing the changes made in the job.
- (l) A new Standard for a changed job shall be related to the prior Standard (the Standard in which the time value for the element in question was established), in that only the new time values for the elements of work affected by the change may be incorporated into the calculation of the new Standard, and the time values for elements which have not been affected by a change shall be carried forward from the prior Standard (the Standard in which the time value for the unchanged element was established). If a Step 1 "Grievance On A Labor Standard" is filed, claiming non compliance with this provision, a Comparative Data Sheet shall be prepared by the

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Industrial Engineering Department showing the elements and their time values before and after the change. To the extent possible, such elements shall have the same break points.

The Rate Representative shall also have a right to examine the prior Standard (or series of prior Standards) if the time values for elements in question were not established in the most recent Standard, but were carried forward from an earlier Standard.

When an Employee is able to change an elemental manual method as set forth in a Labor Standard solely because of extraordinary physical ability or skill, without adversely affecting the quality of the work or the safety of the job being performed, or without using tools, machinery, or equipment in an unacceptable manner, and the changed method cannot be performed by a normally qualified operator, the Company will not modify the existing elemental description or related time value because of that change in the manual method.

- (m) If a group of Employees works on a Labor Standard, and the time required to perform the operation is controlled by a bottleneck, either in or outside the group, and the bottleneck time can be reduced by a methods change or changes in the amount of work required by individuals in the group, each member of the group will be required to meet the new output, based on the new bottleneck time. Before the Company time studies any job and makes a record of such study, the worker

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on the job shall be notified that the study is about to be made.

- (n) Long Cycle Assembly Group Coordination Allowances. Long cycle assembly groups requiring more than the normal coordination between operators will be provided coordination allowances in the Labor Standard which will be in addition to the appropriate allowances for personal time, fatigue, and normal delays and will be related to the manual work content (TWT) of the bottleneck operations.

The following coordination allowances will be used in calculating the group Labor Standard in the event of a bottleneck TWT:

Coordination Allowance	Cycle Time
2 1/2%	4 minutes but less than 5
3%	5 minutes but less than 6
3 3/4%	6 minutes but less than 7
4 1/2%	7 minutes but less than 8
5%	8 minutes and over

- (o) Area Code Application. An Area Code is applied in those situations where an operator is required to perform more than one operation, having separate pay factors, either intermittently or concurrently and it is impractical to separately record and accumulate elapsed hours for each of the multiple time increments spent on each job.

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Section 8. Other Incentive Compensation. Where work is inappropriate for the application of a Labor Standard as set forth in other Sections of this Article, rather than to compensate Employees on an hourly base rate, the Company may develop and establish an incentive compensation plan appropriate for such work, which will provide suitable opportunities for earnings with specified rules for the administration of the plan. Such an incentive payment plan when installed, will be temporary for a maximum period of twelve (12) months before either being made permanent or cancelled. During the period of time in which the plan is considered temporary, an Employee will be guaranteed a minimum earnings level of the hourly rate for the classification. Before permanently installing such a plan, it must be fully discussed with the appropriate Union Representatives and agreed to by the Union and the Company. Furthermore, once the plan has been permanently established, a grievance alleging noncompliance with the plan and the rules for administration under which it has been established may be processed through the grievance procedure.

Notwithstanding the above, the parties further agree that other Incentive Compensation Plans may be implemented, by mutual agreement, that may include employees covered by the current earned hour incentive system. If the Company chooses, such Plan or Plan's may be cancelled after six (6) months of becoming permanent but no sooner than eighteen (18) months from inception by giving the Union sixty (60) days notice and the opportunity to discuss the reason for cancellation. These Plans would also require Union agreement prior to becoming permanent.

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Section 9. Payment By Preliminary Estimate Before Labor Standard Is Established. The payment on jobs which will have a Labor Standard, but where the Standard has not yet been established, may be as follows:

- (a) In cases where either (1) the method of performing an operation is changed substantially, and a time allowance or disallowance on a previous Standard is not made and applied, or (2) a new operation is being introduced, and the new Standard is not yet established, a Preliminary Estimate may be established by the Industrial Engineering Department. The Preliminary Estimate will be the break-even point, based on observations or standard data and experience, and on the anticipated method of performing the operation. The Preliminary Estimate will be revised and kept current, in accordance with methods changes, and time allowances on the Preliminary Estimate may be granted in the same manner as on Labor Standards. If the Employee (or Group of Employees in the case of group incentive work) averages one hundred percent (100%) or better of the Preliminary Estimate over the entire period of time that he (or the group) performs the operation during any one shift, he (or the group) will, until the Labor Standard is established, receive the larger of: The incentive earnings based on the Preliminary Estimate, or one hundred and thirty percent (130%) of this incentive base rate. If the Employee (or the group) averages less than one hundred percent (100%) during a shift, he (or they) will be paid at his incentive base rate.

Article IX - Section 9

- (b) If Preliminary Estimates or any revision thereof remain in effect (1) for more than forty (40) hours during which at least one (1) Employee could have been assigned continuously to the operation during periods it was operating, or (2) in the Assembly Department on primary product assembly lines, a Preliminary Estimate form of payment has been effective for a period of eighty (80) hours (for example, Preliminary Estimates applicable to different models have to be applied, but none for an accumulated forty (40) hours), Employees (or an Employee if only one (1) Employee is assigned to work on the Preliminary Estimate) shall have the option of being paid their hourly rate or continuing on the Preliminary Estimate. When a group (or an Employee) requests to be paid the hourly rate as set forth above, the Preliminary Estimate will be cancelled for such Employees as of the end of the workday during which the fortieth (40th) hour (or the eightieth (80th) hour in the Assembly Departments on Primary Production Assembly lines) on Preliminary Estimates, as defined above, is completed, or at the end of the workday at which the request is made, whichever is later. In group Preliminary Estimates, the option shall be exercised by shift by a majority vote of those working on the job to which the Preliminary Estimate is applicable on the day of such vote.
- (c) It is the Company's intent and desire to apply Preliminary Estimates on new or changed jobs, where the standard hour plan is applicable, at the earliest practical point in time in order to provide Employees an early opportunity for incentive

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earnings. Both parties agree to cooperate in establishing understanding and acceptance among incentive Employees of, (1) the necessity for the use of time estimates and general methods descriptions if early Preliminary Estimate applications are to be made, (2) the consequential expectation that there may be significant difference between a Preliminary Estimate and subsequent Labor Standard values, and (3) the importance of Employees producing at their capabilities during the time a Preliminary Estimate is in effect.

Where questions arise in regard to prompt application and effective utilization of Preliminary Estimates, either party may initiate discussion to resolve the specific cases at the department level or, if unresolved, subsequently at the plant level.

Section 10. Rest Periods And Relief. Individual Labor Standards contain a three percent (3%) allowance for personal time, which amounts to approximately fifteen (15) minutes per eight (8) hour shift. Employees working on such Labor Standards or Employees working on an off-standard basis are, therefore, permitted time out for personal necessities up to a total of fifteen (15) minutes each eight (8) hour day. Normally, such time out is expected to be taken in increments of ten (10) minutes during the first portion of the shift and five (5) minutes during the latter portion of the shift. Fatigue allowances in such Labor Standards are to compensate the Employee for any decline in production which results from his personal fatigue. They are not intended to permit him to leave his work station assignment for rest periods. In group operations, where the worker cannot leave his work station, relief

Article IX - Section 10

operators are provided to relieve each such Employee a maximum of twenty-four (24) minutes on each eight (8) hour shift. (In group operations where an incentive group is working on a machine-paced line where the output cannot be substantially increased by increased Employee effort and in which work in process cannot be stored between operations, a maximum of thirty (30) minutes is permitted.) Such periods of relief are intended not only for personal needs of the Employee, but also to give him an opportunity to rest briefly and thus overcome the fatigue which otherwise would occur. Where Employees are relieved by Relief Employees, such relief periods shall start not earlier than one (1) hour following the beginning of the Employee's regular work shift, and not earlier than forty-five (45) minutes following the end of the Employee's scheduled lunch period.

Section 11. Payment Of Downtime. An Employee working on a Preliminary Estimate or Labor Standard who encounters a complete cessation on that job for any reason beyond his control shall be paid his hourly base rate for each cessation which is twelve (12) minutes or more, or two and one-half percent (2 1/2%) of the total elapsed hours which he has worked on standard during that shift, whichever is less, and for the total of all cessations, each of which is over three (3) minutes in length and not more than twelve (12) minutes in length, when the total of such minor cessation is twelve (12) minutes or more. The following provisions shall also apply:

- (a) If a cessation occurs, the Employee shall notify his Supervisor, and except in those areas where cessations are automatically recorded, shall immediately punch out, provided, however, that if the Foreman believes that the cessation will be

Article IX - Section 11

less than three (3) minutes, he may instruct the Employee that it will not be necessary to punch out. If the cessation does exceed three (3) minutes, it is the Supervisor's responsibility to see that such time is recorded and that proper credit is given to the Employee immediately after the cessation ends.

- (b) A cessation in production, self-induced by the individuals or group, or directly related individuals or groups, will not require the payment of downtime for such cessation to the individual or group or related individual or group.
- (c) In group operations, any downtime payment for such cessation shall be granted to the number of individuals in the group directly affected by the cessations in the group, and to the extent that such various individuals in the group were affected by such cessations. Paid downtime will not be added to either the group's actual hours or earned hours in calculating the percent pay performance of the group.
- (d) During downtime periods, Employees may be assigned to any work as required by the Company.
- (e) In group operations where the worker cannot leave his work station, and twenty-four (24) minutes or more relief time is provided on each eight (8) hour shift, the Company will apply the following method in the payment for abnormal and excessive minor delays which, as set forth in this Article and Section, would be subject to the

Article IX - Section 11

application of the downtime rule if they total twelve (12) minutes or more:

At the end of the workday, the Company will examine the total accumulation of all downtime periods of three (3) minutes or more. When this daily total of such downtime periods is in excess of two and one-half percent (2 1/2%) of the hours during the day which a Labor Standard was in effect (such hours will include downtime hours which may have occurred during the time the Labor Standard was in effect), the Company will pay downtime retroactively for the amount of such downtime periods. The granting of such downtime retroactively shall be subject to the approval of the Industrial Engineering Section, upon the recommendation of the Superintendent of the Department involved.

Section 12. Time Allowances To Compensate For Unusual Conditions. If an Employee is assigned to an operation on which there is a Labor Standard or Preliminary Estimate, and, after notification to the Supervisor, is directed by the Supervisor to continue the operation in the face of apparent handicaps, such as hard stock, oversize stock, tooling and equipment not functioning properly, and irregular equipment, and as a result of such conditions, his output is curtailed and the Labor Standard or the Preliminary Estimate would be affected by two percent (2%) or more, a time allowance shall be added to compensate for these conditions until a new Labor Standard or Preliminary Estimate is established to cover these conditions, or the original conditions are restored, making the original Standard or Preliminary Estimate applicable. Such allowance shall be the necessary addi-

Article IX - Section 12

tional time required to perform the operation; and such allowance shall apply to the specific element or elements which depart from the original conditions, as described in the Labor Standard or the Preliminary Estimate. If the unusual conditions result in a reduction of the Preliminary Estimate or Labor Standard time required to perform the operation by five percent (5%) or more, a disallowance will be applied in the same manner. Such temporary additions to, or subtractions from, the Preliminary Estimate or Labor Standard time shall be permitted only so long as the unusual conditions exist. A new count of incentive production shall be made for such period. The provisions of this paragraph shall in no way limit the Company's right, under Article IX, Section 7, to remove operations from incentive.

When, because of unusual conditions, a Helper is added to a group and, as a result, an operator in the group is taken offstandard and put on his hourly rate, the Supervisor will explain to him why the addition of the Helper has resulted in placing the operator off-standard. However, where a Helper is added to a group to perform an extra operation, and the regular operator continues to perform his normal operation, the operator will be continued on incentive, while only the Helper will be paid at his hourly rate.

Where an Employee is assigned to perform jobs on more than one (1) machine with a separate Labor Standard on each machine (such as Automatic Screw Machines), and one (1) or more of the machines is temporarily not operating, due to no fault of the Employee, and he is instructed by the Supervisor to continue to perform the jobs on the remaining machine or machines, the Employee shall be granted downtime equal to the time each machine

Article IX - Section 12

is idle, divided by the total number of machines specified to be operated under the Labor Standard, or, as an alternative, the Company may establish a new Labor Standard to cover the remaining machine or machines.

Where a Labor Standard applies to a job where identical operations are performed simultaneously on a multiple-station machine, and one (1) or more stations are temporarily not operating, the Employees shall be granted downtime equal to the time each station is idle, divided by the total number of stations operated under the Labor Standard, or, as an alternative, the Company may establish a new Labor Standard to cover the remaining station or stations.

Section 13. Hourly Payments To Employees Who Normally Work On Incentive. When an Employee, who normally works on incentive, is directed by the Supervisor to perform productive work not on Standard or Preliminary Estimate, he shall be paid the applicable hourly rate for his classification. Productive work paid for at an Employee's hourly rate includes off-standard work, described in Section 14; work on jobs on which Preliminary Estimates or Labor Standards have not been established; conference time with supervision at the specific request of the Supervisor, and conference time of Union Representatives paid under the Grievance Procedure; the re-performance of work not properly performed by another Employee when not paid on a Standard; the performance of incidental maintenance work during a breakdown, when specifically instructed to do so by the Supervisor; the replacement of an absent day worker. Productive work does not include call-in or reporting payments during the period no work was performed, and such time shall be paid at the Employee's incentive base rate. Time during which an Employee is

Article IX - Section 13

transferred to the Development and Instruction Classification will be paid as provided in Section 19. When an Employee is being instructed in proper operating methods and safe operating procedures by the Supervisor, when initially assigned to the job for a period determined by the Supervisor to be necessary for such instruction, even though an applicable Labor Standard is available, he shall be paid the applicable hourly rate for his classification.

Section 14. Off-Standard Work. Where shortages or infrequent supply of material, parts, or supplies are estimated by the Supervisor to reduce a group's or individual's end output or rate of production below one hundred twelve percent (112%) of the production rate established in the Labor Standard, unless it is possible to reduce the crew size in direct proportion to the reduction in rate of production, the Supervisor shall declare the beginning of a period which shall be considered as off-standard work and paid at the hourly rate provided in Section 13, until the condition is corrected, provided that the period declared as off-standard continues without interruption for at least one-half (1/2) hour. If the period declared to be off-standard continues for less than one-half (1/2) hour because the shortages or infrequent supply of material, parts, or supplies are corrected, the determination that the period shall be considered off-standard shall become null and void, and the Employees involved shall be compensated during such period just as though the determination had not been announced. The provisions in this Section shall be applied only where major shortages occur, and shall not apply where shortages are induced by fluctuations in performance levels by the group itself or related groups. While the Company desires to have Labor Standards to cover most incentive-type work, it must be recognized that, at times, there will be some work run as offstandard work.

Article IX - Section 15

Section 15. Allowance To Group For Learners. An Employee assigned to an incentive group shall be considered a Learner when:

- (a) He is a probationary employee, or
- (b) He has not worked in one (1) or more incentive groups in the same department (Large Press and Small Press areas in the Sheet Metal Department will each be construed as a separate "department") more than forty (40) hours, in the last twelve (12) months, and
- (c) He is working in a group where his work pace can significantly retard the output of the group.

When one or more such Learner is in an incentive group, the following rules shall also apply:

- (d) The group's earned hours will include an allowance according to the following table:

Elapsed Time	Allowance
0 to 8 hours	15%
8.1 to 16 hours	12%
16.1 to 24 hours	9%
24.1 to 32 hours	6%
32.1 to 40 hours	3%

- (e) If a Helper is added to the group during the time a Learner is in the group, no Learner's allowance shall be paid the group during such period, and both the Learner and the Helper will be paid only their applicable hourly rate.

Article IX - Section 15

- (f) If a new Employee (other than a Probationary Employee) is added to an incentive group in Department 82 where

- (i) a Helper cannot be added under (e) above; and
- (ii) such group is working in accordance with Section 7 (b) and (c) of this Article; and
- (iii) such new Employee has not worked in one or more incentive groups in the same department for more than twenty-four (24) work hours; and
- (iv) such new Employee's work pace can significantly retard the output of such incentive group;

the Employees in such incentive group shall be guaranteed their base hourly rates until such new Employee has twenty-four (24) work hours of total experience in Department 82 incentive groups.

Section 16. Incentive Guarantees. Minimum earnings of incentive base rate on incentive-paid jobs shall be guaranteed on a daily basis. In the case of individual jobs, only, such guarantees will be on a job basis, provided that a job basis guarantee will not apply to two (2) or more jobs worked on concurrently and run on one (1) or more job tickets. Group and individual earned hours will not be averaged in computing earnings of individuals.

Article IX - Section 17

Section 17. Payments For Medical Treatment. When an Employee is required to go to the Plant Medical Department, he shall be paid his hourly rate for such time lost from work, but if he leaves the Company premises, he must punch out. If, because of an occupational injury or illness or alleged occupational injury or illness, an Employee is required by the Medical Department to leave the plant premises for an examination or treatment, he will be compensated for such time lost at his hourly rate, as established by a note from the doctor, but if he is confined to a hospital or sent home by the Company's Medical Department, he will be paid for the balance of his shift. If an Employee is required by the Medical Department to leave the plant premises for medical treatment in the Medical Department of another Company Plant, he shall be paid his hourly rate for all time lost. If, because of an occupational injury or illness, or an alleged occupational injury or illness, an Employee is required by the Medical Department to leave the city of Newton for additional medical examination or treatment, in addition to pay for lost time described above, he will be furnished transportation by the Company, or will be reimbursed for the cost of his transportation by public conveyance, or the current mileage rate provided by the Iowa Worker's Compensation Statute for the use of a private automobile.

Section 18. Cancellation Or Adjustments Of Standards For Changed Production Schedules. The Industrial Engineering Department shall have the right to discontinue or modify a Labor Standard in cases where production schedules are substantially changed in comparison with those in effect when the original Standard was established. For example: If an Employee is loading or unloading a conveyor, and his work is reduced by the decrease in schedule, the Labor Standard may be can-

Article IX - Section 18

celed, or observation time could be added to the Labor Standard, or the Employee may be given an opportunity for additional earnings by being given additional work.

Section 19. Developmental Or Instruction Classifications. Where developmental work and instruction work is being performed in the production departments (all classifications other than Skilled Trades), and the service of persons of special skill, ability or knowledge is required in order to develop the methods and procedures to be used on a job or instruct Employees, an Employee may be selected and transferred to a special Developmental or Instruction classification for the Wage Group within which the Employee's classification is classified, or the Wage Group within which the Employee is performing such developmental or instruction work, whichever is greater.

Developmental work represents work requirements exceeding those normally expected of an established production classification and where standard operating methods are not sufficient to achieve the end result desired.

Instruction work under this Section is the instruction of new or inexperienced Employees in the normal range of duties expected of a particular work assignment and is the type of instruction normally provided by the supervisor.

Section 20. Definitions.

- (a) **Incentive Base Rate.** Whenever the words "Incentive Rate" are used in this Agreement, they shall mean the personal Incentive Base Rate of the Employee referred to in the Wage Schedule.

Article IX - Section 20

Hourly Rate. Whenever the words "Hourly Rate" are used in this Agreement, they shall mean the personal Hourly Rate of the Employee referred to in the Wage Schedule as Daywork Rate.

Section 21. Cost-of-Living Allowance.

- (a) **Payment Of Allowance:** Effect on Other Payments. Effective July 5, 2004, the Cost-of-Living Allowance shall be five dollars and seventy-five cents (\$5.75), and should not be reduced below \$5.75 during the four (4) year period of this agreement and further should not be reduced below the Cost-of-Living Allowance established by the March 2004 adjustment during the remaining term of this Agreement unless such reduction results from the transfer of a portion of the Cost-of-Living Allowance to the base rates as provided in Article IX Section 21(e). The Cost-of-Living Allowance shall not be added to the base rate for any classification, but only to each Employee's straight-time hourly earnings on a clock-hour basis. The Cost-of-Living Allowance shall be included in computing all hours worked by an Employee, and shall be included in computing overtime premium, vacation payments, holiday pay, report-pay, jury duty and witness pay, and bereavement pay.
- (b) **Basis For Allowance:** The amount of the Cost-of-Living Allowance shall be determined and redetermined as provided below on the basis of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) published by the Bureau of Labor Statistics, United States

Article IX - Section 21

Department of Labor (1967 = 100) and referred to herein as the "Index". Continuance of the Cost-of-Living Allowance shall be contingent upon the availability of the Index in its present form and calculated on the same basis as the Index for January, 2004 unless otherwise agreed upon by the parties. If and when the Index is revised during the life of this Agreement, the parties will promptly negotiate the application of the revised Index to these provisions of this Section 21.

- (c) Commencing with September 6, 2004, the Cost-of-Living Allowance shall be \$5.75 per hour plus one cent (1¢) for each full 0.35 point increase in the Index to be adjusted on a quarterly basis as follows:

Effective Date of Adjustment:

First pay period commencing on or after September 6, 2004, and at quarterly intervals thereafter to March 3, 2008.

Based Upon:

The increase of the BLS Consumer Price Index as of July, 2004, over the Index for April, 2004, and at quarterly intervals thereafter through January, 2008.

- (d) In the event that the Bureau of Labor Statistics does not issue the Consumer Price Index on or before the beginning of the pay periods, referred to above, any adjustments required will commence at the beginning of the pay period after receipt of the Index.

Article IX - Section 21

- (e) Transfer of Portion of Cost-of-Living Allowance to the Base Rates. Effective July 5, 2004, twenty-six cents (.26) of the Cost-of-Living Allowance then in effect shall be reduced from the Cost-of-Living side payment and shall be added to the day work rates and twenty-three cents (.23) shall be added to the base incentive rates.

Date	Daywork	Incentive
7-5-04	\$.26	\$.23

Section 22. Annual Improvement Factor. The Company and the Union recognize that a continuing improvement in the standard of living of Employees depends upon technological progress, better tools, methods, processes, and equipment; and a cooperative attitude on the part of all parties in such progress. They further recognize the principle that to produce more with the same amount of human effort is a sound economic and social objective. June 1, 2007 employees shall have their incentive base rate and/or their hourly base rate increased by 2.5% accordingly to the wage schedules attached this agreement.

Section 23. Lump Sums. Lump sums payments. A lump sum payment of \$500, less applicable taxes, shall also be paid on January 7, 2005. Lump sum payments of \$550, less applicable taxes, each shall be paid on June 3, 2005, and December 2, 2005.

Lump sum payment increase. Lump sum payments of \$600 paid, less applicable taxes, on June 2, 2006 and December 1, 2006, also according to the terms above.

Article IX - Section 24

Section 24. Yearly Savings-Bonus

- (a) Each Employee, who executes an Authorization Form, shall contribute three percent (3%) or five percent (5%) of his gross pay each week during the period beginning with the Monday after the last Sunday in October and ending with the last Sunday in the next following October. The amount of such contribution shall be reported on the Employee's paycheck stub each week, with the accumulated total.
- (b) For each Employee in (a) above the Company shall allocate for bonus purposes a sum of money equal to all hours paid during each weekly pay period multiplied by ten cents (10¢). The amount of such allocation shall be reported on the Employee's paycheck stub each week, with the accumulated total.
- (c) Applicable wage taxes will be deducted for both the three percent (3%) or five percent (5%) contribution as well as the ten cent (10¢) bonus on a weekly basis.
- (d) On the Friday preceding the Thanksgiving holiday, the Company will pay to each participating Employee, the total money in his individual account (consisting of three percent (3%) or five percent (5%) Employee contribution and ten cents (10¢) per paid hour Company contribution), contributed by both the Employee and the Company.
- (e) An employee who breaks his seniority, retires, dies or voluntarily withdraws from participation

Article IX - Section 24

in the Bonus Plan during the fifty-two (52) week period, shall thereupon be paid (or the Beneficiary designated on the deceased Employee's Group Life Insurance) the total of all monies he has contributed to his individual Yearly Savings-Bonus Account and any portion of the Company allocations provided for in subparagraph (b) above. Any Employee who voluntarily withdraws from participation cannot again become a participant during the one (1) year period in which he withdrew. Notwithstanding the above, an Employee who breaks his seniority while on layoff but retains recall rights under Article X, Section 5(a), shall participate in the Yearly Savings-Bonus according to subparagraph (d) above.

In addition, any Employee wishing to change the percentage of his contribution may do so only at the start of each savings period as designated in subparagraph (a) above.

Section 25. Paced Line Premium. A paced line premium of fifteen cents (15¢) per hour will be applied to specified inspection, conveyor load and unload and repair jobs. Jobs qualifying to receive this premium must be (a) non-incentive, (b) located on or directly tied to a powered assembly or powered delivery line that paces the work, (c) be a regularly scheduled job (not temporary or short run), and (d) the operator has no discretion or control over when he can take a normal break for personal time. Operators assigned to these jobs will receive the fifteen cents (15¢) per hour premium for all hours worked on the designated work stations. Jobs will not be qualified for the rate if at any time they are on incentive. If an incentive operator

Article IX - Section 25

works on a job which qualifies for Paced Line Premium, he will receive such premium for the qualified hours. If an operator working on a PLP job is assigned an incentive job as fill-in work, he will receive incentive earnings for the time spent on the incentive job and PLP for time spent on the PLP job. Even though job conditions may change, such as a change in production level, such jobs need not be disqualified for premium under this section so long as the conditions set forth herein continue to be met.

ARTICLE X

Seniority

Section 1. Types of Seniority.

- (a) **Probationary Period.** Employees with less than forty-five (45) scheduled work days on the active payroll, shall be regarded as Probationary Employees and the Company may terminate the employment of such Employee within its sole discretion. When the probationary period is completed, length of service shall date back to the Employee's original date of hire (provided such Probationary Employee had not been granted a sick leave of absence or was laid off and later rehired as described below in which case his seniority date shall be adjusted to exclude the time of such leave of absence or layoff), and he shall be placed on the departmental seniority list. For the purpose of requests for transfers within a department, (bid), the Probationary Employee's actual length of service shall be used until his name and seniority date go on the Departmental Seniority

Article X - Section 1

List. A Probationary Employee shall be permitted only one (1) Request For Transfer within his department (bid) and only one (1) Request for Interdepartmental Transfer during his probationary period provided such Employee's probationary period be extended, if necessary, to cover twenty (20) work days in the new department. A Probationary Employee shall have no recall rights if he is laid off prior to completion of his forty-five (45) worked day probationary period, but if he is rehired within one (1) year following layoff, he shall be credited with previously worked days (up to a maximum of thirty (30)) towards completion of a new forty-five (45) worked day probationary period; however, for all purposes under this Agreement, he shall be treated as a new hire.

- (b) **Total Seniority.** Total seniority means an individual's length of continuous employment with the Company from his last date of hire (or adjusted date) following completion of his probationary period. Length of continuous employment established prior to the effective date of this Agreement shall be as shown on Seniority Lists prior to such date.
- (c) **Identical Seniority Dates.** Whenever two (2) or more Employees have identical Total Seniority, their relative Seniority right shall be established by their check numbers.
- (d) **Definition of Terms.**

- (1) The term "Qualified", whenever used in this Agreement as descriptive of an

Article X - Section 1

Employee, shall mean the possession by the Employee of the ability, experience, and skill necessary for the satisfactory performance of the work for which the Employee is being considered. Experience gained by temporary assignment to essentially identical work shall be considered by the Company in determining whether or not an Employee is qualified as defined above.

- (2) Whenever in this Article the test of an Employee's ability is set forth in the phrase "provided he can become qualified to perform the work with a minimum amount of training", it means that the Employee's selection is to be based on a determination that he can become qualified after eighty (80) hours work in the classification. However, on plants-wide downgrades, Employees shall be given a mandatory eighty (80) hours training. Where the Employee is being transferred into a classification in Wage Groups 1, 2, or 3, or into a job classification in Wage Group 4 where the work content of the classification has been evaluated in the First Degree of the Experience Factor, it will be assumed that the Employee can become qualified with a minimum amount of training, and hence seniority order will be followed in such cases if the Employee has the necessary physical ability to perform the job properly.

Article X - Section 1

- (3) Whenever in this Article the test of an Employee's ability is set forth in the phrase "provided he is qualified to perform the work with a minimum amount of supervision", it means the Employee's selection is to be based on a determination that he has previously become qualified and can now perform the job without further training, with only the normal instructions given to qualified Employees by their supervisors.

However, in the application of the second and third paragraphs of Article X, Section 3(b), job classifications evaluated in Wage Group 4 of the second degree of the experience factor will be excluded from the minimum supervision requirement. In long-step-rate classifications, an Employee shall be considered qualified up to the step rate level he had previously reached in such classification.

- (4) Whenever in this Article there are references made to placement by "rank order", it shall mean that vacancies in classifications (including those caused by the displacement of probationary Employees) and classifications occupied by junior Employees shall be listed by Wage Groups, and vacancies in classifications where the work is normally performed on an incentive basis shall be ranked above vacancies in other classi-

Article X - Section 1

cations in the same Wage Group where the work is normally performed on an hourly basis, so that where several Employees are simultaneously being transferred, as a result of downgrading or recall, the most senior Employees will be transferred to the classification where the work is normally on incentive.

(e) Establishment Of Seniority Dates

- (1) Any seniority date (including Skilled Trades), to be established during the life of a Labor Agreement, shall be established, and shall be binding on the Company, Employee, and Union in connection with all matters involving seniority upon the completion of the following steps:
- (a) The Company shall make the determination of the date and within two (2) calendar weeks:
- (i) The Employee shall be notified of the date by the inclusion of a notice of said date in pay check envelope.
- (ii) A copy of such notice shall be delivered to the President of the Union.

Thirty (30) days after the date of such notice, without objections being given to the Labor Relations Office, such date

Article X - Section 1

shall be established. If objection is given and the Employee is not satisfied that the date was established or reestablished properly, the matter may be processed as a grievance. If after the thirty (30) day period the Company and the Union agree there was an error in the date, it shall be changed; but no financial liability will be assumed by the Company because of such change.

Section 2. Seniority Considerations In Transfers Of Employees, Equipment And Work Between Plants.

- (a) **Seniority Lists.** Seniority provisions shall apply by departments. The Company shall maintain a list of each Department (including the Skilled Trades Department), showing each Employee's applicable seniority date, and shall furnish the Union's Financial Secretary with copies of such lists every three (3) months.

Changes in existing departmental seniority designations shall be discussed with the Union and established only after Union approval, except where an existing seniority department is physically relocated. Such lists will be available to Employees and Union Representatives in departmental offices. The Chief of Assembly/Support Representative in the appropriate plant will be provided a departmental seniority list every four weeks.

Article X - Section 2

- (b) **Transfer Of Employees With Machines.** When the Company moves a machine or equipment from one department to another department, and the work force of the job classification from which the machine or equipment is being transferred is reduced within thirty (30) days thereafter, because of such transfer, the Company will offer the Employees in the job classification in the department, in order of their seniority, a right to transfer to the new department until either (1) all Employees have been offered such right, or (2) such right has been accepted by the same number of Employees who would otherwise be downgraded out of the classification. Such transferred Employees who are assigned to vacancies in the new classification must be qualified to perform the work with a minimum amount of training. When such transferred Employees displace Employees with less seniority in the new classification, the transferred Employees must be qualified to perform the work with a minimum amount of supervision. When no such reduction of work force of the job classification results, or when the reduction of the work force would remove all Employees from the classification in the department, the Employees will be transferred, or not, as required by the Company; however, in those instances in which the movement of a machine or equipment occurs from one department to another department, and the reduction of the work force would remove all Employees from the classification in the department, the Employees shall be given an option, as set forth above, to move with the machines or equipment or to remain in the department and accept downgrading.

Article X - Section 2

- (c) **Transfer Of Work Between Job Classifications.** When the Company moves work from one job classification to another job classification, and the work force of the job classification from which the work is being removed is reduced within thirty (30) days thereafter because of such removal, the Company will offer the Employees in the job classification in that department, in order of their seniority, a right to transfer to the job classification to which the work has been transferred until either (1) all Employees have been offered such right, or (2) such right has been accepted by the same number of Employees who would otherwise be downgraded out of the classification. Such transferred Employees who are assigned to vacancies in the new classification must be qualified to perform the work with a minimum amount of training. When such transferred Employees displace Employees with less seniority in the new classification, the transferred Employees must be qualified to perform the work with a minimum amount of supervision. Furthermore, when there is no reduction of the work force of the job classification from which the work has been removed, or where the reduction of the work force would remove all Employees from the classification, the Employees may be transferred, or not, as determined by the Company; however, in those instances in which the movement of work occurs from a job classification to another job classification, and the reduction of the work force would remove all Employees from the classification in the department, the Employees shall be given an option, as set forth, to move with the work or to

Article X - Section 2

remain in the department and accept downgrading. Finally, this clause shall not apply during a downgrading procedure.

- (d) **Interdepartmental Transfers Of Employees. (Transfer From One Department To Another).** Except as otherwise provided in this Agreement, no Employee shall be permanently transferred from one department to another without his consent. Employees may be temporarily transferred to other departments because of emergencies such as lack of work, breakdown, absenteeism, fires, storms, power failures, etc., for periods of five (5) workdays or less. An employee may be temporarily transferred to another department to serve as an instructor for as long as four (4) consecutive weeks. With an Employee's consent, he may be temporarily transferred for the duration of the period that his services are needed in another department. No Employee who has accepted a permanent transfer to another Department shall retain recall rights to the department from which he was transferred, except as specifically provided in the case of transfers in the downgrading procedure, but where the transfer is temporary, his seniority shall remain in his Home Department.
- (e) **Interplant Assignments.** The Company may assign any Employee from one Plant to the other Plant for the duration of any emergency condition which may warrant such assignment. (The necessity of paying overtime shall not, in itself, constitute an emergency.

Article X - Section 3

Section 3. Downgrading Procedure.

- (a) **Long-Step-Rate Classifications.** When there is a reduction in the work force in a long-step-rate classification, the necessary number of Employees with the lowest step rate position will be removed from the classification. If two (2) or more Employees are in the same step rate position, the Employee with the least amount of time in such step rate will be removed from the classification, provided that he has spent at least ten (10) working days less time in that step rate position. If two (2) or more Employees have a differential of less than ten (10) working days in the same step rate position, or if all Employees have attained the highest step rate position, the number of Employees with the least seniority will be removed from such step rate position. Each such Employee shall be downgraded as provided in (b) below.
- (b) **Wage Group Structure Job Classifications.** (All classifications, other than Skilled Trades.) When there is a reduction in the work force of a job classification within the Wage Group Structure in any department, the necessary number of Employees with the least applicable seniority working in such classifications shall be removed. Each such Employee shall be entitled to placement in a job classification within the Wage Group Structure in the department in the following order, provided he can become qualified to perform the work with a minimum amount of training:

Article X - Section 3

- (1) To any vacancy then existing in the same Wage Group.
- (2) To any vacancy then existing in a higher rated Wage Group.
- (3) To the job classification in the same Wage Group wherein the Employee with the least seniority in the Wage Group is working, displacing that Employee.
- (4) *To any vacancy then existing in the next lower Wage Group.
- (5) To the job classification in the next lower Wage Group wherein the Employee with the least seniority in the Wage Group is working, displacing that Employee, etc.
- (6) When two (2) or more Employees are being downgraded simultaneously, the senior Employees shall be given first consideration for placement in the existing vacancies in the order described above, placement in any one Wage Group shall be by rank order.

Any Employee displaced under the above procedure will have the same opportunities in the order set forth. Employees who are displaced in this process, and for whom no transfer to another classification within the department can be made, will be referred to Labor Relations for placement under Section 4 below. However, any such Employee, before such referral, may displace an

Article X - Section 3

Employee with less seniority remaining in a department in a higher Wage Group within the Wage Group structure or in a long-step-rate classification, provided he is qualified to perform the work required with minimum supervision.

When, after the application of the above procedure, a junior Employee scheduled for layoff from the plants has been retained in a job classification in Wage Group 5 (except where the work content of the classification has been evaluated in the First Degree of the Experience Factor) or above, the senior Employee who was denied the right to displace such junior Employee in the downgrading due to his inability to become qualified on the job with a minimum amount of training, shall be placed on and trained for such junior Employee's job if he has the ability to be so trained.

Section 4. Interdepartmental Transfer of Employees Downgraded Out Of A Department.

- (a) The names of Employees, displaced from a department following completion of the procedures set forth in Section 3 shall be referred to the Human Resources Office. All resulting vacancies then existing in the plants shall be on file at the Human Resources Office. (Resulting vacancies shall mean those vacancies in other departments which remain after posting, transferring, downgrading, recall, and transfer by "Request For Interdepartmental Transfer".) The interdepartmental transfer procedure shall be as follows:

Article X - Section 4

- (i) All resulting vacancies, as described above, shall be listed in the rank order in the Wage Schedule.
- (ii) If such vacancies are insufficient to absorb the Employees displaced from all departments, the necessary number of probationary Employees shall be laid off from the plant.
- (iii) If the total of the vacancies under (i) and (ii) above are insufficient to absorb the displaced Employees, the necessary number of Employees with the least seniority in the Wage Group Structure will be laid off and their job classification will then be listed.

The above Steps are sequential, however, at the point in the procedure where sufficient vacancies are created, all vacancies will be rank ordered.

- (b) When the above steps produce sufficient vacancies to place the Employees being displaced from the departments and who have sufficient seniority for placement, such Employees will be placed as follows:
 - (i) First by the Employee's downgrade preference in seniority order, provided such preference is filed in the Human Resources Office before the original vacancies are posted in the department.
 - (ii) The Employees not placed under (i) above will be placed by rank order and will be trained on their respective jobs

Article X - Section 4

provided they can satisfactorily perform the work after eighty (80) hours in the classification.

- (c) The provisions of this Section need not be followed where an Employee is laid off from a department supplying work to later departments where the Employee he would otherwise have displaced will be scheduled for layoff when the work reduction reaches the later department within ten (10) calendar days.
- (d) In handling departmental downgrades which result in layoffs from the plants, the Union shall be given an opportunity to review in the departments, the list of people laid off and or downgraded, commencing such review five (5) days in advance of the date of the scheduled layoff. The composite list of Employees affected by the inter-departmental transfer will be revised if an error is found within twenty-four (24) hours of the time of review by Human Resources with the Union. Such list will be revised and affected Employees will be placed by rank order. In the event an error is found subsequent to such twenty-four (24) hour period and sufficient time is available to notify Employees directly affected by the error, such error will be corrected by the reassignment of Employees with the minimum amount of movement, maintaining the same wage group placement where seniority permits. Three (3) days advance notification will be provided the Employees to be laid off by posting on the departmental bulletin boards. If Employees are scheduled off under Section 14 of this Article, the Plant

Article X - Section 4

Committee may ask whether layoffs are contemplated at the end of such period and if such people are to be laid off after such period, such review shall occur during such period.

- (e) Where a reduction of the work force will result in the layoff of Employees from the plants, Employees being downgraded from a department who have an option of layoff indicated on the Downgrade Preference card in (b) (i) above will be laid off rather than transferred to another department, unless they can be placed in accordance with their indicated downgrade preference. The exercise of the option of layoff under this Section shall be on the basis of seniority up to the number of Employees scheduled to be laid off.

For a period of twelve (12) calendar months following the effective date of his layoff, he will be recalled to vacancies in his Home Department only, except that such Employees shall be recalled to vacancies occurring in any department before the employment of new Employees. Following the expiration of such twelve (12) calendar month period, if he is still on layoff, he will be eligible for recall to vacancies occurring in any department, subject to the provisions of Section 5 below. In exercising his option, the Employee sacrifices any right to Supplemental Unemployment Benefits and Separation Payment Benefits which might otherwise be available to him, as a result of such layoff, under the provision of the Supplemental Unemployment Benefit Plan then in effect, and the Company will protest Unemployment Compensation claims, unless at

Article X - Section 4

the time he exercises his option all Employees with less than one (1) year's seniority who are ineligible for such benefits are then laid off. If benefits are sacrificed, this sacrifice will continue during the entire period of layoff, including both the twelve (12) calendar month period during which the Employee's recall is limited to his Home Department and the period following such twelve (12) calendar month period during which the Employee is eligible for recall to other departments.

- (f) Any Downgrade Preference Cards that an Employee has on file shall be automatically cancelled at the completion of each freeze period as described in Article X, Section 9.
- (g) An Employee who would otherwise be laid off under this Section except that he is on a leave of absence shall be placed on the layoff list as though he were in the Plants and the provisions of this Article will apply accordingly.

Section 5. Recall Rights.

- (a) An Employee who has been laid off from the plant as set forth above shall be entitled to be recalled, in seniority order, to a vacancy, provided that he can become qualified with a minimum amount of training to perform the work required in the vacancy. This right of recall shall continue for a period of time equal to the amount of seniority which the Employee had at the time of his layoff, subject to a maximum of five (5) years and a minimum of one (1) year, except that if recall is

Article X- Section 5

offered and the Employee fails to return as specified in Section 13 of this Article, or otherwise breaks his seniority relationship; he shall lose all seniority and recall rights.

- (b) If the Employee is working in the Plant or is one of the Employees who would be recalled to the Plant from the top of the Recall List, as provided below, and was displaced from a long-step-rate classification, he shall have the right of automatic recall to a vacancy in such classification, in reverse order of layoff, for a period of twelve (12) months following his downgrading from that classification.
- (c) If the Employee is working in the Plant but not in his Home Department or is one of the Employees who would be recalled from the top of the Recall List as provided below, he shall be placed;
 - (i) according to his job preference description on the Recall Preference Form filed in Human Resources; then
 - (ii) according to rank order;

provided in each case he can become qualified to perform the work of the classification to which he is being recalled with a minimum amount of training. For a Recall Preference Form to be considered in a recall situation, it must be on file in the Human Resources Office prior to the Employee's notification of recall or prior to the close of the departmental posting period, whichever occurs later.

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- (d) The provisions of this Section need not be followed where an Employee is being recalled to a department supplying work to later departments, where the Employee who would otherwise have been recalled will be scheduled for recall, when the work flow reaches the later department within ten (10) calendar days, nor where an Employee is being recalled as many as ten (10) calendar days ahead of another Employee who would otherwise have been recalled, when such Employee is being recalled early to provide him with training on the job to which he is being recalled.
- (e) When vacancies occur which will ultimately result in the recall of Employees from layoff, the number of the most senior Employees on the Recall list equal to the number of such vacancies will be treated as though they are in the Plant for the purpose of recalls under Paragraphs (b) or (c) above.
- (f) An Employee who has a right of recall shall be required to accept recall unless he is working in the Plant and has cancelled his right of recall by signing a suitable waiver form at the Human Resources Office, which will be effective if received any time prior to being notified that he is being recalled. However, the Company will allow Employees to waive recall at the time of notification, provided such waiver will not adversely affect related Employee movement, and provided sufficient time remains to satisfy job posting requirements. In the case of freeze periods, when the Company has scheduled a production level

Article X - Section 5

change and waiver of recall at the time of notification is not possible, the Company will include a reminder regarding waiver of recall in the freeze period notice that is required by Article X, Section 9.

- (g) Recall rights which would otherwise expire on a certain date will not expire if such expiration date falls after the date of notice of recall to return and the date of actual return, as established in said notice.
- (h) The Company will provide the Chief of Assembly/Support Representative with a summary of the recall and placement of Employees whenever such recall involves a significant number of Employees, as soon as may be reasonably feasible following the completion of such recall activities.
- (i) An Employee on leave of absence at the time of the recall shall be placed under this Section even though the Employee is on such leave of absence, and upon his return, he will replace the junior Employee within the job classification which he was assigned to during his leave of absence.
- (j) In the event an Employee who has lost his seniority rights under Article X, Section 13 (c) is recalled to the Plants, but is unable to answer such recall due to disability, he shall have his seniority date adjusted as though he were recalled, provided that he later is returned to work at the termination of such disability.

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- (k) In the event an Employee is downgraded from his home department and has bypassed a junior Employee due to lack of qualifications, such Employee shall be allowed to return to his home department and displace the junior Employee, if such junior Employee moves from the job classification originally bypassed.

Section 6. Filling Vacancies.

- (1) **Long-Step-Rate Classifications.** Whenever there are vacancies in a department in a long-step-rate classification, (whenever the number of Employees needed in that classification is more than those classified therein, vacancies exist up to the required number), the following procedure shall be used for filling such vacancies:
- (a) Employees who hold rights of automatic recall to such vacancies as provided in Section 5 (b) of this Article shall be recalled.
 - (b) The vacancy will be posted on the departmental bulletin board for a period of twenty-four (24) hours. Any Employee classified in the department may file a bid on a "Job Availability" Form any time prior to the end of the twenty-four (24) hour period. Bids may be filed in advance of posting, to protect Employees who may be absent when the vacancy is posted. Employees who have transfer requests, rights of recall to the department, or "Interdepartmental

Article X - Section 6

Requests For Transfer" on file who would be qualified for such vacancy, shall be considered simultaneously as bidding applicants, in those cases where several applicants for such vacancy have approximately equal qualifications, based on ability, experience, and skills, the Employee with the greatest seniority shall be entitled to the job, provided that an applicant from outside the department shall not have a seniority preference over an applicant from within the department, unless he can be qualified at least one step rate above the departmental applicant. All advance bids will be automatically cancelled sixty (60) days after filing. Unsuccessful bidders for such vacancy will have their bid for such vacancy automatically cancelled when the vacancy is filled by the selection of another Employee.

If no applicant has sufficient qualifications,

- (i) to meet the standard necessary for satisfactory performance of the basic requirements of the job upon selection, and,
- (ii) to qualify for the periodic step-rate increases as set forth in the wage schedule, the vacancy shall be filled by selecting a qualified Employee by recall from the Recall List or new hire.

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- (2) **Wage Group Structure Classification.** Whenever there are vacancies in a department in a classification in the Wage Group Structure (whenever the number of Employees needed in a classification is more than those classified therein, vacancies exist up to the required number), the procedures under this Section shall be used to fill such vacancies.

Step 1. Posting.

- (a) The vacancy will be posted on the department bulletin board, indicating the shift, if it is a fixed-shift department, for a period of twenty-four (24) hours (hours during Holidays, Saturdays, Sundays, Inventory Periods, and Vacation Shutdowns shall not count).

Vacancies created as a result of Employee's attendance for two week active duty military training shall not be posted, and will be filled directly by requisition to the Human Resources Department.

The notice of vacancies posted due to an employee becoming physically disabled under Article X, Section 12 shall specify that such physically disabled employee has return rights under the last paragraph of that Section.

- (b) Any Employee classified in the department may file a bid on a "Job Availability" Form for such vacancy any time prior to the end of the twenty-four (24) hour period. Bids may be filed in advance of posting to protect Employees who

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may be absent when the vacancy is posted. All advance bids will be automatically cancelled sixty (60) days after filing.

- (c) In cases where several applicants for a vacancy in Wage Group 4 (except those job classifications in Wage Group 4 where the work content of the classification has been evaluated in the First Degree of the Experience Factor) or above have approximately equal qualifications based on ability, experience, and skills the Employee with the greatest applicable seniority will be entitled to the job. Applicants for a vacancy in Wage Groups 1, 2, and 3, and those job classifications in Wage Group 4 where the work content of the classification has been evaluated in the First Degree of the Experience Factor, will be accepted in seniority order, provided the Employee is physically able to perform the work.
- (d) If no applicant who can become qualified with a minimum amount of training files a "Job Availability" Form, the vacancy shall be filled by transfer request as set forth below.
- (e) An Employee who is awarded such vacancy shall have all other bids which he then has on file automatically cancelled and shall be required to accept the vacancy. Unsuccessful bidders for such vacancy will have their bid for such vacancy automatically cancelled when the vacancy is filled by the selection of another Employee.
- (f) If an Employee leaves a department as a result of a recall, or "Request For Interdepartmental

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Transfer", and creates a vacancy, such vacancy shall be filled by posting or subsequent procedures as defined in this Section 6.

- (g) When a vacancy is posted, it shall be deemed filled only when one (1) of the Employees who has bid for the job has been notified by the Company that he is the successful bidder. Such notification shall consist of posting on the department bulletin board, the name of the successful bidder, his seniority date, his supervisor's name, his present classification, and the classification which he has been awarded, as well as the names of the unsuccessful bidders. Until such notification has been given, the vacancy will continue to exist, and may be filled under any other applicable provision of this Article. A copy of this notice shall be forwarded to the appropriate Area Representative, and on this copy will be shown the seniority dates of all Employees listed. In the event the Company elects to cancel a posted vacancy, the original posting will be marked "Cancelled" and a brief reason for such cancellation will be stated.
- (h) Where a vacancy is created by the absence of an Employee on a written Medical Leave of Absence which will extend ten (10) working days or longer, it will be posted under the above procedure, provided that the successful applicant shall be automatically displaced by the Employee returning from such leave, if he returns immediately upon the expiration of such leave, and in such event the displaced Employee will be downgraded as provided in Section 3, beginning with

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3(b)(1), within six working days unless there are justifiable reasons for delaying such downgrade - except that such Employee shall not displace the Employee returning from the leave of absence if the returning Employee is the youngest seniority Employee in the Wage Group (unless he has the special right of displacement, provided in the next to last sentence of Section 3, Sub paragraph (b). If two or more Employees are temporarily classified in the same classification, upon return of an Employee from Medical Leave the least senior Employee will be downgraded first. If during the period such Employee is absent on leave the successful applicant who replaced him leaves the job classification by bid, transfer request, recall or request for interdepartmental transfer, the vacancy may be posted anew (such posting may be delayed so as not to affect the transfer of other Employees), and the same protection will continue to the Employee absent on leave for the remaining portion of his leave. If, however, the successful applicant is removed from the classification by downgrading, the right of the Employee on leave to return to the classification shall be determined by his applicable seniority; furthermore, if a permanent vacancy occurs in the classification during the period of the leave, the successful applicant who is then in the temporary vacancy shall be deemed to have filled the permanent vacancy, and the temporary vacancy may be posted anew with the same protection for the absent Employee during the remaining portion of his leave. Furthermore, if no Employee bids successfully for such temporary vacancy, transfer requests will be ignored, and the Company will

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proceed to fill the vacancy starting with Step 3 of this Section. If a vacancy is filled in this fashion, the Employee on leave shall have the same protection for the period of his leave as set forth above.

Step 2. Transfer Requests (Within a Department).

- (a) Any vacancy in the department caused by the transfer of an Employee to a vacancy, as a result of the posting of the original vacancy, as set forth above, will be filled by transferring an Employee to such vacancy as a result of a Transfer Request. Any vacancy caused by the recall of an Employee to a long-step-rate job classification will be posted as an original vacancy.
- (b) Employees who desire transfers shall sign a "Transfer Request" Form, which may be limited to a particular shift in a fixed-shift department if the Employee desires, and which in any department may be one of the following types:
 - (i) Request for transfer to a specific job classification or Wage Group.
 - (ii) Request for transfer to any higher rated job classification.

Requests for transfer, to receive consideration, must be on file before the end of the 24 hour posting period specified in Step 1 above. If there are no requests for transfer on file by applicants who can become qualified with a minimum amount of training, the vacancy shall be filled by request to the Human Resources Office, but no Employee

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in the department will be considered by the Human Resources Office in filling such vacancy. When an Employee is offered transfer, as a result of a "Transfer Request", he shall be required to accept such placement and all other Transfer Requests which he has on file shall be automatically canceled.

- (c) Where there are several candidates for such transfer to a vacancy in Wage Group 4 (except where the work content of the classification has been evaluated in the First Degree of the Experience Factor), or above who have approximately equal qualifications, based on ability, experience, and skills, the Employee with the greatest applicable seniority will be entitled to the vacancy.

Step 3. Recall.

Vacancies which exist after posting and transfer have taken place, as set forth above, will be filled by recalling, in seniority order, the necessary number of those Employees who have active department recall rights (Employees in the Plant and those described in Section 5 (e)) and placing them in the resulting vacancies according to Article X, Section 5 (c). When an Employee is thus recalled, "Requests For Interdepartmental Transfer" which he may have on file will be automatically cancelled.

Step 4. Interdepartmental Transfer.

- (a) Vacancies which may still exist will be filled by Employees who have filed "Requests For Interdepartmental Transfer". Employees working

Article X - Section 6

the first shift may initiate "Request For Interdepartmental Transfer" in the departmental office, all other Employees shall file such requests in the **Human Resources Office**. All such requests must be time-stamped prior to the time the postings for the original vacancies, as described above, are made.

- (b) Such requests may specify that the Employee requests a transfer to any other department, or they may be limited and may specify only one (1) or more selected departments, or they may be limited and may specify a minimal Wage Group level to which the Employee requests transfer.
- (c) If the vacancies to be filled by "Request For Interdepartmental Transfer" are in Wage Group 4 (except where the work content of the classification has been evaluated in the First Degree of the Experience Factor) or above, and there are several candidates requesting such transfers who have approximately equal qualifications, based on ability, experience, and skills, the Employee with the greatest applicable seniority will be offered the opportunity to transfer, provided that he can become qualified to perform the work in the vacancy with a minimum amount of training. If the vacancies to be filled by such "Requests For Interdepartmental Transfer" are in Wage Groups 1, 2, 3, or to those job classifications 7 in Wage Group 4 (where the work content of the classification has been evaluated in the First Degree of the Experience Factor), the applicants will be selected in seniority order, provided that they are physically able to perform the work in the vacancy.

Article X - Section 6

- (d) Any Employee selected to transfer from one department to another in this fashion shall be required to accept the transfer, and all other "Requests For Interdepartmental Transfer" which he has on file shall be automatically cancelled. Furthermore, he shall be ineligible to file another "Request For Interdepartmental Transfer" for a period of six (6) months for following his transfer in this fashion. When an Employee has been transferred as a result of a "Request For Interdepartmental Transfer" which request specified a particular department in which he wished to be located and he is subsequently downgraded out of that department within such six (6) month period, he shall at the time be permitted to file an additional "Request For Interdepartmental Transfer", even though the six (6) month limitation set forth above may not have yet expired. Furthermore, all Requests for Inter departmental Transfer that an Employee has on file shall be automatically cancelled when such Employee is transferred according to a "Job Availability" or "Transfer Request" form.

Step 5. Recall From Plant Recall List.

Vacancies which may still exist will then be filled by recalling Employees from the top of the Recall List, in seniority order, provided that they can become qualified to perform the work in the vacancy with a minimum amount of training.

Step 6. New Hire.

Vacancies which may still remain will be filled by the employment of new Employees.

Article X - Section 7

Section 7. Procedure To Be Followed When Downgrading Occurs In One Or More Departments At The Same Time That A Vacancy Situation Exists In One Or More Other Departments. The downgrading procedure shall be followed as set forth in Section 3 above in each department where a downgrading is required. If, at the time Employees are removed from the department or departments as a result of such downgradings, vacancies exist in another department, the procedures as defined in Section 6 shall be followed up to, but not including, Step 5. The resulting vacancies then existing in any department shall be pre-empted for use in the placement of downgraded Employees under the provisions of Section 4.

Section 8. Procedure To Be Followed When There Is A Simultaneous Downgrading And Vacancy Situation Within One Department. Existing vacancies shall be posted as set forth in Section 6, Step 1, above. Resulting vacancies shall be filled by transfer request as set forth in Section 6, Step 2, above; and then the downgrading as set forth in Section 3 above shall take place. If, as a result of such downgrading, Employees are removed from the department, they will be placed as provided in Section 4 above; but if, after such downgrading, there are still vacancies available within the department, these vacancies shall be filled as set forth in Section 6, beginning with Step 3 and continuing with the subsequent steps as far as may be required.

Section 9. Freeze Period. Where the Company has declared a freeze period during a substantial movement of Employees (that is, a move of twenty (20) or more Employees under the applicable sections of this Article), no transfer rights shall mature as a result of changes in conditions occurring during the period of freeze; however, this

Article X - Section 9

will not limit the Company's right to temporarily assign Employees to work of other classifications. Notice of the beginning of a freeze period, indicating the revision of production levels contemplated, shall be posted on the departmental bulletin board two (2) workdays in advance of such freeze.

Section 10. Limits On Bidding Or Transfer Request Opportunities. Employees may move within a department by bid or transfer request as many times as they wish, provided that in such movements within a department they are moving upward from one Wage Group to a higher ranking Wage Group or are moving laterally from one job classification to another job classification within the same Wage Group. Whenever an Employee bids or requests transfer downward (to a job classification in a lower ranking Wage Group), he shall be denied any additional bids or other transfer during the following four (4) months, unless having thus lost his rights to transfer, he is subsequently downgraded to another job classification in the same or lower ranking Wage Group, or if he is subsequently recalled to his home department, he shall be permitted one (1) additional bid or one (1) additional transfer request during such four month period. Such four month period described above shall begin on the date of his notification on the department bulletin board as described under Section 6, Step i(g). This restoration of one (1) bid or one (1) transfer request shall occur each time that the Employee is thus downgraded, except that at no time will he have a right to more than one (1) such additional bid or one (1) such additional transfer request.

An Employee whose four month restriction expires prior to the date on which a vacancy is to be filled will be permitted to bid on such vacancy.

Article X - Section 11

Section 11. Right of Assignment. Employees within a job classification are subject to assignment to type of work, place of work, machine or equipment, in that job classification by the Company.

Employees may be assigned temporarily to work in another classification, subject to the provisions of Article IX, Section 5. Where a temporary assignment is from work in one classification to work in a classification in Wage Groups 1, 2 or 3, or to those job classifications in Wage Group 4 in which the Experience Factor is evaluated in the First Degree, the most junior Employee under the Supervisor's jurisdiction (when an Employee is assigned to a job classification on a regular basis under more than one Supervisor's jurisdiction, this Section shall also apply) who is then available in the first classification shall be so assigned, provided he is physically able to do the work, (unless there is an Employee working in the first job classification who is classified in another job classification, who shall be assigned, provided that he is physically able to do the work); furthermore, during the period that the junior Employee is so temporarily assigned, there shall be no re-assignment within the first classification involving a junior Employee still in the classification and no other Employee shall be assigned to the job classification from which such junior Employee was removed.

The above paragraph shall apply to an Employee working in a combination job assignment or a Utility Employee classification (unless the Utility Employee is replacing an Employee absent from his job assignment), only when: (1) a temporary assignment is required from a classification for the sole purpose of reducing the number of Employees then assigned to the classification, an Employee working in the classification who is classified

Article X - Section 11

in another classification shall be the first to be so assigned; or (2) if it is known that the Employee so classified in another classification can reasonably be expected to complete the temporary assignment in question without interfering with the performance of his normal duties, he shall be the first to be so assigned.

When the temporary assignment is to work in a classification in Wage Group 4 or above (except those Wage Group 4 classifications described above), the Supervisor shall have the unqualified right to assign the Employee of his choice; and during such period of temporary assignment, another Employee may be assigned to the job classification from which such Employee has been assigned and/or reassignments within the first job classification may be made as necessary.

Work in a classification which is assigned on a temporary basis to Employees classified in another classification shall be considered a vacancy in the classification when the work becomes regular, and over any significant period of time is operated more than fifty percent (50%) of the regular work shift involved.

An Employee who regularly performs work which is normally classified in two (2) different classifications will be classified in, and paid the rate of the higher paid classification whenever the work in the higher paid classification equals or exceeds forty percent (40%) of the Employee's time. This does not mean that work on combinations of different types of machines cannot be established by the Company for one (1) Employee; but this test shall determine the classification into which the Employee shall be classified. If the Company has filled in observation time on a machine in a higher Wage Group with work

Article X - Section 11

normally classified in a lower Wage Group, the job will be rated in the higher Wage Group.

When two (2) or more Employees are transferred into a job classification and the work station assignments which are then available include both day work stations and the incentive-rated work stations on the same shift, the senior Employee shall be assigned to the incentive-rated work station, unless such an assignment would result in lessened efficiency of the classification as a whole or of one or more of the Employees thus assigned.

These rights of assignment, which are necessary for efficient operation, shall not be used to unfairly discriminate against any Employee.

Section 12. Physically Disabled Employees.

Employees who have attained seniority including Employees in Skilled Trades classifications, and who are presumably permanently or temporarily, partially disabled or infirm, and are physically unable to perform their normal work assignment, may be placed by the Company in job classifications in the following procedure:

- (a) To any existing vacancy within his classification or to work not regularly assigned or to work available in other classifications.
- (b) To the work station within the original classification then occupied by the least senior employee, displacing that Employee. If the disabled Employee cannot perform the work assignment then occupied by the least senior Employee, the Company would examine the work assignment within the classification occupied by the next

Article X - Section 12

least senior Employee, and so forth, progressing upward through the classification through all Employees with less seniority than the disabled Employee.

- (c) If the above does not result in placement, the Company will use the established downgrading procedure as described under Section 3 of this Article. The Company and the Union may agree to make exceptions to the downgrading procedure in placing such Employee.
- (d) If an Employee is sent home because he is physically unable to perform work, the Company will endeavor to notify the appropriate Union Representative.

The Company shall have the discretion of holding in the classification the employee displaced by the disabled employee pending demonstration by the disabled employee of his ability to perform the job. Moreover, if the displaced employee is downgraded out of the classification after such displacement, and, within five (5) work days of such displacement, the disabled employee demonstrates that he can not perform the job, the Company has the discretion of returning the displaced employee to the classification without the need to post the vacancy, provided it is practical to do so and it can be done with the minimum movement of one or two employees.

At such time as the downgraded Employee presents evidence acceptable to the Company that he has recovered sufficiently to perform the work of

Article X - Section 12

the classification from which he was displaced, he will be returned to the classification precisely as though he were returning from a leave of absence under Article X, Section 6 (2) Step 1 (h).

The names of Employees reclassified outside their home department under this section, along with the appropriate information, will be provided to the Chief of Assembly/Support via memorandum at the time of reclassification. The names of physically disabled Employees medically downgraded under the above procedure that have their medical restrictions either modified or removed shall be provided to the Union.

Section 13. Termination Of Seniority Rights. An Employee's seniority rights and his relationship as an Employee, and all rights growing therefrom, shall terminate if an individual:

- (a) Quits. In addition to other types of voluntary quits, the Company may consider an Employee as a voluntary quit, if:
 - (1) He is absent for five (5) consecutive scheduled days without notifying the Company (the Company may post the vacancy and proceed to fill the job after three (3) days of such absence, but the action will become void if the Employee subsequently qualifies under this five (5) day limit), or
 - (2) He fails to report to the Human Resources Office at the termination of a leave of absence, or any extension thereof granted by the Company.

Article X - Section 13

- (3) He is laid off and fails to report for work within five (5) days, or within a period of time extended by agreement with the Human Resources Office, after written notice by Certified Mail is sent to the individual's last address as shown on the Company's records. The Union shall receive simultaneously a copy of letters sent Employees under this paragraph. Changes of address in such records will be made only when the Employee executes a "Change Of Address" form and files it with the Human Resources Office. At the time the Employee executes the form, he will be given a receipt copy.

- (b) Is discharged for cause.
- (c) If he is unemployed by the Company for a period of time equal to his seniority prior to layoff, or for a period of five (5) consecutive years, whichever is the lesser; provided that an Employee with less than one (1) year seniority at the time of his layoff whose seniority is terminated under this Section, shall re-acquire the amount of seniority he had at the time of his layoff when he is recalled by the Company within one (1) year after his layoff, and his seniority date shall be adjusted accordingly. Such an Employee shall have no other rights except the aforementioned recall.
- (d) If he retires under the terms of the Maytag, Newton Laundry Products Hourly-Paid

Article X - Section 13

Employees' Pension Plan, except that an Employee who has been retired on a Permanent and Total Disability Pension, but who recovers and is subsequently re-employed, or who retired on a normal Pension and is re-employed, shall have his length of service reinstated as it was on the date of his retirement.

- (e) If he qualifies for, and accepts, a Separation Payment under the provisions of the Maytag, Newton Laundry Products Supplemental Unemployment Benefit Plan.

Section 14. Temporary Interruptions in Weekly Work Schedules. If an Employee's regular work is not available, due to material shortage, breakdown, or other reasons, the Employee may be scheduled off for periods of not longer than five (5) successive days, and the provisions of this "Seniority" Article do not apply. After the five (5) day work period, such Employee shall be considered laid off, and the seniority provisions shall apply. If any Employee who has been scheduled off for such a period is then entitled to work, he shall be recalled and the necessary transfers made. During the five (5) day period, any Employees scheduled off shall be given preference in filling vacancies in the Plant, which will be arranged by the Supervisor on the day the lack of work occurs, but if for periods longer than one (1) day, the Employees shall make application at the Human Resources Office. Employees may be scheduled off or scheduled to work during inventory periods or vacation shutdowns without invoking the provisions of this Article.

Section 15. Employees With Special Training. The Company may bring into the Plant, Trainees chosen for

Article X - Section 15

special training who may work on production. These Trainees may amount to twelve (12) in number, or one percent (1%) of the total factory work force, whichever is greater. The introduction of such Trainees shall not displace any Employee then working from employment, nor shall it be used to delay the recall of an Employee from layoff.

Section 16. Delayed Transfer. When an Employee is scheduled and is notified of a transfer to a different job classification, by bid, transfer request, recall, request for interdepartmental transfer, or downgrading, his seniority shall be deemed transferred as of the date of such scheduled transfer under the terms of this Agreement unless the vacancy has been cancelled. Such an Employee, however, may be retained in his former classification (and in his former department which such transfer has crossed departmental lines) until a replacement is trained, provided that he will not be retained for more than ten (10) work days, and, furthermore provided that during such ten (10) work days he shall be paid the higher of the rate applicable to him in his former classification, or the rate applicable to him in his new classification or the Instruction Rate when he is instructing.

ARTICLE XI

LEAVES OF ABSENCE

Section 1. General Leaves. In accordance with past practice, the Company may grant, within its discretion and judgment, leaves of absence without pay, requested by any Employee for justifiable reasons. Any Employee who has been granted such a leave of absence shall, upon completion of the leave of absence, be returned to his former job

Article XI - Section 1

classification, subject to the seniority provisions, at the rate in effect at the time of his return, provided that such Employee reports for work immediately upon the expiration of his leave of absence. Leaves of over one (1) week must be requested, in writing, at the Human Resources Office, whereas leaves of shorter duration may be granted by the Supervisor. A copy of leaves of absence of over one (1) week shall be given to the Union.

Section 2. Sick Leaves. Leaves of absence will be granted by the Company for sickness. An Employee who is sick shall contact the Medical Department in advance of his absence, unless that is impossible, and in such event, as promptly as possible. Sick leaves of one (1) week or less shall be granted by the Supervisor. Sick leaves of more than one (1) week shall be granted by the Human Resources Office, in writing, with a copy to the Union. At the time the leave is granted, the anticipated duration of the Employee's sickness will be given to the Supervisor or Human Resources Office by the Medical Department. Sick leaves will be extended for stated periods if the Employee is unable to return, but the total period shall not be longer than the amount of seniority which the Employee has at the beginning of the leave, or five (5) years, whichever is less. An exception will be made in the case of sick leaves for seniority Employees with less than one (1) year of service as such leaves may be extended to last up to a total of twelve (12) months, even though the Employee has less than twelve (12) months' seniority and such sick leave time shall be accumulated only to the date where such an Employee would otherwise be laid off. Sick leaves for Probationary Employees may be extended to last up to a total of two (2) months and such sick leave shall not be counted as work days during such probationary period.

Article XI - Section 2

Leaves for sickness will be granted for a maximum of one (1) year at a time, and are subject to annual renewal under the limitations above, provided that the Employee requests their renewal prior to their expiration, and that he supplies the Company, upon request, with medical evidence acceptable to the Company, substantiating his contention that he is unable to work.

Employees shall comply with the Company's current policy with respect to notification of pregnancy.

Section 3. Leaves For Union Delegates. When arrangements are made in advance, a leave of absence will be granted to Employees who are selected as delegates representing Local 997, UAW, for the purpose of attending regional and national conferences. This permission shall be extended to not more than six (6) Employees at any one time, and the total absence per year at any one Plant shall not exceed either thirty (30) days for any one (1) Employee delegate or an aggregate of one hundred and eighty (180) days for all Employee delegates.

Section 4. Leaves For Union Position. Upon the written request by the Union, the Company will grant a special leave of absence to Employees who accept a full-time job with the Local or International Union. Such special leave of absence shall be limited to a period of one (1) year, but will be renewed upon application to the Company by the Employee before the expiration of his leave. The Employee will continue to accumulate seniority during his leave of absence. The same rules for reinstatement, as apply to general leaves, shall apply to leaves under this Section.

Article XI - Section 5

Section 5. Military Leave And Reinstatement. Employees who have left or may hereafter leave the Company's service to enter directly into the military forces shall be eligible for reemployment in accordance with the terms of the applicable Federal Statutes and Regulations issued thereunder, which shall supersede any conflicting seniority provisions which may be contained herein. Special seniority consideration may be given disabled veterans, as agreed between the Union and the Company.

Section 6. Leaves For Elected Office, Appointed Office Or Peace Corps. Employees will be granted a leave of absence during the term of any full-time public office to which they may be elected or appointed, provided that during such period of leave they may not accept employment other than that involved in the office to which they have been elected or appointed. Employees accepted for the Peace Corps will be granted leaves of absence for a maximum of two (2) years during which they are serving in the Peace Corps. In the events listed above, the Employee must return to active work within thirty (30) days following the expiration of his term of office, or his discharge from the Peace Corps.

Section 7. Medical Examinations. If an Employee returns from a leave of absence of thirty (30) days or more, or from any layoff, or from any absence due to an occupational injury or occupational illness, or from any absence during which he has been hospitalized, he must pass a physical examination by the Company's Medical Department, on his own time, prior to returning to work; and he shall then return to his former job classification, subject to the Seniority provisions of this Agreement, or if unable to perform such work, to a classification selected

Article XI - Section 7

under Section 12 of Article X, or he will be rejected for reinstatement by the Medical Department. If an Employee returns from an absence due to sickness or injury which did not extend for a period of thirty (30) days or did not involve hospitalization, the Employee shall be reimbursed for time lost from work involved in such an examination, and such examination shall be limited to determining whether or not the Employee has recovered from the sickness or injury which he suffered during the absence. Any claim that the Company has acted arbitrarily and unfairly under this Section may be processed through the Grievance Procedure, including arbitration.

Section 8. FMLA. The Company will require employees to use any vacation over 120 hours towards time off before FMLA can be used. The Company will require employees to use any casual time over 20 (twenty) hours towards time off before FMLA can be used. Starting January of 2002, FMLA will be calculated from January to January.

ARTICLE XII

DISCIPLINARY ACTION

Section 1. Just Cause For Discipline And Union Notice. The Company shall exercise its right to discipline Employees by reprimand, suspension, or discharge only for good and just cause. During the first thirty (30) days following the issuing of a new or changed Labor Standard, no Employee working on that Standard shall be suspended or discharged because he is allegedly withholding his effort, unless such withholding of effort is clearly evident. This clause shall not be interpreted to prohibit the issuing of verbal instructions or other disciplinary action during

Article XII - Section 1

such period. In the event an Employee is reprimanded in writing, or suspended, or discharged, as the result of the disciplinary action, the Company shall immediately thereafter notify the Chief of Assembly/Support Representative or Area Representative, or in their absence the Employee's Line Steward or Department Steward, of the action taken. A copy of any written reprimand (including written evidence of a verbal warning) in the Employee's permanent record file shall be given to the Chief of Assembly/Support Representative. If an Employee who has been suspended or discharged requests, he shall be permitted to talk, privately, with one (1) Union Representative at the Human Resources Office before being required to leave the Company premises. The Company recognizes that warning notices should be issued judiciously and that the passage of time causes written warnings concerning minor infractions to lose significance in connection with future disciplinary action. In the event an Employee is placed on permanent probation such probation will be reviewed after passage of two (2) years time. All counselings and verbal warnings given to employees will be removed from the employee's file six (6) months after the occurrence. Disciplinary letters will be removed from the employee's file after two (2) years, unless documented otherwise in the letter.

In the event that the employee does not correct his or her behavior during this time period, these written warnings could be retained and used in further disciplinary action. Any documented discipline removed from employee files will be given to the appropriate Chief of Assembly/Support Representative.

Section 2. Special Grievance Processing. Where the

Article XII - Section 2

Union has been so notified of a suspension or discharge, there shall be a time limit of ten (10) workdays next following the date of that disciplinary action, within which a written grievance may be filed. Such a grievance hearing shall start in Step 2, but if not settled within twenty-four (24) hours after the Step 2 meeting, a hearing shall be scheduled in Step 3. The settlement of such grievances may be made retroactive to the date of the suspension or discharge by as much as five (5) calendar days. A later date may be the effective date of the grievance settlement.

Section 3. Attendance Policy. Regular attendance is expected of every employee. When an employee must be absent from work for any length of time and for any reason, it is expected that the employee will report such absence before the start of the shift and present a reasonable excuse, acceptable to the Company, upon return to work. Absences will normally be reported to the employee's department.

Section 4. Initial Absentee Percent. Call-ins will be tracked as initial absenteeism. Employee's who call in to work in an excess of two percent (2%) in a rolling twelve (12) month period may have their casual time denied. If denied, their attendance bonus cycle will be broken and the time will be counted towards their controllable absenteeism percent. Management does realize there are many situations which could cause an employee to be absent from work. For this reason the Company will review each call-in on a case-by-case basis and will not be based on being short of help.

Section 5. Controllable Absenteeism Corrective Action Program. Since the purpose of any attendance policy is to encourage regular and punctual attendance

Article XII - Section 1

on the job, and since employees with poor attendance affect the earnings of fellow employees and the total operation of the plant, the following corrective action program will be applied:

- (a) When an employee's controllable absenteeism percent in a rolling twelve (12) month period reaches two percent (2%), there will be a non-discipline Level 1 meeting with the employee, Management Representative and Steward to discuss the employee's attendance responsibilities, any reason identified by the employee for the absenteeism, and the Company's expectations and responsibilities of all employees in regards to attendance.
- (b) When an employee's controllable absenteeism percent in a rolling twelve (12) month period exceeds four percent (4%), the employee may be issued a counseling.
- (c) If within the following six (6) month period the employee has another unexcused absence, and his controllable absenteeism percent in a rolling twelve (12) month period exceeds four percent (4%), the employee may be issued a verbal warning.
- (d) If within the following six (6) month period the employee has another unexcused absence, and his controllable absenteeism percent in a rolling twelve (12) month period exceeds four percent (4%), the employee may be issued a final written letter.
- (e) If within the following two year period the

Article XII - Section 4

employee has another unexcused absence, and his absenteeism percent in a rolling twelve (12) month period exceeds four percent (4%), the employee may be discharged or through mutual agreement between the employee, the Union and the Company, elect a Last Chance Letter for excessive absenteeism which would remain in their file for a minimum of two (2) years.

- (f) An employee discharged or discipline under the above procedure may process their case through the grievance procedure.

ARTICLE XIII

VACATIONS

Section 1. Eligibility. Any Employee who has seniority on June 30th for the periods of time shown below shall be entitled to vacation with pay or excused absence with pay as described in Section 2 and as limited according to Section 7 as specified.

Article XIII - Section 1

AT LEAST	UP TO	AMOUNT OF PAY Vac. Absence (Hours)	TIME OFF
1 Year	3 Years	60+40	3 Weeks
3 Years	5 Years	80+40	3 Weeks
5 Years	10 Years	100+40	3 Weeks, 2-1/2 excused absence days
10 Years	15 Years	120+40	3 Weeks, 5 excused absence days
15 Years or more		160+40	4 Weeks, 5 excused absence days

Article XIII- Section 1

Employees with at least one year of seniority and up to five (5) years seniority must utilize their excused absence days during the summer and winter shutdown periods.

Any employee with vacation entitlement working either shutdown period will be able to take vacation in one (1) day increments.

Employees qualified for excused absence days outside the regular vacation shutdown periods may utilize the days for any of the following purposes:

- (1) Excused absences because of his illness for which he does not receive accident and sickness insurance benefits.
- (2) Absences excused by the Company because of any personal reason, provided that:
 - (a) the employee makes written request on a form provided by the Company at least one (1) week in advance of the requested day;
 - (b) there will be no adverse impact on the operations; and
 - (c) if a department has more employees requesting the same day off than can be accommodated, the employee(s) will be granted the day off in accordance with his seniority. The scheduling of vacation/EAD time off other than during the scheduled shutdown periods shall be done on the basis of seniority

Article XIII - Section 1

Department wide in all departments within the plant.

- (3) Additional scheduled vacation time immediately prior to or following his other vacation time.
- (4) Employees will be allowed to accumulate and maintain up to 92 hours of Excused Absence Days and Attendance Bonus Hours. Any hours earned over 92 will be automatically paid to employees in their regular weekly paychecks.
- (5) Notwithstanding the above stated requirements, an employee may utilize either four hours or eight hours of excused absence days (including attendance bonus hours) for any absence of more than four hours for which he does not otherwise receive compensation from the Company. For absences of four hours or less, an employee may elect to receive pay for such absence by utilizing excused absence pay in a four hour increment. An employee may also receive pay in lieu of excused absence days in as little as four (4) hour increments.

Section 2. Calculation of Vacation Pay. During each year of the Agreement, vacation pay shall be calculated on the employee's average straight-time hourly earnings during the complete pay periods occurring during the month of May of the current calendar year.

Section 3. Annual Vacation Shutdowns. Each year the Company will schedule two (2) shutdown periods or one shutdown period upon the agreement with the Union: Refer to Letter of Understanding #26. One of

Article XIII - Section 3

fourteen (14) consecutive calendar days during the period beginning June 1 and ending August 31, and one of fourteen (14) consecutive calendar days during the period beginning December 20 and ending January 7, which shall be comprised of five (5) straight-time days and five (5) year-end Holidays. The Company will endeavor to schedule such summer vacation shutdown no earlier than the last full week in June. Notice of the scheduled shutdowns will be given to Employees as soon as possible each year. The shutdown periods may be suspended, in whole or in part, only by mutual agreement of the parties.

Section 4. Amount of Vacation Time. Each eligible Employee shall be required to take three (3) weeks of vacation time off each year. Unless otherwise scheduled by the Company, each Employee will take two (2) weeks of vacation during the two-week summer shutdown; and Employees who qualify for three (3) weeks or four (4) weeks, unless otherwise scheduled by the Company, shall take one (1) week of vacation during the winter shutdown. Employees who qualify for four (4) weeks of vacation may take the fourth week in one (or more) day increments at any time mutually acceptable to the Employee and the Company.

Any employee with vacation entitlement working either shutdown period will be able to take vacation in one (1) day increments.

The scheduling of vacation time off at other than the annual vacation shutdown periods shall be on the basis of seniority within a classification up to the number of Employees who may be scheduled off at any given time without interfering with operating efficiency as determined by the Company. All such requests to be considered on the basis of seniority must be made thirty (30) days

Article XIII - Section 4

prior to beginning of the vacation period requested. It is understood that in the case of requests for vacation or Excused Absence Days (including Attendance Bonus Hours) time off on the same day and made less than 30 days prior to the beginning of the vacation period requested, such requests for five (5) consecutive days off will receive preference over requests for less than five (5) consecutive days off.

Where a Holiday(s) falls during an Employee's vacation which has been scheduled at a time other than the annual vacation shutdown periods, such Employees shall be scheduled for an additional day(s) of vacation time off which will be scheduled in connection with the Employee's vacation period.

It shall be the policy of the Company to schedule Employees for vacation time off so that the Employee has an uninterrupted period of fourteen (14) consecutive calendar days when he is entitled to two (2) weeks vacation time off, and an uninterrupted period of seven (7) consecutive calendar days when he is entitled to three (3) or more weeks of vacation time off, subject to the last sentence of paragraph one of this Section.

When it is necessary for the Company to schedule Employees to work one or more weeks during either or both shutdown periods or to return from their vacation time off prior to the Saturday preceding their normal date for return, the Company will arrange to give such Employees compensating time at a later date beginning some time between June 1 and the following May 31. Vacation years shall begin on June 1 and end May 31 of the following calendar year.

Article XIII - Section 5

Section 5. Pay In Lieu Of Vacation. The Company may permit any Employee entitled to more than three (3) weeks vacation time off to waive all or part of his vacation in excess of three (3) weeks if such an arrangement is acceptable to both the Employee and the Company.

Section 6. Receipt of Vacation and Excused Absence Pay. Employees with at least one (1) year up to three (3) years seniority shall receive eighty (80) hours vacation and excused absence payment at the time they are scheduled to take their first two (2) weeks off. The pay remaining (twenty (20) hours) will be paid when the remaining time off is taken or waived.

Employees with at least three (3) years up to five (5) years seniority shall receive eighty (80) hours vacation and excused absence pay at the time they are scheduled to take their first two weeks off. The pay remaining (forty (40) hours) will be paid when they take their third week off.

Employees with at least five (5) years up to fifteen (15) years seniority shall receive eighty (80) hours vacation payment at the time they are scheduled to take their first two (2) weeks off, and forty (40) hours of vacation and excused absence payment when they are scheduled to take their third week of vacation time off. The pay remaining (twenty (20) or forty (40) hours) will be paid when they take the appropriate excused absence days.

Employees with fifteen (15) years of seniority or more shall receive eighty (80) hours vacation payment at the time they are scheduled to take their first two (2) weeks vacation time off, forty (40) hours payment at the time they take their third week off and forty (40) hours

Article XIII - Section 6

payment when they take their fourth week off or at the time such pay is requested if they have waived the right to take their remaining vacation time off. The pay remaining (forty (40) hours) will be paid when they take the appropriate excused absence days.

Section 7. Partial Vacation Pay. An Employee who dies or retires prior to June 30 in any vacation year shall qualify for a vacation payment determined by his years of service as of the preceding June 30, and reduced by multiplying by a fraction whose numerator is the number of months that he was actively at work since the preceding July 1, and whose denominator is twelve (12). Vacation pay in the case of a deceased Employee shall be made to the beneficiary as shown on his Life Insurance Policy.

An Employee who is on layoff, or who is absent on a written leave of absence (including military leaves) for any purpose other than medical, as of June 30, and who retains his seniority as of that date, will be paid his applicable vacation pay as determined by his years of service as of June 30, and reduced by multiplying by a fraction whose numerator is the number of months during which he was actively at work since the preceding July 1 and whose denominator is twelve (12).

An Employee who is actively at work on June 30, but who has been laid off or absent on a leave of absence for any reason other than medical or military service at some time since the preceding July 1, will be paid his applicable vacation pay determined by his years of service as of June 30, and reduced by multiplying by a fraction whose numerator is the number of months since the preceding July 1 that he has been actively at work and whose denominator is twelve (12). An Employee who fails to be actively

Article XIII - Section 7

at work for at least one month since the preceding July 1 because of a compensable occupational injury or illness will be advised in advance of the annual shutdown periods that he is ineligible for vacation pay and will be offered the opportunity to work during such shutdowns.

In determining the number of months during which an Employee in any of the paragraphs of this Section has been actively at work, the Employee will be credited with having been actively at work whenever he has worked more than fifty percent (50%) of the workdays in any given calendar month. In determining the number of workdays in any given calendar month, unscheduled days of a short workweek will not be counted as workdays.

In determining the number of days during which the Employee has been actively at work, unscheduled days in a short workweek (even though the Employee may have worked on these days and regardless of the short workweek benefit, if any, which the Employee may have received) and days upon which the Employee has worked less than fifty percent (50%) of his scheduled work time for any reason will not be counted as days during which the Employee has been actively at work.

A veteran returning from other than temporary duty in military service will be paid his applicable vacation pay determined by his years of service as of the June 30 following his return from such military service.

An Employee who is on a medical leave of absence as of June 30, and who has been actively at work for at least one (1) month since the preceding July 1, will be paid his applicable vacation pay, determined by his years of service as of June 30.

Article XIII - Section 7

Workdays during which the Employee is absent on vacation or on a leave of absence for required temporary duty in the Armed Forces will be counted as workdays and the Employee will be regarded as having worked on such days.

An Employee who loses seniority for any reason other than by retirement or death prior to June 30 will not be entitled to any vacation payment.

Section 8. Attendance Bonus Plan. Each employee with one year of service will earn one-half (.50) of an attendance bonus hour for each work week in which he works all his scheduled straight-time hours or is absent for some but not all of his regularly scheduled hours, provided such absence(s) were for one or more of the following reasons:

- (a) Jury service for which the employee is excused and compensated as provided in Article VIII, Section 11.
- (b) Bereavement pay for which he is compensated according to Article VIII, Section 12.
- (c) Holidays listed in Article VIII, Section 7, in which the employee was not scheduled to work.
- (d) Bona fide excused Union business.
- (e) Short week benefits which he received under the SUB Plan.
- (f) Vacations or Excused Absence Days of less than one week.

Article XIII - Section 8

- (g) A work incurred injury for which the employee receives Worker's Compensation benefits.
- (h) Employees on an approved Medical Leave or FMLA.

Employees shall not earn Attendance Bonus hours for any week he is absent for the entire week.

Employees who qualify for such one-half attendance bonus hour in four consecutive weeks will earn an additional two attendance bonus hours. An employee having qualified for the additional two attendance bonus hours will not be eligible for another such credit of four additional attendance bonus hours until he again works four consecutive weeks for which he had not previously received any attendance bonus hour credit.

When for one of the reasons above, the employee is absent the entire week, such employee shall not receive an attendance bonus hour credit, but such week shall not be used to disrupt the four consecutive week period.

When an employee has accumulated four (4) hours of attendance bonus hour credits, the four (4) hours will be transferred, administered and paid in accordance with the Excused Absence Days provision as described in Article XIII, Section 1.

Employees will be allowed to accumulate and maintain up to 92 hours of Excused Absence Days and Attendance Bonus Hours. Any hours earned over 92 will be automatically paid to employees in their regular weekly paychecks.

ARTICLE XIV

BULLETIN BOARDS

Section 1. Procedure. The Company will provide suitably located bulletin boards with space (which, if necessary, may be as much as one-half of the total space available) for the use of the Union and will indicate such assigned space by a suitable marking on each of the departmental bulletin boards. The use of this space shall be limited to the following types of notices:

- (a) Notices of Union Recreational and Social Affairs.
- (b) Notices of Union Elections and Election Results.
- (c) Notices of Union Business Meetings.
- (d) Notices of Official Union Business.

The bulletin board space shall not be used by the Union for disseminating propaganda, inflammatory or political matter of any kind. When such notices are submitted to the **Manager of Human Resources** for his inspection, and are found to conform to the limitations as set forth above, the designated Union Representative will be provided with a key to the bulletin boards and will be permitted to post the notices in the assigned space, provided that the key is returned promptly to the **Manager of Human Resources**. Upon the request of the Union, the Company will perform such posting by the Plant Guards. The same procedures shall apply in the removal of Union notices.

ARTICLE XV

SAFETY AND WORKING CONDITIONS

Section 1. Safety Committee. Recognizing the importance of an active program to promote safety, health, and sanitation in working conditions and practices, the Union and the Company shall each designate four (4) representatives on the Plant Safety Committee. The Plant Safety Manager or his designated representative shall be one of the Company's representatives and shall serve as Chairman of the Committee. One of the Union representatives on the Committee shall serve as Secretary of the Committee.

The Company will provide an informal training program for the purpose of informing the members of the Joint Plant Safety Committee with certain aspects of the Occupational Safety and Health Act of 1970, such as the scope and intent of the Act and the various requirements and standards of the Act. Such training will be presented on an annual basis to the extent deemed appropriate by the Company. To facilitate training, the program will be presented to a combined meeting of all Plant Safety Committee members. Time lost by members due to attending such training program will be paid at the Employee's appropriate hourly rate. To allow such committee members time to acquaint themselves with the requirements of the Act and the Company's compliance status, appointments to these committees shall be made for terms of not less than one (1) year.

Section 2. Function Of Safety Committee. The Plant Safety Committee shall serve in an advisory capacity to the Plant Safety Manager in the administration of the Plant

Article XV - Section 2

Safety Program. The function of the Plant Safety Committee shall be to audit safety practices, procedures and conditions in the Plant, report their findings to the Plant Safety Steering Committee and recommend changes in safety practices and procedures in the administration of the Plant Safety Program. The Union members of the Plant Safety Committee may meet quarterly with the Plant Safety Steering Committee to present their recommendations for improvement in the overall administration of the Plant Safety Program. The Union representative on this Committee who is designated as the Secretary of the Committee may serve for as long as one (1) year.

Section 3. Scope Of The Plant Safety Committee.

The Plant Safety Committee shall meet bi-monthly to discuss safety and sanitation conditions in the Plant, review shop accidents and their cause and prevention. Time shall be arranged before each meeting for a tour of the Plant if requested by any member of the Committee.

The copies of all minor injury, serious injury and near-lost time injury and lost-time injury accident reports shall be available for the Committee's review. The monthly injury experience report shall be provided each member of the Plant Safety Committee. Such other information or reports as may be required to consider the status of safety projects in the Plant or assess safety and sanitation conditions in the Plant shall be available to the Plant Safety Committee. The Company will provide a list of chemicals in use in the various production and maintenance areas, to the Plant Safety Committee on a monthly basis.

The Company will provide time for one member of the Joint Plant Safety Committee to accompany the Plant Safety Coordinator to the scene of a lost-time injury. His

Article XV - Section 3

participation will be limited to that part of the investigation which takes place at the injury or accident site to determine the relevant factors contributing to the injury. The time provided will be a maximum of one (1) hour for each such injury or as deemed appropriate and necessary by the Plant Safety Manager.

Section 4. Compensation For Employee Members Of Safety Committee. Employees will be compensated at their hourly rate for any time spent on Company approved safety work.

Section 5. Grievances. Employees may file grievances protesting unsafe or unsatisfactory working conditions, but when an Area Representative discovers a condition which he believes may result in the loss of life or limb of an Employee at any instant, and he is unable to secure acceptable corrections in the condition by discussing it with the Department Manager, he may request a meeting with the management representative involved in the Third Step of the Grievance Procedure for the Department involved, for the purpose of bringing the matter to his attention, and the Third Step Grievance Representative will arrange a meeting as quickly as possible, but in any event within twenty-four (24) hours. At this meeting the Chief of Assembly/Support Representative may submit, in writing, a grievance describing the condition and following such meeting the Third Step Grievance Representative will take what he regards as suitable action, if any, to correct this situation.

Section 6. Replacement of Certain Tools. When the Company requires Employees to furnish certain tools, the Company will replace any such tools that are worn out or broken while being used on the job at the Company, provided the tool to be replaced is a quality industrial tool.

Article XVI - Section 1

ARTICLE XVI

SKILLED TRADES

Section 1. Application. The provisions of all portions of this Agreement shall apply to all Journeymen in the Skilled Trades Departments, except where provisions of this Article shall be in conflict with provisions of other Articles of this Agreement, in which case the provisions in this Article shall prevail.

Section 2. Subcontracting. When all Journeyman Skilled Trades Employees in a given craft are scheduled for forty (40) or more hours per week, and there are no such Journeymen laid off and available for immediate recall, the Company shall have the right to contract work normally done by such Journeymen as it elects, without restriction and will notify the Skilled Trades Chairman ten (10) days prior to such subcontracting.

Whenever the Journeyman Skilled Trades Employees or Apprentices in any given craft are scheduled for less than forty (40) hours per week, or are laid off and are available for immediate recall, the Company may not contract work normally done by such Journeymen, except when the Company has made the determination that:

- (1) The Journeyman Employees involved lack the necessary specialized skills, or
- (2) The Company lacks the necessary equipment or tools for performing the work, or
- (3) The work cannot be completed within a time limit which is necessary for the efficient operations of the Company plant. (This limitation shall not

Article XVI - Section 2

excuse the Company from the necessity of scheduling Journeymen for overtime, unless such overtime hours would create an added cost which would qualify the contracting under the cost limitation set forth below), or

- (4) The cost of doing the work with its own Employees would be \$22,000 or more and the Company can obtain the work to be performed at a cost at least twenty percent (20%) less than the cost of doing the work with its own Employees, using its established cost accounting procedures. If in order to meet a time limitation as set forth in Paragraph 3 above, it would be necessary to schedule Company Employees on overtime, the Company shall be entitled to calculate such overtime costs as part of the total cost in determining whether or not there is sufficient cost differential to warrant contracting the work, or
- (5) In the installation or repair of new processes, tools or equipment, when installation or repair is a part of the warranty with the manufacturer or supplier of the processed tools or equipment.

Furthermore, even though all Journeymen Skilled Trades Employees are scheduled for a full forty (40) hour week, and not laid off, when the Company finds it necessary to have work normally done by such Journeymen performed on weekends, and the entire work project will be performed solely on one or more weekends, the Company will schedule the suitable Journeyman to perform such work, rather than to contract it to an outside contractor, provided that none of the five (5) tests listed above would preclude such scheduling.

Article XVI - Section 2

It is the intent of the Company to maintain a complement of Journeymen in such crafts, and in such numbers, as may be offered full employment on a regular and continuous basis. At the beginning of each calendar month, the Company will provide the Union with information showing the contracts which have been let involving such craft work during the preceding calendar month.

When the Company is about to contract work, it will notify the Chairman of the Skilled Trades Council at least ten (10) working days before such contract is let (except in the case of an emergency), giving him a written explanation of the justification for such contract. The Chairman of the Skilled Trades Council, accompanied by as many as three (3) other Union Representatives may meet with the Company Representative who has issued the notice for the purpose of discussing the Company's intent to let such contract. This provision is not to be construed to mean that the Company may not let such contract until such meeting has been held, nor is it to be construed that the Company may not let such contract until the Union Representatives have agreed that the letting of the contract is justified. If the Chairman of the Skilled Trades Council believes that the letting of the contract was unjustified, he may file a grievance under the Grievance Procedure, challenging the Company's determination under this Section.

If there is a violation of this Section, the Journeyman within the Bargaining Unit who lost time because of such violation shall be paid his applicable rate for such time lost in accordance with Article VIII, Section 6 (c).

Article XVI - Section 3

Section 3. Skilled Trades Journeyman Seniority. An Employee's seniority as a Journeyman in a Skilled Trades classification shall be established as of his date of entry into such Skilled Trades classification. Employees hired directly into Skilled Trades classifications as Journeymen must demonstrate, by their performance, that they are, in fact, qualified Journeymen, or the Company may terminate them. Such Employees shall be considered as probationary Employees for the probationary period provided elsewhere in this Agreement. A bargaining unit employee not working as a Skilled Trades Journeyman may apply for vacancies in skilled trades classifications through the Company's Position Announcement Program. If the Company selects a candidate from outside the bargaining unit for a vacancy, a qualified applicant from the bargaining unit can file a grievance with the only issue being whether or not he is as equally qualified as the outside candidate.

Section 4. Downgrading Procedure For Skilled Trades Classification. When there is a reduction in the work force in a Skilled Trades classification, the necessary number of Journeymen with the least Skilled Trades seniority will be removed from the classification. Each Journeyman thus removed will be transferred to the highest paid classification for which, in the opinion of the Company, he is qualified and his skills can best be utilized, provided he has sufficient seniority to displace the youngest Employee then working in such classification. After a Journeyman has been advised of the job classification to which he will be transferred under this Section, he may then exercise an option to take a layoff rather than the transfer. Such option shall be exercised at the time an Employee has been notified of the job classification to which he will be transferred under this Section. The exercise

Article XVI - Section 4

of such an option by a Journeyman will not affect in any way the transfers of other Employees being placed in other departments under the procedures of this Agreement. Once an Employee has made this election to take a layoff, he cannot later change this election. He will be recalled to vacancies in his Skilled Trades classification only, unless he makes an irrevocable election, in writing, as to whether he desires general recall or recall to his Skilled Trades classification only. A copy of the Employee's election shall be sent to the Union.

Section 5. Recall Of Skilled Trades Personnel. A Journeyman who has been removed from his Skilled Trades classification in a prior reduction of force, and who is either working or who is on the Recall List, shall be recalled to his Skilled Trades classification in line with his Skilled Trades Seniority, provided that he has not lost his recall rights.

Section 6. Apprenticeship Standards. The Skilled Trades Apprenticeship Standards are set forth in the Supplementary Agreement attached to and made a part of this Agreement. It is the responsibility of the Journeyman to pass on his "knowhow" of the trade to the Apprentice assigned to him for "on-the-job" training.

Section 7. Assignment of Skilled Trades Journeymen.

- (a) **Assignment.** The Company may assign Journeymen within the Skilled Trades classifications for the duration of any emergency condition which may warrant such assignment. The Company may assign Journeymen for any length of time to perform work within their classifica-

Article XVI - Section 7

tion. Whenever the Company has time to post a notice on the time clock by 12:00 o'clock noon the workday preceding the day of the required assignment, the Journeymen with the most Skilled Trades seniority, working the same work shift will be permitted the opportunity to perform such assignment. If such assignment is not accepted by the necessary number of Journeymen the Company will schedule the Journeymen in reverse order of seniority. This procedure will be followed unless the Company can show clearly justifiable reasons for assigning another Journeyman. Should an assignment require a Journeyman to be scheduled to work more than eight (8) hours within a twenty-four (24) hour period, the provisions of Article VIII, Section 2 will apply.

- (b) **Request for Permanent Assignment.** Journeymen may request to be permanently assigned on occasions when the complement of Journeymen in a particular craft is being increased either by a graduating Apprentice from the Skilled Trades training program, by hiring directly into a Skilled Trades classification and such Employees will be assigned as Journeymen.

The Company shall post a notice in advance of such intended assignment. Such notice shall be posted for a period of twenty-four (24) hours. Requests for permanent assignment will be determined on the basis of the Journeymen's Skilled Trades seniority. Nothing in the foregoing shall be construed in any way to limit the Company's right to assign Journeymen in the Skilled Trades classifications as provided in this Section.

Article XVI - Section 7

- (c) **Plant Overtime Assignment.** When all Journeymen in a craft have been scheduled for an overtime assignment and additional Journeymen are required to perform the overtime, it shall be the policy and intention of the Company, insofar as reasonably practicable, to schedule such additional Journeymen from the same craft who have the least amount of credited overtime in their own overtime group, except as otherwise provided in Article 9 of the Apprenticeship Standards.
- (d) It is the policy and intention of the Company to assign its Skilled Trades Journeymen and Apprentices to work requiring skills and experience provided in the Apprenticeship Training Outlines for the Craft involved. Management intends to respect basic differences between the Crafts when making job assignments and tasks which require the unique and central skills of one particular Craft will be assigned to that Craft (unless such tasks are incidental to a principle job being performed by other crafts). A particular skilled assignment may fall within the scope of two or more Crafts because Craftsmen have overlapping capabilities. The Company intends to act consistently and reasonably, and past practices relating to the assignment of skilled tasks will be heavily weighted in making such assignments.

Section 8. Work During Shutdown Periods. The Company reserves the right to require all Skilled Trades Employees, where necessary, to work during the vacation shutdown periods and to take their vacation time off at other mutually acceptable times. At least sixty (60) days prior to the annual summer vacation shutdown period, the

Article XVI - Section 8

Company will poll its Skilled Trades Employees to determine whether or not such Employees wish to accept work which may be available during such vacation shutdown period, or, as an alternative, wish to take vacation time off to which they may be entitled. Insofar as may be practicable, the Company will schedule Skilled Trades Employees to take their vacation time off, during the vacation shutdown period when such Employees have indicated a desire to do so. The Company shall not cancel vacation time off scheduled during the vacation shutdown period within thirty (30) days prior to the start of the shutdown, nor shall it cancel an Employee's work schedule within seven (7) days prior to the start of the shutdown, unless such changes are due to conditions beyond the control of the Company. Furthermore, having once scheduled such Employees to work during the shutdown, the Company may schedule outside contractors as it may deem necessary, and no grievance may be filed because of such scheduling of outside contractors. In the Skilled Trades Departments (Departments 64, 92 and 93) overtime scheduled during shutdowns will be scheduled according to the overtime rules for those Employees scheduled to work during the shutdown and departmental overtime records will be utilized.

Section 9. Circumstances Involving Interclassification Transfer. If any Skilled Trades classification is abandoned or decreased, the Journeymen classified therein will be permitted, if they are completely qualified, to transfer into another Skilled Trades classification but their Skilled Trades seniority in the new classification shall be as of the date of entry into such classification.

Article XVI - Section 9

Upon presentation of evidence satisfactory to the Company, consideration will be given to requests from Journeymen for downgrade to production classifications for health or compelling personal reasons.

Section 10. Relationship Of Skilled Trades Work To Work Of Production Classifications. Maintenance work represents work requirements exceeding those normally expected of Employees in production classifications. It is the intent of the Company to assign qualified Journeymen or Skilled Trades Apprentices to maintenance work. However, minor maintenance work, which can be performed in a safe and efficient manner with the skills and experience typical of production Employees, may be performed by production Employees. This paragraph, however, is not to be used at any time during the life of this Agreement in an attempt to extend such work by production Employees so as to erode the work of the Skilled Trades crafts.

The Company does not expect to engage in a program of eroding the skilled trades classifications. At the same time, it must maintain its right to utilize production Employees as provided for in the agreement.

If there is a violation of this Section, the Journeyman within the Bargaining Unit identified as the person who lost time shall be paid his applicable rate for such time actually lost without regard to Article VIII, Section 9.

Section 11. Uniforms. Effective September 1, 2001, all current Skilled Trades Employees will be provided up to five (5) sets of uniforms (shirts and pants or coveralls) for each year of the current agreement, at no cost to the employee. Any Employee entering a Skilled Trades clas-

Article XVI - Section 11

sification or Apprenticeship Program will be provided up to five (5) sets of uniforms on the same basis during his first year in the Skilled Trades classification or Apprenticeship Program (as the case may be), and five (5) sets each year thereafter.

Guaranteed initial fit will be provided to those that elect to be measured by the vendor. Name tags will be provided. The laundering and normal repair of damaged uniforms will be the responsibility of the Employee. Uniforms damaged through normal on-the job use that obviously cannot and should not be repaired, may be replaced on the same basis as described above if they were damaged during the same twelve (12) month period for which they were issued.

ARTICLE XVII

TERMINATION

Section 1. Complete Agreement. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by Law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Company and the Union for the life of this Agreement each 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

Article XVII - Section 1

or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement, except where the parties mutually agree to do so.

Section 2. Term. This Agreement expresses the full and complete understanding of the parties on the subjects of working conditions, hours of labor, and other conditions of employment, including method of wage payment; and any subject matter not mentioned herein is specifically waived, except as herein specifically otherwise provided. It is, therefore agreed that this Agreement shall become effective as of July 5, 2004 remain in effect until 12:01 a.m., August 1, 2008 and thereafter from year to year, unless either party notifies the other, in writing, at least sixty (60) days prior to any expiration date of a desire to change, modify, or terminate this Agreement on the expiration date.

Section 3. Addresses Of Notices. If a notice is sent to the Union, under this Agreement, it shall be mailed to Local 997, UAW, P.O. Box 278, Newton, Iowa, with a copy to the Union at 3116 Kimball Avenue, Waterloo, IA 50702, both by Registered Mail. If the notice is sent by the Union, under this Agreement, it shall be sent to Maytag, Newton Laundry Products, Newton, Iowa by Registered Mail.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

Article XVII - Section 3

INTERNATIONAL UNION, UNITED AUTOMOBILE,
AEROSPACE AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA

BY:

Donna C. Walker
Secretary International Union

LOCAL 997,
INTERNATIONAL UNION, UNITED
AUTOMOBILE, AEROSPACE AND
AGRICULTURAL IMPLEMENT WORKERS
OF AMERICA

BY:

Pat Zeff
Pat Zeff
John R. Kitchell
Dale W. James
Paul Polker
Joe Mathias
Brian Christy
Mike Bell
Walter R. Brown
Michael G. Gendley
Eugene H. McFarlane
John Hunt
James A. Ray
Daryl Winkler

Maytag, Newton Laundry Products

BY:

Pat Zeff
Pat Zeff
John R. Kitchell
John R. Kitchell

EXHIBIT "A"

APPRENTICESHIP STANDARDS

The following standards of apprenticeship covering the employment and training of apprentices in the trades included in these standards have been agreed to by Maytag, Newton Laundry Products and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, and its Local Union No. 997.

PURPOSE

The purpose of these standards is to make certain that proper care is exercised in the selection of apprentices and that the methods of training are uniform and sound, with the result that they will be equipped for profitable employment, and to further the assurance to the Company of proficient Journeymen at the conclusion of the training period.

THESE STANDARDS OF APPRENTICESHIP ARE TO BE UNDER THE SUPERVISION OF A JOINT APPRENTICESHIP COMMITTEE.

Article 1. Definitions

- a. The term "Company" shall mean Maytag, Newton Laundry Products.
- b. The term "Union" shall mean the duly authorized representative of the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, and its Local Union 997.

- c. "Registration Agency" on Apprenticeship standards shall mean the Bureau of Apprenticeship and Training, U.S. Department of Labor or State Apprenticeship Agency where such agency has been established.
"Registration Agency" for the Apprentice as a student covering related instruction, shall mean the State Department of Public Instruction.
- d. "Apprenticeship Agreement" shall mean a written agreement between the Company and the person employed as an Apprentice, which agreement shall be registered with the Registration Agency and the Local Union.
- e. "Apprentice" shall mean a person engaged in learning and assisting in the trade to which he has been assigned under these standards and who is covered by a written agreement providing for his training in accordance with these standards of apprenticeship and who is registered with the Registration Agencies.
- f. "Committee" shall mean the Joint Apprenticeship Committee organized under these standards.
- g. "Supervisor of Apprentices" shall mean the person employed by the Company or the person assigned the responsibility to perform the duties outlined in these standards of apprenticeship.
- h. "Standards of Apprenticeship" shall mean this entire document, including these definitions.
- i. "Journeymen", as used in Article 9 and 12 hereof, means employees in a specific trade and shall not be construed to include Journeymen employed in other trades.

Exhibit A- Article 2

Article 2. Applications

When a department is in need of an Apprentice, it shall process a requisition through the normal channels to the **Human Resources Office**. The opening shall be publicized by notices placed on the bulletin boards. These notices shall state the trade in which the opening exists, the last date on which applications shall be accepted, and where application forms may be obtained.

Application is reviewed by Company personnel to determine if the basic age and educational requirements are met. If any of these requirements are not met, the applicant is notified in writing that he or she does not meet the particular requirement. A copy of this letter is filed with the application and kept for two years as required by law. Following this review, the applications are forwarded to the Training Section.

Request will then be made for each applicant's educational transcript of credits. He will then be scheduled for testing.

Article 3. Apprenticeship Eligibility Requirements

The recruitment, selection, employment, and training of Apprentices during their apprenticeship, shall be without discrimination because of race, color, religion, national origin, or sex. The sponsor will take affirmative action to provide equal opportunity in apprenticeship and will operate the apprenticeship program as required under Title 29 of the Code of Federal Regulations, Part 30.

Exhibit A- Article 3

In order to be eligible for apprenticeship under these Standards, the applicant must meet the following qualifications:

1. He must have a high school education or its equivalent.
2. He must be at least 18 years of age, or one who may have been on the payroll as an Apprentice at the time of adoption of these Standards, or one who may have been on the payroll as an Apprentice before induction into the Armed Services.

Exceptions to these requirements may be made for applicants who have unusual qualifications which may apply to the apprenticeship, only after approval by the Joint Apprenticeship Committee.

Article 4. Testing

Each applicant meeting age and preliminary education qualifications will be scheduled for testing. Physical fitness, abilities and aptitudes will be measured by tests given to all applicants. The tests measuring abilities and aptitudes will be those which have been most recently validated and, therefore, represent a positive indication of success as a craftsman. In addition to those tests which have been validated to this point in time, which include the space relations and arithmetic tests, the Company will use and continue its attempt to validate additional tests. To meet the minimum tests qualifications, the combined score on the space relations and arithmetic tests must be 33 or above. This score will be modified as additional tests are validated.

Exhibit A- Article 4

After testing is completed, an initial list of the successful applicants will be compiled for each craft where Apprentices are needed. This list will contain five (5) times the needed Apprentices who will be selected on the basis of seniority. This list will be forwarded to the Joint Apprenticeship Committee for final disposition as provided in Article 5 below. This second list shall never be smaller in number than six (6). When apprentice selections are being made in multiple crafts, this process will be followed sequentially, by craft, until all apprentice openings have been filled. Applicants who are eliminated from further consideration will be notified by letter and a copy of such letter will be attached to their application and kept on file for two (2) years. Candidates that have been unsuccessful after two (2) or more interviews must show progress in areas in need of improvement before being reconsidered. Any applicant will not be retested for a minimum of two years unless evidence is provided the Company's employment department of satisfactory completion of a relevant course of study or if the testing program is changed.

Article 5. Selection Of Apprentices

The Joint Apprenticeship Committee will interview each applicant submitted under the above procedure, making the final determination if the applicant is acceptable as an Apprentice according to the procedure given below.

Applicants to be interviewed will be scheduled for a physical examination prior to being interviewed. If an applicant does not pass the physical examination the Committee will select another applicant to be interviewed.

The Joint Apprenticeship Committee will use the following selection procedure:

Exhibit A- Article 5

1. Each applicant's application folder will be reviewed to determine and to be fully aware of the applicant's qualifications and then schedule interviews of applicants for final selection for Apprentice openings.
2. After interviews have been completed and full consideration has been taken of all of the material available to the Committee relating to each applicant including the interview, a vote is taken by the Committee to determine the best candidate or candidates.
3. This vote is taken by secret ballot and the applicants are ranked in order of the individual judgment of each member of the Committee and the individual ballot is submitted to the Secretary of the Committee. The applicant or applicants who receive the majority number of top rankings are selected as the successful candidate or candidates.
4. The Maytag Joint Apprenticeship Committee will notify the Human Resources Department of their final selection results. The Human Resources Department will process the necessary transfer; and will notify the unsuccessful applicants, explaining that their rejection was due solely to the fact that superior candidates were available and urging such rejected applicants to apply, if they wish to do so, for future apprenticeship vacancies.
5. If by majority vote, the Joint Apprenticeship Committee agrees that all open positions could not be filled by applicants interviewed, the Joint

Exhibit A- Article 5

Apprenticeship Committee will continue the process by revisiting the initial roster and repeating the process one time by adding the next five (5) most senior people for each unfilled vacancy.

If no acceptable applicants are produced by the above process, the Company may hire acceptable applicants directly from the street. When it is necessary to secure Apprentice applicants from the street, the notices are publicized through the local Newton schools and the Newton office of Job Service of Iowa. These notices state that available openings, the minimum educational requirements, the age requirements, passing of Company physical examination by the Company Medical Director, the closing date for application, and instruction as to filing of application.

Article 6. Credit For Previous Service

Employees of the Company and those who have had previous employment experience, who desire to become Apprentices and are selected, may be allowed credit in accordance with these Standards for applicable on-the-job and related classroom experience, after their record has been checked and evaluated by the Joint Apprenticeship Committee. If there is any question concerning previous experience, credit will not be granted; but a second review of credit for previous experience may be made during the first six (6) months (1,000 hours) of training. If at the time of such review the Apprentice has performed his "on-the-job" training in the shop and his "related training" work to the satisfaction of the Joint Apprenticeship Committee, appropriate credit in months for his previous experience shall be given.

Exhibit A- Article 6

Returned veterans may have their service work record evaluated and credit given in apprenticeship for applicable practical or related classroom experience gained in the Armed Services, after evaluation by the Joint Apprenticeship Committee.

Article 7. Term Of Apprenticeship

The term of apprenticeship shall be as established by these apprenticeship standards in accordance with the schedule of work processes and related instructions as outlined in appendices attached hereto.

Upon completion of the Apprenticeship training program, each phase of the scheduled hours of shop training will be considered complete if it is within 10 percent of the figure shown in the appendix. If an Apprentice is behind in a particular category by more than 10 percent at the end of a 2000 hour period, the Company will take steps to catch up to within such 10 percent during the next 2000 hour period and where necessary will simulate training to accomplish this end. The exception to this understanding will occur where pieces of equipment or types of work preclude meeting this requirement and, in those situations, the plan for providing training will be reviewed with the Joint Apprenticeship Committee. Where optional time is agreed to in the work schedules, not more than 5 percent of the total time may be assigned to optional work as set forth in the Standards. Deviations from the limitation of this paragraph may be approved by the Joint Apprenticeship Committee.

Exhibit A- Article 8
Article 8. Grace Period

The first 500 hours of employment for every Apprentice who is a seniority transferee shall be a grace period. During this grace period such Apprentice may elect to return to his previous occupation and his apprenticeship agreement will be cancelled by the Joint Apprenticeship Committee. The Registration Agencies shall be advised of all such cancellations.

Article 9. Hours Of Work

The standard work week for Apprentices is forty (40) hours; and if Apprentices are scheduled to work night shifts, they will receive the applicable shift premiums as set forth in the Labor Agreement. If enough work is available and overtime work is required, Apprentices may be scheduled for overtime in accordance with their ability to do the work and/or their need for training in the type of work available. Apprentices shall have the opportunity to work overtime providing all Journeymen in the craft have been given first opportunity. However, where a group including both Journeymen and Apprentices is working on an assignment, and overtime is required to finish that assignment, in which case the group, as constituted during the regular working hours, shall be permitted to continue into an overtime situation that day, but if that assignment requires further overtime during that workweek, a Journeyman in the craft will be assigned such overtime work; provided if such assignment continues into the weekend an Apprentice, if assigned such work, will not work more than eight (8) hours on such assignment during that weekend, subject to the other provisions of this Article 9.

Exhibit A- Article 10
Article 10. "On-The-Job-Training"

An Apprentice will be assigned to a Journeyman for "on-the-job" training in different jobs. An Apprentice may perform work alone where he has achieved adequate knowledge and training so as to be able to perform such work in a safe manner. During the first three (3) years of his training, an Apprentice will not be given, on a regular and continuing basis, work order assignments to be performed without a Journeyman or Supervisor in attendance which will preclude proper training in accordance with the Apprenticeship Training Outline. He will be assigned to work with as many of the Journeymen within the particular trade as is practical during the period of training, in order to give the Apprentice an opportunity to learn the variations in approach of various Journeymen to the same type of work.

Article 11. "Related Training" By Classroom Instruction

Apprentices will receive theoretical training related to their trade. The "related" training will be given by qualified instructors, either on site or off site, and the Apprentices will be paid their regular pay rate while attending classes. If training is given off site the Apprentice will be provided transportation or reimbursed for mileage at the rate currently in effect at Maytag. Apprentices may be required to do a reasonable amount of home study in connection with such class sessions, but will not be paid for time spent in such home study.

Exhibit A- Article 12

Article 12. Ratios

The number of Apprentices which the Company may employ at any time shall be subject to the limitations set forth below, which shall be applied separately to each Trade classification:

1. Apprentices currently active in the Training Program or who hold recall rights to jobs in the Training Program, shall be permitted to finish the Training Program, regardless of ratio limitations set forth below.
2. When there are no Journeymen laid off, the Company shall be permitted one (1) Apprentice for each group of three (3) Journeymen or major fraction of such group, except that the Company may be permitted at least one (1) Apprentice in each Trade classification, even though there may be less than three (3) Journeymen in that classification.
3. Where there is a reduction in the work force in a Skilled Trades classification, the Company shall reduce the work force in the applicable Skilled Trades Apprentice classification before reducing the work force among Journeymen in the same trade classification, except that the Company may retain one (1) Skilled Trades Apprentice for each group of eight (8) Journeymen or fractional part of such group. When the work force in a Skilled Trades Apprentice classification is thus reduced, the necessary number of Apprentices with the least Skilled Trades Apprentice seniority, as defined in Article 18 (a), will be removed from the classification and will be returned to their former

Exhibit A- Article 12

job classification, provided that they have sufficient seniority to displace the youngest Employee then working in such classification; if not, they shall be downgraded as provided in Article X, Section 3 of the Labor Agreement.

4. A Skilled Trades Apprentice who has been removed from his Skilled Trades Apprentice classification in a prior reduction of force shall be recalled to the classification in line with his Skilled Trades Apprentice Seniority, provided he has not lost his recall rights, and further provided that he has not been out of the Apprentice classification for more than five (5) years.
5. If the Company has reduced the work force in a Skilled Trades Apprentice classification as above and there are Employees with active recall rights to such Skilled Trades classification, the Company will first offer recall to such employees prior to hiring directly into the applicable Skilled Trades classification, provided such former Apprentices have completed at least 4,000 hours of training in such program.

Article 13. Discipline

The Committee shall have the authority to place an Apprentice on probation, or to cancel the Apprenticeship Agreement of the Apprentice at any time for cause, such as:

- a. Inability to learn.
- b. Unsatisfactory work.
- c. Lack of interest in his work or education.

Exhibit A- Article 13

This shall not limit the right of the Company to discipline an Apprentice for cause for matters not related to his training as an Apprentice. Such discipline by the Company shall be subject to the Grievance Procedure.

Article 14. Apprentices' Pay Schedules

The Apprentices are paid according to the Apprentice or Trainee schedule of progressive pay increases as set forth in the Labor Agreement. These schedules provide for a review of an Apprentice's rate after completion of each 1000 hour period of training, at which time the Apprentice is eligible for specified pay increases; but these pay increases are not automatic, and the Apprentice must show proper progress in order to receive them. The Apprentice's progress will be evaluated jointly by his Department Supervision and the Joint Apprenticeship Committee.

Hours spent in classroom instruction shall not be considered hours of work in charging overtime in the system of distributing overtime by overtime groups.

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

When an Apprentice has satisfactorily completed the program as set forth in Article 7 of this Agreement, he is to receive not less than the rate paid to skilled Journeymen in the classification or trade in which he has served his apprenticeship, after approval of his completion of training by the Joint Apprenticeship Committee.

Exhibit A- Article 14

The Company will provide new Apprentices selected for the various Apprenticeship Programs with the required tools as listed on the Company's required tool list for each craft. It is understood that the tools purchased shall become the property of the Apprentice provided he successfully completes the program.

Article 15. Joint Apprenticeship Committee

There is hereby established a Joint Apprenticeship Committee, composed of eight (8) members, half of whom shall represent the Company and half of whom shall represent the Union (one from each of the four (4) Skilled Trades departments). The Committee shall elect a Chairman and a Secretary. When a Company member is Chairman, a Union member shall be Secretary, and vice versa. The Committee shall meet once a month. Additional meetings may be scheduled, when required, as determined by agreement between the Chairman and the Secretary.

It shall be the duty of the Committee:

1. To see that each prospective Apprentice appears before the Committee and is impressed with the responsibilities he is about to accept, as well as the benefits he will receive.
2. To place Apprentices under the Agreement.
3. To hear and decide all questions involving the Apprentices which relate to their apprenticeship.
4. To offer constructive suggestions for the improvement of training on-the-job.

Exhibit A- Article 15

5. To certify the names of graduate Apprentices to the Registration Agencies, and recommend that a certificate of completion of apprenticeship be awarded upon satisfactory completion of the requirements of apprenticeship as established herein.
6. In general, to be responsible for the successful operation of the Apprenticeship Standards in the plant, and the successful completion of the apprenticeship by the Apprentices under these Standards.
7. The Company shall provide the Committee the application of any unsuccessful applicant upon his written request.
8. The Committee shall, by majority vote, have the right to change the ratios set forth in Article 12.

Article 16. Program Coordination

The Training Department will coordinate the overall operation of the Program, and has the responsibility for all records and reports concerning the Training Program. The Committee shall have access to such records and reports as it may desire.

The Supervisor of the Trade will directly supervise the "on the-job" training, and it is his duty to see that the Apprentices receive sound training and adequate work experience in the various areas of that particular Trade, as set forth in the Training Outline.

Exhibit A- Article 16

Training Assistants will directly supervise the "related training", and it is their responsibility to see that the Apprentices receive the technical training related to the particular Trade.

Each Apprentice will keep a time book for the daily record of the hours he spends in each category of his shop or "on-the job" training and his "related" training. At the end of each month, the Supervisor will record these hours on the Apprentice's Monthly Progress Report. Opposite the hours of work on the Monthly Progress Report, the Supervisor will indicate the quality of the Apprentice's work. The Monthly Progress Report will then be sent to the Training Department where the related classroom instructor will indicate the quality of the Apprentice's classroom work. One copy of this report will then go to the Apprentice's records, two copies will be sent to the Apprentice's Department Supervision who will give one copy to the Apprentice. A copy of this report will be sent to each member of the Maytag Joint Apprenticeship Committee. The Training Department will also record the hours and the ratings of the Apprentice's work on a time sheet, which will be totaled at the end of each six (6) month period and summarized on a report for the six (6) month period, which will be given to the Apprentice. This report will state the number of hours the Apprentice has completed in each category of his Training Outline, the number of hours which remains to be completed, and the ratings of his work during the period. A copy of this report will be sent to his Department Head and to each member of The Maytag Joint Apprenticeship Committee.

If the Supervisor of Apprentices finds that an Apprentice shows a lack of interest or does not have the ability to become a competent Journeyman, he shall place

Exhibit A- Article 16

all the facts in the case before the Committee for its decision. Under these circumstances, the Apprentice may be permitted to continue in probationary status, required to repeat a specified process or series of processes, or his Agreement may be terminated.

The Registration Agencies shall be advised of all terminations and the reasons therefor.

Article 17. Consultants

The Committee may request interested agencies or organizations to designate a representative to serve as consultant. Consultants will be asked to participate, without vote, in conferences on special problems related to apprenticeship training which affect the agencies they represent.

Article 18. Seniority

- (a) Skilled Trades Apprentice. A Skilled Trades Apprentice shall have seniority in his training classification determined by his date of entry in the Training Program adjusted for any time downgraded from the classification.
- (b) Training Course Seniority Credit. Upon satisfactory completion of the Apprenticeship Program, the Apprentice will be given 100% of time on course seniority in the plant or corporation where the apprenticeship is completed as a Journeyman except that a returned veteran who had his apprenticeship interrupted upon completion of his apprenticeship, shall receive the 100% of time on course as a Journeyman, plus the length of his service in the Armed Forces.

Exhibit A- Article 18

- (c) An Apprentice upon completion of the Apprenticeship Training Program will receive a Skilled Trades seniority date of either his date of entry (adjusted for any downgrade) into the Apprenticeship Training Program or a date at least one day more than any Journeyman who may have been hired after such Apprentice entered the Program.

Article 19. Assignment Of Skilled Trades Apprentices.

1. The Company may assign Skilled Trades Apprentices for any length of time as may be desirable to the satisfactory completion of their training provided that the placement should meet Joint Apprenticeship Committee approval.
2. When an Apprentice is so assigned for training purposes, he shall automatically be credited with the current overtime credits of the Apprentice with the most overtime in the new overtime group as of the date of assignment. He shall be credited with overtime credits which he had when he left the group, plus credits for overtime worked.
3. Upon graduation from the Skilled Trades Training Program an Apprentice may express a preference to be permanently assigned as a Journeyman to one plant or the other. The requests of such graduating Apprentices shall be given consideration on the basis of the newly graduated Apprentice's Skilled Trades seniority.
4. An Apprentice who graduates from the Apprenticeship Training Program following the

Exhibit A- Article 19

graduation of Apprentices who entered the Program simultaneously (adjusted for any downgrade) shall have the right, at the time of graduation, to displace another graduate Apprentice who is now a Journeyman and who has less Skilled Trades seniority. Such displaced Journeyman shall then be assigned to the remaining vacancy in the plant.

Article 20. Apprenticeship Agreement

"Apprenticeship Agreement" shall mean a written agreement between the Company and the person employed as an Apprentice, which Agreement shall be approved by the Committee and signed by the Secretary of the Committee and registered with the Registration Agencies.

Every Apprenticeship Agreement entered into under these Standards of Apprenticeship shall contain a clause making the Standards part of the Agreement, with the same effect as if expressly written therein. For this reason, every applicant shall be given an opportunity to read the Standards before he signs his Apprenticeship Agreement.

The following shall receive copies of the Apprenticeship Agreement:

1. The Apprentice.
2. The Company.
3. The Joint Apprenticeship Committee.

Exhibit A- Article 20

4. Registration Agencies.
5. The Local Union.
6. The International Union, United Automobile, Aerospace & Agricultural Implement Workers of America.
7. Two copies to the Veterans Administration in case the Apprentice is a veteran.

Article 21. Transfers

If an Apprentice wishes to change from training for one Trade to another, he may make application to become an Apprentice for another Trade, and his application will be considered along with, and against the same Standards, as all other such applications; provided, however, the application of an Apprentice to change his training objectives will not be considered if he will lose more than one (1) year of training already completed.

Article 22. Certificate Of Completion Of Apprenticeship

Upon completion of the apprenticeship under these Apprenticeship Standards, the Joint Apprenticeship Committee will request to the Bureau of Apprenticeship, U.S. Department of Labor that a certificate signifying completion of the apprenticeship be issued to the Apprentice.

Exhibit A- Article 22

Upon receiving the Certificate, the Chairman and Secretary of the Joint Committee will sign the Certificate before issuing it to the graduate.

Article 23. Modification Of Standards

These Standards of Apprenticeship may be amended or new schedules added at any time, upon mutual agreement of the Company and the Union, provided that no such change shall alter an Apprenticeship Agreement in force at the time of such change without the written consent of the Apprentice; and provided such change or amendment shall be submitted to the Registration Agencies to determine if it meets with the Standards established by the Registration Agencies. A copy of such amendment will be furnished to each Apprentice employed by the Company.

Article 24. General

Should any dispute arise which cannot be satisfactorily settled within the Committee, either party may ask the Registration Agencies to consider the matter.

See Appendixes for Training Outlines.

Article 25. Safety and Health Training

The Company shall instruct the Apprentice in safe and healthful work practices and shall insure that the Apprentice is trained in facilities and other environments

Exhibit A- Article 26

that are in compliance with applicable federal and state laws.

Article 26. Registration and Complaints

The registration of these standards of Apprenticeship by the Registration Agency certifies that the standards conform to the labor standards which the U.S. Department of Labor believes are necessary to safeguard the welfare of Apprentices in our industry. The Labor Department's general labor standards for Apprenticeship Programs are set forth in Part 29, of Title 29 of the code of Federal Regulations. Apprentices or applicants for Apprenticeship shall have access to Title 29 Code of Federal Regulations, Section 30.11, if they believe they have been discriminated against on the basis of race, color, religion, national origin or sex with regard to Apprenticeship or that equal opportunity standards with respect to their selection have not been followed in the operation of the Apprenticeship Program.

THE INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA

BY:

James C. Walsh
Ray M. Winkler
Charles J. Smith *John J. Chance*
Mark J. Smith

Reg
SHIP, U.S. DEPARTMENT OF LABOR

Exhibit A- Article 26
BY: Isadore H. Gross, Jr.

Director, Bureau of Apprenticeship U.S. Department of
Labor, or Registration Agencies
FOR THE SKILLED TRADES DEPARTMENT, UAW

BY: Stephen P. Yokich
Jerry Brown
MAYTAG, Newton Laundry Products

BY: [Signature]
[Signature]
[Signature]

Exhibit A- Outlines
**AUTOMOTIVE MECHANIC
APPRENTICESHIP OUTLINES**

	HOURS
1. General Repair, Maintenance and Service (including Transmission, Clutches, Brakes, Hydraulic Systems, Electrical Systems, Engines, Diesels, Diesel Systems)	5600
2. Tune Up: Carburetion, Ignition, (including Solid State), Electrical, L.P. Gas, Diesels, etc.	1120
3. Operation of Shop Equipment, such as the Band Saw, Drill Press, Grinder, Hack Saw, Hydraulic Press, and any Other Related Equipment used in Making Parts such as Brackets, braces, etc.	290
4. Welding	200
5. Optional: (Work Related to the Trade)	150
6. Related Classroom Instruction	640

TOTAL	8000

SCHEDULE OF RELATED INSTRUCTION

Orientation including Reading Improvement, Listening, Learning to Draw and Sketching, Safety and Shop Theory, and Basic Computer Skills	78 Hours
Industrial Mathematics	78 Hours
Blueprint Reading including Electrical Schematics	118 Hours
Properties of Materials	38 Hours
Industrial Physics	78 Hours
Hydraulics	78 Hours
Automotive Service and Repair including Diesel and Solid State	142 Hours
Welding	30 Hours

TOTAL	640 Hours

Exhibit A- Outlines

CARPENTER - APPRENTICESHIP OUTLINE

	HOURS
1. Layout Work and Building Forms	600
2. Operation and use of Concrete Cutter, Jack Hammer and Other Equipment including Oxyacetylene torch. Pouring and Finishing Concrete and Floor Toppings. Mixing Mortar and Laying Brick and Block	950
3. Rough and Finish Work as it Relates to Construction and Revision of Building Facilities, Material Handling Equipment, etc. including Wood working Tools and Equipment	2400
4. Repairing and Cleaning of Boilers and the Lining of Furnaces and Ladles	80
5. General Building Maintenance	3100
6. Optional: (Work Related To the Trade)	150
7. Related Classroom Instruction	720
TOTAL	8000

SCHEDULE OF RELATED INSTRUCTION

Orientation including Reading Improvement, Listening, Learning to Draw and Sketching, Safety and Shop Theory, and Basic Computer Skills	78 Hours
Industrial Mathematics	78 Hours
Blueprint Reading	88 Hours
Properties of Materials	78 Hours
Industrial Physics	78 Hours
Advanced Shop Mathematics and Trigonometry	78 Hours
Welding	10 Hours
General Construction Applications	152 Hours
Study Time	80 Hours
TOTAL	720 Hours

Exhibit A- Outlines

ELECTRICIAN APPRENTICESHIP OUTLINE

	HOURS
1. Installation of Rigid Conduit, Concealed and Exposed, General Wiring, Installation including Underground and Office Building Installation and Industrial Fixtures.	1030
2. General Trouble Shooting and Repair of Electrical and Electronic Devices.	3000
3. Installation and Maintenance of Electrical and Electronic Devices.	2000
4. Panel Wiring and Check Out.	900
5. Motor and Generator Repair.	150
6. Optional: (Work Related to the Trade)	200
7. Related Classroom Instruction	720
TOTAL	8000

SCHEDULE OF RELATED INSTRUCTION

Industrial Math	78 Hours
DCIAC	98 Hours
Motors/Transformers	60 Hours
Blueprints	64 Hours
Schematics	15 Hours
Motor Control	35 Hours
Physics	30 Hours
Semiconductors	45 Hours
OSHA	25 Hours
Properties of Materials	30 Hours
Hydraulics	30 Hours
Programmable Logic Controllers	85 Hours
Computer Applications	35 Hours
Study	90 Hours
TOTAL	720 Hours

Exhibit A- Outlines

MACHINIST-MAINTENANCE APPRENTICESHIP OUTLINES

	HOURS
1. Operation of All Types of Lathes	2900
2. Operation of All Types of Grinders	325
3. Operation of Milling Machines, including gear Cutting	1800
4. Operation of Drill Presses	275
5. Operation of Other Machines such as Keyseater, etc.	325
6. Layout and Bench Work	1585
7. Optional (Work Related to the Trade)	150
8. Related Classroom Instruction	640

TOTAL	8000

SCHEDULE OF RELATED INSTRUCTION

Orientation including Reading, Improvement, Listening, Learning to Draw and Sketching, Safety and Shop Theory, Rigging, and Basic Computer Skills	78 Hours
Industrial Mathematics	78 Hours
Blueprint Reading	78 Hours
Properties of Materials	78 Hours
Industrial Physics	78 Hours
Hydraulics	78 Hours
Advanced Shop Mathematics and Trigonometry	48 Hours
Machinery Handbook	94 Hours
Welding	30 Hours

TOTAL	640 Hours

Exhibit A- Outlines

MACHINE REPAIRER (MAINTENANCE) APPRENTICESHIP OUTLINES

	HOURS
1. Bench and Floor, to include, Installation, Repair, and Preventive Maintenance of Mechanical Equipment	3630
2. Installation, Repair and Preventive Maintenance of Hydraulic and Pneumatic Equipment	1400
3. Operation of Machines, such as Engine Lathe, Milling Machine, Grinders, etc.	1370
4. Welding	680
5. Optional: (Work Related to the Trade)	200
6. Related Classroom Instruction	720

TOTAL	8000

SCHEDULE OF RELATED INSTRUCTION

Blueprints	78 Hours
Industrial Math	78 Hours
Advanced Math	48 Hours
Machinery Handbook	88 Hours
Draw & Sketch	4 Hours
Welding	70 Hours
Properties of Materials	28 Hours
Theory	66 Hours
OSHA	10 Hours
Industrial Physics	70 Hours
Hydraulics	55 Hours
Advanced Hydraulics	35 Hours
Hydraulic Servo & Proportional Systems	20 Hours
Study	70 Hours

TOTAL	720 Hours

Exhibit A- Outlines

PIPEFITTER - APPRENTICESHIP OUTLINE

	HOURS
1. Installation and Maintenance of Steam, Cooling, Heating, Air and Water Systems, Ventilating Equipment and Controls, Refrigeration, Air Conditioning, including Hydraulic Piping	3910
2. Installation and Maintenance of Boiler Equipment and Controls	500
3. Installation and Maintenance of Sanitary, Storm Water, Waste Disposal and Process Systems	1900
4. Transferring of Gas, Oil and Various Chemicals, plus Maintenance and Charging of All Types of Fire Extinguishers	60
5. Welding (including position welding)	710
6. Optional: (Work Related to the Trade)	200
7. Related Classroom Instruction	720

TOTAL	8000

SCHEDULE OF RELATED INSTRUCTION

Industrial Mathematics	78 Hours
Blueprint Reading, (Emphasis on Pneumatics, Piping and Machine Schematics)	78 Hours
Properties of Materials	78 Hours
Industrial Physics	46 Hours
Hydraulics	70 Hours
General Pipefitting Application (Machinery Handbook or Equivalent)	140 Hours
Welding (Early in Program)	70 Hours
Basic Computer	35 Hours
Auto CAD	35 Hours
Study Time	90 Hours

TOTAL	720 Hours

Exhibit A- Outlines

**SHEET METALWORKER
APPRENTICESHIP OUTLINES**

	HOURS
1. Operating of Hand Tools and Power Machines	970
2. General Sheet Metal Work-Layout, Forming, Repairs, Spouting, Guttering, Flashing, etc.	2560
3. Ventilators - Exhaust Piping, Ducts, Blower Connections, Dampers, Transition Pieces, etc.	1000
4. Fabrication	2550
5. Optional: (Work Related to the Trade)	200
6. Related Classroom Instruction	720

TOTAL	8000

SCHEDULE OF RELATED INSTRUCTION

Industrial Mathematics	78 Hours
Blueprint Reading	78 Hours
Properties of Materials	78 Hours
Industrial Physics	46 Hours
Advanced Shop Mathematics and Trigonometry	78 Hours
Layout and Pattern Development	9 Hours
Welding (Early in Program)	70 Hours
General Sheet Metal Applications	53 Hours
Basic Computer	35 Hours
Auto CAD	35 Hours
Study Time	90 Hours

TOTAL	720 Hours

Exhibit A- Outlines

**TOOL AND DIE MAKER
APPRENTICESHIP OUTLINES**

	HOURS
1. Steel and Tool Crib, Sawroom and Hardening	40
2. EDM (Electrical Discharge Machine)	190
3. Milling Machines (Vertical and Horizontal)	880
4. Lathes (All Kinds) & Vertical Lathes & CNC	900
5. Boring Mill (Vertical and Horizontal) & CNC	790
6. Grinders (Surface)	815
7. Grinders (Universal and Cylindrical)	445
8. Floor Work, Bench, Layout, Assembling	3020
9. Optional: (Work related to the trade.)	200
10. Related Classroom Instruction	720

TOTAL	8000

SCHEDULE OF RELATED INSTRUCTION

Draw and Sketch	4 Hours
Advanced Math	48 Hours
Blueprints	96 Hour
Industrial Math	96 Hours
Welding	30 Hours
Industrial Physics	48 Hours
Theory	83 Hours
Machinery Handbook	98 Hours
Properties of Materials	78 Hours
Hydraulics	35 Hours
OSHA	14 Hours
Study	90 Hours

TOTAL	720 Hours

Exhibit A- Outlines

TOOL HARDENER-APPRENTICESHIP OUTLINE

	HOURS
1. Special Problems such as (a) research, (b) analysis, (c) testing, and (d) machining and grinding effect	400
2. Furnace, (a) design and operation, and (b) instrumentation	400
3. Heat treating, (a) tempering, (b) hardening, and (c) surface treatment	4340
4. Fabrication, welding and brazing	1420
5. Inspection, (a) spark testing, (b) hardness, (c) straightening, and (d) surface finishing	800
6. Related Classroom Instruction	640

TOTAL	8000

SCHEDULE OF RELATED INSTRUCTION

Orientation including Reading Improvement, Listening, Learning to Draw and Sketching, Safety and Shop Theory	78 Hours
Industrial Mathematics	78 Hours
Blueprint Reading	78 Hours
Properties of Materials	78 Hours
Industrial Physics	78 Hours
Hydraulics	78 Hours
Advanced Shop Mathematics and Trigonometry	48 Hours
Machinery Handbook	94 Hours
Welding	30 Hours

TOTAL	640 Hours

Exhibit B - Letters of Understanding
Exhibit "B"
LETTERS OF
UNDERSTANDING

LETTER OF UNDERSTANDING NO. 1

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

Men and women enter the work force today with little or no knowledge, of what is expected of them as employees and as Union members in a unionized, industrial plant community. Many of them have not been adequately prepared to cope with the industrial situations in which they suddenly find themselves.

New employees come to Maytag, Newton Laundry Products with little or at best incomplete information about the employer and the Union. They have little knowledge of the extensive economic benefits available to them as agreed upon in collective bargaining between the UAW and Maytag, Newton Laundry Products over a period of many years.

Many new Employees may be unaware of the commitment of Maytag, Newton Laundry Products and the UAW to fair employment practices and to the application of the Agreement to all Employees without regard to race, color, creed, age, sex or national origin. They are not familiar with basic contract provisions covering such subjects as transfers, promotions and seniority. They may be unaware of the opportunities for advancement to highly paid skilled trades jobs through the Apprenticeship programs. Many are unaware of the importance of regular attendance,

Exhibit B - Letters of Understanding
quality workmanship and the need for cooperation by all in getting the job done. Too often they are unacquainted with the various procedural matters related to their job.

New Employees usually have little knowledge of the long history the UAW and of the administrative structure of the UAW at the International and local Union levels. They do not understand about their relationship to the Union, about the initiation fees and dues requirements and the rights within the Union contained in the UAW Constitution and guaranteed by right of appeal to the Union's Public Review Board.

Frequently, they have never seen the inside of a manufacturing plant before and are unfamiliar with the operations, the nature of the product and how it is used.

Accordingly, pursuant to the Union's suggestion, the Company has in cooperation with the International Union, attempted to modify the present video-slide presentation so as to include certain orientation information regarding the Union. Such modified presentation has replaced the video slide presentation utilized prior to the 1971 Labor Agreement and it is presently being shown by the Company to each new Employee hired into the Bargaining Unit.

The orientation presentation concerning the Union will not be subject to the grievance procedure and can be terminated by either the International Union or the Company, in the event that the program is not being carried in a manner consistent with the purpose and intent of the program as established by the parties. The establishment of such a program will not limit any other communication by Management with its Employees or by the Union with its members.

Jim Cook
Director Human Resources

Exhibit B - Letters of Understanding
LETTER OF UNDERSTANDING NO. 2

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

The Company for many years as a courtesy to Employees has been willing to honor reasonable requests on the part of Employees to be assigned to specific work stations within their Classification. It is the intention of the Company to continue to approve the requests of Employees to be assigned to particular work stations within their classification so long as granting such request does not reduce efficiency within the classification.

Employees retained in a former classification according to terms of Article X, Section 16 (Delayed Transfer) shall be permitted to request assignments to specific work stations after the date they would otherwise have been transferred. In addition, Employees transferring into such classification from within the Department, will be given preference in seniority order to the vacancies remaining in the classification after consideration has been given to the oral requests above.

Employees may have four (4) oral requests on file at any one time. Employees wishing to submit oral requests will have not less than 24 hours to view and consider existing openings after all jobs have been awarded. Such requests to be considered must be made by 12:00 Noon on Friday. In the event a Thursday or Friday is a holiday, such requests must be made by 12:00 Noon on the day preceding the holiday. Requests for assignment within the classification on another shift (including parallel work stations) must be made prior to the notification of another

Exhibit B - Letters of Understanding

Employee to report for work on the shift requested. All requests to be effective at the time of a production level change must be made at least two full workdays (excluding weekend overtime shifts) prior to the date and time of the production level change (normally 3:30 p.m. on the Wednesday preceding the week of the change).

When two or more Employees request the same work Station assignment; the request of the senior Employee will be granted except the senior employee assigned to the same work station on another shift will be given first preference. The Porcelain Department (D86) will be exempt from this paragraph.

An Employee returning in the classification from a written leave of absence or a fulltime Union Representative returning to the classification shall be permitted to return to the work station assignment he normally performed within the classification.

Where a reassignment within a classification occurs as a result of a job elimination on parallel jobs, the junior Employee shall be reassigned, unless a senior Employee oral requests the open work station assignment involved.

The accumulation of Employee's requests to be assigned a particular work station within their classification shall in no way be construed to limit the Company's right to assign Employees within the classification as provided in Article X, Section 11.

Jim Cook
Director Human Resources

Exhibit B - Letters of Understanding
LETTER OF UNDERSTANDING NO. 3

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

It is understood and agreed between the parties that, notwithstanding any other provisions limiting the number of concurrent leaves of absence for Union business, Employees who are selected by the Union to receive scholarships to attend educational programs at the Union's Black Lake Center, will be given leaves of absence for not more than two weeks (to be taken consecutively) for this purpose. In any given calendar year, no more than a total of five (5) such leaves will be requested or granted.

It is further agreed that, notwithstanding any existing local practices or agreements relative to working during the vacation shutdown, such Employees will be offered a preferential opportunity to work during the summer vacation shutdown next following their designation as scholarship recipients if there is work available which they are qualified to perform. Notice of designation of scholarship recipients must be provided to the Company not later than June 1 of each year; otherwise the opportunity to work will be provided during the summer vacation shutdown next following such leave.

Jim Cook
Director Human Resources

Exhibit B - Letters of Understanding
LETTER OF UNDERSTANDING NO. 4

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P.O. Box 278
Newton, Iowa 50208

Dear Pat:

The nature of certain operations in the Plants involve to varying degrees an exposure to radiant heat. During periods of sustained abnormally hot weather, temperatures in these work areas may be elevated above normal levels in the area.

The Company has evidenced its concern for working conditions during periods of abnormally and excessively hot weather by adopting a policy providing additional time away from the job for employees working under such conditions.

The debilitating effects of working during hot weather are not produced by conditions on the job alone. Employees working in hot areas during the summer months should follow sensible and recommended precautions during periods of hot weather. Employees should wear proper clothing and avoid to the extent possible undue exposure to heat and heavy physical exertion at home prior to coming to work. Additional time away from the job can obviously have no effect if an employee is already suffering from the effects of heat when reporting to work.

The following guidelines concerning special relief during unusually hot weather are applicable to personnel assigned to work stations where there is a continuous work flow and where personal time is provided by replacement employees.

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1. Normal Relief: Employees assigned to work stations of this type are normally provided personal (relief) time away from the job of either 24 or 30 minutes per 8.0 hour work shift.
2. Special Relief For Unusual (Severe) Hot Weather: (This applies where there is a succession of high temperature days where all or most of the work shift is involved (such as may occur during June, July and August) and where it becomes more difficult for employees to obtain proper rest between work shifts.)
 - (a) An additional three minutes for each hour that the temperature of the work station is 105 degrees or over will be provided to each operator.
 - (b) When work station temperatures are 110 degrees or more an additional six minutes (over normal) for each hour is to be granted to each operator affected.
 - (c) When the work station temperatures are 115 degrees or more an additional nine minutes (over normal) for each hour will be provided to each operator affected.
3. Special Relief For Individuals Unaccustomed To High Temperature Working Conditions:

In such cases, Foremen are authorized to provide time away from the job as necessary to meet the needs of the employee. Individual needs will vary but normally an employee can become properly accustomed to high temperatures within one week.
4. Special Relief Prior To Lunch Periods And End of Shift:

Additional relief related to heat is not provided for the hour immediately preceding an employee's lunch period or the hour

Exhibit B - Letters of Understanding

immediately preceding the end of an employee's shift, although relief may be given during those periods for the preceding hours.

Policies relating to heat relief must of necessity be somewhat flexible, inasmuch as there are many variables which relate to the effects of working under abnormally hot conditions.

It is recognized, for example, that an unusually warm day in the early spring or fall could result in temperature levels meeting the special relief guidelines during part of a shift on that particular day. This, however, is not the type of condition which contemplates the application of special heat relief allowances.

It is further understood that temperature alone is not a reliable or accurate reflection of stress heat conditions. Many factors are involved in determining the effects of heat stress including humidity, rates of heat flow, length of exposure, presence, or absence of radiant heat and individual differences in sensitivity to heat among others.

The above guidelines are based on conditions as they previously existed within certain departments in the plants. The Company is continuing to research the problem of heat in the plants. New developments and findings concerning the effects of heat and heat stress conditions along with changes in technology may necessitate changes in the guidelines as set forth above.

Jim Cook
Director Human Resources

Exhibit B - Letters of Understanding
LETTER OF UNDERSTANDING NO. 5

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P.O. Box 278
Newton, Iowa 50208

Dear Pat:

The purpose of this letter is to state precisely the Company's intentions with respect to the application of charge-back procedures as set forth in our Labor Agreement.

The Company will suspend the application of such charge-back provisions for the duration of this Labor Agreement, unless during such period there is a decrease in our current quality levels or there are specific instances of significant faulty production caused by Employees.

This suspension shall in no way affect any other provisions of the Labor Agreement.

The suspension of charge-backs will end whenever, in the Company's opinion, Employees are failing to maintain or improve our current quality levels. Furthermore, in a specific situation if there is a significant deviation in quality that could have been controlled by an Employee or Employees, the Company will charge the Employees responsible for such unacceptable production, even though the Company may elect to continue the suspension of the charge-back procedures following the specific instance of faulty production.

When the Company finds it necessary to make charge-backs during the life of this Labor Agreement, the Company will charge back only such rejects as were caused by the Employees involved. Furthermore, when a related work group encounters downtime because of faulty production by another group, and such faulty production has not been charged back, the related group will be deemed eligible for

Exhibit B - Letters of Understanding

the payment of downtime or off-standard if the conditions are met as set forth in the Labor Agreement. When such faulty production, however, has been charged back to an individual or group producing the faulty production, then the related individual or group will not be eligible, as is provided in the Labor Agreement, for downtime or off-standard payment.

Jim Cook
Director Human Resources

LETTER OF UNDERSTANDING NO. 6

July 5, 2004,

Mr. Pat Teed
President, UAW Local 997
P.O. Box 278
Newton, Iowa 50208

Dear Pat:

Listed below are the three (3) Special Arbitrators whom the Company nominates as members of the panel of technically qualified arbitrators, to act as the Special Arbitrator under the provisions of Article VII, Section 2 Step 5 (b) of the Labor Agreement.

Marvin J. Feldman - Case Western Reserve University
Paul E. Glendon - University of Michigan
Fred E. Kindig - Pennsylvania State University

Jim Cook
Director Human Resources

APPROVED AS NOMINATED

United Automobile, Aerospace &
Agricultural Implement Workers of America,
and Local 997

Exhibit B - Letters of Understanding
LETTER OF UNDERSTANDING NO. 7

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

The Company and the Union agreed that certain learning situations should be considered for special progression payment plans. There have been a variety of applications of progression payment plans; however, in the past such progression payment plans have been used primarily in situations where the jobs involved are either new or have been changed substantially,

The Company commits with this letter to the principle of progression payment plans and expects to extend their use to those situations where it is clear that their application would be beneficial to both the Company and the Employee. The Company reserves the right to develop and apply such plans as well as to determine the time and jobs to which such plans would apply. However, the Union shall have the right to reject such a plan after completion of the identified progression period.

Jim Cook
Director Human Resources

Exhibit B - Letters of Understanding
LETTER OF UNDERSTANDING NO. 8

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

Re: Steam Plant Operator Work Schedules And Determination Of Sixth and Seventh Days For Premium Pay Purposes When Working on a Seven Day Schedule.

A number of discussions have been held in relation to Steam Plant Operator work schedules and the establishment of the Employee's sixth and seventh day when the schedule a Steam Plant Operator actually works departs from the schedule published.

The determination of a Steam Plant Operator's sixth and seventh days becomes important when considering such questions as the observance of holidays in relation to a Steam Plant Operator's individual schedule, premium payment for working on a sixth and/or seventh day and premium payment resulting from the so-called wrap-around provision when a Steam Plant Operator rotates shifts and establishes a new weekly work schedule providing different days off.

Both Supervision of the Steam Plant and the Steam Plant Operators themselves have principally relied upon the schedule as published to establish an Employee's sixth and seventh days without regard to the schedule an Employee may actually have worked. Departures from the published schedule have basically been perceived as temporary interruptions in an Employee's normal schedule with the Employee's days off for premium pay purposes being determined by the published schedule.

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A certain amount of confusion with respect to payment of Employees has resulted on occasion, particularly when an Employee's actual schedule is different than the published schedule the first week following a normal shift change. When this occurs, an Employee's actual days off are different than those scheduled off by the published schedule and the question then becomes which are his days off for premium pay purposes when worked.

The Company's interest has been to develop scheduling rules which are basically fair, understandable and capable of consistent administration. In discussions with representatives of the Bargaining Committee, the following understandings were arrived at as the interpretation of Article VIII, Section 1 (e) which will be observed by both the Company and the Union in determining an individual Steam Plant Operator's sixth and seventh days for premium pay purposes.

- (1) A Steam Plant Operator's sixth and seventh days shall be determined by the schedule actually worked the first week worked following a change in shifts on the occasion of normal shift rotation (normally occurring every four weeks, 28 consecutive calendar days).
- (2) In most instances, the schedule actually worked by a Steam Plant Operator will be the schedule published. However, where the schedule actually worked the first week worked following a normal shift rotation is different than the published schedule, the schedule worked shall control.
- (3) A Steam Plant Operator's sixth and seventh days as determined by the schedule actually worked the first week worked following a normal shift change shall remain unchanged for the duration of that shift rotation period.
- (4) When a Steam Plant Operator works seven consecutive calendar days the first week worked following a change in shift, the

Exhibit B - Letters of Understanding

determination of his days off that week is entirely academic and would not affect the amount of pay received. The days off for premium pay purposes the remainder of that four week shift change period shall be the days actually scheduled off the following week, which will normally be those identified as his sixth and seventh days on the published schedule (except where a Steam Plant Operator may have been assigned to the shift assignment and work schedule of another).

- (5) A Steam Plant Operator rotating from the swing shift on the occasion of a shift change, observes a three day weekend as a product of the schedule. On that occasion, the three days scheduled off are not identified as either sixth or seventh days, however, a Steam Plant Operator scheduled to work on one or more of the three days will be paid as follows:
 - (a) If the Steam Plant Operator is scheduled to work on the first of the three days scheduled off (always a calendar Sunday), he will receive double time.
 - (b) If the Steam Plant Operator is scheduled to work only the following Monday or only the following Tuesday, he would receive either time and one-half for Monday or double time for Tuesday and his days off would remain Monday and Tuesday.
 - (c) If a Steam Plant Operator is scheduled to work both that Monday and that Tuesday and as a result works seven consecutive calendar days that week, his premium pay and days off the remainder of that four week shift rotation period would be determined as provided in paragraph 4 above.
 - (d) If a Steam Plant Operator works both that Monday and that Tuesday and then takes two other days off

Exhibit B - Letters of Understanding

that week, his days off the remainder of the four week shift rotation period will be the days actually scheduled off as provided in paragraph 1 above:

- (6) During any shift rotation period, a Steam Plant Operator may be reassigned to a different shift and/or actually take different days-off than his sixth and seventh days as determined above, however, his days off for premium pay purposes will be those determined by his first week worked following a normal shift rotation and he will be paid the applicable premium whenever he works on such days.
- (7) Since the sixth and seventh days of a Steam Plant Operator will remain unchanged for the duration of a shift rotation period, a change in shift assignment and/or days actually taken off during the four week period, will not establish new sixth and seventh days and will not result in premium pay for any day worked as a sixth and seventh day other than the sixth and seventh days identified above.

In addition to the understandings set forth above, when a Steam Plant Operator has a built in sixth day or holiday in his work schedule, the work on such day shall be distributed among all Steam Plant Operators in accordance with Article VIII, Section 6 (c). Such distribution will not be scheduled in other than eight (8) hour increments, unless it is an extension of a regular work shift. Neither shall such distribution generate additional premium pay. It is also recognized that the nature of the work schedule may not permit such distribution.

Jim Cook
Director Human Resources

Exhibit B - Letters of Understanding
LETTER OF UNDERSTANDING NO. 9

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

With respect to possible problems, involving employee complaints of unfair representation in the handling of grievances, the Company and the Union agree as follows:

1. Should an Employee file a complaint with the UAW under Article XXXIII of the UAW Constitution alleging unfair representation in the handling of his grievance, then the International Union will, as soon thereafter as possible, provide relevant information of such filing to the Director of Human Resources of the Company.
2. Should a final determination be made under the procedures of the appeal process of Article XXXIII of the UAW Constitution that the appealing Employee has not been fairly represented by Local 997, then the International Union will notify the Director of Human Resources of such fact, and the parties will proceed to establish the procedure for the reinstatement of the grievance to the grievance procedure, including possible arbitration.

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3. Should an agency or a court find that the Union failed to fairly represent an Employee, then the International Union and the Director of Human Resources will proceed to establish the procedure for the submission or reinstatement of the grievance to the grievance procedure, including possible arbitration.

Jim Cook
Director Human Resources

LETTER OF UNDERSTANDING NO. 10

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

During the 1977 negotiations, the Company and the Union discussed the impact of technological progress on the job responsibilities of unit and non-unit personnel. The Union's specific concern centered on the problems which arise due to the fact that some work assignments performed by non-unit personnel, specifically certain technicians and/or engineers, are similar to work assignments performed by unit personnel. During 1983 negotiations, the parties discussed the rapid emergence of robots, computers and higher technological machinery and the fact that the Company is willing to respond to the effects that this high technological movement could have on unit employees. During the 1986 negotiations, the parties continued to discuss the continued development of new technology and the Company's commitment to train and to provide the prop-

Exhibit B - Letters of Understanding

er educational tools to bargaining unit employees so that their skills may progress through and with such new technologies.

During the 1989 negotiations, the parties discussed the importance of developing, implementing and maintaining learning programs and the evaluation of such programs on an ongoing basis in order to keep pace with the ongoing needs and requirements of the workplace. The Company will continually monitor and report to the Union the progress, usage and assessment of these educational programs.

During the 1992 negotiations the parties discussed the importance of continuing to produce the Maytag brand clothes washer and clothes dryer in Newton, Iowa. The parties also discussed the various restrictions on management in moving its plants and transferring work from the plants presently contained in their labor agreement. In this regard Management stated its desire to maintain employment and productivity levels in Newton, Iowa and hopefully increase the production of washers and dryers in the Newton, Iowa plants over the term of the labor agreement. In the discussions pertaining to technological improvements, management stated that such improvements and increased productivity should permit the Company to provide employees an employment package which is likely to increase in cost even though there may not be commensurate increases in the selling price of the products manufactured. In this way, technology should be able to create or maintain jobs and improve the working conditions of bargaining unit employees.

When new equipment is being installed or when substantial new modifications are being made to existing equipment by the vendor (or its representatives) and it is determined that portions of this work relate to future maintenance and/or repair functions of such equipment that will be assigned to electricians, machine repairers or other unit skilled trades, such appropriate unit skilled tradesmen will be allowed to observe and participate in the installation and/or modification (at the direction of the vendor's representatives and/or the Company) for the time necessary to become familiar with such equipment.

Exhibit B - Letters of Understanding

The Company agrees that a committee consisting of not more than three Union representatives and three Company representatives will be established and will meet at mutually agreed upon times to discuss such subjects as (1) the job impact resulting from the introduction of new technologies; (2) the nature and scope of such technological changes; (3) training needs and, if such new technology results in the layoff of more than 5% of those employees then eligible for SUB, the portion of such needs to be paid by the Company; (4) possible safety problems resulting in the introduction of new technology and (5) plans for future introduction of new technologies. Requests for meetings will be referred directly to the Manager of Human Resources.

The Company recognizes the seriousness of the Union's concern and will make every effort to examine and evaluate assignments given to these non-unit personnel in order to avoid improper assignments within the framework and intent of Article 1, Section 2 of the Labor Agreement.

Any dispute alleging improper work assignments to non-unit employees may be made the subject of a grievance by the Union.

Jim Cook
Director Human Resources

Exhibit B - Letters of Understanding LETTER OF UNDERSTANDING NO. 11

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P.O. Box 278
Newton, Iowa 50208

Dear Pat:

During negotiations of the Collective Bargaining Agreement, the parties discussed at length the subject of outside contracting.

The following is intended to clarify the intent of the last five (5) paragraphs of Article XVI, Section 2 of the Agreement pertaining to the Skilled Trades Employees:

1. It is the policy of Maytag, Newton Laundry Products to perform all Skilled Trades work with its own Employees provided it meets the requirements of one or more of the five (5) tests as outlined in Article XVI, Section 2.
2. The Company hereby assures the Union that it has no plans to change its policy and that it expects to continue its policy of placing primary reliance on its own Skilled Trades Employees to perform skilled trades work to the extent consistent with sound business practice, as in the past.
3. The Company is genuinely interested in maintaining maximum employment opportunities for its Skilled Trades Employees consistent with the needs of the Company. Therefore, in making these determinations, the Company intends always to keep the interests of Maytag, Newton Laundry Products personnel in mind.

Exhibit B - Letters of Understanding

4. In applying the provisions of the last five (5) paragraphs of Article XVI, Section 2, it is the intent of Maytag, Newton Laundry Products that, except where time and circumstances prevent, it will give the Union an opportunity to hold advance discussions with Management concerning such contracting out before the final decision has been made as to whether the work should be contracted out, subject, however, to the terms in the next to last paragraph of Article XVI, Section 2. Furthermore the Company has agreed to conduct sub-contracting meetings once monthly to discuss sub-contracting issues.
5. It is important that the Company advise the Union of any or all of the factors mentioned in the above four (4) paragraphs which it will take into consideration in determining whether a particular contract should be let out or not. Such advice will be given in the course of the "advance discussion" so that the Union will be given a better opportunity to make its comments and the Company will also be given an opportunity "to give weight to those comments in the light of all attendant circumstances".

Jim Cook
Director Human Resources

LETTER OF UNDERSTANDING NO. 12

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Exhibit B - Letters of Understanding

Dear Pat:

During the negotiations of the 1977 Labor Agreement, the parties discussed the subject of conversion to the metric system and its effect on certain employee-owned tools.

The Company indicated its intention to make available during the transition period, the necessary metric tools and calibrated measuring instruments to skilled trades employees when required in the performance of their work. Such tools shall be available in the tool crib and signed out to such skilled trades employees if the need arises.

The policy does not preclude the use of conversion tables or any other alternate means of changing to the metric system in place of utilizing such tools or calibrated measuring instruments, nor does it alter the present requirement that skilled trades employees and apprentices provide their own tools necessary to perform their duties, except as provided above.

Jim Cook
Director Human Resources

LETTER OF UNDERSTANDING NO. 13

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

The parties discussed the problem of noise abatement. Specifically, the Company reviewed with the Union the projects on which it has spent considerable time and money to reduce noise levels.

Exhibit B - Letters of Understanding

Recognition was given to the fact that technology is not available at the present time to practically and feasibly reduce noise to desired levels. This fact will not detract from the Company's efforts to continue to find ways to reduce noise levels in its plants.

The Company will actively and sincerely seek to apply any new noise abatement science and technology as it becomes practical and feasible. In the interim the Maytag hearing conservation program which has been in effect since the early 1960's will continue to be utilized in order to prevent any hearing loss occurring in the workplace.

The Company will continue to report periodically to the Plant Safety Committee on its efforts to reduce noise levels in the plants.

In addition, the Company recognizes its responsibility to provide a safe and healthful work environment for all employees and to continuously strive to implement programs, policies and work methods which reduce the incidents of injury and illness to employees. The Company will endeavor to make members of the Plant Safety Committee aware, when appropriate, of new equipment purchases, new plant layout or revisions to existing layouts to permit their input into the appropriate safety, health and ergonomics considerations relating to such installation or revisions. Similarly, the Company will include members of the Safety Committee in the review of request for new chemicals coming into the workplace. Further, recognizing that assembly line work is inherently repetitive in nature and being aware of the injuries that can arise from such work, the Company remains committed to support an active ergonomics program involving both management and union employees to reduce the incidents of such injuries. The Company and Union have agreed during the 2004 contract negotiations to train and utilize the Safety Committee members on Industrial Hygiene testing and compliance where appropriate.

Jim Cook
Director Human Resources

Exhibit B - Letters of Understanding LETTER OF UNDERSTANDING NO. 14

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

This letter confirms the understandings reached between the parties concerning the application of date of entry seniority dates for the non-apprenticeable skilled trades classifications listed below.

11-10-1 Layout Inspector
64-9-1 Inspector Fixtures and Gages - Tooling
64-9-4 Inspector Fixtures and Gages - Tooling
64-10-2 Grinder Operator - Tools and Gages
67-9-1 Steam Plant Operator
74-9-2 Inspector Fixtures and Gauges - Tooling
91-10-1 Layout Inspector
92-8-1 Maintenance Painter

Employees classified in those classifications listed above on June 1, 1980 and still so classified, shall utilize their total seniority date as their non-apprenticeable skilled trades seniority date. Employees who entered the classifications after June 1, 1980 shall utilize their date of entry into the classification as their non-apprenticeable skilled trades seniority date, only after successful completion of the appropriate long-step-rate structure.

In the case of the 64-9-1 Inspector, Fixtures and Gages - Tooling, those employees so classified as of June 1, 1995 shall utilize their total seniority dates as their non-apprenticeable Skilled Trades seniority date.

Exhibit B - Letters of Understanding

Employees entering that classification after June 1, 1995 shall utilize their date of entry into the classification as their non-apprenticeable Skilled Trades seniority date, only after successful completion of the appropriate long-step rate structure.

Such non-apprenticeable skilled trades seniority date shall be utilized when there is a displacement or a reduction in the work force in such classifications, provided all employees are fully qualified and possess a skilled trades date by having completed the long-step rate structure. In the event an employee(s) has not attained the highest step position, such reduction shall first be conducted according to Article X, Section 3(a) of the Labor Agreement. Similarly, recall to vacancies in such classifications shall be in accordance with the employee's non-apprenticeable skilled trades seniority.

The parties agree the provisions of all other portions of the Labor Agreement excluding Article XVI shall continue to apply.

Jim Cook
Director Human Resources

LETTER OF UNDERSTANDING NO. 15

July 5, 2004

Mr. Pat Teed

President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

Exhibit B - Letters of Understanding

The purpose of this communication is to stress to supervisors and engineers the importance of abiding by the language found in Article IV, Section 2, regarding work by management representatives.

Production supervisors are responsible for the successful production of quality Maytag products. This includes the supervising of unit employees performing bargaining unit work. Our basic position is that we are not interested in having Maytag supervisors and engineers performing such bargaining unit work. There are exceptions provided for in the Contract, and there are some gray areas which supervisors and engineers may find necessary to review with their supervisor or with Human Resources.

In addition, the Newton Laundry Products Plant Manager will meet at least twice a year with those supervisors and engineers who have been involved with violations of Article IV, Section 2 and he will remind such supervisors and engineers of their responsibility under such Contract provision and this Letter of Understanding. The Manager of Human Resources will advise the appropriate Chief of Assembly/Support Representative of the results of these meetings.

As an additional step, the Director of the respective Business Unit will meet with any supervisor and engineers whom the parties determine is a "continual violator" of Article IV Section 2 for the purpose of discussing the Company's obligations under such provision. The appropriate Chief of Assembly/Support Representative will be given an opportunity to attend this meeting. A written summary of the meeting will be provided to the Chief Plant Representative and be placed in the supervisors or engineers personnel file.

Todd Anderson
Newton Laundry Plant Manager

Exhibit B - Letters of Understanding
LETTER OF UNDERSTANDING NO. 16

July 5, 2004

Mr. Pat Teed

President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

The parties discussed how employees will be scheduled when inventory and/or special cleanup work is to be performed during the winter vacation shutdown. It was agreed that opportunities to work will be afforded according to the following procedure.

1. All employees without vacation entitlement (less than one (1) year of seniority as of the preceding June 30) shall be given the opportunity to work first. Such employees will be informed they are scheduled to work during the shutdown. If an employee asks to be excused from working, he shall sign a form acknowledging that work was offered and will be instructed that he may not be excused if sufficient volunteers are not later secured. Employees who are excess in their home department may be scheduled to work in other departments.
2. Provided additional employees are required, volunteers will be scheduled in seniority order within each department, beginning with employees with the least vacation entitlement, which is the one to three year vacation category. If additional employees are required, volunteers will be scheduled in seniority order within each department. Volunteers not required in their home departments may be "loaned" to other departments for the shutdown period.

Exhibit B - Letters of Understanding

3. If the preceding steps do not provide the required number of employees to perform the work, additional employees will be scheduled, in each department, in reverse order of seniority.
4. Employees with qualifications such as truck drivers, crane operators, storekeepers, stock suppliers and so forth, will be scheduled in reverse order of seniority, first by department and then plants wide, if the above procedures do not provide a sufficient number of such employees.
5. When shift work is required shift preference will be honored on the basis of seniority.
6. Any work scheduled during the weekend immediately preceding the winter vacation shutdown period and any work required to start up the plants is specifically excluded from the above procedure, and will be scheduled according to regular work groups.
7. Individuals may be excused in order of seniority provided there are sufficient volunteers to perform the work.
8. An employee refusing offered work for a shutdown period will be disqualified to receive Unemployment Compensation Benefits.

Jim Cook
Director, Human Resources

**Exhibit B - Letters of Understanding
LETTER OF UNDERSTANDING NO. 17**

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

The parties discussed The Maytag, Newton Laundry Products Repair Parts Purchase Plan.

Employees, retirees and surviving spouses of such retirees may purchase parts for Maytag appliances at a 50% discount through certain Maytag dealers that participate in the Employee Product Purchase Plan. In addition, Employees will be permitted to have the dealer perform the repair on the appliance and still be permitted to take advantage of the 50% repair parts discount.

As under the previous plan, any parts purchased under this arrangement must be for repair of the Maytag Employee's own products, and purchases made for any other reason are expressly prohibited.

Jim Cook
Director Human Resources

**Exhibit B - Letters of Understanding
LETTER OF UNDERSTANDING NO. 18**

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

During the 1980 negotiations, discussions were held concerning the fourth week of vacation pay for employees who go on a medical leave prior to their scheduled fourth week vacation period.

It was agreed to allow automatic waiver of the fourth week of vacation up to the end of an employee's last scheduled work day preceding the scheduled vacation period. Such a procedure allows an employee the opportunity to waive his fourth week of vacation up to the last possible point in time and avoid loss of one week of Accident and Sickness payments. Contrastingly, an employee who goes on medical leave following the end of his last scheduled work day would not be allowed to waive his fourth week of vacation and would lose one week of Accident and Sickness payments.

This arrangement would not apply to the scheduled winter and summer vacation shutdown periods, nor under any circumstance related to employees with less than four weeks of vacation entitlement.

In the event an employee desires additional time away from the job, such may be arranged in accordance with the provisions of Article XI, Leaves of Absence, Section 1, General Leaves, of the current Labor Agreement.

Jim Cook
Director Human Resources

Exhibit B - Letters of Understanding
LETTER OF UNDERSTANDING NO. 19

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

During the 1983 negotiations, the parties discussed the situation where an employee with 3 or more weeks of vacation eligibility is entitled to receive only a pro-rated amount of vacation pay under the second or third paragraph of Article XIII, Section 7, and such employee works during the one week of the winter shutdown. Such employee, at his option, can take 40 hours of vacation time off per each week beyond the 2 week summer shutdown period and receive the appropriate pro-rated vacation pay; or he can, notwithstanding Article XIII, Sections 4, 5, and 7, take off in full 8-hour day increments vacation time equal to the pro-rated vacation pay for such week provided he shall only be required to take off those days for which he receives full 8-hours of vacation pay. For example, if the employee is entitled to 9/12 vacation pay (30 hours) he can receive 30 hours pay and take off 40 hours vacation time for each week beyond the 2 week summer shutdown period, or he can take off 3 full 8-hour days and receive 30 hours vacation pay for each such week enabling him to work the other two days of that week at straight time pay.

Jim Cook
Director Human Resources

Exhibit B - Letters of Understanding
LETTER OF UNDERSTANDING NO. 20

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

This letter will confirm the understandings of the parties regarding the administration of Article IX, Section 17 (Payments For Medical Treatment) when the employee is scheduled for overtime.

1. The Company will continue to pay straight time lost from work for medical examination or treatment, hospital confinement, or if sent home, as in the past.
2. If an employee is scheduled for daily overtime and the overtime period has commenced, the Company will pay, at straight time, the remainder of the scheduled overtime, if the employee is required by the Medical Department to leave the plant premises for examination or treatment, is confined to a hospital, or sent home.
3. If the scheduled daily overtime had not commenced at the time the employee is required to leave the premises, such payment for lost time will only encompass the employee's straight time (up to eight hours) loss regardless if he returns to work. If the employee later returns for the overtime assignment or portion thereof, he will be paid for only the additional hours worked during the overtime assignment.
4. If an employee is working a scheduled weekend overtime

Exhibit B - Letters of Understanding

assignment and is required to leave the Company premises for such examination or treatment, or is sent home he shall be paid up to four (4) hours at straight time if the injury occurs during the first four (4) hours of the shift. If the injury or illness occurs during the second four (4) hours, such employee shall be paid at straight time up to eight (8) hours.

Jim Cook
Director Human Resources

LETTER OF UNDERSTANDING NO. 21

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

During the bargaining for the 1986 Labor Agreement the parties discussed the seniority provisions that would apply if Maytag, Newton Laundry Products would open or reopen a manufacturing and/or warehouse facility in Franklin County, Iowa.

It was agreed that for the life of the agreement if such a facility commenced operations requiring production and/or maintenance employees, such positions would be offered to employees working in the plants and those on layoff (if any) with recall rights. Such offer of work will be initially offered in the form of a request for transfer in order of seniority.

If additional employees are required beyond these Newton employees requesting transfers, other former Hampton employees who had earlier

Exhibit B - Letters of Understanding

refused recall to Newton (other than those awaiting a deferred Pension benefit) and have no recall rights shall be offered a preferential hiring status and will be given preference, to the extent practical, over new hires for job openings at the Franklin County plant.

It is understood that if such facility is open during the term of this agreement, Article 1, Section 4, (Extension of Agreement) shall apply, and therefore all provisions of this Labor Agreement if legally permissible, shall apply to those production and maintenance employees.

Jim Cook
Director Human Resources

LETTER OF UNDERSTANDING NO. 22

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

During the negotiations of the 1986 Labor Agreement the Union expressed its concern in regard to work of the Sheet Metal Craft allegedly being performed by the Machine Repair Craft at Plant 2. The Company's commitment is to have Plant 2 Sheet Metal work assignments handled in the same fashion as in Plant 1.

This letter is to make it clear that our goal is to achieve consistency in administration and to avoid making assignments to the Machine Repair Craft which would normally and routinely be assigned to the Sheet Metal Craft.

Exhibit B - Letters of Understanding

This will be accomplished by having the Sheet Metal Craft supervisor examine Plant 2 work orders and where appropriate assign members of the Sheet Metal Craft to Plant 2 to perform the work. It was recognized in the discussion that a clear line cannot be drawn between these two crafts and that skill requirements on some work assignments are similar in nature.

The Company will continue to preschedule the Sheet Metal Craft to work at Plant 2 on a regular basis when needed.

Jim Cook
Director Human Resources

LETTER OF UNDERSTANDING NO. 23

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

In the 1986 negotiations, the parties discussed the Company's intent to maintain adequate employee levels and productivity at its Newton plants and that Article I, Section 3 does not prevent the Company from transferring work out of its plants. Even though the parties do not intend to change the meaning of that Section. The Company does agree that if it closes its plant or contracts work outside its premises to other companies under that Section and if either action results in the layoff of an excess of 5% of those active employees then eligible for SUB, such excess employees will be eligible for training programs under the guidelines of the Company's Educational Assistance Plan, maximum of

Exhibit B - Letters of Understanding

\$1,000 per employee, if they are still on lay off and unemployed elsewhere sixty days following such layoff. Such training programs and the timing of payment will be reviewed and administered by the New Technology Committee, provided in Letter of Understanding Number 10. The Company can credit against such \$1,000 allowance any training funds received by the eligible employee from a governmental agency. Laid off employees will receive unemployment compensation and SUB benefits if they are otherwise qualified. Any dispute alleging improper compliance with the provisions of this letter may be made the subject of a grievance by the Union.

Jim Cook
Director Human Resources

LETTER OF UNDERSTANDING NO. 24

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

During the 1989 negotiations the parties discussed problems involving subcontracting of maintenance work and the qualifications of applicants hired into Journeyman positions. With respect to the first topic, the Company has committed to a program where the Company will give the Union earlier notice than in the past when maintenance work normally performed by bargaining unit employees is scheduled to be performed in the Company's Newton facilities. In this situation, the Company will endeavor to give this notice in writing to the Union in advance of the contract being let to the outside vendor, whenever possible. Such information will include written explanation of reasons for letting such work and the approximate starting and completion dates of the contract.

Exhibit B - Letters of Understanding

With respect to the second topic mentioned above, the Company commits in the future to hire only those Journeymen who have completed a four year apprentice program or have had eight years experience, which may include formal training.

In addition, the Company agrees to maintain a minimum of fifteen (15) apprentices in the Skilled Trades Apprenticeship program for the term of this agreement. The Company will not hire additional journeymen during the life of the agreement. However, the Company does retain the right to modify this commitment if there is a significant change in the business climate for Newton Laundry Products.

Jim Cook
Director Human Resources

LETTER OF UNDERSTANDING NO. 25

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

During 1992 negotiations and 1993 contract modification discussions, the parties discussed the potential benefits of voluntary increased involvement of employees in matters affecting their work. Employee involvement, we agreed, holds promise for aiding and expanding efforts of the Company and the Union to improve employee safety and working conditions, as well as quality and production efficiency, improvements which will contribute towards increasing our products competitiveness in the market place.

Exhibit B - Letters of Understanding

The parties agreed that implementation of employee involvement would benefit all by striving to achieve the following goals:

- Provide new and better ways for production and maintenance employees, supervision and management staff to work closer together for improved safety, quality and production efficiencies.
- Provide an improved atmosphere which promotes dignity and pride in workmanship and quality.
- Encourage participation of all Maytag, Newton Laundry Products people to express their ideas to identify and solve problems of mutual interest and thus have more input in decisions that are made.
- Enhance job security for all Maytag, Newton Laundry Products employees as a result of improved quality and productivity.

Because both parties recognize that our job security and standard of living depends on our ability to provide maximum customer value, all employees may be involved and included in managing the processes within their areas of responsibility.

It is agreed that teams may be formed, trained, and utilized throughout the facility, as needed, in order to continuously improve the Company's processes (the way we do things). Any employees involved in training, meetings, or similar activities will be compensated using Code 89.

These teams will be empowered to focus on the elimination of waste which would include, but not be limited to, the following items:

- | | |
|---------------------------|-----------------------------|
| Safety & Housekeeping | Scheduling (Prod. & Shifts) |
| Scrap | Materials |
| Time (Labor Efficiencies) | Unacceptable Quality |
| Energy | Excessive Inventories |

Exhibit B - Letters of Understanding

The Company and the Union recognize that the objective of continuous improvement is to provide customer value by improving the quality of processes and increasing labor efficiency. The ultimate goal is to increase the demand for products by increasing customer value. While the Company must continue to make adjustments to the work force for labor efficiencies resulting from technological changes, economic conditions, and competitive make or buy decisions which have a critical impact on our ability to compete, as well as, for other reasons as we have in the past, the Company nevertheless recognizes that employee involvement activities can also result in improved labor efficiency. Therefore, the Company agrees that any labor efficiency gained as a direct result of employee involvement team activity will be absorbed through normal attrition (quits, deaths, discharge, etc.) In addition, the Company will discuss the impact of Make vs Buy decisions upon the work force prior to implementing a change.

When such employee involvement activities result in labor efficiencies, the most junior employees following a plantwide downgrade will be placed in a labor pool and will be utilized to fill in for a multitude of labor needs (i.e., vacation, leaves, etc.). For example; assume the labor pool is ten (10) and production increases such that fifty (50) additional people are required, forty (40) will be hired and the pool of ten (10) utilized to meet the total of fifty (50). If production decreases, and there is a need to reduce the work force by fifty (50), forty (40) people will be laid off and the pool will be reestablished at ten (10). Attrition and/or labor efficiencies gained from employee involvement activities will result in additions to, or subtractions from the pool. Also, employees could be utilized to fill in for more senior employees being trained. This pool of people could also be trained in various standard type training (i.e., DDL, Training Maps). Payment for employees while in pool will be paid labor grade 1 hourly rate or the applicable rate of the work the person may be performing.

A team will be established to evaluate concerns which may arise through Employee Involvement activities. This team will consist of a Business Unit Representative, Union Area Representative and the respective Chief of Assembly/Support Representative.

Exhibit B - Letters of Understanding

Those concerns not being resolved at the business unit level may be discussed with the Central Grievance Committee and Human Resources/Manufacturing Representatives for possible resolution.

The parties through mutual agreement may revise the concepts of the Employee Involvement Programs when deemed necessary.

Jim Cook
Director Human Resources

Concur:

Dennis C. Walker, 7-5-04
UAW International

Pat Teed, 7-5-04
President, UAW Local 997
Representative

LETTER OF UNDERSTANDING NO. 26

July 5, 2004

Mr. Pat Teed
President, UAW Local 997
P. O. Box 278
Newton, Iowa 50208

Dear Pat:

During the 2004 contract negotiations, the parties discussed the need to possibly include production and maintenance operations in alternative work schedules. The parties recognize that alternative work schedules may result in modifications in the traditional compensation for overtime payment. Examples of such modifications include payments for overtime based on working in excess of 10-12 hours in a day, straight time pay for work on Saturday and/or Sunday when such days are one of their scheduled days of work, etc.

Exhibit B - Letters of Understanding

Alternative schedules would include four (4) day work weeks, and/or continuous seven (7) day operation.

It was agreed that the Company and the Union must mutually agree prior to implementation of alternative work schedules on production operations as well as production support operation including indirect labor and maintenance/tool room. The Company and the Union will provide employees advance notification and the need for change prior to implementing alternative work schedules.

The parties also discussed the conditions in which the annual two week summer vacation shutdown may be suspended in whole or in part by mutual agreement of the parties. The parties agreed that the Company could reduce the annual two week summer vacation shutdown to a one week shutdown in the second and future years of the contract if the Company presented a vacation staffing plan acceptable to the Union for the specific year in question. Both parties committed that they would work together to develop such a plan. It was also agreed that in the event that only a one week shutdown was scheduled, it would be scheduled in conjunction with the Fourth of July holiday. The parties also agreed that other vacation scheduling plans may be considered and implemented only with mutual agreement of the parties.

Jim Cook
Director Human Resources

Exhibit C - Wage Structure

WAGE STRUCTURE EFFECTIVE JULY 5, 2004

WAGE GROUP RATE STRUCTURES

Wage Group	Incentive Base	Daywork Rate
1	\$10.135	\$11.55
2	10.275	11.71
3	10.405	11.88
4	10.585	12.08
5	10.695	12.23
6	10.885	12.41
7	11.005	12.67
8	11.200	13.05

LONG STEP RATE STRUCTURE*

Wage Group	Start	2 Mo.	4 Mo.	6 Mo.	8 Mo.	10 Mo.	12 Mo.
7	\$12.37	\$12.42	\$12.47	\$12.52	\$12.57	\$12.62	\$12.67
8	12.75	12.80	12.85	12.90	12.95	13.00	13.05
9	13.09	13.14	13.19	13.24	13.29	13.34	13.39
10	13.45	13.50	13.55	13.60	13.65	13.70	13.75

NEW EMPLOYEE RATE

- 0 - 6 months
70% of incentive base or hourly rate including COLA.
- 7 - 12 months
75% of incentive base or hourly rate including COLA.
- 13 - 18 months
80% of incentive base or hourly rate including COLA.
- 19 - 24 months
85% of incentive base or hourly rate including COLA.
- 25 - 30 months
90% of incentive base or hourly rate including COLA.
- 31 - 36 months
95% of incentive base or hourly rate including COLA.
- 37 months and up
100% of incentive base or hourly rate including COLA.

Exhibit C - Wage Structure

SKILLED TRADES JOB RATES

11	16.57
12	16.78
13	17.01

SKILLED TRADES APPRENTICE
RATE STRUCTURE

	1st	2nd	3rd	4th	5th	6th	7th	8th
Wage	1000	1000	1000	1000	1000	1000	1000	1000
Group Hrs.	Hrs.	Hrs.	Hrs.	Hrs.	Hrs.	Hrs.	Hrs.	Hrs.
11	13.91	14.19	14.53	14.83	15.16	15.51	15.85	16.20
12	13.91	14.21	14.57	14.93	15.25	15.64	16.00	16.38
13	13.91	14.23	14.60	15.00	15.37	15.75	16.16	16.57

WAGE STRUCTURE
EFFECTIVE JULY 5, 2005

WAGE GROUP RATE STRUCTURES

Wage Group	Incentive Base	Daywork Rate
1	\$10.135	\$11.55
2	10.275	11.71
3	10.405	11.88
4	10.585	12.08
5	10.695	12.23
6	10.885	12.41
7	11.005	12.67
8	11.200	13.05

LONG STEP RATE STRUCTURE*

Wage Group	Start	2 Mo.	4 Mo.	6 Mo.	8 Mo.	10 Mo.	12 Mo.
7	\$12.37	\$12.42	\$12.47	\$12.52	\$12.57	\$12.62	\$12.67
8	12.75	12.80	12.85	12.90	12.95	13.00	13.05
9	13.09	13.14	13.19	13.24	13.29	13.34	13.39
10	13.45	13.50	13.55	13.60	13.65	13.70	13.75

Exhibit C - Wage Structure

NEW EMPLOYEE RATE

0 - 6 months	70% of incentive base or hourly rate including COLA.
7 - 12 months	75% of incentive base or hourly rate including COLA.
13 - 18 months	80% of incentive base or hourly rate including COLA.
19 - 24 months	85% of incentive base or hourly rate including COLA.
25 - 30 months	90% of incentive base or hourly rate including COLA.
31 - 36 months	95% of incentive base or hourly rate including COLA.
37 months and up months	100% of incentive base or hourly rate including COLA.

SKILLED TRADES JOB RATES

11	16.57
12	16.78
13	17.01

SKILLED TRADES APPRENTICE
RATE STRUCTURE

	1st	2nd	3rd	4th	5th	6th	7th	8th
Wage	1000	1000	1000	1000	1000	1000	1000	1000
Group Hrs.	Hrs.	Hrs.	Hrs.	Hrs.	Hrs.	Hrs.	Hrs.	Hrs.
11	13.91	14.19	14.53	14.83	15.16	15.51	15.85	16.20
12	13.91	14.21	14.57	14.93	15.25	15.64	16.00	16.38
13	13.91	14.23	14.60	15.00	15.37	15.75	16.16	16.57

Exhibit C - Wage Structure

**WAGE STRUCTURE
EFFECTIVE JULY 5, 2006**

WAGE GROUP RATE STRUCTURES		
Wage Group	Incentive Base	Daywork Rate
1	\$10.135	\$11.55
2	10.275	11.71
3	10.405	11.88
4	10.585	12.08
5	10.695	12.23
6	11.885	12.41
7	11.005	12.67
8	11.200	13.05

LONG STEP RATE STRUCTURE*

Wage Group	Start	2 Mo.	4 Mo.	6 Mo.	8 Mo.	10 Mo.	12 Mo.
7	\$12.37	\$12.42	\$12.47	\$12.52	\$12.57	\$12.62	\$12.67
8	12.75	12.80	12.85	12.90	12.95	13.00	13.05
9	13.09	13.14	13.19	13.24	13.29	13.34	13.39
10	13.45	13.50	13.55	13.60	13.65	13.70	13.75

NEW EMPLOYEE RATE

0 - 6 months	70% of incentive base or hourly rate including COLA.
7 - 12 months	75% of incentive base or hourly rate including COLA.
13 - 18 months	80% of incentive base or hourly rate including COLA.
19 - 24 months	85% of incentive base or hourly rate including COLA.
25 - 30 months	90% of incentive base or hourly rate including COLA.
31 - 36 months	95% of incentive base or hourly rate including COLA.
37 months and up	100% of incentive base or hourly rate including COLA.

Exhibit C - Wage Structure
SKILLED TRADES JOB RATES

11	16.57
12	16.78
13	17.01

**SKILLED TRADES APPRENTICE
RATE STRUCTURE**

	1st	2nd	3rd	4th	5th	6th	7th	8th
Wage Group	1000 Hrs.	1000 Hrs.	1000 Hrs.	1000 Hrs.	1000 Hrs.	1000 Hrs.	1000 Hrs.	1000 Hrs.
11	13.91	14.91	14.53	14.83	15.16	15.51	15.85	15.60
12	13.91	14.21	14.57	14.93	15.25	15.64	16.00	16.38
13	13.91	14.23	14.60	15.00	15.37	15.75	16.16	16.57

**WAGE STRUCTURE
EFFECTIVE JULY 5, 2007**

WAGE GROUP RATE STRUCTURES

Wage Group	Incentive Base	Daywork Rate
1	\$10.388	\$11.84
2	10.532	12.00
3	10.665	12.18
4	10.850	12.38
5	10.962	12.54
6	11.157	12.72
7	11.280	12.99
8	11.480	13.38

LONG STEP RATE STRUCTURE*

Wage Group	Start	2 Mo.	4 Mo.	6 Mo.	8 Mo.	10 Mo.	12 Mo.
7	\$12.68	\$12.73	\$12.78	\$12.83	\$12.88	\$12.94	\$12.99
8	13.07	13.12	13.17	13.22	13.27	13.33	13.38
9	13.42	13.47	13.52	13.57	13.62	13.67	13.72
10	13.79	13.84	13.89	13.94	13.99	14.04	14.09

Exhibit C - Wage Structure

NEW EMPLOYEE RATE

0 - 6 months	70% of incentive base or hourly rate including COLA.
7 - 12 months	75% of incentive base or hourly rate including COLA.
13 - 18 months	80% of incentive base or hourly rate including COLA.
19 - 24 months	85% of incentive base or hourly rate including COLA.
25 - 30 months	90% of incentive base or hourly rate including COLA.
31 - 36 months	95% of incentive base or hourly rate including COLA.
37 months and up	100% of incentive base or hourly rate including COLA.

SKILLED TRADES JOB RATES

11	16.98
12	17.20
13	17.44

SKILLED TRADES APPRENTICE RATE STRUCTURE

	1st	2nd	3rd	4th	5th	6th	7th	8th
Wage	1000	1000	1000	1000	1000	1000	1000	1000
Group Hrs.	Hrs.	Hrs.	Hrs.	Hrs.	Hrs.	Hrs.	Hrs.	Hrs.
11	14.26	14.54	14.89	15.20	15.54	15.90	16.25	16.61
12	14.26	14.57	14.93	15.30	15.63	16.03	16.40	16.79
13	14.26	14.59	14.97	15.38	15.75	16.14	16.56	16.98

Exhibit C - Wage Structure

SPECIAL DEVELOPMENTAL OR INSTRUCTION RATE

Wage Group	July 5, 2004	July 5, 2005	June 5, 2006	June 5, 2007
1	\$11.63	\$11.63	\$11.63	\$12.19
2	11.80	11.80	11.80	12.36
3	11.97	11.97	11.97	12.54
4	12.17	12.17	12.17	12.74
5	12.32	12.32	12.32	12.89
6	12.49	12.49	12.49	13.07
7	12.76	12.76	12.76	13.35
8	13.14	13.14	13.14	13.74
9	13.47	13.47	13.47	14.07
10	13.83	13.83	13.83	14.44

*An Employee must work at least 50% of his scheduled work days during a two month step rate period in order to qualify for the next step rate adjustment. Where an employee has worked less than 50% of his scheduled work days during a two month step rate period he shall qualify for the next scheduled step rate adjustment upon completion of the remaining workdays required.

A Leadworker will receive a premium of ten cents (10¢) an hour in addition to the applicable rate of the job classification in which the leadworker is classified.

Group Leader rates include a premium (for the leadership function) of forty cents (40¢) an hour, in addition to the applicable rate as determined by job evaluation.

The Safety Coordinators and ISO Coordinator shall be paid labor grade 9, using Special Developmental or Instruction Rate table.

The Chief of Assembly/Support Representatives, Area Representative and Rate Representative shall be paid \$15.15 per hour effective July 5, 2004, plus applicable Cost-of-Living Allowance.

Any Skilled Trades Representative will be paid applicable skilled trades rate plus current Cost-of-Living Allowance.

Exhibit D - Job Classification Schedule

Exhibit "D"

JOB CLASSIFICATION SCHEDULE

Department 1

Northeast Machining Center

Wage Group 2

- 1- 2- 1 Assembler II
- 1- 2- 6 Janitor

Wage Group 3

- 1- 3- 1 Miscellaneous Serviceworker - Machine
- 1- 3- 3 Miscellaneous Machine Operator III

Wage Group 4

- 1- 4- 1 Miscellaneous Machine Operator IV

Wage Group 5

- 1- 5- 2 Miscellaneous Machine Operator V

Wage Group 6

- 1- 6- 1 Gilman Assembly Line Attendant
- 1- 6- 3 Grinder & Bar Machine Operator -
- 1- 6- 8 Repairer - Sales Repair Coordinator
- 1- 6- 9 Receiver / Steel Hauler

Wage Group 7

- 1- 7- 2 Miscellaneous Machine Operator VII
- 1- 7- 3 Screw Machine Operator VII

Wage Group 8

- 1- 8- 1 Rockford Machining Line Attendant
- 1- 8- 2 Utility Machine Operator

Wage Group 10

- *1- 10- 1
- General Machining Specialist

*Step Rate Classification

Exhibit D - Job Classification Schedule

Department 11

Inspection

Wage Group 8

- *11- 8- 2 Process Specialist NEMC

Wage Group 10

- *11- 10- 2 Layout Inspector / Gage Certification Specialist

*Step Rate Classification

Department 64

NEMC - Maintenance

Wage Group 2

- 64- 2- 1 Labor Cleanup

Wage Group 5

- 64- 5- 3 Building & Grounds Keeper

Wage Group 7

- *64-7-1 Equipment Lubricator

Wage Group 9

- *64- 9- 2 Inspector Die Cast Tooling
- *64-9-4 Inspector Gauges - Tooling

Wage Group 12

- 64- 12- 1 Auto Mechanic
- 64-12-2 Machine Repairer - Maintenance
- 64-12-5 Machine Repairer - Apprentice
- 64-12-9 Electrician
- 64-12-11 Pipefitter
- 64-12-12 Electrician Apprentice
- 64-12-14 Pipefitter Apprentice

Exhibit D - Job Classification Schedule

Wage Group 13

64-13-1 Tool & Die Maker
64-13-2 Tool & Die Maker Apprentice

***Step Rate Classification**

**Department 67
Power Plant**

Wage Group 10

*67- 10- 1 Steam Plant Operator

***Step Rate Classification**

**Department 79
Galaxy Assembly**

Wage Group 1

79- 1- 1 Janitor - Galaxy Assembly

Wage Group 2

79- 2- 1 Product Support Operator
79- 2- 2 Assembler - Neptune Lean Line
79- 2- 8 Assembler - Stack Dryer
79- 2- 11 Assembler II Bench

Wage Group 3

79- 3- 1 Changeover/Support Operator
79- 3- 4 Top Cover Unloader/Inspector
79- 3- 6 Tug Operator / Outer Tub

Wage Group 4

79- 4- 1 Quality Update Operator
79- 4- 2 Sales Support Operator

Exhibit D - Job Classification Schedule

79- 4- 3 Stockman Coordinator
79- 4- 4 Stockhandler / Repairer
79- 4- 5 Parts Rack / Delivery
79- 4- 13 Power Truck Operator

Wage Group 5

79- 5- 1 Functional Test/Quality Update Operator
79- 5- 2 Utility Support Operator
79- 5- 3 Salvage Attendant
79- 5- 4 Assembler Crating Line Attendant
79- 5- 5 Assembler - Tug Utility
79- 5- 6 Stockhandler / Package Machine Attendant
79- 5- 7 Tug Operator / Line Side Supply
79- 5- 8 Tug Operator / Power Truck Operator
79- 5- 10 Galaxy Line Quality Coordinator

Wage Group 8

*79- 8- 1 Repairman/Group Coordinator
*79- 8- 4 24 Hr Test Room Coordinator - Galaxy Assembly

*** Step Rate Classification**

**Department 80
Plastics**

Wage Group 3

80- 3- 1 Plastics Machine Molding Operator

Wage Group 4

80- 4- 1 Service Operator
80- 4- 2 Utility
80- 4- 3 Plastics Machine Molding Operator

Exhibit D - Job Classification Schedule

Wage Group 10

- * 80- 10- 1
Group Coordinator Job Setter

*** Step Rate Classification**

Department 81

Receiving, Stores and Dispatching

Wage Group 1

- 81- 1- 1 Janitor

Wage Group 2

- 81- 2- 1 Laborer

Wage Group 3

- 81- 3- 1 Service Worker - Receiving and Stores Area
- 81- 3- 3 Grounds Worker

Wage Group 4

- 81- 4- 13 Power Truck Operator

Wage Group 5

- 81- 5- 1 Storekeeper Parts Controller
- 81- 5- 2 Truck Driver - Receiving & Stores
- 81- 5- 3 Receiver - Power Trucker
- 81- 5- 4 Utility Worker - Parts and Materials
- 81- 5- 5 Utility Supplier - Parts and Materials
- 81- 5- 6 Lineside Supply Parts Controller

Wage Group 6

- 81- 6- 1 Receiver, Dispatcher - M.D.C. Building
- 81- 6- 2 High Rise PTO/Receiver/Auditor

Exhibit D - Job Classification Schedule

Wage Group 7

- * 81- 7- 1 Tractor Trailer Driver
- * 81- 7- 2 Utility Worker - Receiving & Stores
- * 81- 7- 5 Inventory Cycle Counter

Wage Group 8

- * 81- 8- 1 Lineside Supply Parts Controller

*** Step Rate Classification**

Department 82

Sheet Metal

Wage Group 2

- 82- 2- 3 Sander Operator II
- 82- 2- 9 Laborer
- 82- 2- 11 Loader and Unloader - Conveyor

Wage Group 3

- 82- 3- 5 Leg Welder & Finisher
- 82- 3- 6 Metal Finisher III
- 82- 3- 7 Cleanup Worker - Trucker
- 82- 3- 10 Press Operator III
- 82- 3- 16 Machine Welder Operator III
- 82- 3- 18 Welder Operator III Spot Gun
- 82- 3- 19 Metal Finisher - Galaxy Spinner
- 82- 3- 21 Press Operator - Misc. Small Parts
- 82- 3- 22 Machine Welder Operator III
- 82- 3- 23 Conveyor Loader - Washer Cabinet

Wage Group 4

- 82- 4- 3 Metal Finisher IV
- **82- 4- 6 Loader and Unloader - Dri-Coat
- 82- 4- 10 Dri-Coat Service Worker / Power Scrubber Operator

Exhibit D - Job Classification Schedule

- 82- 4- 13 Power Truck Operator - Sheet Metal
82- 4- 16 Welder / Metal Finisher

Wage Group 5

- 82- 5- 2 Outer Tub Line Attendant
82- 5- 4 Automatic Shear Operator
82- 5- 5 Metal Scrap Handler
82- 5- 6 Misc. Machine Operator Galaxy Spinner
82- 5- 7 Tumbler Line Attendant
82- 5- 9 Galaxy Base Frame Line Attendant
82- 5- 11 Checker/Handler G Cabinet Line
82- 5- 12 Cleanup Worker - Supply Crib Attendant

Wage Group 6

- 82- 6- 2 Salvager - Sheet Metal
82- 6- 5 Material Processor - Transmat
82- 6- 7 Misc. Machine Operator - Large Press
82- 6- 8 Misc. Machine Operator - Transmat
82- 6- 9 Automatic Cabinet Line Attendant

Wage Group 7

- 82- 7- 3 Misc. Machine Operator - VIII
82- 7- 4 Misc. Machine Operator - Auto Press Line
82- 7- 5 Automatic Press Operator
82- 7- 6 Galaxy Cabinet Line Attendant

Wage Group 8

- 82- 8- 1 Receiver, Crane Operator
82- 8- 2 Transmat Press Operator
82- 8- 3 Slitter Set Up and Operator
* 82- 8- 4 Group Leader

Wage Group 10

- * 82- 10- 1 Job Setter - Sheet Metal Equipment

**** First Degree Experience Factor**

*** Step Rate Classification**

Exhibit D - Job Classification Schedule

Department 85

Automatic Washer Assembly

Wage Group 1

- 85- 1- 1 Assembler I
85- 1- 2 Janitor

Wage Group 2

- 85- 2- 1 Assembler II West Line
85- 2- 3 Assembler II Bench
85- 2- 7 Laborer Shop
85- 2- 9 Inspector II

Wage Group 3

- 85- 3- 4 Assembler III West Line
85- 3- 4 Stock Handler
85- 3- 8 Checker, Assembler

Wage Group 4

- 85- 4- 8 Coordinator Commercial Build
85- 4- 9 Inspector Assembly and Finish
85- 4- 13 Power Truck Operator

Wage Group 5

- 85- 5- 5 Tester - Appliances
85- 5- 6 Utility Inspector Finish & Assembly
85- 5- 7 Assembler / Tug Utility
85- 5- 8 Repairer Functional Washer
85- 5- 9 Assembler / Service Repair Parts
85- 5- 10 Tug Operator

Wage Group 7

- * 85- 7- 3 Group Leader - Assembly
* 85- 7- 4 24 Hr Test Room Coordinator

Wage Group 8

- * 85- 8- 1 Group Coordinator
* 85- 8- 3 Group Coordinator - Inspection

***Step Rate Classification**

Exhibit D - Job Classification Schedule**Department 86****Porcelain****Wage Group 2**

- 86- 2- 2 Brusher - Masker
- 86- 2- 4 Cleanup Worker - Porcelain Equipment
- 86- 2- 6 Laborer-Shop
- 86- 2- 7 Assembler Atlantis Lid / Top Cover
- 86- 2- 8 Loader and Unloader - Conveyor

Wage Group 3

- 86- 3- 5 Service Worker - Process Equipment
- 86- 3- 6 Checker - Sheet Metal Parts
- 86- 3- 7 Filler - Concrete Ring
- 86- 3- 9 Assembler and Packager - Repair Parts
- 86- 3- 11 Utility III Operator

Wage Group 4

- 86- 4- 1 Sprayer IV - Enamel
- 86- 4- 2 Sprayer IV - Machine Operator
- 86- 4- 3 Repairer Porcelain Parts
- 86- 4- 5 Stencil Maintainer / Laborer

Wage Group 5

- 86- 5- 1 Sprayer V - Enamel
- 86- 5- 2 Sprayer V Machine Operator
- 86- 5- 3 Checker - Finish Enamel Parts
- 86- 5- 6 Checker - Lid Stencil Operator
- 86- 5- 7 Utility V - Operator

Wage Group 7

- * 86- 7- 1 Coordinator / Cement Mixer Operator
- * 86- 7- 2 Service Worker - Enamel Process Equipment
- * 86- 7- 3 Mill Operator - Enamel
- * 86- 7- 6 Sales Repair Coordinator

Exhibit D - Job Classification Schedule**Wage Group 8**

- * 86- 8- 1 Group Leader - Mill Room
- * 86- 8- 2 Flow Coat / Mill Room Operator

Wage Group 10

- * 86- 10- 1 Porcelain Enamel Process Tender

**** First Degree-Experience Factor***** Step Rate Classification****Department 87****Paint****Wage Group 2**

- 87- 2- 1 Unloader / Staker
- 87- 2- 2 Pierce Machine Operator
- 87- 2- 4 Material Handler
- 87- 2- 5 Loader and Unloader - Conveyor
- 87- 2- 12 Tack Rag and Blow Off Attendant

Wage Group 3

- 87- 3- 1 Relief Worker - Loading and Sanding
- 87- 3- 2 Power Truck Operator
- 87- 3- 3 Welder
- 87- 3- 4 Paint Tug Operator
- 87- 3- 6 Conveyor Arranger
- 87- 3- 10 Utility Operator - Paint Equipment

Wage Group 4

- 87- 4- 1 Assembler & Pack - Repair Parts
- 87- 4- 2 Repairer - Sheet Metal Defects
- 87- 4- 3 Finish Checker - Unloader - Top Coat Parts

Exhibit D - Job Classification Schedule

87- 4- 4 Coordinator - Finished Parts Staging Area
87- 4- 5 Repairer / Welder - Parts Hangers
87- 4- 6 Checker - Loader
87- 4- 7 Powder Coat System - Service Worker
87- 4- 8 Utility IV - Paint
87- 4- 9 Conveyor Loader
87- 4- 10 Coordinator Venus & Comm. Parts

Wage Group 7

* 87- 7- 5 Powdercoat Systems Tender
* 87- 7- 6 Sales Repair Coordinator

Wage Group 8

* 87- 8- 2 Electrostatic Painting Machine Tender

Wage Group 9

* 87- 9- 2 Paint Mixer

Wage Group 10

* 87- 10- 1 Group Coordinator

* Step Rate Classification

Department 88

Dryer Assembly

Wage Group 1

88- 1- 2 Janitor

Wage Group 2

88- 2- 1 Assembler II Bench
88- 2- 2 Assembler II Dryer Line

Exhibit D - Job Classification Schedule

Wage Group 3

88- 3- 1 Stock Handler
88- 3- 4 Unloader, Checker - Top Cover
88- 3- 22 Machine Welder Operator III

Wage Group 4

88- 4- 4 Inspector IV Dryer Assembly
88- 4- 7 Utility Assembler
88- 4- 9 Unloader, Checker - Washer / Dryer Line
88- 4- 10 Assembler / Service Repair Parts
88- 4- 13 Power Truck Operator

Wage Group 5

88- 5- 2 Functional Test - Dryer Lean Line
88- 5- 5 Repairer Functional Dryer
88- 5- 7 Utility Inspector / Finish and Assembly
88- 5- 8 Tug Operator
88- 5- 10 Storekeeper / Power Truck Operator

Wage Group 7

* 88- 7- 1 Coordinator
* 88- 7- 2 Sales Repair Coordinator
* 88- 7- 4 24 Hour Test Room Coordinator

Wage Group 8

* 88- 8- 1 Group Leader - Assembly Repair

* Step Rate Classification

Exhibit D - Job Classification Schedule

Department 90

Product Warehousing and Shipping

Wage Group 3

- 90- 3- 1 Power Truck Operator - Misc. Appliances
- 90- 3- 5 Power Truck Operator - Appliances

Wage Group 5

- 90- 5- 2 Appliance Loader and Trucker

Wage Group 7

- * 90- 7- 1 Group Leader - Appliance Shipping

*** Step Rate Classification**

Department 91

Quality Control

Wage Group 6

- 91- 6- 1 Inspector Purchased Parts

Wage Group 8

- * 91- 8- 1 Communication / Recognition Program Coordinator
- * 91- 8- 4 Process Specialist
- * 91- 8- 6 Group Coordinator Purchased Part Returns
- * 91- 8- 10 Process Specialist - Finishing

Wage Group 9

- * 91- 9- 1 Inspector Gage Calibration
- * 91- 9- 2 Process Specialist - Metallurgical
- * 91- 9- 3 Process Specialist - Documentation
- * 91- 9- 4 Rapid Response Specialist

Exhibit D - Job Classification Schedule

Wage Group 10

- * 91- 10- 1 Layout Inspector
- * 91- 10- 3 Training Coordinator
- * 91- 10- 4 Group Leader Receiving Inspection

Wage Group 11

- * 91- 11- 1 Layout Inspector / Programmer

*** Step Rate Classification**

Department 92

Maintenance

Wage Group 3

- 92- 3- 1 Laborer - Cleanup

Wage Group 5

- 92- 5- 2 Building and Grounds

Wage Group 7

- * 92- 7- 1 Equipment Lubricator
- * 92- 7- 3 Receiver, Classifier - Maintenance Materials

Wage Group 12

- 92- 12- 1 Automotive Mechanic
- 92- 12- 2 Electrician
- 92- 12- 3 Machine Repair - Maintenance
- 92- 12- 5 Pipefitter
- 92- 12- 6 Electrician Apprentice
- 92- 12- 7 Pipefitter Apprentice
- 92- 12- 8 Machine Repair - Apprentice
- 92- 12- 9 Automotive Mechanic Apprentice
- 92- 12- 10 Machinist - Apprentice

Exhibit D - Job Classification Schedule

92- 12- 11 Carpenter
92- 12- 12 Carpenter Apprentice
92- 12- 13 Sheet Metal Apprentice
92- 12- 14 Sheet Metal Work

*** Step Rate Classification**

Department 93

Toolroom

Wage Group 3

93- 3- 1 Shop Attendant - Clean-up

Wage Group 7

* 93- 7- 1 Receiver, Classifier Maintenance
Materials

Wage Group 9

* 93- 9- 2 Inspector Fixtures and Gages
* 93- 9- 3 Repairer - Pneumatic Mechanism

Wage Group 12

93- 12- 1 Tool Hardener
93- 12- 2 Tool Hardener Apprentice

Wage Group 13

93- 13- 1 Tool and Die Maker
93- 13- 2 Tool and Die Maker Apprentice

*** Step Rate Classification**

Exhibit D - Job Classification Schedule

Department 95

Atlantis

Wage Group 2

95- 2- 1 Product / Support Operator
95- 2- 7 Stainless Steel Spinner Fabrication
Operator

Wage Group 3

95- 3- 1 Stainless Steel Spinner Fabrication
Operator
95- 3- 2 Cabinet Line Coordinator
95- 3- 10 Waterspider

Wage Group 4

95- 4- 13 Power Truck Operator

Wage Group 5

95- 5- 1 Packaging Line Attendant / WS
95- 5- 2 Salvage Crib Attendant
95- 5- 4 Stainless Steel Spinner / Misc. Machine Oper.
95- 5- 6 Functional Test Operator
95- 5- 7 Tug Operator
95- 5- 8 Utility Assembler / PTO
95- 5- 9 Utility Assembler

Wage Group 7

95- 7- 1 Attendant Line Coordinator (Pre-Paint)
95- 7- 2 Cabinet Line Utility / SS Spinner

Wage Group 10

* 95- 10- 1 Mold Setter

*** Step Rate Classification**

Exhibit D - Job Classification Schedule

Department 99

Continuous Improvement

Wage Group 7

99- 7- 1 Lean Sigma & ISO Utility

Wage Group 10

*** 99- 10- 2 Lean Sigma Coordinator**

*** Step Rate Classification**