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**UNION SHOP
CONTRACT**

Between

**ANCHOR GLASS CONTAINER
CORPORATION**

**Production & Maintenance
Department**

And the

**GLASS, MOLDERS, POTTERY,
PLASTICS & ALLIED WORKERS
INTERNATIONAL UNION
AFL-CIO,CLC**

Ft. Lauderdale, Florida

**EFFECTIVE – April 1, 2005
EXPIRES – March 31, 2008**

Dedication Page

“We, the conferees of the 2005 Anchor Glass Wage Conference, wish to recognize Executive Officer Billy Webb for his extraordinary drive, spirit and dedication to both us and our International Union. His influence and insightfulness to bridge the gap between Union and Management will be greatly missed.”

“We would also like to take this opportunity to express our gratitude to former Vice Presidents Jim Rodgers and Ralph (the Ice man) Sidebottom for their contribution to previous Wage Conferences.”

“Our sincere best wishes to all of them on their retirement. Their dedication to the Union movement and solidarity will surely be missed.”

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PREAMBLE

This Contract entered into this 1st day of April, 2005, by and between Anchor Glass Container Corporation, herein called the Company, and the Glass, Molders, Pottery, Plastics & Allied Workers International Union, AFL-CIO, CLC, on behalf of itself as the International Union and as agent for and on behalf of its local unions covered by this contract, herein called the Union, is hereby approved and accepted by the Conference of the Union and the Company at their conference concluded this date, and is a Union Shop Contract through which the Company recognizes the Union as the sole collective bargaining agent for all employees referred to as being in the unit described in Article 1, Union Recognition and Jurisdiction, in accordance with existing Federal Statues.

Section 1. The intent and purpose of this Union Shop Contract is to maintain and further harmonious labor-management relations upon a constructive and sound foundation. This foundation has as its cornerstone full acceptance and recognition of the obligation and rights of both parties. This foundation embraces a true spirit of full cooperation with both parties working together so that full and prosperous employment can continue and from which will emanate a healthy and prosperous Company.

Any violation of the above shall be subject to the grievance procedure up to and including arbitration.

ARTICLE 1

Union Recognition and Jurisdiction

Section 1. The Company recognizes the Union as the sole collective bargaining agent for all hourly rated production and maintenance employees, including warehousemen, in the plants and warehouses listed at the end of this Contract except employees on jobs presently covered by the Anchor Glass Container Corporation, Automatic Machine Department Contract, contracts with other unions, salaried supervisor, employees excluded by law and by prior contract in effect with the Company. A schedule "A" will be included in all contract books showing job classifications, the labor grade, rates of pay and any other footnotes applicable to the plants. Where the pronoun he, his or him appears in this Contract, such word shall include both male and female employees unless the meaning is clearly and specifically to the contrary.

It is further agreed that any group of employees who are employed in any glass container manufacturing plant or operation related to glass container manufacturing or warehouse in any state or territory of the United States by the Company, covered by this Contract, which plant was not in existence or owned or controlled by the Company on April 1, 2005, and who comprise an appropriate bargaining unit and for whom the Union becomes the recognized or certified bargaining agent shall automatically be included and covered by this Contract and shall be made a party, hereto as of the date of such recognition or certification.

Section 2. It shall be a condition of employment that all employees covered by this Contract who are members of the Union in good standing on the effective date or the execution date of this Contract, whichever is later, shall remain members in good standing and those who are not members on such date shall on the thirtieth (30th) calendar day following the effective date or the execution date, whichever is later, shall on the thirtieth (30th) calendar date following the beginning of such employment, become and remain members in good standing in the Union. The foregoing shall be applied in accordance with the provisions of Section 8 (a) (3) of the Labor-Management Relations Act of 1947, as amended.

Section 3. In states where by law employees may not be required to become members of the Union as a condition of employment, then to the extent permitted by law, all such employees who do not become members of the Union after thirty (30) calendar days, the effective date or the execution date of this Contract, whichever is later, shall, as a condition of employment, pay to the Union each month an amount of money equal to that paid by other employees in the bargaining unit who are members of the Union, which amount shall be limited to an amount of money equal to the Union's regular and usual initiation fees and its regular and usual dues. For present employees who do not choose to become members of the Union, such payments shall commence thirty (30) calendar days following the effective date or the execution date of this Contract, whichever is later. The Union agrees to indemnify the Company against claims made against it as a result of the application of this Article.

Section 4. When an employee is hired or an employee is transferred from one plant to another plant within the Company, the Company will notify the Local Union in **writing, within** five (5) days after the employee has started to work.

ARTICLE 2

Duration and Changes

Section 1. This contract shall become effective April 1, 2005, and remain in full force and effect through March 31, 2008.

Section 2. If changes are desired by either party, notice shall be given to the other party sixty (60) days prior to the expiration date of this Agreement.

Section 3. The parties shall hold a conference at a mutually agreed upon time and place prior to the expiration of this contract.

Section 4. Local agreements that provide for monetary and/or non-monetary benefits in excess of those provided for in this contract shall continue and shall not be considered to be inconsistent with or in conflict with the provisions of this Contract provided they are reduced to writing no later than March 31, 2005, with a copy to the Company's Director of Labor Relations and a copy to the International President of the Union.

All local practices and procedures will remain in full force and effect during the term of this contract unless changed by mutual agreement between the Local Union and the Company.

Any future local agreements shall be put into writing and signed by the Local Union, International Union and the Company.

ARTICLE 3 Union Rights

Section 1. The Company agrees that subject to the provisions of this Contract, the Union shall at all times be free to exercise its rights to advance the best interest of and fully protect its members in the exercise of their full freedom to engage in activities on behalf of the Union and that no member of the Union shall be restrained or coerced or discriminated against in any manner, because of his membership in and for activities on behalf of the Union. There shall be no discrimination against any employee because of race, color, religion, sex, age, national origin, disability or veteran's status in the administration and application of the collective bargaining agreement between the Glass, Molders, Pottery, Plastics & Allied Workers International Union AFL-CIO, CLC and the Anchor Glass Container Corporation. Any disputes under this Article as with all other Articles of this Contract shall be subject to the Grievance Procedure beginning at Step 2.

Section 2. The Company and the Union both recognize the importance of a continuous operation and the prompt resolution of Labor-Management problems. With this thought in mind, the Business Committee and/or Shop Steward and/or officers during working hours shall be permitted to conduct legitimate business dealing with Union-Management matters, after first giving notification to management. Supervision shall promptly grant permission to leave their work for such purpose. When needed, physical relief will be provided for such Business Committee persons, Shop Steward or Officers. This right shall be exercised reasonably so that it will not interfere with the normal conduct of work. Local Unions shall submit a list of the names of officers, shop stewards and members of the Business Committee to the Company. The Company will be notified of changes in the list as they occur. This section will also apply to an employee who is not working at the plant and is in need of Union representation on a matter that cannot be handled while he is working at the plant.

No local Union Officer, Committee member, or Steward shall be intimidated or disciplined for the legitimate and reasonable exercise of his rights under this Article.

The Company will provide the Union with all information necessary to properly represent its membership.

Section 3. The accredited International Representative of the Union shall, after first advising plant management of such visit and its purpose, be granted the right to visit

the plants in matters pertaining to complaints and/or grievances arising out of questions concerning the application or interpretation of this Contract.

Section 4. The Company shall provide and maintain an appropriate number of glass enclosed bulletin boards in each plant for the exclusive use of the Union or its Local Union. Only items of Union business signed by an officer of the Union or its Local Union may be posted. When requested, each plant will provide mutually agreed upon private room and will supply a file cabinet and desk to be used by the Local Union's officers.

Section 5. When an employee is called to full-time duty by the Local Union, International Union, or AFL-CIO or elected to Public, State or Federal office, he shall be granted leave of absence. Leaves of absence to full-time duty for the Local Union, International Union or AFL-CIO will be granted up to five (5) years, and must be renewed each of these five (5) years with the Plant Manager. Leaves of absence for elected Public, State or Federal office will be granted only for the term of such office. Any extension of a leave of absence beyond the initial terms of office must be approved by mutual agreement between the Company and the Business Committee. Upon termination of the above leaves of absence the employee may return to work covered by this Contract, taking his position on the seniority list indicated by his years of service including time spent on such duties for which leave was granted.

Section 6. Local Plant Management and the Local Union Business Committee will on a monthly basis or will schedule meetings as necessary in order to discuss matters of mutual concern. When requested by the Local Union Business Committee, the Plant Manager will attend such meetings. Written agendas will be prepared and exchanged five (5) working days prior to such meeting. Discussions during the meeting however, will not necessarily be limited to items on the agenda. Minutes or response in writing will be provided as agreed to by the Local Management and Union Business Committee within five (5) working days following the meetings, however, the time limit may be extended by mutual agreement. This meeting will not serve to circumvent the grievance procedure.

Section 7. If any employee is called into a meeting of any nature, he will be afforded Union representation, upon request. If any meeting involves disciplinary action or it can be reasonably determined that the subject matter could lead to future disciplinary action, a Union representative will be present, prior to commencing or continuing with the meeting.

Section 8. An employee working full time for the Local Union shall accrue seniority for the purpose of promotion and layoff, and Company service for the purpose of vacations and pensions and shall be covered by all insurance benefit as outlined in the Company's Insurance Program. Insurance premiums and vacation pay will be borne by the Local Union during an employee's term of office. Service for pension purposes will be credited at the time the employee returns to work for the Company.

Section 9. Local Union Officers, Members of the Business Committee and other designated representatives shall be permitted time off from work for official Union business, outside the plant, after giving the Company forty-eight (48) hours notice. In emergency situations, the Company will release the employee(s) as soon as qualified replacements can be made available.

Section 10. It is agreed that during the orientation of new employees, the Local Union president or his designee, will be allowed to participate during such orientation, without the employer present, to review the benefits of Union membership. Also, new hires may sign Union Authorization cards at this meeting.

ARTICLE 4 Hiring, Curtailing, Quitting and Discharging

Section 1. The right of the Company to hire and to discipline/discharge employees for just cause is hereby acknowledged. Such discipline/discharge shall be in accordance with provisions of Section 4 and/or Section 5, of this Article. During periods of hiring, the Company will entertain recommendations for employment from the Local and International Union. The Company will not hire employees for the purpose of maintaining them in a lay-off status in anticipation of future job openings. It is understood, however that at peak seasons or during other periods of anticipated labor shortages the Company may find it necessary to train replacements in advance of job openings.

Section 2. Any employee under the jurisdiction of this Contract who desires to quit work with the Company shall give no less than five (5) working days notice to his foreman and shall continue working in accordance with his schedule during the notice period.

Section 3. If the Company desires to lay-off an employee under the jurisdiction of the Contract and the Company predetermines that the lay-off is for more than five (5) working days, it shall give no less than five (5) calendar days prior notice to each individual initially affected employee except in the case of disasters or other causes beyond the control of the Company. The five (5) days notice is not required for temporary lay-offs of five (5) days or less. Said notice of disaster will be given to the news media, radio and television.

Section 4. No employee shall be summarily discharged. The Union can institute formal grievance action at any point in the following procedure:

In all cases in which the Company concludes that an employee's conduct may justify discharge, the employee shall be suspended initially for up to three (3) of the employee's scheduled working days. The Local Union representative designated by the Local Union President shall be notified in writing prior to such suspension and such written notification will detail the reason(s) for the suspension, unless the alleged offense justifies immediate action.

During the suspension period, if requested, the Company will meet with the Union and review the facts of the case. At this time the Company and the Local Union may agree to the period of time necessary to give the employee an opportunity to explain his position, and the Union and the Company an opportunity to conduct a full investigation of the matter to make sure there is no hasty decision based on inadequate facts. Agreement to the Company's request for a moderate extension of the suspension period will not be unreasonably withheld. At the end of the suspension period, the Company shall, within twenty-four (24) hours, excluding weekends and holidays, notify the Local Union and the suspended employee, in writing, of its final decision and action and the Grievance Procedure can be initiated immediately at the second (2nd) step of the grievance procedure. This section shall not be used for any other purpose.

Section 5. In the event disciplinary action against an employee is necessary, a member of the Business Committee or Shop Steward must be present, along with the Company Representative issuing the discipline. The affected employee will also be afforded the opportunity to be present. However, in any event when the Company reduces such disciplinary action to writing, a copy of same shall be provided to the Union. Disciplinary action shall be effective within forty-eight (48) hours (excluding non-scheduled days) of the known infraction unless extended by mutual agreement between the Local Union and the Company. If such action results in a suspension, it shall start at the beginning of the employee's next scheduled work day (unless extended by mutual agreement) unless the alleged offense justifies immediate action.

In all cases, suspension shall be for consecutive working days. If such suspension falls on Sunday, it is to be considered one and one-half (1 1/2) days, or on a holiday, two (2) days. The Local Union will maintain a Shop Steward available to each shift and the names, addresses and telephone numbers of the members of the Business Committee and the Shop Stewards will be available to the Company on a current basis. The Company may delay the start of disciplinary suspension, if the first day of such suspension is Sunday, and/or interrupt the consecutive days of disciplinary suspension in cases where one and one-half (1 1/2) days calculation will create a part shift scheduling problem when the employee returns from suspension.

Section 6. Circumstances which could have a mitigating effect on discipline will be considered in assessing discipline.

ARTICLE 5

Check-Off

Section 1. The Company shall check-off initiation fees and union dues on presentation of check-off authority by the employees in accordance with the law. The Company will then deduct such dues at the times (weekly, biweekly or monthly) and in the amounts certified to the Company by the Secretary-Treasurer of the International Union and once each month and not later than by the fifteenth (15th) day of the month following the month for which deductions were made send to the International Union and to the Local Union their respective shares as certified by the Secretary-Treasurer of the

International Union, and will supply the International Secretary-Treasurer of the Union and the Financial Secretary of each Local Union, a list of all members with their social security numbers and addresses, who have had their dues deducted in the regular dues deduction period. The check-off list shall also be made available in an electronic format. The International Union and the Company will determine the proper format for such submissions. The payment of dues shall be by electronic transfer. Each local union covered by this agreement will have the option of receiving the check-off list and/or payment of dues in the same electronic format. If for any reason an employee's dues have not been deducted at the time of the regular dues deduction period, the Company will make such deduction at the next deduction period in which the employee has sufficient earnings. The International will indemnify the Company against all claims made against it by reason of compliance with this Article.

The Company will supply monthly a list of active employees who did not pay Union dues. In addition, the Company will supply monthly, a list of employees who are receiving Workman's Compensation, weekly accident and sickness benefits, laid off or who have retired.

Section 2. New employees may sign check-off authorization and application blanks upon receiving employment. After thirty (30) calendar days the Company shall then process each new employee in accordance with the first section of this Article. The International Union shall supply the Company with all necessary forms.

Section 3. The Company shall check off Political Action Committee (PAC) contributions on presentation of PAC check off authority signed by the employee.

The Company will make such PAC deductions weekly in the amount authorized by the employee on the PAC check off authorization form. The Company will then, once each month, send to the Secretary-Treasurer of the International Union and to the Financial Secretary of the Local Union their respective shares as designated on the employee's PAC check off authorization form. The Company will, at the time the monthly remittance is made, furnish to the International Union and the Local Union a list of the employees who have made contributions for the month and the amount of the contribution made. The International Union will indemnify the Company against all claims made against it by reason of compliance with this Article.

ARTICLE 6

Membership List

Section 1. Each employee shall be responsible for furnishing to the Human Resource office of the Company and to the Recording Secretary of the Local Union, his mailing address, social security number and a telephone number at which he can be reached, and shall likewise furnish changes in his mailing address and telephone number. Such mailing address and telephone number may be used by the Company in giving any notice to the employee, which may be required under any of the Articles of this Contract. The Company shall not later than the first day of each month furnish the Secretary-

Treasurer of the International Union and each Local Union involved with a current and corrected list of names and addresses of employees coming under the jurisdiction of this Contract. Such list shall also be made available in an electronic format. The International Union and the Company will determine the proper format for such electronic list. Each Local Union covered by this Agreement will have the option of receiving the list in the same electronic format.

Section 2. The Company shall furnish fifteen (15) copies of the corrected and current seniority list to the Local Union every three (3) months.

ARTICLE 7 Seniority

To be applied only at the following locations:
Elmira, NY
Lawrenceburg, IN
Streator, IL

Section 1. All bargaining unit job vacancies or new job openings shall be posted. This will exclude entry level jobs, which have not been previously bid. All postings shall remain on the bulletin boards for a period of not less than five (5) calendar days, with the exception of Saturdays, Sundays, holidays, or holiday shutdowns.

Temporary vacancies of thirty (30) days or more shall be posted.

Temporary vacancies resulting from illness or injury shall not be posted, unless they exceed six (6) months. The Company shall utilize the back-up system for the temporary period mentioned in this Section where such systems exist.

Section 2. Jobs shall be filled on the basis of plant seniority plus ability. In the case of promotion under the Job Bid Procedure, seniority plus ability shall not be interpreted to mean that the employee must have the immediate ability. Employees may bid down or laterally for health reasons or to a day job or for experience and training necessary for eventual advancement to a job paying a higher base hourly wage rate, or upon agreement between the Company and the Local Union. **In addition to the provisions above, and for any/all other reasons, lateral and downward bidding will be permitted once, for each employee, during the term of the contract.** A copy of all jobs that are posted shall be given to the Chairman of the Local Union Business Committee. The name and clock numbers of all employees who bid on the posting shall also be given in writing to the Chairman of the local Union Business Committee along with the names and the clock number of the employees who were awarded such jobs.

In the event the Company elects to combine or divide departments or job classifications within the jurisdiction of this contract, the Company will meet with the Local Union President and Vice-President at least twenty-one days in advance of

such move. During the meeting, the parties will attempt to resolve any anticipated problems/difficulties which either party anticipates.

Section 3. An employee who is awarded a **vacancy** (the successful bidder) shall be placed on the job within fifteen (15) days or receive the higher rate of pay. He shall be given a reasonable trial period in order to demonstrate his ability to perform the work required of the job.

If such employee cannot perform the work in a satisfactory manner, such employee shall be returned to his former job classification. Such employee who desires to return to his former job classification must so notify the Company no later than thirty (30) days following his placement on his new job.

Section 4. Any employee under the jurisdiction of this Contract transferred to a position under another Union Contract shall be permitted to return to an entry level job under this Contract without loss of seniority earned under this Contract.

Any employee under the jurisdiction of his Contract transferred to a supervisory position not under this Contract may return to a job under this Contract without loss of seniority already earned under this Contract. This employee under no circumstances will be allowed to displace a bargaining unit employee. Such employee shall apply for a withdrawal card within thirty (30) days after advancement.

Section 5. The first thirty (30) calendar days from the date of hire of a new employee shall be considered his probationary period and retention as an employee shall be entirely within the discretion of the Company. An additional thirty (30) calendar days probationary period will be granted when requested by the Company if the Local Union involved agrees to an extension. Any discharge during this probationary period is not a subject for grievance. Any such new employee severed by the Company before the conclusion of his probationary period shall, upon rehire, be credited with all the days worked in his prior probationary periods within one year to such rehire toward the completion of his probationary period.

Section 6. Applicable only to Elmira, NY and Lawrenceburg, IN plants:

In the reduction of the working forces, out of the Plant, the Company shall reduce in all cases by plant seniority.

If a reduction of the working forces will be three (3) days or less, the Company shall reduce the working forces by plant seniority on each shift. This will apply to all curtailments and reductions with the exception of color changes which will be defined as not exceeding five (5) days and unforeseen emergencies.

Recall from layoff and in-plant curtailment shall be in reverse order.

Section 6. Applicable only to Streator, IL plant:

In the reduction of the working forces, out of the plant, the Company shall reduce in all cases by plant seniority.

Section 7. Applicable only to the Elmira, NY plant:

In the reduction of the working forces in excess of three (3) days, employees shall be curtailed by department seniority. If an employee's seniority is not sufficient to permit him to remain in his department, he shall be reduced to the last job or jobs he previously held, for which he qualified. This reduction will be in reverse progression of advancement.

If his department seniority is not sufficient to retain any prior job, he shall then be able to exercise plant seniority to retain an entry level job. If his plant seniority is not sufficient, he shall be laid off.

Employees from the Automatic Machine Department unit laid off out of that unit may exercise any department seniority they had accumulated while working in the Production and Maintenance Department unit prior to transferring to the Automatic Machine Department unit. They may exercise any dormant department time in the same reverse order of progression as employees in the Production and Maintenance unit. If they do not have enough department or unit seniority to remain in any job they previously held, they will be permitted to use total combined Production and Maintenance Department and Automatic Machine Department plant seniority to retain an entry level job rather than be laid off.

Section 7. Applicable only to the Lawrenceburg, IN plant:

In the reduction of the working forces in excess of three (3) days, employees shall be curtailed by plant seniority. If an employee's seniority is not sufficient to permit him to remain in his department, he shall be reduced to the last job or jobs he previously held, for which he qualified. This reduction will be in reverse progression of advancement.

If his department seniority is not sufficient to retain any prior job, he shall then be able to exercise plant seniority to retain an entry level job. If his plant seniority is not sufficient, he shall be laid off.

Employees from the Automatic Machine Department unit laid off out of that unit may exercise any department seniority they had accumulated while working in the Production and Maintenance Department unit prior to transferring to the Automatic Machine Department unit. They may exercise any dormant department time in the same reverse order of progression as employees in the Production and Maintenance unit. If they do not have enough department or unit seniority to remain in any job they previously held, they will be permitted to use total combined Production and Maintenance

Department and Automatic Machine Department plant seniority to retain an entry level job rather than be laid off.

Section 7. Applicable only to the Streator, IL plant:

Layoff provisions are contained in the Local Agreement for the Streator plant and will be applied in accordance with same.

Section 8. LAYOFF, RECALL, CALL-IN PROVISION

Employees laid off under this Article shall have the option of being placed in one of two categories.

Category #1: Laid off subject to "recall."

Category #2: Laid off subject to a "Call-In." Procedure to be established by mutual agreement between the respective plant management/Local Union Business Committee.

Employees opting to be placed in Category #1 shall not be recalled unless the Company has at least five (5) working days of work available for them within a calendar week.

Employees opting to be placed in Category #2 shall be subject to Call-In based on the procedure established by plant management/Local Union Business Committee. If no employees opt for Category #2 the Company shall reserve the right to designate up to twelve (12) persons starting with the least senior employee to be placed in Category #2.

In the event such an employee fails to respond and/or refuses to report to work when called on seven (7) separate days within a running thirty (30) calendar day period of time, such an employee shall be removed from Category #2 and placed in Category #1 and all its provisions, unless such failures were for just cause. Such an employee shall not have the right to apply the following paragraph (change of categories) for a period of sixty (60) calendar days.

A person who volunteers for Category #2 and who disqualifies himself through unavailability/refusing work more than twice in a calendar year will not be permitted to re-apply for Category #2 during that calendar year. Employees shall have the right to change their Categories twice in a calendar year after giving the Company at least five (5) working days written notice. After such notice the employee shall be placed in the changed Category requested and all its provisions.

Regardless of which Category a laid off employee selects, such an employee shall be covered by all provisions under this Contract.

The Company shall not contest the unemployment benefit of those employees who select Category #2 who are called and not personally contacted.

This language shall not apply in those plants that have local agreements and/or practices that the Local Union and Plant Management wish to continue.

Section 9. Seniority will commence from date of the employee's first day of work but will not be effective until the thirtieth (30th) calendar day after employment as prescribed in the following regulations:

- a) Seniority of an employee who is discharged or quits for any reason shall cease as of that date.
- b) An employee will have recall rights during a continuous layoff for a period of five (5) years. If an employee has not been recalled at the conclusion of such period, his seniority and recall rights will then be cancelled, and his employment will then be considered to have been terminated for all purposes.
- c) An employee on layoff who does not report for work within seven (7) calendar days after being notified by the Company through registered or certified mail notice sent to his last address on file with the Plant Personnel Department will be terminated as a voluntary quit. This will cancel all seniority and re-employment rights. A copy of such notice shall be given to the President of the Local Union.
- d) An employee absent from work for four (4) consecutive working days without notifying his supervisor will be considered a voluntary quit and will cancel all previous seniority.
- e) Seniority shall accumulate while an employee is absent for occupational and/or non-occupational illness or injury, provided he returns to work as soon as he is able. However, such employee must provide medical documentation confirming his/her disability during the month of January of each year following the exhaustion of his/her weekly disability payments. If the employee fails to provide the referenced January documentation, the local union president will be notified of such failure in writing. If the mentioned documentation has not been provided within thirty calendar days after the local union president has been so notified, the employee will be considered as having voluntary quit.
- f) If two (2) or more employees start to work on the same day, their position on the seniority list will be determined by the shift on which they start. If two (2) or more employees start to work on the same day and the same shift, their position on the seniority list will be determined by the alphabetical arrangement of their last name on their date of hire.

Section 10. If a curtailment or change in a regular work schedule can be anticipated, the Company shall notify the Local Union as soon as possible.

Section 11. In cases of relief openings occurring for various job openings, they shall be posted and filled in accordance with regular job posting procedures as in Section 1 of this Article.

Section 12. The Company shall be responsible in granting voluntary layoffs by seniority within a department when such layoff is expected to exceed seven (7) days. However, the necessary complement of employees with the ability to perform the work must be maintained to operate the department and no employee will be considered unless a reduction in his job classification is involved.

If said employee has been on a voluntary layoff for six (6) months or more, he will have the right to return to work in line with his seniority unless he is recalled by the Company at an earlier time. The Company may recall an employee from a voluntary layoff at any time if his skills are needed or manpower is required in his job classification. No employee shall be gainfully employed while on voluntary layoff.

Section 13. Shift Preference. The Company agrees that where plants have a procedure for permitting employees to transfer between shifts such procedure will be continued for the duration of the Contract.

At plants where no such procedure exists, shift openings, including day shift, may be filled by the most senior employees in each classification by seniority when an opening occurs. Anyone interested in moving to another shift may so indicate their desire to their supervisor and when an opening on that shift occurs, may fill such openings provided there are qualified employees to do the work on the shift they are leaving.

It is understood that an employee who exercises this shift option may do so only once during any twelve (12) month period.

Section 14. Entry level jobs in the Automatic Machine Department shall be posted in the Production and Maintenance Department in line with Section 1 of this Article. However, employees assigned must have the aptitude and desire to progress to Journeymen Machine Operators.

Section 15. A seniority list shall be posted in each department at all times, such list to be corrected on a quarterly basis. A copy is to be presented to the Local Union President and Chairman of the Business Committee.

Section 16. Whenever there is a question or dispute regarding seniority not covered by this Contract, plant seniority shall be the deciding factor to resolve any such dispute.

ARTICLE 7 Seniority

To be applied only at the following locations:

Jacksonville, FL

Salem, NJ

Winchester, IN

Section 1. All bargaining unit vacancies, new jobs and/or day jobs shall be posted plant wide in accordance with Section 3 of this Article. All P&M employees shall have the opportunity to bid for posted jobs and said jobs shall be filled on the basis of plant seniority in accordance with Section 2 of this Article. Lateral and downward bidding shall be permitted. Temporary job vacancies are not to be used to train junior employees for permanent vacancies. Employees on layoff, sick leave and/or leave of absence may bid on posted jobs and will be considered along with all other employees whose names appear on the bid list. However, in order for an employee on layoff, sick leave and/or leave of absence to be awarded to posted job, the employee must be able to accept assignment in the same manner as active employees.

Section 2. Plant seniority plus ability shall govern in cases of **job bids**. **In regard to the Job Bid Procedure, seniority plus ability shall not be interpreted to mean that the employee must have the immediate ability.** Plant seniority is defined as the seniority under the Production and Maintenance Contract.

Section 3. When a permanent vacancy (or a temporary vacancy of more than ninety (90) calendar days) occurs in a job under the jurisdiction of this Contract including day jobs **and/or jobs on a fixed shift** in the same classification, provided that the employee is qualified to do the work and there is a qualified replacement on his present shift, and the Company decides to fill such vacancy, or when a new job under the jurisdiction of this Contract is created by the Company, the job opportunity shall be posted **and awarded** in accordance with Sections 1 and 2 above and shall be filled by the bargaining unit employees. The Company will give a copy of the notice, which is posted, to the Local Union. The locations that have posting practices for temporary vacancies of less than ninety (90) calendar days duration will continue as in the past and shall be filled by the bargaining unit employees. Vacancies referred to above shall be filled by the bargaining unit employees.

Section 4. Employees under the jurisdiction of this Contract shall have preference for permanent vacancies or newly created jobs under the jurisdiction of the Automatic Machine Department Contract, which are not filled by the Company with an employee under the jurisdiction of said Contract.

Section 5. Any employee interested in being considered for such posted job shall submit his name to the Plant Personnel Department on a form provided for such purposes. The employee shall receive a duplicate copy at the time he applied for the job.

Section 6.

a) After the job vacancy has been posted for eight (8) consecutive days as outlined in Section 1 above, it will be removed from the Bulletin Board. When removed from the board, the Company shall review the list of employees who have submitted their names. In determining the employee to be awarded the job vacancy, seniority plus ability shall govern.

b) Employees who work on the Travel Crew who are interested in bidding on any jobs that may be posted will be notified by the Company of such jobs and given an opportunity to bid on posted jobs provided the employee notifies the Personnel Department prior to leaving the plant on any trip that he is interested in being notified of any such jobs which may be posted during his absence.

Section 7. Providing a vacancy still exist on a job posted in accordance with the provisions of this Article, the Company will, within ten (10) days after such job posting is removed from the board, award the job to the successful bidder. The employee awarded the job shall be placed on the job within thirty (30) days from the date the job was awarded. The Local Union will be notified in writing of the employee awarded the job. During the posting, awarding, and thirty day period, until the employee, awarded the job, is placed on the job, the Company may use a temporary replacement to fill the posted position. Beginning at the end of the thirty (30) day period, if the employee awarded the job is not placed on the job, he will receive the rate of the posted job if higher than the job on which he works.

Section 8. Temporary vacancies shall be filled by the relief person for each job. The Company shall post the relief person's job and it shall be filled in the same manner as a permanent vacancy set forth in this Article.

Section 9.

a) Subject to (b) below, when a permanent vacancy occurs, the relief person with the most plant seniority, if he desires, shall fill the vacancy, and the relief job vacancy will be posted.

b) When a job begins to be performed on straight days or the number of positions within a job on days is increased, and because of such, the number of employees performing the job on shifts is decreased, the senior such shift employee(s) {senior in accordance with local plant seniority practices} desiring the day job will be awarded the day position(s).

Section 10. Within ten (10) days after the posting has been removed from the board, the Company shall advise the Local Union of the individuals who have bid on the job and the individual selected by the Company. Should the individual selected by the Company and placed on the job vacancy ask to be removed from the job vacancy, or fail to perform in a satisfactory manner in accordance with Section 11, he/she will be removed from the job vacancy and returned to his/her former classification. If such removal from the job occurs within thirty (30) calendar days after the posting has been

removed from the job posting board, the Company will make another selection from the original bid list, providing there are employees' names remaining on the list and such employees have the ability to perform the job in accordance with Section 2.

Section 11. An employee who is awarded a job shall be given a reasonable trial period up to sixty (60) working days (**the employee's working days**) on that job in order to demonstrate his ability to perform the work required by the job. If such employee cannot perform the work in a satisfactory manner, such employee and the Union will be notified that the employee is to be removed from that job and he will be returned to his former classification.

Section 12. Any employee under the jurisdiction of this Contract transferred to a position not under this Contract will be returned by the Company to a job under this Contract without loss of seniority already earned, unless terminated for just cause. Up to sixty (60) days he will return to his former classification. After sixty (60) days, he will replace the least senior employee in the plant whose job he is qualified to perform on the basis of plant seniority. Such an employee shall apply for a withdrawal card within thirty(30 days after leaving the bargaining unit, except where such transfer is between bargaining units represented by the Union.

Section 13. The first thirty (30) calendar days from the date of hire of a new employee shall be considered his probationary period and retention as an employee shall be entirely within the discretion of the Company. An additional thirty (30) calendar day probationary period will be granted when requested by the Company if the Local Union involved agrees to an extension. Any discharge during this probationary period is not a subject for grievance. Any such new employee severed by the Company before the conclusion of his probationary period shall, upon rehire, be credited with all the days worked in his prior probationary periods within one (1) year prior to such rehire toward the completion of his probationary period.

Section 14. Employees rehired by the Company or having previous job experience in the job for which they have been hired or rehired, shall receive a rate for the job for which they have been hired or rehired which is commensurate with their experience and qualifications.

Section 15. Departmental seniority for operations within each plant shall be divided according to the departmental listing provided to each Local Union by Local Plant Management of each plant.

In the event the Company elects to combine or divide departments or job classifications within the jurisdiction of this contract, the Company will meet with the Local Union President and Vice-President at least twenty-one days in advance of such move. During the meeting, the parties will attempt to resolve any anticipated problems/difficulties which either party anticipates.

Section 16.

- a) In the reduction of force and re-employing, departmental seniority shall govern and the last employee laid off shall be the first recalled as their names appear on the departmental seniority list, providing the employee is qualified to perform the job. The application of departmental seniority shall not necessarily be applied for temporary layoffs, for less than twenty-four (24) hours. However, if departmental seniority is not followed for temporary layoffs of less than twenty-four (24) hours, the Company will continue this practice wherever possible.
- b) When a job is eliminated by the Company, the employee(s) holding said job will exercise their seniority to return to their former classification(s). The junior employee(s) thus displaced by such returning employee(s) will exercise their seniority in accordance with (a) above and Sections 15 and 19.

Section 17. Any employee who is transferred from one department to another department shall maintain dormant seniority in the department from which he is transferred. Any employee who is transferred from one department to another department at the Company's request, may resume his former position in the event of failure or the reduction of the working forces for any reason. If transferred at his own request, he may be transferred back to his old department, maintaining his dormant seniority in his original department, but will forego any promotions that he may have received during his past employment in that department.

When a job is transferred from one department to another, those individuals performing that job shall have their departmental seniority transferred with the job.

Section 18. When an employee is transferred from one department to another department on a temporary basis, he continues to accumulate seniority in his original department during the temporary transfer. Temporary transfers will not exceed ninety (90) days unless extended by mutual agreement.

Section 19. If an employees' departmental seniority will not protect him from layoff in his department and he cannot exercise his departmental seniority under Section 17 of this Article, he shall then exercise his plant seniority as his name appears on the Plant seniority list in replacing the least senior person within the plant. It is understood that the person using Plant Seniority must be qualified to do the job of the employee he replaces. Employees will not be allowed to upgrade themselves under the provisions of this Section except to avoid layoff. The provisions of this Section do not apply to temporary layoffs. Temporary layoffs shall be defined as not exceeding forty-eight (48) hours. However, the Company agrees that it will apply seniority as provided in this Section as promptly as possible. No employee will be refused the opportunity to be trained to be qualified under this Section in accordance with his seniority in the following classifications: Selector-Packer, Palletizer-Operator, Pallet Loader, Janitor-Sweeper (Sweeper) and Laborers in labor grade 6 or below. The number of people assigned to these training opportunities at any one time will be in line with the Company's operating needs and its ability to maintain a skilled and efficient workforce.

The Union and the Company agree that a senior employee will be granted a voluntary layoff provided junior employee(s) are being laid off or are on layoff and are qualified to perform the work made necessary by granting a voluntary layoff to the senior employee. It is understood that such senior employee, desiring a voluntary layoff, may be required to give the Company as much as a five (5) working day notice prior to the beginning date of the voluntary layoff. If possible, the employee desiring the voluntary layoff, will, at the time he requests the voluntary layoff, indicate the date he will return to work. If such return date is not established before the beginning of the voluntary layoff, the employee granted the voluntary layoff may be required to give the Company a five (5) working day notice before he is returned to work. It is agreed that voluntary layoffs will be taken by work weeks and must be for at least three work weeks' duration. It is also understood that the employee on voluntary layoff can be recalled by the Company at any time in order to avoid hiring new employees or training another employee to perform the primary job of the employee on voluntary layoff.

Employees returning under this paragraph whose seniority will not place them in the classification laid off from shall be placed where their seniority permits.

The Company will not contest unemployment benefits for employees who elect to take a voluntary layoff.

No employee shall accept other employment during a voluntary layoff without the written consent of the Company.

Section 20. Employees laid off under this Article shall have the option of being placed in one of two categories.

Category #1. Laid off subject to "recall."

Category #2. Laid off subject to a "Call-In."

Procedure to be established by mutual agreement between the respective plant management/Local Union Business Committee.

Employees opting to be placed in Category #1 shall not be recalled until and unless the Company has at least five (5) working days of work available for them within a calendar week.

Employees opting to be placed in Category #2 shall be subject of Call-In based on the procedure established by plant management/Local Union Business Committee. If no employees opt for Category #2 the Company shall reserve the right to designate up to twelve (12) persons starting with the least senior employee to be placed in Category #2.

In the event such an employee fails to respond and/or refuses to report to work when called on seven (7) separate days within a running thirty (30) calendar day period of time, such an employee shall be removed from Category #2 and placed in Category #1

and all its provisions, unless such failures were for just cause. Such an employee shall not have the right to apply the following paragraph (change of categories) for a period of sixty (60) calendar days. A person who volunteers for Category #2 and who disqualifies himself through unavailability/refusing work more than twice in a calendar year will not be permitted to re-apply for Category #2 during that calendar year.

Employees shall have the right to change their categories twice in a calendar year after giving the Company at least five (5) working days written notice. After such notice the employee shall be placed in the changed category requested and all its provisions.

Regardless of which category a laid off employee selects such an employee shall be covered by all provisions under this Contract.

The Company shall not contest the unemployment benefits of those employees who select Category #2 who are called and not personally contacted.

This language shall not apply in those plants that have local agreements and/or practices that the Local Union and Plant Management wish to continue.

Section 21. Plant Seniority will begin to accumulate on the day the employee begins to work in the Plant and will accumulate during his course of employment as prescribed in the following:

- a) Seniority of an employee who quits or is terminated for any reason will be cancelled as of the date he quits or is terminated.
- b) An employee on layoff who does not report for work within seven (7) calendar days after being notified by the Company through registered or certified mail notice sent to his last address on file with the Plant Personnel Department will be terminated as a voluntary quit. This will cancel all seniority and reemployment rights. A copy of such notice shall be given to the President of the Local Union.
- c) An employee shall be considered a voluntary quit and will have his seniority and employment rights cancelled, as of the last day worked, if he is absent from work without permission of the Company for seven (7) consecutive working days.
- d) Seniority will accumulate if an employee is absent due to sickness or injury, provided the employee returns to his job as soon as he is able to work. If an employee fails to return to work as soon as he is able to work, such employee shall be terminated as a voluntary quit, and this will cancel all seniority rights.
- e) A leave of absence as provided in Article 38, Section 1, Leave of Absence, may be granted not to exceed three (3) months. This does not cancel previous seniority, provided the employee returns at the end of his leave.
- f) In the event of a layoff in a Plant affecting an employee who is on sick leave or on leave of absence, his sick leave or leave of absence, will be cancelled as of the date of his

layoff, and his seniority will be figured just as though he had not been on leave. In the event an employee is on leave of absence of less than three (3) months and cannot return to work due to sickness, he will be placed on sick leave, and provided he returns to his job as soon as he is able to work, seniority shall accumulate from the cancellation date of his leave of absence. The only exception is with respect to an employee on sick leave due to occupational injury for which the employee is drawing compensation. Such sick leave is not cancelled if a layoff occurs in the Plant, and the employee will continue to accumulate seniority until such compensation payments are discontinued, at which time his layoff will be effective.

g) A layoff of longer than five (5) years will be considered as a termination and will cancel all such seniority.

h) Seniority will accumulate while an employee is absent for occupational and/or non-occupational illness or injury, provided he returns to work as soon as he is able. However, such employee must provide medical documentation confirming his/her disability during the month of January of each year following the exhaustion of his/her weekly disability payments. If the employee fails to provide the referenced January documentation, the local union president will be notified of such failure in writing. If the mentioned documentation has not been provided within thirty calendar days after the local union president has been so notified, the employee will be considered as having voluntary quit.

Section 22. A Production and Maintenance employee employed by the Company who has transferred to the Automatic Machine Department will during any curtailment which would have caused his layoff, be permitted to return to work in the cold end of the Plant where he is employed, subject to the terms and conditions of this Production and Maintenance Contract. Such employee shall replace the least senior person covered by this Contract whose job he is qualified to perform. It is understood however, that, during these periods of time when such employee is reduced from the Automatic Machine Department to the Production and Maintenance Departments such an employee will accumulate seniority under the Automatic Machine Department Contract and the Production and Maintenance Contract at the same time.

Section 23. Each month the Company will continue to supply the President of each Local Union with a record of the new hires, terminations and seniority list and/or changes in the seniority list.

Section 24. The President of each Local Union will be promptly advised when any employee in such Local Union has been discharged.

ARTICLE 7

Seniority

To be applied only at the following locations:
Henryetta, OK

Shakopee, MN
Warner-Robins, GA

Section 1. Plant Seniority is defined as the total length of time the employee has been employed in the plant.

Section 2. The first thirty (30) calendar days from the date of work of a new employee shall be considered his probationary period and retention as an employee shall be entirely within the discretion of the Company. Said thirty (30) days will be applied to his date of work or transfer to the department in which he was working at the end of his probationary period.

An additional thirty (30) calendar day probationary period will be granted when requested by the Company, if the **Local** Union President involved agrees to an extension. At the time of the request, the Company will explain its reason for the extension request. Such **request** will not be unreasonably **denied**. Retention as an employee shall be entirely within the discretion of the Company.

After the completion of his probationary period, the employee's seniority will date back to his original date of work.

Falsifications on work applications which do not involve crimes of moral turpitude and which do not endanger or threaten danger to the plant or the security or safety of employees shall not be used against an employee after the probationary period has ended.

Section 3. An employee's seniority is broken by any of the following causes:

- a) Quitting for any reason.
- b) Discharge for just cause.
- c) Remaining on layoff for a period of five (5) years.
- d) Failure to accept offer of employment within his classification during a period of layoff. Said recall to be in accordance with Section 12 of this Article. At the time of recall, the Company will advise the employee of the expected length of recall. Should an employee elect to refuse recall, he may do so by taking a voluntary layoff, providing there is another employee available who is qualified to fill the vacancy. If the employee elects to take a voluntary layoff, he must do so under provisions of Section 7 and 8 of this Article. Where the Company is unable to secure sufficient help from layoff on a voluntary basis, the work will be assigned to the least senior, qualified employee on layoff within his classification.
- e) Failure to report off from work for three (3) consecutive working days.

Section 4. Any employee under the jurisdiction of this Contract transferred to a position not under this Contract may be returned by the Company to a job under this Contract without loss of seniority already earned, unless terminated for just cause. Up to sixty (60) days he will return to his former classification. After sixty (60) days he will replace the least senior employee in an entry level job within the plant on the basis of plant seniority. Such an employee shall apply for a withdrawal card within thirty (30) days after leaving the bargaining unit. The provisions of this Section 4 will be extended to an employee transferred to a position not under this Contract and also not in the plant of his employment in the bargaining unit provided he returns to such bargaining unit within one (1) year from the date of his transfer from the bargaining unit. After one (1) year, he will be considered a new hire.

Section 5. When a reduction within a classification is necessary, the employee with the least plant seniority within that classification will be reduced first. The reduced employee may displace the employee with the least plant seniority in another classification rate equal to or lower than the current classification, provided the employee has more seniority, and the ability to perform the work.

Section 6. Should an employee not have enough Plant Seniority to avoid layoff, he may exercise his Plant Seniority to displace any employee in the plant, regardless of rate, providing he has the ability to perform the job.

Upon request, no employee will be refused the opportunity to be trained to be qualified under this Section in accordance with his seniority in the following classification: Selector-Packer/Line Controller, Palletizer Operator/Piler, any entry job and laborer in Labor Grade six (6) and below. The number of people assigned to these training opportunities at any one time will be in line with the Company's operating needs and its ability to maintain a skilled and efficient workforce.

Section 7. Should a senior employee within a classification elect to take a voluntary layoff rather than the junior employee being laid off, he shall be permitted to do so provided the remaining employees are capable of performing the required work and the Company does not have to hire employees to operate the plant. An employee on voluntary layoff shall only be recalled to the classification held at the time of the voluntary layoff. However, if the employee was in the classification because of a previous reduction, and an opening occurs in his original classification, he will return to the original classification.

Section 8. The Company will indicate the anticipated length of the layoff at the time of the layoff. If, at the expiration of the anticipated layoff period, said employee(s) have not been recalled to work, they may contact the Personnel Office and indicate their desire to alter their voluntary layoff status. Said employees shall be returned to work in line with Section 5 and 6 of this Article, within five (5) days of this notification. In the event the Company cannot anticipate the length of the layoff, an employee on voluntary layoff will have the right to apply this Section once any time after sixty (60) calendar days from time of their voluntary layoff.

Section 9. The above provisions in Section 5 and 6 of this Article do not apply to layoff of three (3) days or less, or in the case of color change or holiday shutdown or holiday startup, five (5) days or less.

Section 10. The following types of seniority are recognized in the layoff procedure:

- a) Plant Seniority for a layoff of more than three (3) days except in case of color change or holiday shutdown or holiday startup.
- b) Plant Seniority by shift on layoff of three (3) days or less, or five (5) days or less in the case of a color change or holiday shutdown or holiday startup.

Section 11. Layoff, Recall, Call-In Provision:

Employees laid off under this Article shall have recall rights for five (5) years and shall have the option of being placed in one of two categories.

Category #1: Laid off subject to "recall."

Category #2: Laid off subject to a "Call-In" procedure to be established by mutual agreement between the respective plant management/Local Union Business Committee.

Employees opting to be placed in Category #1 shall not be recalled unless the Company has at least five (5) working days of work available for them within a calendar week.

Employees opting to be placed in Category #2 shall be subject to Call-In based on the procedure established by plant management/Local Union Business Committee.

If no employees opt for Category #2 the Company shall reserve the right to designate up to twelve (12) persons starting with the least senior employee to be placed in Category #2.

In the event such an employee fails to respond and/or refuses to report to work when called on seven (7) separate days within a running thirty (30) calendar day period of time, such an employee shall be removed from Category #2 and placed in Category #1 and all its provisions unless such failures were for just cause. Such an employee shall not have the right to apply the following paragraph (change of categories) for a period of sixty (60) calendar days.

A person who volunteers for Category #2 and who disqualifies himself through unavailability/refusing work more than twice in a calendar year will not be permitted to re-apply for Category #2 during that calendar year. Employees shall have the right to change their Categories twice in a calendar year after giving the Company at least five (5)

working days written notice. After such notice the employee shall be placed in the changed Category requested and all its provisions.

Regardless of which Category a laid off employee selects, such an employee shall be covered by all provisions under this Contract.

The Company shall not contest the unemployment benefit of those employees who select Category #2 who are called and not personally contacted.

This language shall not apply in those plants that have local agreements and/or practices that the Local Union and Plant Management wish to continue.

Section 12. Employees on layoff shall be recalled to work in their departments and in the plant by seniority before new employees are hired providing they have the ability necessary to perform the job. For the purpose of recall, each employee shall furnish a mailing address and telephone number at which he may be reached. The sending of a registered letter to the employee's last recorded address shall constitute appropriate notice when an employee cannot otherwise be reached. If the employee fails to return to work within seven (7) days after his receipt of a registered letter or fails to satisfactorily establish a mutually acceptable date or return to work with the Personnel Department, he will be considered to have voluntarily terminated his employment with the Company.

Section 13. A forty-eight (48) hour notice will be given to an employee who is required to change shifts. When it becomes necessary to change an employee's shift, it will be done so as to effect no monetary loss or require any overtime assignment to said employee unless such change is necessitated due to a reduction in work force or cause an operation to be shut down if such change is not made.

Section 14. The Company will maintain a complete seniority list for each department. Such list shall contain the name, date of hire and classification, and no less than every three (3) months furnish the respective Local Union with an up-to-date copy.

Section 15. Temporary vacancies, such as daily absences and vacations, will be filled by the last reduced plant senior job bid holder, on the shift in the department in which the vacancy occurs. In the event there is not a bid holder, the vacancy will be filled by the plant senior qualified employee on the shift in the department in which the vacancy occurs.

Section 16. Seniority will accumulate while an employee is absent for occupational and/or non-occupational illness or injury, provided he returns to work as soon as he is able. However, such employee must provide medical documentation confirming his/her disability during the month of January of each year following the exhaustion of his/her weekly disability payments. If the employee fails to provide the referenced January documentation, the Local Union President will be notified of such failure in writing. If the mentioned documentation has not been provided

within thirty calendar days after the Local Union President has been so notified, the employee will be considered as having voluntary quit.

Section 17. In the event the Company elects to combine or divide departments or job classifications within the jurisdiction of this contract, the Company will meet with the Local Union President and Vice-President at least twenty-one days in advance of such move. During the meeting, the parties will attempt to resolve any anticipated problems/difficulties which either party anticipates.

ARTICLE 7A Job Posting Procedure

To be applied only at the following locations:
Henryetta, OK
Shakopee, MN
Warner-Robins, GA

Section 1. Job openings or new classifications in a department shall be posted for a period of five (5) days. Any employee desiring consideration must signify his desire by filing an application for the vacancy in writing with the Company within the posting time. Each plant, where necessary, shall work out a satisfactory method whereby both the employee and the Company will have proper verification on all job bids.

Section 2. When a job opening or new classification occurs in a department, it will be offered to the employee with the most plant seniority, who has filed an application for the opening, providing said employee has the capabilities and qualifications to perform the job. Capabilities shall mean the basic requirements necessary to perform the job. Qualifications shall mean the ability to perform the job during a trial and training period of up to thirty (30) calendar days.

Section 3. An employee may bid for any job posted while on vacation provided he does so within the first two (2) days upon his return to work from vacation. Notification of job posting awards will be posted for a period of fifteen (15) days.

Section 4. An employee who bids successfully for a job which has the same or a higher qualified rate but a lower starting rate than his hourly wage rate for the job on which he is currently working shall retain his present hourly wage rate when transferred to his new job until such time as the wage progression for the job exceeds his present rate of pay. At such time and subsequently, the employee's hourly wage rate will be increased in accordance with the steps of the Company's wage progression program for such new job.

Section 5. Steady days and Frozen Shifts and all jobs other than entry level jobs will be posted as they occur, **subject to following: When a permanent vacancy or a temporary vacancy of more than forty-five (45) calendar days, or which can**

reasonably be expected to continue for more than forty-five (45) calendar days, occurs in a job under the jurisdiction of this Contract, including day jobs or jobs on a frozen shift in the same classification, or when a new job, either temporary or permanent, under the jurisdiction of this Contract is created by the Company, the job opportunity shall be posted and awarded in accordance with this and other sections of this Contract and shall be filled by the bargaining unit employees. The Company will give a copy of the notice, which is posted, to the Local Union. The locations that have posting practices for temporary vacancies of less than forty-five calendar days duration will continue as in the past and shall be filled by the bargaining unit employees. Vacancies, either temporary or permanent, referred to above shall be filled by the bargaining unit employees.

In the event an employee who is awarded a steady day shift or frozen shift is removed from such shift, as a result of a reduction of the work force or any other reason other than voluntary removal, such an employee will retain recall right to such a shift for a period of five (5) years from the last day the employee worked on such shift.

A permanent posting for entry level jobs, and jobs of similar kind as hereafter may be established by the Company, if other than steady days or frozen shifts, will be posted in each plant.

All job requests for entry level jobs, desirable hours of work and/or desirable working conditions will be kept in the Personnel Office, in book form, and all requests will be signed and dated. At the time an opening occurs, the personnel department will review the request book and will fill the jobs in accordance with plant seniority. If there are no requests to fill openings and the jobs cannot be filled through this procedure, the Company may fill them by hiring from outside sources.

An employee may indicate his desire for such jobs by filing a dated application in the Personnel Department.

Section 6. Lateral or downward bidding will be permitted once, for each employee, during the term of this contract for any/all other reasons, except that there shall be no limitation on lateral or downward movement for health reasons, job advancement or in the event of job reduction or elimination. (Job advancement means the potential of greater earning power on the job that the employee is bidding on). A job posting awarded, but not accepted will not count as a move under this Section, provided the affected employee has not abused this privilege.

Section 7. Jobs shall be posted for a period of five (5) days. The successful bidder will be placed on the job within five (5) days following the end of the posting period or paid the rate of the new job, if higher, provided other bid jobs are not involved. When other bid jobs are involved the Company will either place the employee on the job or pay the new rate, if higher, within fifteen (15) days. During this time period the Company may use a temporary replacement to fill the vacancy. Job posting will include job description, shift job to be assigned to and the rate of pay.

All jobs shall be posted as steady days, fixed shifts, rotating shifts or frozen shifts as they occur, and shall not be changed except as provided for in this Contract.

Section 8. When an employee is awarded a job through the job posting procedure, he will have **the right at any time during his first thirty (30) days on the job** to return to his previous position. If he so elects, all other employees affected by the original job posting will be returned to their prior jobs.

When an employee is awarded a job through the job posting procedure and that job is subsequently eliminated by the Company, he may elect to return to his previous position. If he so elects, all other employees affected by the original job posting will be returned to their prior jobs. If within five years after the job was eliminated, the Company reinstates the previously eliminated job, the employees, who held the job at the time it was eliminated, will, if they so desire, be returned to said job.

Section 9. Temporary job vacancies of more than forty-five (45) days will be posted and filled in the same manner as permanent vacancies unless said forty-five (45) calendar days is extended by mutual agreement of the parties.

At any location where they are currently posting for jobs of less than forty-five (45) days they will continue to post as in the past.

Section 10. It is agreed that flexible shifts are not required, and will not be imposed or implemented. Therefore, it is understood that when it becomes necessary to change an employee's shift in order to accomplish scheduled work, the Company will solicit volunteers to change shifts. If volunteers are not available, the least senior employee in the job classification will be transferred. Upon completion of the scheduled work, the transferred employee(s) will be returned to their original shift and location.

The parties agree that those employees who are currently working Monday through Friday day shift will not be taken off that shift unless through layoff or mutual agreement to work another shift temporarily.

It is agreed that the above does not affect any of the other stipulations or applications of Article 7, or Article 7A, or local understandings or Local Agreements.

ARTICLE 8

Transfer of Employee

In conjunction with the application of Article 32, Plant Closing/Severance Pay, the following procedure shall apply.

Section 1. Upon request of the International Union, a representative of the Company shall meet with a representative of the International Union and the Local Union involved to advise them of the jobs and employees to be eliminated. The Company will

advise the International Union and the Local Union at such meeting of job vacancies which may then exist at any of the other plants under the jurisdiction of this Contract.

Section 2. An employee with one (1) year or more of seniority who is terminated because of a permanent reduction in the working forces shall, within thirty (30) days after the date of his termination, make application to the personnel department of the plant where he was formerly employed **or the corporate office**, specifying the other plants under the jurisdiction of this Contract at which he wishes to be considered for employment.

Any such employee shall be considered at other plants for job openings for which he is qualified for a period of one (1) year subsequent to the date of his termination but may extend this period for a second year by requesting such extension at the personnel department of the plant where he was formerly employed within ninety (90) days prior to the end of the first year following his termination, and for a third year by giving similar notice within ninety (90) days prior to the end of the second year following his termination.

When he is employed at another plant of the Company within such time, he will retain his continuous service benefits accumulated with the Company.

Any such terminated employee who is offered a job in a classification at a plant under the jurisdiction of this Contract and who refuses such job offer shall lose reemployment rights under the provisions of the Contract at that location.

The Company shall determine whether an employee meets its hiring standards and is qualified for employment without regard to race, color, religion, sex, age, national origin, disability, veteran's status, Union affiliation or prior Union activity.

Section 3. The Company and the International Union shall from time to time exchange a list of employees who have been terminated by reason of permanent reductions in the working forces and who are still available for employment, setting forth their job training and qualifications.

Section 4. Notwithstanding the provisions of Sections 1, 2 and 3 of this Article, regarding transfers of employees due to plant closing, the following is applicable to both active employees and employees on layoff at any of the Company's facilities:

a) Such active or laid off employees may notify the Company, in writing, of the job(s) on which he/she wishes to be considered for employment in any of the Company's other facilities.

b) The Human Resource Director (or the appropriate management personnel) will assist the employee in formulating the written notification referred to in (a) above and will forward same to the Human Resource Manager at the location of his choice and a copy of the letter will be maintained in the Human Resource Department at the

employee's current work location. Such written notification shall be considered an active request for one (1) year from the date of same. To maintain active status of the request, written notification must be renewed on an annual basis.

- c) Any such employee shall be considered for job openings occurring in the facility and classifications requested in the employee's written notification.
- d) When the employee is employed at another facility of the Company, he/she will retain his/her continuous service benefits accumulated with the Company.
- e) The provisions of Section 4 sub-sections a, b, and c are not subject to the grievance procedure.

ARTICLE 9 Premium Pay

Section 1. Premium Pay shall be paid in accordance with the following:

- (a) Eight (8) hours shall constitute a normal work day.
- (b) Forty (40) hours shall constitute a normal work week. For purposes of this Article the work week will extend from 7:00 a.m. Sunday to 7:00 a.m. the following Sunday. Employees under the jurisdiction of this Contract will work when necessary to put machines in order.
- (c) Time and one-half (1 1/2) shall be paid after eight (8) hours in any one (1) day or forty (40) hours in any one (1) week, or in the event more than eight (8) hours are worked consecutively, for all hours worked after the first eight (8), even though some hours may fall in the next twenty-four (24) hour period.

For premium pay purposes, an employee's twenty-four (24) hour period begins when he first starts work after the completion of the previous twenty-four (24) hour period, except that if he is directed by the Company to begin work after the start of his regular shift, his twenty-four (24) hour period shall start at the beginning of that regular shift. All Plants shall apply the above language in this paragraph in the same manner.

Subsequent twenty-four (24) hour periods in the work week start when the employee next begins work after the completion of the preceding twenty-four (24) hour period, except that an emergency call-out will not start a new twenty-four (24) hour period. There is no overlapping of twenty-four (24) hour period. A twenty-four (24) hour period is exactly twenty-four (24) hours long.

- (d) Double time (2x) will be paid for all hours worked over twelve (12) hours during any twenty-four (24) hour period; however, double time (2x) will be paid for all hours worked consecutively over twelve (12) hours, even though some hours may fall in the next twenty-four (24) hour period.

(e) Employees will receive the appropriate premium pay, time and one-half (1 1/2) or double time (2x), for all hours worked on their day or days off, providing they have worked their preceding five (5) regularly scheduled work days.

(f) If an employee works his day or days off and was unable to work the preceding scheduled day or days in his work week due to either bereavement, jury duty, holiday, holiday shutdown, vacation, or official Union business or day off under Article 13, Section 7, he will receive premium pay for working such day or days off. The employee's day off shall start at the end of his regular shift and continue until the beginning of his following regular scheduled shift.

(g) In the event any employee's schedule is changed in a payroll week he shall be paid any premium or holiday pay that would have applied to his regular schedule in that payroll week. An employee holding a permanent classification will continue to carry his regular scheduled day or days off while relieving for vacation. The above sentences shall not apply when employees are transferred from their shifts and/or their department during a reduction and/or increase in the work force such as tank repair or increase or decrease in the number of shops.

Section 2. The provisions of this Article are intended only to provide a basis for determining the number of hours of work for which an employee shall be entitled to be paid at overtime rates and shall not be construed as a guarantee to such employee of any specified number of hours of work either per day or per week.

Section 3. Work on Sundays shall pay time and one-half (1 1/2) except that for work on Easter Sunday, Double time (2x) shall be paid for time worked for a twenty-four (24) hour period.

Section 4. For premium pay purposes, a scheduled day will be considered to have been worked if the employee was unable to work because of bereavement leave, jury duty, holiday, holiday shutdown, vacation, or official Union business. A day traveling under the direction of the Company will also be considered a scheduled day worked, up to eight (8) hours. Also, a holiday, either worked or not worked, will be considered a scheduled day worked.

Section 5. The Company recognizes that when an employee has worked his regular day off, such employee shall not be required to take time off during such work week solely to avoid payment of overtime.

Section 6. The Union recognizes and agrees to continuous operation for the term of this Contract. Any employee who is opposed to working on Sunday or Saturday because of his religious beliefs shall only be compelled to work on Saturday or Sunday under the continuous operation plan consistent with the law as interpreted by the United States Supreme Court. Concerted action taken hereunder shall be considered a violation of this Contract.

Section 7. When an employee is transferred to a job paying a higher rate of pay, there shall be no change in the rate of pay unless the job change is for more than thirty (30) minutes. If continued on this placement for over thirty (30) minutes, he will receive the higher rate for the remainder of the shift. When an employee is transferred to a lower paying job for the convenience of the Company, his regular rate will not be reduced. When an employee is transferred to a lower paying job for any other reason, the rate for the lower paying job shall not apply until the following shift.

Section 8. In addition to any holiday pay to which an employee may be entitled, in accordance with the provisions of Section 4 of Article 13, Holidays, double time (2x) shall be paid to all employees for all hours actually worked during the holiday period.

Section 9. Should an employee be injured while performing the duties required for his job and sent home at the direction of the doctor, nurse, or other authorized Company representative, he shall receive payment for a full day's wages at the rate received at the time of the injury.

For such injuries, an employee will also be paid for time lost from his regularly scheduled shift on which he is working as a result of receiving required medical attention as directed by the Company. The Company will not be unreasonable in the application of this Section.

Section 10. Unless specifically provided for in Section 1 of this Article and Sections 2, 3, and 4 of Article 10 and Section 10 of Article 13, overtime or premium time shall not be paid on overtime or premium time. In calculating overtime pay, not more than one (1) basis shall be used to cover the same hours, but the basis which results in the largest amount of overtime or premium pay in a work week or twenty-four (24) hour period shall be used.

Section 11. Overtime shall be voluntary with the individual employee. However, upon request by the Company an employee may work overtime to provide necessary plant maintenance and/or necessary plant protection or to cover a job vacancy until a replacement can be secured. Employees will have the right to refuse the Company's request to work overtime without recrimination.

Section 12. Subject to the provisions of this Article, practices in effect in each Plant on the effective date of this Contract with respect to overtime shall be continued for the duration of this Contract.

Section 13. Starting and quitting time of the workday and/or work week shall be left to the option of the Local Union and the different Plant Managers. The Company will not change starting and quitting time without discussion with the Local Union and only if production/scheduling requirements require such a scheduling change.

Section 14. All workers asked to work due to unanticipated maintenance repair problems, job changes, or breakdowns, and who do such work after the employee's

regular quitting time, and who have not been asked thirty (30) minutes before quitting time to do such work, shall receive four (4) hours of pay or the applicable premium pay, whichever is greater. Pay practices which provide for four (4) hours pay at time and one-half (1 1/2) rather than four (4) hours of straight time will continue.

Section 15. An employee asked to stay over, or come in early for overtime work will be paid the rate of the job or his regular rate, whichever is higher.

Section 16. The number of employees in any department and the duties of such employees shall be determined by the Company.

Section 17. If an employee is requested to work overtime for a specific number of hours, and he begins to work he shall be paid for the hours he is specifically requested to work if released at the Company's discretion or he is notified that he will not be needed at least thirty (30) minutes before the end of the shift. It is understood the Company can assign this employee to other work similar to the work performed for the duration of the work hours requested. The employee shall have the option of working the additionally assigned work or leaving after the initial assignment is completed. If the employee elects to leave after the initial assignment is completed he will be paid only for hours worked.

ARTICLE 10 Reporting and Call-In Pay

Section 1. Any employee under the jurisdiction of this Contract holding a regular position reporting to work at his usual time will be guaranteed at least four (4) hours of work or four (4) hours of pay at the applicable premium time rate set forth in Article 9, Premium Pay unless he has been instructed not to report at least two (2) hours in advance. This policy will not apply during **the first twenty-four (24) hours of floods, fires, tornadoes, or other disasters, not limited to acts of God, beyond the Company's control. In addition, this policy shall not apply for the remaining duration of such incident if, during the first sixteen (16) hours of such incident, the Company gives notice of such event to the local radio or television station. Failure to provide said notice will result in the payment of the four (4) hour reporting pay to employees reporting to work.**

An employee who is called in to work other than during his scheduled time, or asked to begin work prior to his normal starting time, will be paid four (4) hours pay or actual hours worked at the applicable premium time rate, whichever is greater. This policy shall apply when an employee is called in early to his regular shift and works continuously from the time of reporting to his regular shift unless he was so notified on the preceding day to report early for his next shift. Preceding day shall be defined as prior to the time the employee has left the plant from his last shift. Pay practices, which provide for four (4) hours pay at time and one-half (1 1/2) rather than four (4) hours pay at straight time will continue.

Section 2. The Company agrees that employees called in early to their regular shift shall not be sent home prior to the end of their regular shift to avoid paying additional hours of work or overtime.

Section 3. When an employee is called in to work and the employee reports to work after the beginning of the shift, he will be paid the appropriate premium pay/shift differential for all hours worked and his base rate of pay plus shift differential for all hours not worked if he works in excess of six (6) hours on such shift, if he has reported to work as soon as he reasonably can after receiving the call-in.

Section 4. When necessary, vacancies caused by absenteeism, or if changes in production schedules result in the need of additional personnel, the Company shall attempt to secure qualified help as quickly as possible, according to seniority, and/or the overtime agreement, whichever is applicable, provided there is no loss of continuity of operations due to delay in securing such help.

The Company will establish at all plants a call-in system which will verify the individuals called, time of call, elapsed time and response received. In those locations where bargaining unit members are used to verify or make calls, such will continue and remain in effect for the duration of this Contract.

Section 5. The Company shall not require the employee, called in for repair service, to work longer than it takes to do the work for which any service call would be made.

Section 6. An employee who is scheduled or accepts an overtime assignment may decline, without penalty, a transfer to a job different than the one the employee was initially offered or scheduled to work.

ARTICLE 11 Shift Differentials

Section 1. All employees under the jurisdiction of this Contract shall be paid premium for work performed on the night shift as follows:

- (a) For all hours worked on the first night shift, each employee shall receive twenty cents (\$.20) per hour.
- (b) For all hours worked on the second night shift, each employee shall receive twenty-four cents (\$.24) per hour.

Section 2. Shift Differential payments shall be considered as payments additional to all other hourly compensation and will not be considered in the computation of other premium time, vacation, holiday (unless worked), bonus or other similar payments, except as required by law.

Section 3. Employees whose work overlaps two (2) shifts shall be paid the established shift differential for the hours worked in each shift.

ARTICLE 12 Method of Payment

Section 1. All employees under the jurisdiction of this Contract shall receive their earnings in full every week and no more than one week's earnings shall remain unpaid when this payment is met.

Section 2. Pay shortages shall be corrected promptly after notice from the employee affected.

Section 3. All grievance settlements involving pay will be made within the next pay period unless extended by mutual agreement. Mutual agreement will not be unreasonably withheld. The Union will be provided written verification of such payment. The amount paid to the employee as a grievance settlement will be paid by separate check when the payment is made.

Section 4. Any employee who so desires will receive his check by direct deposit, subject to timing requirements of the payroll system and financial institutions.

Section 5. Employees, who are to receive payment for multiple weeks of vacation, will have the option of receiving one (1) check for all weeks of vacation pay or a separate check for each week of vacation pay.

ARTICLE 13 Holidays

Section 1. The following holidays shall be observed during the year:
*New Year's Day, holiday period: three (3) shifts of eight (8) hours; Decoration Day, Independence Day, *Labor Day, Thanksgiving Day, holiday period: four (4) shifts of eight (8) hours; *December 24, *Christmas Day, December 26, December 27, December 28, December 29, December 30, December 31; holiday period: three (3) shifts of eight (8) hours.

*There will be no production on these holidays.

When the Company desires to schedule production on a mandatory no production (asterisk) holiday, it will be at the discretion of the Local Union President(s) to authorize such production work.

Section 2. All holidays shall commence at the beginning of the day shift on the calendar holiday. For premium pay purposes any twenty-four (24) hour holiday period will commence as of the beginning of the day shift on the holiday and any thirty-two (32)

hour holiday period will commence as of the beginning of the night shift preceding the holiday.

Section 3. When any of these holidays fall on Sunday but is observed on Monday, and the plant is not in operation on Sunday the holiday period on Monday will be only twenty-four (24) hours. December 24, Christmas Day, December 26, December 27, December 28, December 29, December 30, December 31, and January 1 will be observed on the days on which they occur.

Section 4. All employees who have been on the Company's payroll for thirty (30) calendar days shall be paid eight (8) hours for each of the above named holidays when no work is performed. Such pay will be at the employee's regular base rate of pay or the highest rate of pay which he was paid on the last regular scheduled work day prior to the holiday, whichever is greater. This pay is subject to the following provisions:

- a) That such employee must work, or be available for work, on his regularly scheduled working day next preceding and next following the holiday period unless excused by his supervisor. Such excuses shall not be unreasonably withheld. However, no employee shall lose more than one (1) day of holiday pay for an unexcused absence on each of these days.
- b) No payment will be made for holidays not worked to employees on sick leave, leave of absence for any reason, or on lay-off except employees who are laid off not more than thirty (30) days prior to a holiday and who meet the requirements set forth in subsection 4(a) hereof. Employees with two (2) or more years of service laid off not more than thirty (30) calendar days prior to Thanksgiving will also be entitled to holiday pay for Thanksgiving Day holiday period: four shifts of eight hours; December 24, Christmas Day, December 26, December 27, December 28, December 29, December 30, December 31, holiday period: three (3) shifts of eight (8) hours; and New Years day, provided they meet the requirements set forth in subsection 4(a) hereof.
- c) An employee absent because of occupational injury or occupational illness, who reports back to work when able to do so, shall receive holiday pay for any holidays which occurred during the first twelve (12) months of such absences. Unless such failure to report back to work was due to the employee becoming permanently and totally disabled in which case the return to work will not be necessary to receive the holiday pay.
- d) Work on a holiday shall qualify an employee for holiday pay for that holiday for all employees who have been on the Company's payroll for thirty (30) calendar days.

Section 5. Double (2X) time shall be paid for all hours worked during the holiday period as set forth in Section 1 and in addition, holiday pay will be paid to those employees who work during the holiday period. Holiday hours paid for but not worked which occur after the employee has accumulated forty (40) straight time hours will be paid at the straight time rate. This does not apply to employees who have not completed their thirty (30) day probationary period.

Section 6. Work on holidays shall be voluntary with the individual employee, subject to the provisions of Section 1 relative to non-production, except those employees who must be scheduled to work in order to assure the safety, repair and maintenance of plant and equipment and to prepare for plant start ups. In those instances when the full complement of employees is not assigned to work in the area involved and after the work assignments are made to the key employees to jobs where special expertise is needed then the Company shall have the right to schedule the least senior qualified employees to work in those departments. However, when each individual plant exercises its right to shut down for seven (7) days or more when a holiday or holidays fall, those employees necessary for shipping, safety, repair and maintenance of plant and equipment and to prepare for plant start ups will be scheduled to work during this period. The application of the above in no way shall be interpreted to negate, diminish or otherwise alter the application of Article 9, Section 11, Voluntary Overtime.

Section 7. Any employee who works during a holiday will be granted, upon request, an equal amount of time off without pay. This time off must be arranged with the individual department manager.

Section 8. It is agreed that any employee who works on a holiday will be provided a full days work (eight (8) hours) if he so request.

Section 9. The Company shall give the Local Union a seven (7) day advance notice of its desire to either operate the plant or shut the plant down during a holiday period.

Section 10. Holiday premiums will not be used as an offset in calculating weekly overtime when an employee works the holiday and is scheduled to work Saturday of the same week.

Section 11. When each individual plant exercises its right to shut down production for seven (7) days or more during any period when a holiday or holidays fall, employee will have the opportunity to schedule one (1) week of their vacation during this period.

ARTICLE 14

Vacations

Section 1. Effective April 1, 2005, each employee under the jurisdiction of this Contract who has been in the employ of the Company for one (1) year or more and who has worked twelve hundred (1200) hours or more during the qualifying year, shall be entitled to a vacation with pay based on the general schedules of:

Schedule applies to:
Elmira, NY Locals 104 and 180
Lawrenceburg, IN Local 42
Streator, IL Local 174.

One weeks vacation (48) hours pay after one year or more of continuous service;
Two weeks vacation (80) hours pay after two years or more of continuous service;
Two weeks vacation (96 hours pay) after five years or more of continuous service;
Three weeks vacation (120 hours pay) after eight years or more of continuous service;
Three weeks vacation (140 hours pay) after twelve years or more of continuous service;
Three weeks vacation (160 hours pay) after fifteen years or more of continuous service;
Four weeks vacation (180 hours pay) after eighteen years or more of continuous service;
Four weeks vacation (200 hours pay) after twenty years or more of continuous service;
Five weeks vacation (220 hours pay) after twenty-five years or more of continuous service;
Five weeks vacation (240 hours pay) after thirty years or more of continuous service;
For each five (5) years of service after thirty years, the employee will receive an additional 8 hours pay each year thereafter.

Times his permanent base hourly rate.

A vacation week for qualified employees shall begin on the first day of each shift and extend through the last day of that shift. A vacation week shall begin on Monday and extend to the following Monday if mutually agreed between the Company and the employee.

Schedule applies to:

Jacksonville, FL Local 91
Salem, NJ Locals 6, 21, and 157
Winchester, IN Locals 14 and 65
Henryetta, OK Local 48
Shakopee, MN Local 129
Warner-Robins, GA Local 234

After one (1) year or more of continuous service, five (5) days vacation (40 hours pay);
After two (2) years or more of continuous service, ten (10) days vacation (80 hours pay);
After five (5) years or more of continuous service, ten (10) days vacation (96 hours pay);
After eight (8) years or more of continuous service, fifteen (15) days vacation (120 hours pay);

After twelve (12) years or more of continuous service, fifteen (15) days vacation (140 hours pay);

After fifteen (15) years or more of continuous service, twenty (20) days vacation (160 hours pay);

After twenty (20) years or more of continuous service, twenty (20) days vacation (180 hours pay);

After twenty-five (25) years or more of continuous service, twenty-five (25) days (200 hours pay);

After thirty (30) years or more of continuous service, thirty (30) days vacation (240 hours pay);

For each five (5) years of service after thirty years, the employee will receive an additional 8 hours pay each year thereafter.

Times his permanent base hourly rate.

It shall be the Company's prerogative to divide the three, four, or five week vacation period if it thinks it is necessary for the continuity of plant operations. However, once every five (5) years in which an employee is qualified to receive three (3) weeks or more of vacation time off, he shall be permitted to take the full amount of vacation time due him consecutively consistent with the continuity of plant operations.

All employees shall be required to take all vacation due them. No exceptions shall be permitted except in cases of extreme personal hardship mutually agreed to by the Local Union and the Plant Management.

Employees with eight (8) years or more of continuous service will be entitled to take one (1) week of vacation on a one (1) day at a time basis if the Local Plant Management and Local Union agree on a method for handling that doesn't interfere with production. Employees with fifteen (15) years or more of continuous service will be entitled to take two (2) weeks of vacation on a one (1) day at a time basis if the Local Plant Management and Local Union agree on a method for handling that doesn't interfere with production.

Those locations that have one (1) day vacation practices in excess of this Section will continue such practices.

Section 2. Applies to Elmira, Lawrenceberg and Streator-CMR only:

Each employee who is on the Company's payroll at the end of the qualifying year and who has worked more than 400 hours but less than 1200 hours shall receive vacation with pay computed by dividing the number of hours worked during the year by 1200, and multiplying the result by the vacation normally due the employee. This is to be paid at the base hourly rate.

Applies to: Jacksonville, Salem, Winchester, Henryetta, Shakopee and Warner-Robins:

Each employee who is on the Company's payroll at the end of the qualifying year and who has worked more than four hundred (400) hours but less than twelve hundred (1,200) hours during such qualifying year, shall receive a vacation with pay based on the general schedule of:

- a) Two percent (2%) of his total hours worked during such qualifying year times his base hourly rate if he has less than two (2) years of continuous service;
- b) Four percent (4%) of his total hours worked during such qualifying year times his base hourly rate if he has two (2) or more years of continuous service;
- c) Six percent (6%) of his total hours worked during such qualifying year times his base hourly rate if he has eight (8) or more years of continuous service;
- d) Eight percent (8%) of his total hours worked during such qualifying year times his base hourly rate if he has fifteen (15) or more years of continuous service;
- e) Ten percent (10%) of his total hours worked during such qualifying year times his base hourly rate if he has twenty (20) or more years of continuous service;
- f) Twelve percent (12%) of his total hours worked during such qualifying year times his base hourly rate if he has thirty (30) or more years of continuous service;

Section 3. Any employee who quits or is terminated, for any reason, shall be paid any vacation pay for which he has qualified during the previous qualifying year but which he has not received. In addition, the above terminated employee or his personal representative, shall be paid the amount of vacation earned in the year of such termination in accordance with the appropriate schedule set forth in this Article.

Section 4. Hours lost due to a compensable industrial accident, holiday, or in attendance as an official delegate to the convention of the Union or as official conferee at the Joint Wage Negotiation Conference between the Union and the Company, or on official International Union Business will be computed as hours worked (not to exceed forty (40) hours per week) for the purpose of vacation hours qualification.

Hours lost by Local Union officers on official Local Union business as authorized by the International Union not to exceed eighty (80) hours per year, will be computed as hours worked for the purpose of vacation hours qualification.

Section 5. No employee will be required to work more than twelve hundred (1200) hours during any qualifying year in order to be entitled to vacation with pay. Any employee who has worked twelve hundred (1200) hours during any qualifying year and is on the Company's payroll at the end of any qualifying year will be entitled to vacation with pay except as provided in Section 3 of this Article.

Section 6. Any employee who is laid off due to reduction in force or who is on sick leave and who has otherwise qualified for vacation with pay as specified above shall be given this vacation with pay on the next payday following his request.

Section 7. Vacation with pay shall be figured on a calendar year basis. The current basis as in each of the Company's plants will continue during the life of this Contract.

Section 8. Payments under this Article, shall be at the base hourly rate of the employee's permanent job classification.

Section 9. Vacation practices regarding the scheduling of vacations will be discussed and agreed to between the Local Union and Plant Management in keeping with local operating conditions. Should the parties fail to reach an agreement, all present practices regarding vacation scheduling will remain in effect for the duration of the Contract. The September notification process, where such presently exists, will continue for the duration of this Contract. Where a location does not have a September notification procedure, they may adopt one by agreement between the parties.

Section 10. Restoration of Service: An employee who is rehired by the Company and who then works at least three (3) years from the date of such rehire, shall be given credit toward vacation rights for prior service with the Company, provided such prior service with the Company was at least two (2) years.

Section 11. Servicemen's Clause: Employees who were employed by the Company prior to their induction shall be entitled to a vacation in accordance with the schedule listed under Section 2. The time period between the date of re-employment and the following anniversary date shall fix the amount of vacation pay due.

- a) The fractional vacation plus his regular vacation may be taken any time after the anniversary date following his return.
- b) Five (5) year employees shall receive double the schedule in No. 2.
- c) Any employee leaving the Company to enter the Armed Services will be given his fractional vacation up to date upon leaving provided he has completed one (1) year of continuous service.

Section 12. When a paid holiday falls during the employee's vacation, holiday pay shall be added to his vacation pay provided that he would have received holiday pay in the normal course of events if he had not been on vacation. Vacation days will be counted as days worked in regard to qualifying for holiday pay as set forth in Article 13, Holidays, Section 4(a).

Section 13. All hours taken off work as vacation hours shall be included in future vacation hour qualification.

Section 14. All vacation checks shall be separate from employee weekly paycheck, upon request.

Section 15. Employees will not be required to take vacation during layoffs or sick leave (including FMLA leave).

ARTICLE 15

Insurance Program

Section 1. The Company shall establish and maintain a comprehensive Group Life, Accident, Major Medical, Weekly Accident and Sickness, Health Program and Dental Program for all covered employees. The Company shall be responsible for the administration of the plan, including the processing of claims and payment of all benefits under the plan. Insurance benefits and other revisions changed as a result of this article shall become effective **January 1, 2006**. Such benefits shall become effective only for new claims which arise on or after the effective date. Claims for benefits that arise prior to the effective date shall be payable under the provisions of the Insurance Program as it existed prior to the effective date.

Employees will design their Employee Life Insurance and AD&D Insurance and Dependent Life Insurance coverages electing from choices outlined in subsequent Sections of this Article.

Section 2. Details of the Company's Program shall be worked out between the Company and the President of the International Union or his designated representative and a copy together with a copy of the Contract to provide for the benefits set forth herein which has been agreed to between the Company and the carrier shall be placed on file with the International President.

Section 3. This Insurance Program shall be integrated with any such program required by any Federal or State Law involving non-occupational sickness and accident benefits or health benefits which now exist or may become effective during the lifetime of this Contract without any cost to employee or additional dependent coverage cost that may be required by a national health program that may be enacted during the term of this Contract, except for employee contributions which may be a part of such National Health Program.

Section 4. The Comprehensive Medical and Dental Benefits of this Insurance Program are coordinated according to standard insurance procedures with benefits from other group plans under which an insured member may also be covered. This procedure is in accordance with the Coordination Provision of the immediately preceding Program. An Employee who waives comprehensive medical benefits and dental benefits coverage for him/herself or his/her spouse shall be paid seven hundred and fifty dollars (\$750.00) per year. In order to receive this payment, proof of coverage under another employer's plan will be required. Coverage under the Program may be reinstated upon loss of coverage under the other employer's plan or during the annual enrollment period.

Section 5. To assure the greatest benefit for the money expended, it is a mutual responsibility of the Company and the Union to police all insurance usage.

Section 6. The following standard provisions are included in the Program:

(a) All hourly employees under this Contract become eligible for coverage under the Insurance Program on the first of the month following completion of ninety (90) calendar days from their date of employment, subject to the provisions of State Disability Benefit Laws as they apply to disability benefits.

(b) Definition of Dependents. The term "dependents" includes the employee's spouse and unmarried children from birth to the twenty-first (21st) birthday, including legally adopted children and stepchildren and children under legal guardianship upon presentation of proof that the children are under legal guardianship of the employee and residing in the employee's household.

Dependent children also includes:

(1) Unmarried children twenty-one (21) years of age and over solely dependent upon the employee for support and regularly attending school on a full-time basis until their twenty-fifth (25th) birthday.

(2) An unmarried child mentally or physically incapable of earning his own living, and who otherwise ceases to be eligible for Comprehensive Medical Expense Benefits due to the attainment of the limiting age may continue to be eligible for Benefits Coverage under the Plan for the duration of the incapacity, provided the insurance does not terminate for any other reason. Proof of incapacity must be furnished to the Insurance Company within thirty-one (31) days after the child attains the limiting age.

(3) A newborn child who, from the date of birth incurs charges for routine nursery care or special hospital services rendered because of disease, injury, congenital abnormality or hereditary complications, is eligible for coverage from birth under the Comprehensive Medical Plan.

(c) If husband and wife are both eligible to enroll for employee benefits, either spouse but not both may enroll for coverage of dependent children.

(d) Continuation of Insurance During a Period of Absence from Work Due to Accident or Sickness.

(1) Non-Occupational Accident or Sickness:

If an employee is absent from work because of non-occupational disability, his Life, Accidental Death and Dismemberment, Sickness and Accident, Comprehensive Medical and Dental coverages will be continued up to six (6) months from the end of the month in which the disability occurs without contribution. Dependent coverages will also be continued for the same period without contributions. Life and Accidental Death and Dismemberment coverages will be continued for the balance of the temporary disability period without contributions.

(2) Occupational Accident or Sickness:

If an employee is absent from work because of occupational disability all his coverages under the Program will be continued for the period of temporary disability without contributions. Dependent coverages will also be continued for the same period without contributions.

(3) Continuation of Coverage During Layoff

If an employee is laid off, all his insurance will be continued up to six (6) months following the end of the month in which the layoff occurs without contributions. Dependent coverages will also be continued for the same period without contributions. If at the end of the six (6) month period, the temporary layoff continues, the Life and Accidental Death and Dismemberment Coverages will be continued for the duration of the layoff or three (3) years, whichever comes first, without contribution. Employees returning from layoff shall be reinstated immediately.

For those employees laid off due to the idling of a furnace, shop and/or department, such displaced employees group insurance benefits will continue to the first of the month following six (6) months from their last day worked. At any point, during said six (6) month period or thereafter, that such laid-off employee works a cumulative total of one hundred and twenty (120) hours all his insurance will be renewed for the following six (6) month period, as measured from the date of qualification. That is, employees who do not satisfy the one hundred and twenty (120) hour requirement shall have all their insurance reinstated immediately, for the following six (6) months, upon completion of the one hundred and twenty (120) hour work requirement.

In the event that said idled furnace, shop and/or department is restarted those employees previously displaced and called back to work will have their insurance benefits reinstated immediately.

(4) Any extension of coverage under the immediately preceding paragraphs (1), (2) and (3), will cease immediately if the employee dies, retires, goes to work for another employer or becomes self-employed.

(e) Termination of Employment

If employment is terminated, all coverages under the Insurance Program cease at the end of the month in which the termination occurs, except as required by law.

(f) Conversion Privilege

Upon termination of insurance the option of converting the Life Insurance and the Comprehensive Medical coverage to individual policies may be exercised by the individual according to the provisions of individual policies made available by the insurance carrier. Coverage continuations as required by the Consolidated Omnibus Budget Reconciliation Act of 1985 will be made available in accordance with the applicable provisions of said act.

(g) Employees terminated as a result of a permanent plant closing will have all their benefits covered under Article 15, Insurance Program, continued for six (6) months from the date of such closing or from the employee's last day worked or his date of termination, whichever is later, without contributions. Dependent coverages will also be continued for the same period without contribution.

An employee who is on layoff at the date of such closing will have his coverage continued for the remainder of the six (6) month period under Section 6D (3) without contribution.

In the event the Company fails to provide the ninety (90) day plant closing notice, as set forth in Section 1 Article 32, the six (6) months will be extended by the period of time less than ninety (90) days.

(h) This Article will be administered in accordance with the Tax Equity and Fiscal Responsibility Act of 1982, as amended, and other applicable laws as to medical and related programs as to working employees age 65 or over and eligible dependent spouses aged 65 or over.

Payments for Part B of Medicare for such a working employee and such an eligible dependent spouse are borne by the Company only when the primary coverage is provided by Medicare, and such payments will not exceed those payments made by the Company under the Company's Program.

Section 7. Preferred Provider Organization (PPO) Medical Benefits

(1) Calendar year deductible \$100 per covered member (\$300 maximum family) for in-network and \$150 per covered member (\$400 maximum family) for out-of-network.

(2) Co-insurance is 90% Plan /10% Individual for in-network services and 70% Plan and 30% Individual for out-of network services, unless otherwise specified.

(3) An annual co-payment stop loss limit of \$1,000 per covered member per calendar year and \$3,000 per covered family per calendar year for in-network and \$1,500 per covered member per calendar year and \$3,500 per covered family per calendar year for out-of-network. Then the Plan pays 100% of covered expenses for the calendar year. The following out of pocket expenses only count towards the stop loss limits:

- All comprehensive medical co-payments;
- All ambulance co-payment
- Calendar year deductible

(4) PPO involves a network of arrangements with suppliers of medical services and/or supplies. Employees and eligible dependents will be enrolled in a PPO where

available on the first of the year following approval by the Company, the International Union and Local Union (s). Said approval will not be unreasonably withheld.

When a network physician refers a covered member to a non-network physician or non-network hospital, charges for those out of network services will be covered the same as the network services.

	Effec.	Effec.	Effec.
(5) Weekly Contributions	<u>4/1/2005</u>	<u>4/1/2006</u>	<u>4/1/2007</u>
Employee Only	\$10.00	\$11.00	\$12.00
Employee & One (1) Dependent	\$14.00	\$15.00	\$16.00
Employee & 2 or More Dependents	\$17.00	\$18.00	\$19.00

Unless otherwise specified the following standard procedures apply to the PPO Plan.

B. Lifetime maximum per covered member \$1,000,000.

C. After receipt of \$1,000 of benefits or more, individual can have full maximum \$1,000,000 benefit restored if he can prove he has returned to good health.

D. Automatic yearly restoration of \$5,000 toward maximum benefit of \$1,000,000.

E. Extended benefits when disabled and insurance canceled-up to 18 months from cancellation date.

F. Pre-admission notification. When an employee or eligible dependent is considering an operation or entering a hospital or treatment facility for medical care, notice must be given to the designated program administrator prior to the proposed surgery or hospitalization (except for cases of emergency, where notification is required within seventy-two (72) hours after admittance). Employees and eligible dependents who comply with the above requirements will receive the maximum reimbursement allowable under comprehensive medical benefits. If pre-admission notification is not obtained, \$100 deductible for that admission will be imposed over and above any other deductible.

This deductible will not count toward the co-payment stop loss limit of \$1,000 per covered individual.

The following program benefits will be available upon fulfillment of pre-admission notification procedures as provided for in this Section.

Hospital Admissions
 Second Surgical Opinions
 Individual Case Management
 Length of Stay
 Discharge Planning

Birthing Centers
Convalescent Centers
Home Health Care
Hospices

G. Second Opinion-Surgical Consultation Benefit.

The Insurance Program will pay 100% of the reasonable and customary charges of a consulting physician for a covered surgical consultation, and the reasonable and customary charges for any laboratory or x-ray examinations made in connection with the consultation, without application of the deductibles.

A "consulting physician" must be certified by the American Board of Surgery or other specialty board. Consultations provided before and after the employee or dependent enters the hospital for the proposed surgery are covered under this benefit. A surgical consultation may be requested by the employee, dependent or the operating physician when the proposed surgery is actually performed. This consultation will be covered at 100%.

Benefits are not payable for consultations provided in connection with a normal obstetrical procedure, any procedure for which a surgical expense benefit would not be payable under the Insurance Program and the proposed procedure must require more than local infiltration anesthesia and be non-emergency in nature.

A third opinion will be covered on the same basis as the second opinion in those situations where the second opinion does not confirm the recommendations of the operating physician.

H. Pre-admission Testing Benefits. Pre-admission is covered at 100% without the application of the deductible. Charges for hospital admission for diagnostic purposes will be reimbursed if the admission is medically necessary, or if the tests cannot be performed on an outpatient basis.

I. Week-end Admission. In no event, unless on an emergency basis, shall an employee be admitted to a hospital between 12:00 Noon Friday and 12:00 Noon Sunday.

J. Covered Reasonable and Customary expenses for comprehensive Medical Benefits (subject to applicable co-payment and deductible) are as follows:

1. **Daily Hospital Benefits.** Applicable semiprivate charge. Private room limit is hospital's average semi-private charge.

2. **Miscellaneous Hospital Charges.** Coverage for other necessary incidental hospital charges.

3. **Surgical Expense Benefits.** Surgeon's and assistant surgeon's standard reasonable and customary fees for necessary surgical procedures performed on employees and their covered dependents. This also includes pre-operative and postoperative care by surgeon.

4. **Medical Expense Benefits.** Coverage for doctor calls while confined in hospital and/or prior to the day of an operation.

5. **Diagnostic X-Ray and Laboratory Expenses.** Reasonable and customary x-ray and laboratory expenses. Each covered member will be entitled to two (2) pap smears, one (1) mammogram, and one (1) prostate antigen test (PSA) annually, which will not be subject to the annual deductible or co-payment.

6. **X-Ray and Radioactive Therapy Benefits.** Reasonable and customary X-ray and radioactive therapy benefits.

7. **Alcohol and Drug Treatments.** Employees will be required to complete one (1) year of credited service in order for the employee and eligible dependents to be covered for alcohol/drug treatment. For in-patient treatments: Coverage for room and board and treatment program charges in an alcohol or drug facility recognized by the respective state agencies for up to thirty one (31) days per treatment in-patient. Limited to two (2) treatments in a lifetime. For out-patient treatments: In a recognized alcohol or drug treatment facility up to thirty one (31) days per course of treatment. Limited to two (2) treatments in a lifetime.

In-patient and out-patient treatments will be covered subject to an annual maximum of \$20,000 with a lifetime maximum of \$40,000 per individual.

8. **Mental and Nervous Disorders.** Reasonable and customary expenses for mental and nervous disorders, hospital and/or non-hospital treatments, will be covered subject to the lifetime maximum of \$1,000,000.

9. **Charges of Licensed Physician.** This includes physician office visits.

10. **Prescriptions.**

(a) Employees and their eligible dependents will participate in a Pharmacy Network Drug Card Program. This includes drugs and medicines, which by law require a physician's or dentist's prescription. Prescription drugs purchased with the card will not require any claim forms, will not be subject to the calendar year deductibles and will not apply to the annual co-payment stop loss limit. The following employee co-payments will apply to each prescription:

Generic	\$10.00
Brand	\$20.00

(b) Mail order prescriptions will be filled at co-payment of \$10 per order for generic, \$20 per order for brand name. These co-payments do not apply to the calendar year deductibles or the annual co-payment stop loss limit.

Non-maintenance prescription drugs will be filled for a maximum of (30) days. Maintenance prescription drugs will be filled for a maximum of (90) days.

(c) Effective 4/1/2007, if prescription drugs (whether non-maintenance or maintenance) are purchased within the network, the co-payments are as follows: ten dollars (\$10.00) per order for generic; fifteen (\$15.00) for discounted brand-name; and twenty dollars (\$20.00) for non-discounted brand-name, according to the plan's formulary. Prescriptions will be filled as written by the physician, unless a generic is available, and the physician has authorized that a generic may be dispensed.

(d) Effective 4/1/2005, if prescription drugs (whether non-maintenance or maintenance) are not purchased within the network, the reimbursement will be at seventy-five (75%) of the retail price less the co-payment of ten dollars (\$10.00) per order. Prescriptions will be filled as written by physician, unless a generic is available, and the physician has authorized that a generic may be dispensed.

(e) Effective 4/1/2007, if prescription drugs (whether non-maintenance or maintenance) are not purchased within the network, the reimbursement will be at seventy-five percent (75%) of the retail price less the co-payment of ten dollars (\$10.00), fifteen dollars (\$15.00), or twenty dollars (\$20.00), as applicable, per order. Prescriptions will be filled as written by physician, unless a generic is available, and the physician has authorized that a generic may be dispensed.

11. Hearing Aids. The reasonable and customary cost for the purchase of a hearing aid, including expenses for examinations and fitting, will be covered subject to applicable Plan deductible and co-insurance amounts. However, this benefit is limited to the purchase of one (1) hearing aid per ear for each covered person once every twenty-four (24) months and excludes the replacement and repair of any part or parts of such hearing aid following such purchase.

12. Maternity Benefits for Dependent Children. Unmarried dependent children are covered with maternity benefits the same as employees and eligible spouses.

13. Smoking Cessation. An employee and his eligible dependents will be reimbursed subject to a lifetime maximum of \$150.00 per individual for smoking cessation expenses. This is a separate benefit not subject to any deductible or co-insurance provision.

Section 8. Eye Care (Employees and Dependents)

An employee and his eligible dependents will be reimbursed for the costs of a properly licensed doctor performing a complete eye examination once every two (2) years, up to a maximum of \$40.00. If the company requires an examination more frequently for issuance of safety glasses of an employee, such examination will also be covered up to the same maximum.

An employee and his eligible dependents will also be reimbursed once every two (2) years for the cost either of a pair of lenses (single - \$20.00; bifocal - \$25.00; trifocal \$35.00; - Lenticular (\$55.00) - Progressive (\$65.00) and of frames (\$25.00) or a pair of contact lenses (\$60.00).

Section 9. Dental Program

Employees will have the option of choosing a dental coverage plan:

Option 1. Standard Dental

(a) A separate \$25.00 annual deductible for each covered member, with a maximum family deductible of \$75.00. The program will also cover on a reasonable and customary basis the following preventive dental procedures at 100% without deductibles: two check-ups per calendar year, including cleaning, scaling, fluoridizing, and x-rays once per calendar year.

(b) After deductible, Plan pays 80% of reasonable and customary cost of most covered dental expenses (50% with respect to inlays, gold fillings, crowns, fixed bridgework, etc.).

(c) Up to \$2,000 of dental benefits will be payable in any calendar year per covered individual.

(d) Orthodontics-Fifty percent (50%) of reasonable and customary charge up to a lifetime maximum of \$2,000 per covered individual. Payment for orthodontic treatment will be made only for employees or dependents of employees with one or more years of Company service. Employees participating in an DMO will be covered for such expenses noted above.

Option 2. Dental Health

A managed dental care network will be established that offers the various dental procedures on a fixed cost basis. Reduced pricing will be offered by all network dentists.

Section 10. Life Insurance and AD&D Insurance

(a) Life Insurance of \$27,000 coverage and AD&D Insurance of \$27,000 coverage at no cost to the employee will be provided for each employee.

(b) Employees may purchase \$10,000 of additional life insurance and AD&D Insurance. The weekly contribution for this additional insurance is \$.50.

(c) In the event an employee qualifies for total and permanent disability, all Life Insurance coverages will cease.

(d) AD&D Insurance Coverage will include twenty-four (24) hour coverage including on-the-job accidents.

Section 11. Weekly Sickness and Accident Benefits

Weekly Sickness and Accident benefits insurance coverage at no cost to the employee will be provided at **\$290.00** per week (effective 4/1/2006) and **\$300.00** per week (effective 4/1/2007).

(a) The non-occupational disability payments commence the first day of an accident: the fourth day for sickness, and there is a twenty-six weeks payment limit. Payment retroactive to first day if hospitalized within twenty-eight (28) days of disability integrated with any Federal or state law sickness and accident benefit requirement.

(b) The occupational disability supplemental benefit will be an amount, if necessary, so that when added to the workers compensation benefit the payments will produce an amount equal to the non-occupational benefits of **\$290.00** or **\$300.00**, as applicable, twenty-six (26) week payment limit.

Section 12. Dependent Life Insurance

The Company will make available a Dependent Life Insurance Program. Eligible employees will have the opportunity to purchase **ten thousand dollars (\$10,000.00)** of dependent term life insurance on their spouse and **four thousand dollars (\$4,000)** for each dependent child.

The eligibility is the same as set forth in Section 6(a) in the introductory sections of this Article.

Definition of Dependents.

The definition is the same as set forth in Section 6(b) in the introductory sections of this Article, with the following exception: If both the employee and the spouse work for the company, each may enroll as an employee and cover the other as a dependent.

The weekly contribution for these dependent life coverages is **fifty cents (\$0.50)**. The termination of coverage is the same as set forth in Section 6(d)4 and 6(e) in the introductory sections of this Article.

Section 13. General

The Insurance Program will pay reasonable and customary charges for Voluntary Sterilization for each covered individual.

The Company will take whatever action may be required to guarantee that an employee who is eligible for weekly Sickness and Accident benefits will be paid such benefits each week while he is absent from work because of a non-occupational disability. Such action will be taken only after all required claim applications have been properly filed and the initial weekly payment has been processed and paid.

The conditions of this entire group insurance package are the same as those in effect immediately preceding this Contract except where benefit features described above would indicate changes.

When a married couple works for the Company and one of them quits or retires, the active employee will be able to cover their spouse as any other dependent.

It is agreed that when the insurance policy between the Company and its carrier or administrator is in direct conflict with this Article, this Company and/or Union will not use said insurance policy to deny, alter or improve upon benefits provided herein.

Pre-Tax Employee Contributions IRS 125 Plan:
This Plan allows for employee contributions to be made on a pre-tax basis through Section 125 of the Internal Revenue Code.

Section 14. In the States which have mandatory state disability insurance plans, the Company will pay the legally required contribution for each employee covered by this Contract. Any benefits received from such plans will be integrated and maintained with the provisions of this Article.

ARTICLE 16 Retirement Plan

Section 1. Effective August 1, 2002, the Company executed a Participation Agreement in order to become a Contributing Employer to the GMP and Employers Pension Fund (the "Fund").

Effective August 1, 2002, the Company and the Union modified their existing Collective Bargaining Agreements ("CBAs") in accordance with the provisions of the Fund.

The Company agreed to contribute to the Fund on behalf of its employees covered by the CBAs the sum of eighty-nine cents per hour (\$0.89/hr) worked to a maximum of 2000 hours in a calendar year.

The Company agreed to the definition of "hours worked" to include all pay for time not worked, including vacation days, jury duty, union business, funeral leave, holidays and days compensated under the short term disability plan, including workers compensation.

Effective January 1, 2005, the Company's contribution to the Fund shall be increased to one dollar and twenty cents (\$1.20) per hour worked.

Effective January 1, 2007, the Company's contribution to the Fund shall be increased to one dollar and thirty cents (\$1.30) per hour worked.

Section 2. Supplemental Retirement Plan (401K). The Company agrees to match 35% of the first 10% of employee contributions.

ARTICLE 17 Retiree Benefits

The Company agrees to the principle of a jointly administered fund into which the Company will contribute **effective April 1, 2005, eighty cents (\$.80), effective April 1, 2006, eighty-five cents (\$.85) and effective April 1, 2007, ninety cents (\$.90)**, per actual man-hour worked by each of its bargaining unit employees, excluding hours paid for but not worked, for the purpose of providing retiree benefits. Such jointly administered fund shall be administered in accordance with the provisions of the present Retiree Benefits Trust Agreement.

ARTICLE 18 Relief

Section 1. Employees working on continuously operating machine paced production jobs, such as Selector-Packers and Pallet Loaders, shall be physically relieved for fifty (50) minutes paid lunch and relief. Present relief schedules and practices at each plant, which are in excess of and different than those provided for in this Contract shall remain in effect.

All other employees will receive paid lunch and relief periods totaling fifty (50) minutes, which will be scheduled by the department manager. Present lunch and relief practices will be continued for employees, such as Tank Tenders and Batch Mixers whose duties consist of observing, record keeping and reporting. All present relief schedules and practices for Day Workers, which are in excess of and different than those provided for in this Contract are to remain in effect for the duration of this Contract. All present relief schedules and practices at each plant, which are in excess of and different than those provided for in this Contract shall remain in effect.

Section 2. All hourly employees working three (3) hours or more beyond their normally scheduled shifts shall receive a twenty (20) minute paid relief. All hourly employees working more than one (1) hour but less than three (3) hours beyond their normally scheduled shifts shall receive a ten (10) minute paid relief. This paid relief will be given as soon as practical prior to the end or as soon as possible following their shift. Such employee shall also receive the appropriate relief thereafter. All present relief schedules and practices at each plant, which are in excess of and different than those

provided for in this Contract shall remain in effect. Any alleged abuses will be handled on an individual basis.

Section 3. The Company agrees that no relief periods shall begin during the first or last hour of any shift. No employee will be assigned or required to relieve more than five (5) other employees and himself during an eight (8) hour shift. The Company further agrees that every effort will be made to schedule lunch periods as close to the middle of the shift as practical. The Union will cooperate in addressing problems that could arise in the administration of relief. All hourly employees working other than their regularly scheduled shifts shall receive lunch and relief periods in accordance with Sections 1 or 2 of this Article, whichever applies.

Section 4. It is agreed that extra relief shall be granted to those employees working in all areas affected by oppressive heat and/or cold conditions. The respective Local Union Business Committee and plant management will meet prior to the affected months (no later than March in the Spring and September in the Fall) to review the agreed to practices and procedures of extra relief and to agree on the practices and procedures of the extra relief in the absence of agreed to procedures relative to heat and/or cold relief.

The Local Union and the Company will cooperate in their efforts in this area. The Company accepts the responsibility of assuring that discussions relative to heat/cold relief will be held between plant management and the Local Union Business Committee during the months of March and September. If agreement has not previously been reached in regard to extra relief due to heat and/or cold, the previously mentioned agreement on the practices and procedures of the extra relief will be reached in said meetings or the Local Union may file a grievance to be heard initially in Step 3 of the Grievance Procedure.

Heat breaks in each plant will not be given in conjunction with the employees regular relief, unless otherwise mutually agreed to.

Section 5. Because of the varying conditions and practices existing throughout the Company's plants, the granting of wash-up time will vary depending upon the conditions existing in each department and plant. When the need exists for employees to change clothing/uniforms during working hours due to silica contamination or the danger thereof, such employees will be provided the time necessary to clean up and change clothing/uniforms.

Section 6. Employees will be allowed to eat their lunch and take their lunch break periods in suitable designated areas.

ARTICLE 19
Supervisory/Non-Bargaining Unit Employees

Section 1. The basic responsibility of supervisory employees is the effective direction of the employees in their assigned groups. It is not the Company's policy to have a supervisory employee perform any other function except the effective direction of the group of employees under his supervision.

A supervisor, salaried employee, or any other employee relieving a salaried supervisor, shall perform no work of the type customarily performed by employees within the bargaining unit including relief work. Exceptions will be made in cases of emergencies, instruction and developmental work.

Section 2. Emergencies are defined as unforeseeable conditions involving danger to personnel, product or property.

Grievances arising over an alleged violation of this Article must be filed within three (3) work days of the occurrence and will be heard initially in Step 2 of the grievance procedure. The supervisor accused of violating this Article and the aggrieved employee must be present (unless the grievance is filed on behalf of the Local Union) at all steps of the grievance procedure.

If the Company agrees at any step of the grievance procedure that there has been a violation of this Article by Management or Supervisory Personnel or if the Arbitrator so determines, the employee who would have performed the work will receive a monetary award.

Section 3. The Company is permitted to utilize hourly rated employees in non-bargaining unit positions. The Company may use such hourly rated employee only up to one hundred twenty (120) accumulative working days per calendar year in non-bargaining unit positions. (Application of this provision will not deprive any hourly employee from receiving his requested vacation.) However, this time may be extended by mutual agreement between the Plant Management and the Local Union. In the event there is no mutual agreement to extend the one hundred twenty (120) days, or at the end of an agreed to extension, the employee involved will be returned to a job within the bargaining unit or be made a full time non-bargaining unit employee. On each such occurrence, when a bargaining unit employee is utilized in a non-bargaining unit position, the Local Union shall be notified in writing of each day or days the hourly rated employee is so used. The written notice shall include a running total of the days worked as a non-bargaining unit employee. An hourly rated employee that is assigned temporarily to a non-bargaining unit position shall not perform work of the type customarily performed within the bargaining unit. The involved employee shall be notified of the provisions of this Article at the time he is asked to serve in a non-bargaining unit position.

(Failure to adhere to this provision of this Article will be a violation of this Contract and will be heard initially in Step #3 of the Grievance Procedure.)

ARTICLE 20

Equipment Supplied

Section 1. The Company shall supply, when needed, special tools, original packer stamps, boots, raincoats, rain hats, goggles, equipment for hot repairs, new or used gloves satisfactory to the Local Union, sleeves, glass cutters, glass gauges and safety glasses (including prescription glasses with or without progressive lenses as the employee desires) and the employee shall be responsible for same and shall be provided with replacement only after he has turned in such items previously used by him which reflect normal wear and tear or breakage.

Machinists, Electricians, Repairmen, Apprentices and other skilled craftsmen shall be required to purchase and provide necessary hand tools to perform their jobs. All special tools, test equipment and gauges used by the above listed craftsmen and apprentices shall be furnished or made available by the Company. When **employee owned** tools, including tool pouches, are worn out, broken or cannot be used, tools of **identical brand and quality will be** replaced by the Company within ten (10) calendar days following the date the employee turned into the Company the worn-out or broken tool. The Company will provide sufficient secure areas in which employees, who are required to supply hand tools for their work may store such tools.

Section 2. The Company will furnish necessary clothing and equipment, if weather (**cold, heat, rain, sleet, snow, etc.**) safety or job conditions require it. The Company agrees that present agreements and practices regarding clothing shall remain in effect for the duration of this Contract. It is understood that employees who perform welding duties will be furnished welder's (spark) jackets. The procedure for securing such jackets will be the same as set forth in Section 1 above for securing replacement tools. Employees who are assigned or expected to work in the batch department, on a permanent or intermittent basis, including maintenance employees who perform repair and/or maintenance duties in the batch department, will be supplied personal protective equipment and/or uniforms for protection from silica.

Section 3. The Company will furnish, and replace, as needed hairnets, head bands, hats, and any other clothing which the employees are required to wear. Where any said items are required, those items that are satisfactory to both the Local Union and Plant Management will be furnished.

Section 4. The Company shall replace at its expense all tools and tool boxes owned by employees which are destroyed by fire, flood, or other similar disasters on the Company's premises, up to a maximum liability of \$3,500 for any employee. The value shall be based upon an accurate current inventory of such equipment furnished to the Company by the employee.

Section 5. All maintenance employees, mold cleaners and/or polishers, and those employees involved in loading, unloading, transporting or mixing batch will be included in the present Anchor Glass Container Uniform and Shoe Allowance Program. **The reimbursement will be at the rate of fifty percent (50%) reimbursement maximum One Hundred and thirty-five dollars (\$135).** There will be an eight dollar (\$8.00) maximum weekly reimbursement for uniforms (type of uniforms to be determined by the Local Union Business Committee and the Plant Manager).

The company will pay for the replacement of any employees work shoes which are damaged (other than normal wear and tear) while performing work for the Company. The replacement cost to be borne by the company will be the cost necessary to replace the damaged shoes with shoes of the identical brand and quality. The shoes must be presented to the shift supervisor at the end of the shift.

All local practices relative to shoes and/or clothing, which exceed the above provisions, will continue for the duration of this contract.

ARTICLE 21 Absence from Work

Section 1. An employee is to report into work as scheduled. When an employee is unable to report for work as scheduled, he shall notify the designated representative at each location at least one (1) hour in advance or, in an emergency, as soon as possible. If an employee is not off for a definite period of time, he shall report his availability to return to work at least eight (8) hours in advance.

Section 2. It is agreed that supervisor(s) will have the authority to excuse employees and such excuses will not be unreasonably withheld or denied. When the employee is excused by his supervisor prior to his day of absence or after having reported to work, this absence will not be counted against the employee's absentee or lateness record.

Section 3. An employee who is unable to continue work due to illness, injury or emergency situation during the shift shall notify the foreman and he will be relieved. If an employee wishes to be relieved for other compelling reasons, he shall continue to work until relief is provided.

Section 4. Employees shall not be required to call in to report their absence from work on each day of such absence in the following instances:

- (a) Employee is hospitalized due to illness or injury.
- (b) Employee under care of medical doctor or other legally recognized physician because of illness or injury. It is understood that the employee or his agent shall call in as required to report the employee's absence from work on the first day of absence due to (a) or (b) above and will inform the Company of the anticipated length of his or her

absence and will notify the Company of any change in their status as required. It is agreed that the employee will submit the normal Doctor's statement to the plant designated Representative prior to returning to work. When the proper statement has been submitted the employee will be returned to work in accordance with the provisions of the Contract within forty-eight (48) hours unless extended by mutual agreement.

Section 5. Circumstances, which could have a mitigating effect on discipline, will be considered in assessing discipline under the absentee control program.

ARTICLE 22 Military Leave

Section 1. If, during the life of this Contract, any employees should be inducted into the armed services of the United States, and upon their return, if such employees are physically and mentally fit for employment, the Company will offer them work of a like kind that they were engaged in before entering the service, if such work is available to employees with equal or less seniority than that of the returning servicemen. If such work is not available, returning servicemen will be recalled to work on the basis of their respective positions on the seniority list. This Article is to be administered in accordance with applicable Federal and State laws and the Uniformed Services Employment And Reemployment Rights Act of 1994.

Section 2. All employees who are members of the Armed Forces shall be paid for all time lost, not to exceed forty (40) hours per week, while in attendance at the Armed Forces two (2) week summer camp. The pay shall be at the employee's regular base rate.

ARTICLE 23 Bereavement Leave

Section 1. In the event of the death of a brother, sister, grandparent, grandchild, current mother-in-law, current father-in-law, half-brother, half-sister, current step-brother, current step-sister, current step-mother-in-law, and current step-father-in-law of an employee who has been in the employ of the Company for at least thirty (30) days, shall be paid for time lost from work, (not in excess of three (3) days) at the individual employees regular base wage rate or special combined rate of pay, whichever is applicable.

Section 2. In the event of the death of a current spouse, child or stepchild, parent, step-parent, or legal guardian of an employee, who has been in the employ of the Company for at least thirty (30) days, shall be paid for time lost from work not in excess of five (5) days at the individual employee's regular base wage rate or special combined rate of pay, whichever is applicable.

Section 3. In the event of the death of a current brother-in-law, current sister-in-law, current son-in-law, great grandparent, or current daughter-in-law of an employee who has been in the employ of the Company for at least thirty (30) days, the employee shall be paid for time lost not in excess of one (1) shift at the individual employee's regular base wage rate or special combined rate of pay, whichever is applicable.

Section 4. Time lost from work must be in reasonable relationship to the date of the death. Requests for additional time off, without pay, to attend the funeral or related matters will be honored, as will requests for time off, without pay to attend the funeral of any other member of the employee's immediate family and shall not be used against an employee's attendance record in any of the plants' Absentee Control Programs.

Section 5. Before taking time off, the employee will notify the Company of the death. Upon the employee's return to work, proper documentation of the death will be presented to the Company, upon request.

Section 6. If an employee's vacation or holiday is interrupted by such death as defined by this Article and he so notifies the Company promptly, the number of days he normally would have been paid if working, shall be added to his vacation or holiday with pay.

Section 7. If an employee is granted a leave of absence to be with a member of his immediate family (Mother, Father, Spouse, child, step-child or step-parent) during their illness and death occurs while on such leave the provisions of this Article will apply as if the employee was working his regular schedule.

Section 8. An employee acting as a Color Guard, Bugler, Pall Bearer or member of the Rifle Squad in a military funeral or the funeral of a fellow employee, shall be paid his regular base wage rate for the actual hours lost from work, not to exceed four (4) hours.

ARTICLE 24

Jury Duty

Any employee covered by this Contract who is called for jury duty or Tribal Court will receive the individual employee's regular base rate of pay, not in excess of forty (40) hours per week, for any regularly scheduled work hours spent on such jury duty or Tribal Court. When an employee is obligated to do jury duty or Tribal Court during any twenty-four (24) hour period, he shall not be required to work during said twenty-four (24) hour period. If an employee is scheduled to work the midnight shift preceding the day of jury duty or Tribal Court, he shall not be required to work the midnight shift next preceding and following the day of jury duty or Tribal Court, and will be paid for such days.

ARTICLE 25
No Strike or Lockout

Section 1. There shall be no strike, sympathetic or otherwise, walkout, slowdown, or work stoppage of any nature by the Union or any Local Union or its members during the term of this Contract. There shall be no lockout by the Company during the term of this Contract. In the event any employee or group of employees participate in any such strike, walkout, slowdown, or work stoppage during the term of this Contract, the Union or Local Union agree upon being notified by the Company to immediately direct such employee or group of employees to resume work.

Section 2. It is understood and agreed that any strike, walkout, slowdown, or work stoppage not authorized by the Union, or the Local Union not aided, encouraged, and abetted by the Union, or Local Union shall be deemed for all purposes an unauthorized strike, walkout, slowdown or work stoppage for which there shall be no liability on the part of the Union, Local Union or its officers.

Section 3. The Company recognizes and agrees that a Local Union under this contract will not be held in violation of this Article under the following conditions: that the Union and the Company fail to reach a new national Automatic Machine Department and/or Production and Maintenance contract that also covers a plant under this Contract; that the International Union authorizes the Local Union of that department to establish a strike picket line at that plant; that the Local Union under this Contract refuses to cross that authorized line at that plant solely as a result of such failure.

ARTICLE 26
Grievance Procedure

Section 1. The purpose of this Article is to provide an orderly method of the settlement of all grievances. If a representative of management fails to give his answer within the time limits specified in any step of the Grievance Procedure, the grievance may be processed to the next step of the Grievance Procedure within the time limits set forth in such step.

Grievances shall be presented and processed in accordance with the following steps:

Step 1. If an employee has a grievance he shall, within five (5) working days from the date the grievance arises, present it to his immediate foreperson and shop steward for discussion and settlement. The foreperson shall give the employee his decision on the grievance within three (3) working days after it has been presented to him.

Step 2. If the grievance is not settled in Step 1, the employee and shop steward may refer the matter to the Business Committee for investigation. If the Committee considers the grievance just, it shall reduce all facts concerning the grievance to writing and present it to the employee's Department Head for discussion and settlement within seven (7)

working days after the completion of Step 1. In reducing the grievance to writing the Business Committee shall set forth with reasonable clearness, the nature of the act or acts on which the grievance is based, the time when such acts occurred, the identity of the jobs and employees covered by the grievance, the provisions of the Contract, which have been violated and the remedy requested. The employee's Department Head shall give the Business Committee his decision on the grievance within seven (7) working days after it has been presented to him. The Department Head's answer will be reduced to writing and shall set forth with reasonable clearness, the facts and the provisions of this Contract on which his decision is based.

If a grievance is appealed to the next step or any subsequent step of the grievance procedure, the basis of such appeal shall be set forth in writing by the appealing party. The answer of the other party shall also be set forth in writing.

Step 3. If the grievance is not settled in Step 2, the Business Committee shall discuss the matter with the International Representative of the Union and they shall, within seven (7) working days after receiving the Company's reply in Step 2, present the grievance to the Company's designated representative for discussion and settlement. The Company's designated representative shall give the International Representative of the Union and the Local Union his decision on the matter in writing within seven (7) working days after it has been presented to him.

Step 4. If the grievance is not settled, the International Representative shall, within seven (7) days after receiving the decision of the Plant Manager, or his designated representative, refer the matter to the International President of the Union, or his designated representative, and the vice-president of Industrial Relations and Human Resources, or his designated representative, for discussion or settlement. This step shall be concluded fifteen (15) days after the date on which the grievance is referred to the International President of the Union, or his designated representative, and the vice-president of Industrial Relations and Human Resources, or his designated representative, except that this step may be extended for not more than fifteen (15) days by written notice by one (1) party to the other. Within thirty (30) days after conclusion of this Step, the vice-president of Industrial Relations and Human Resources, or his designated representative, shall forward his written response to the designated International Representative.

Section 2. Grievances involving the administration of incentive systems may not be filed until after a reasonable trial period.

Section 3. It is not the function or right of the Company, or any Local Union and its officers, or the officers of the International Union, to change this Contract.

Section 4. Grievances concerning job classifications under the Uniform Wage Structure Program will be handled in accordance with the procedure established under Article 29, Wage Structure Plan.

ARTICLE 27
Arbitration

Section 1. All disputes not settled pursuant to the procedure set forth in Article 26, Grievance Procedure, may be referred to arbitration by a notice given to the Company or the Union by the other within ten (10) working days, Monday through Friday, after the conclusion of Step 4 of the Grievance Procedure. Such notice shall be in writing, setting forth the matter in dispute and the relief requested.

Section 2. All grievances processed to arbitration shall be arbitrated before an arbitrator as provided by the American Arbitration Association.

Section 3. The arbitrator shall have no power to add to, subtract from, or modify the terms of this Contract, to change base hourly wage rates and premiums for jobs, to revise job evaluation plans or incentive systems, or to set, or change standards of production. The arbitrator shall have the authority to decide only whether,

- (a) The Company's incentive system meets the provisions of Section 1 of Article 28, Wage Incentives;
- (b) Individual incentive or bonus earnings are proper under the principles of the Company's incentive system;
- (c) The Company's job evaluation plan rates, new or changed jobs according to factors such as skill, effort, responsibility, job conditions, and other related factors and conditions in accordance with sound job evaluation practices.

The decision of the arbitrator shall be final and binding on both parties. If the arbitrator determines that the Company's incentive system does not meet the provisions of Section 1 of Article 28, Wage Incentives, the Company shall promptly revise such incentive system to come into compliance with such section.

Section 4. Regardless of the outcome of any matter submitted to arbitration, the costs of such arbitration shall be borne equally by the Company and the Union. Charges for stenographic fees and expenses shall be borne by the parties ordering such service.

Section 5.

- (a) Either party shall have the right to require that any arbitration be handled in accordance with the rules of the American Arbitration Association procedure which provides for the filing of briefs and other procedural matters described therein, provided however that such rules will only be followed to the extent they are not inconsistent with this Contract.

(b) The parties may however agree that rather than having the arbitration conducted in the usual manner it shall be Expedited Arbitration where the following procedure shall be used:

1. When the party desiring to have a case arbitrated wants it handled as an "Expedited Arbitration" the "Notice" referred to in Section 1 of this Article shall state that the party desires that the case be handled on such an expedited basis.
2. The party receiving such a Notice referred to in subparagraph I just above shall within five (5) working days thereof (Monday - Friday) notify the other party whether or not it is agreeable to an Expedited Arbitration or insist that the matter be arbitrated in accordance with the provision of subparagraph (a) of this Section.
3. It is understood that an Expedited Arbitration shall also be conducted in accordance with all other provisions of this Article not inconsistent with subparagraph (b) hereof.
4. Any party to the arbitration shall be entitled to file a Pre-Hearing Brief with the arbitrator if it wishes to do so but there shall be no Post Hearing Briefs filed with the arbitrator, however closing arguments may be made by any party desiring to do so.
5. The arbitrator shall in such Expedited Arbitration give his decision from the bench before the Hearing is closed and the arbitrator shall have no more than one (1) hour after the completion of the taking of testimony or the conclusion of closing arguments, whichever is later, to render his award which shall be in writing without an accompanying opinion.

Disputes arising under Article 29- Wage Structure Plan, which are not settled within the Grievance Procedure (Article 26) shall be processed through arbitration before the "Impartial Umpire" referred to in Section 5 of the Wage Structure Plan (Article 29). All such arbitrations shall be handled in accordance with the provisions of this Article providing for regular arbitration or "Expedited Arbitrations."

ARTICLE 28
Wage Incentive
(In Plants Where Applicable)

Section 1. Incentive compensation is a premium paid for the application of skill and effort above normal. Properly designated incentive systems will result in increased production and efficiencies, increase the earnings of employees and reduce the costs of the Company. The establishment of new incentive systems shall be at the discretion of the Company.

Section 2. The Company shall continue its present practice of periodically reviewing and when necessary, revising its incentive systems and incentive and bonus rates.

Section 3. Where there has been a measurable change, or an accumulation of changes resulting in a measurable change, made in method, product, quality, equipment or working conditions, the Company shall restudy the job or jobs affected and establish new standards that are appropriate.

Section 4. The Company will supply the International President of the Union with a copy of its incentive systems and other necessary and pertinent information which may be requested. Any such incentive systems, and any future revisions thereof, shall be in accordance with the provisions of Section 1 of this Article. If the International Union finds that the Company's incentive system does not meet the provisions of Section 1 of this Article, it may review the incentive system with the Company. If the issue is not resolved during the mentioned review, the International Union may submit the matter to arbitration.

Section 5. If the Company discontinues an incentive system, it shall negotiate with the International Union the buy-out method that shall be used for discontinuing the system. If the Company and the International Union are unable to agree upon the amount or method of buyout, this matter shall be submitted to arbitration upon the request of either party.

Section 6. Cold-End Incentive Buy-Outs:

The following reflects the rate revisions, relative to the incentive buy-outs, agreed upon by the parties. Said revisions (add-ons) will continue for the duration of this Contract and shall be paid for all purposes. The mentioned revisions (add-ons) will be paid to both present and future employees (including relief and/or upgraded employees) who now or in the future work on the jobs listed below:

Applicable to the Winchester, IN, Plant:

<u>Department</u>	<u>Job Classification</u>	<u>Add-On Amount</u>
Shipping	Trucker-Forklift-Loader	\$1.78
Shipping	Trucker-Forklift	\$1.78
Finished Product Storage	Trucker-Forklift	\$1.78

Applicable to the Connellsville, PA, Plant:

<u>Department</u>	<u>Job Classification</u>	<u>Add-On Amount</u>
Shipping	Trucker-Forklift	LG 7 plus \$2.70
Cartons & Inner	Trucker-Forklift	LG 7 plus \$1.13

Parts Storage		
Decorating	Strutz-Operator	LG 9 plus \$0.30
Carton	Auto Carton Equip. Attd.	LG 7 plus \$0.10

Applicable to the Salem, NJ, Plant:

<u>Department</u>	<u>Job Classification</u>	<u>Add-On Amount</u>
Shipping	Trucker-Forklift	\$1.80

Applicable to the Elmira, NY, Plant:

<u>Department</u>	<u>Job Classification</u>	<u>Add-On Amount</u>
Carton & Partition Assembly	Carton Machine Operator	\$0.10
Carton & Partition Assembly	Carton Utility	\$0.10
Carton & Partition Assembly	Mechanical Truck Operator	\$1.97
Ware Storage & Shipping	Mechanical Truck Operator	\$1.67

Applicable to the Lawrenceburg, IN, Plant:

<u>Department</u>	<u>Job Classification</u>	<u>Add-On Amount</u>
Ware Storage & Shipping	Mechanical Truck Operator	\$0.975
Ware Storage & Shipping	Mechanical Truck Operator/Loader	\$0.975
Carton & Partition Assembly	Carton Machine Operator	\$1.235

Section 7. Effective 4/1/05, the base hourly wage rate of maintenance men will be increased by fifty cents per hour for each hour or part thereof while performing work on the glass forming machines and/or associated equipment.

ARTICLE 29 Negotiated Rates

Section 1. If during the term of this Agreement a new job is established, a job is eliminated, or there is a significant change in the duties of an existing job, the Company will meet with the Local Union to discuss the reasons for its actions. Such meeting will be held prior to such change(s) taking place. In regard to a new job or a significant

change in an existing job, the Company and the Local Union will meet to negotiate a new rate. If the parties do not agree, the Company may place the rate on the job(s) they feel is appropriate. In setting the new rate, the Company shall fairly take into consideration all factors normally involved in glass container collective bargaining negotiations, including, but not limited to, job content and responsibility, the existing wage structure, and past collective bargaining history.

Section 2. All pertinent, basic data relative to all job descriptions, wage rates paid all employees, and population by job shall be given to the International Union and the Local Union. Any changes to job descriptions shall also be given to the International Union and the Local Union. In the event that the Local Union disagrees with the rate set by the Company under Section 1 above, the matter will be referred to the Company/Union Negotiated Rates Board for resolution. The Company/Union Negotiated Rates Board shall be comprised of two representatives from the Company and two representatives from the International Union. Any disputes with respect to this Article that are not resolved by the Company/Union Negotiated Rates Board shall be referred to a mutually selected Interest Arbitrator who shall decide the dispute.

Section 3. All references, in the Union Shop Contract between the parties, to the Wage Structure Plan, Uniform Wage Structure Program, etc. are hereby amended to the Negotiated Rates.

ARTICLE 30

Health & Safety

Section 1. The Company and the Union recognize the importance of an effective first aid and safety program. The Company will provide adequate first-aid facilities and, in addition to the currently certified professional representative and/or registered nurse at each facility now, will designate on each shift individuals from the bargaining unit and/or management who are adequately trained in and capable of performing first aid for all employees. When twenty-five (25) or more employees are working on a shift throughout the plant, the Company shall provide immediate access to medical assistance, a nurse on duty and/or an employee working in the plant who is adequately trained in first-aid. (Adequately trained is defined as an employee having up-to-date training and designated competency in multi media first-aid training). When an emergency arises, there will be a method of communication for attracting the attention of these trained individuals and also the ability to contact emergency medical assistance (911). They will have access to all necessary equipment to maintain the first-aid facilities and will not be restricted in giving first-aid to injured employees and, in cases of severe injury, will stay with the injured employee until relieved by a medical attendant.

Section 2. The Company will provide the necessary training of such individuals and their training courses will be updated and retaken consistent with good medical recommendations. In the event of meetings and/or instruction sessions the Company will cooperate to the fullest extent possible in granting the First-aid representative time off to attend such sessions.

Section 3. The suggestions and recommendations set forth in the Safety Program proposed by the National Glass Container Labor-Management Committee are a guide which the Company will follow in developing a safety program applicable to its own operations. These industry standards will be the minimum guidelines for first-aid, medical facilities and personnel.

Section 4. Each Local Union President will appoint not less than three (3) members of the Local Union to function on the Plant Safety Committee. This Committee will meet at least once each month and the Company will notify the committee members one (1) week prior to the date of each regular meeting to assure maximum attendance. The Company and the Union shall exchange agenda three (3) working days prior to each meeting. Minutes shall be taken of all Safety Committee meetings and copies shall be given to the Local Union President and the Plant Manager.

The Plant Manager will meet with the Safety Committee at least quarterly and make a plant inspection.

Section 5. The duties of the Plant Safety Committee shall include:

- (a) Reviewing plant safety practices.
- (b) Reviewing the plant accident records.
- (c) Inspecting the plant for working hazards, unsafe work habits and follow up to insure the correction of same.
- (d) Insure that vehicle and machine safety standards are not being abridged or ignored.
- (e) Make joint recommendations for improvements in safety and housekeeping.

Section 6. The Company and the Union agree to work together to improve overall working conditions in the plant. In areas of heat, cold, light and ventilation the Company has worked to make improvements and agrees that efforts to improve these working conditions will be continued. The Company will provide adequate heat, hot water, potable water, light and ventilation to employees and will continue its best effort to devise systems to control drafts, noise, fumes, water, dust, dirt, grease and job and health hazards, consistent with industry practice. The Company and employees will maintain and keep in good order all restrooms, break areas and eating areas. The Local Union Officers agree to cooperate fully with the Company in this effort.

Section 7. It is the intent of the parties that no employee shall be required to work under conditions which are unsafe or unhealthy, and that an employee who believes that he is being so required shall have the right to notify his foreman of such condition, which the foreman shall investigate immediately. If the existence of such unsafe or unhealthy condition is disputed by the foreman, the Plant Safety Supervisor and a Union member of

the Plant Safety Committee shall be notified immediately and they shall investigate the condition and determine whether or not it is unsafe or unhealthy. If the issue is not resolved, the employee or the Local Union shall have the right to present a Grievance to the Department Head. Safety and Health Grievances shall be processed within twenty-four (24) hours, beginning at Step 2.

In situations where the Union feels a workload is unreasonable they may discuss the matter with plant management. If the matter is not resolved, the Company will, if requested, study the job in question and provide the Union with the complete results of the study.

Section 8. The Company will incorporate safety instruction and training in safe work practices into Job Training Programs. All employees will be properly instructed on the safety practices in the operation of the machinery they are to be working with, before they are assigned to work with the machinery.

Section 9. The Company agrees that once each calendar year each employee shall be notified where the employee can obtain a free chest x-ray without interference with the employee's regular schedule of work. At the request of an employee who is at least thirty-five (35) years of age and who has had at least five (5) years of service, the employee will receive a physical examination, by a doctor of his/her choice, except where there are health units, once every two (2) years at a maximum cost to the Company of two hundred dollars (\$200). It is further understood, in those locations where free chest x-rays are not provided the Company shall bear the cost.

Any employee in the Batch and Furnace Department, Decorating Department, Lehr Attendant, Feeder Attendant, employees required to perform parts cleaning duties, and Mold Sprayers and Polishers may request and will receive one (1) chest x-ray and one (1) pulmonary test every six (6) months at no cost to the employee.

The Company accepts the responsibility of assuring that all employees who have tests performed in accordance with this article be informed, in writing from the testing facility, of the results of any such tests.

Section 10. No employee shall be required to perform any job duties that require excessive weight lifting.

Section 11. The Company shall provide adequate man cooling fans and/or adequate area cooling fans as needed.

Section 12. Both the Company and the Union will share any knowledge that may be available pertinent to any chemicals and/or processes used at plant locations. Such a sharing of knowledge shall not infringe on the Company's trade secrets, patent rights or processes.

ARTICLE 31
Fair Employment Practices
And Equal Opportunities

Section 1. The Company and the Union will comply with all laws preventing discrimination against any employee because of race, color, sex, age, national origin, religion, disability or veteran's status.

Section 2. Any disputes under this Article as with all other articles of this Contract shall be subject to the Grievance Procedure.

ARTICLE 32
Plant Closing/Severance Pay

Section 1. The Company shall notify the International Union and the Local Union ninety (90) days in advance or as soon thereafter as possible of any plant closing or the elimination of a department. If notification of closing is less than ninety (90) days, an employee shall be paid for each day less than the ninety (90) day notification. Such pay will be at his regular base rate of pay for an eight (8) hour day for each working day of his regular schedule. Employees laid off not more than ninety (90) days prior to the date of the plant closing notice shall be entitled to such notice and pay.

Section 2. If the Company elects to permanently close a plant or department, the Company will apply a severance pay formula providing for forty (40) hours per year of credited service at the regular base wage at any plant closing during the term of this Contract and meet with the Union as soon as possible to negotiate the additional effects of such closing. Partial years of greater than six (6) months will be calculated as one (1) year of credited service.

a) In addition to the above, the Company will also provide employees who have twenty-six (26) or more years of credited service a special lump sum benefit as follows: 26 through 30 years of credited service - \$500.00; 31 through 35 years of credited service - \$1000.00; 36 through 39 years of credited service - \$2000.00; and 40 or more years of credited service - \$3000.00.

b) For the entire ninety (90) days of the "notice of closing period", set forth in Section 1 above, employees will accrue credited service for purposes both of this Article and Article 16, Retirement Plan, even though the plant may not be in operation or the employee may not be working for all or part of the ninety (90) day period. In regard to employees who work longer than the mentioned ninety (90) day period, credited service will continue to accrue until their last day worked.

c) All employees terminated as a result of the plant closing, who may be eligible for any vacation pay not yet paid, shall receive such pay at the time of closing. Severed employees will also receive pay, for vacation accrued during the year of their termination

calculated in accordance with the procedure set forth in Article 14, Section 2, of this Contract.

Section 3. The labor grade assigned to an employee immediately preceding such closing shall be used as a basis in determining severance pay except that, for an employee whose primary labor grade in one year (twelve (12) consecutive months) of the ten (10) years preceding the closing was higher than his labor grade at the closing, such higher labor grade shall be used in determining the severance pay. The corresponding rate of pay to such labor grade will be used.

Section 4. Employees who are entitled to and receive severance pay shall continue to be covered by this Contract for purposes of pay, recall and other benefits directly provided should the employee continue to work, be recalled or rehired subsequent to a closing regardless of the period of time involved. The acceptance of severance pay shall not be used to offset any other benefits provided herein.

Section 5. The provisions of this Article (except as provided in Section #1) shall also apply to any employee laid off one (1) year or less prior to the ninety (90) day notice, however, such provision shall also apply to any employee with fifteen (15) years or more of credited service laid off two (2) years or less.

Section 6. The provisions of this Article shall also apply to any employee on a Leave of Absence, for any reason covered by the terms of this Contract, at the time of the plant closing notice.

Section 7. In the event of a permanent plant closing, the Company will aid employees selected for transfer to other Anchor facilities. Such assistance will be rendered in the form of a \$2000.00 payment (less applicable taxes) to offset documented relocation expenses. Transfers will be administered in accordance with Article 8, Transfer of Employee. In the event such employee voluntarily leaves the Company within one year from the effective date of transfer, such relocation payment will be returned to the Company on or before their last date of employment. An executed Relocation Assistance Statement will be required.

Any employee who becomes eligible for severance for a plant closure under this Article and transfers to another Anchor Glass Container facility will be entitled to such benefits under the following conditions:

- a) Employees laid off for six (6) months or more within the first three (3) years after such transfer will receive the balance of severance not paid from the original facility.
- b) Employees terminated/severed as a result of a subsequent plant closure will receive severance pay based on credited service earned working at both facilities less any severance amount paid from the original facility.

c) Transferred employees (in regard to both (a) and (b) above) will retain recall rights in accordance with the labor agreement.

Section 8. Employees severed as a result of the plant closing, will have six (6) months from their last day worked or the last day of the ninety (90) day notice of closing, whichever is later, to apply for their pension. Employees applying within the six (6) month time period will be considered as retiring while still an active employee and will receive their pension effective the first of the month after making application. Such retirement benefit will be calculated in the manner contractually established for employees retiring due to a plant closing. Credited service for pension purposes will not accrue after the last day worked or the last day of the ninety (90) day notice of closing, whichever is later. **Contributions to the Retiree Trust will continue to be made during the ninety (90) day notice of closing period.**

Section 9. The parties agree to meet with the Union as soon as possible to discuss the effects of such closing other than those contained within this bargaining agreement.

Section 10. Any disputes with respect to this Article shall be subject to the Grievance Procedure, Article 26, including Arbitration, Article 27.

ARTICLE 33 Disabled Employees Permanent and Temporary

Permanently Disabled Employees:

Section 1. An employee who is physically disabled by reason of occupational injury or occupational illness and who is unable to perform the duties of his regular job classification shall be placed on any available job which he is physically able to perform in line with his seniority and qualifications, at a rate commensurate with the work performed.

Section 2. Should modifications or waivers in seniority or job content be required to place disabled employees, under this Article, the Union will cooperate with the Company in working out such modifications or waivers, even if this should involve transfers from department to department or Local Union to Local Union and jurisdiction to jurisdiction within the same facility.

Section 3. Disabled employees may, upon agreement between the Business Committee and Management, receive a special rate so as to provide work for them. The parties will cooperate in complying with the Americans With Disabilities Act to the extent mandated by such act.

Temporarily Disabled Employees:

Section 4. If the Company allows an employee to return to work with a temporary disability, due to an occupational injury, work assigned will not exceed restrictions placed on the employee by the attending physician.

Section 5. Any disputes under this Article that are unresolved are subject to the Grievance Procedure starting at Step 3.

ARTICLE 34
Successors, Transferees and Assignees

This Contract shall be binding upon the parties hereto, their successors, transferees and assignees. In the event the Company sells or transfers any plant, this Contract shall remain in full force and effect and be binding upon the purchaser or transferee and the Company agrees it will include in the purchase agreement that this Contract will be binding upon the purchaser or transferees.

ARTICLE 35
Management Rights

Section 1. The Union recognizes the right and responsibility of the Company to manage its plants and to direct its working forces. All rights of the Company which have not been specifically abridged or modified by this Contract are retained by the Company.

Section 2. The Company will continue its past practice of establishing standards of production and performance by the employees on all machines and operations. These requirements shall be established on a basis of fairness and equity consistent with quality of workmanship, reasonable productivity of experienced and capable employees, and the reasonable productive capacities of equipment.

ARTICLE 36
Separability

If any provisions of this Contract shall be held invalid or in conflict with any Federal or State Law, the remainder of the Contract shall not be affected thereby.

ARTICLE 37
Environmental Control Program

Section 1. The Company will continue to cooperate with the Union in all legitimate Labor-Management activities in this area.

Section 2. To the extent permitted under State or Federal law, the Company shall compensate any employee who it requests to conduct any business under the Article. Such compensation shall be for the wages for time lost from work as a result of the Company's request.

Section 3. The Company agrees to continue the practice of excusing employees from work for attending Protective League meetings. The employer agrees to pay actual lost time wages when employee participates in Protective League meetings, limited to two (2) employees per plant attending up to two (2) meetings per year, limited to two (2) days per meeting.

ARTICLE 38 **Leave of Absence**

Section 1. Seniority shall accumulate while an employee is on leave of absence provided he returns to his job as soon as he is able to do so.

Section 2. In the event an employee adopts a child, the employee shall be granted a leave of absence if required by the State Approved Adoption Agency not to exceed twelve (12) months, provided the employee's spouse is unable to meet the same State Agency requirements: Seniority shall accumulate during this leave of absence and upon return to work, the employee shall be assured of a job in accordance with seniority and qualifications.

Section 3. The Company is aware that on occasions there will be requests for personal leaves of absence. Each request will be considered according to the merits of each case, and will not be unreasonably denied by the Company. A request for such leave shall be made in writing to the employee's Personnel Director for approval. Leaves of absence shall be granted in writing with a copy to the Business Committee of the Local setting forth in general terms the reason for such leave. The length of time granted in each case will be determined upon the circumstances involved in each request.

Any emergency request for extensions of personal leaves of absence must be directed to the Personnel Director and notification shall be given to the Business Committee of such request.

All requests and approval of extensions must be made prior to the expiration date of the original leave of absence. Seniority shall accumulate during a granted personal leave of absence.

Section 4. No employee shall accept other employment during a leave of absence without the written consent of the Company.

Section 5. The Company agrees to place to work immediately an employee who is properly returning from an approved leave of absence. If this return necessitates that an employee be laid off, the returning employee is required to give two (2) days notice.

Section 6. Employees will not be required to use vacation time before being entitled to a leave of absence under this Contract for medical emergency or personal hardship.

Section 7. Family and Medical Leave Act – the parties will cooperate in complying with the Family and Medical Leave Act to the extent mandated by such Act. It is understood that leave taken in accordance with the Family and Medical Leave Act is separate and distinct from, and will not be combined with or offset by holidays or vacation.

ARTICLE 39 Drug and Alcohol Testing Agreement

The Union and the Company have a strong commitment to provide a safe and secure workplace for all employees and to promote high standards of employee health and productivity. Because of this commitment, both the Union and the Company agree to this program of screening for use and/or abuse of alcohol or chemical substances in the workplace.

It is the purpose of this contractual provision to provide the procedure, which will be used for all testing for substance use/abuse by employees.

Section 1. The following provisions apply to employees, suspected by the Company, of being under the influence of drugs or alcohol while at work or on company property.

Section 2. If an employee appears, by virtue of his/her unusual conduct, to be under the influence of alcohol or drugs, the supervisor will secure a Shop Steward, Business Committeeperson, or other union official, on the shift, to observe the employee's actions/conduct and to represent the employee. If there is reasonable cause to believe that the employee is under the influence of alcohol or drugs, the supervisor and the union representative will escort the employee to one of the plant offices for further investigation. The union representative shall be present during the investigation. If there is no union representative on the shift, then an elected union official will be secured for the purposes set forth in this Section.

Section 3. If, as a result of the investigation, the supervisor has reasonable cause to believe that the employee, due to the use/abuse of alcohol or chemical substances, is in a condition that is jeopardizing workplace safety or cannot perform his or her job because of on-the-job intoxication or impairment, the Plant Manager or Human Resource Manager or their designated representative will be secured. If the Plant Manager or Human Resource Manager or their designated representative, after meeting with the employee and the union representative, has reasonable cause to believe the employee is under the influence of alcohol or drugs, the employee will be required to submit to a screen for alcohol and/or drugs. In such case, both the employee and the union representative will be transported to the testing facility by the supervisor, Plant Manager, or Human Resource Manager or their designated representative.

If, in the above described situation, the Plant Manager or Human Resource Manager or their designated representative cannot be secured and there is reasonable

cause to believe the employee is in a condition that is jeopardizing workplace safety or cannot perform his or her job because of on-the-job intoxication or impairment, the supervisor may send the employee home. In such case, the supervisor will make the necessary arrangements for the employee to be taken home.

The term "designated representative" as used in this Article is defined as individuals who have overall responsibility for the plant which precludes designating shift supervisors.

Section 4. The initial urine screen for suspected drug use will be an enzyme multiplied immunoassay test (EMIT) using the NIDA (DOT) Panel 5 for drug identification. The confirmatory test will be a Gas Chromatography Mass Spectrometry (GCMS) test. A confirmatory test will automatically be performed on any sample that is initially positive.

Section 5. The appropriate test for suspected alcohol use will be a Breathalyzer test. In order to verify the positive results of the initial Breathalyzer test, a second Breathalyzer test will be given fifteen minutes following the first test or, at the employee's request, a Blood Sample Confirmatory test will be performed. These tests will be performed at the Company's expense.

Section 6. Split samples will be taken for all tests referenced in Sections 4 and 5. The samples will be retained by the testing laboratory after being sealed and properly identified across the sealing material by the laboratory representative and initialed by the employee at the time of the taking of the samples. If requested, the sample will be split (and signed across the sealing material as set forth in the preceding sentence) and sent to a certified NIDA Laboratory, designated by the employee, which meets the criteria providing for an appropriate chain of custody program, utilizes quality control methods, and who can assure confidentiality and accuracy of the results. The Company laboratory will meet the same criteria as outlined above. The laboratory selected by the Company will transmit the sample directly to the laboratory selected by the employee to protect the chain of custody. If requested, the employee will be supplied a listing of National Institute of Drug Abuse (NIDA) certified labs.

The employee will be reimbursed by the Company for the cost of any screen performed at his direction if the screening results are negative. The employee will sign a consent agreement authorizing the release of the results of the screen to the Company.

If the result of any test and/or screen of an employee is negative, the testing procedure, including time lost from work while awaiting the results of the test/screen.

Section 7. Any employee who is asked to submit to a screen for alcohol or drug abuse will sign a chain of custody release form (consent agreement) in accordance with NIDA guidelines.

The NIDA-certified laboratory performing the testing will provide test results to the Medical Review Officer (MRO). For negative results, the MRO will certify to the

Company that the test was passed. For reported positive results, prior to making a final decision to certify that the test was failed, the MRO will give the employee an opportunity to discuss the test result.

Employees who have taken prescription drugs or have undergone medical or dental procedures should be prepared to produce evidence of a valid prescription or other medical information for review by the MRO in the event that positive result is received from the laboratory.

The MRO will review all medical records made available by the tested employee to determine if a confirmed positive test could have resulted from legally prescribed medication or a medical or dental procedure: if so, the test result would be reported as passed. If a medical explanation for a positive result is not found the MRO will certify that the test was positive and will notify the Company.

The Medical Review Officer (MRO) referred to in this Article must be a licensed medical physician.

Section 8. Refusal to submit or sign a consent agreement will be considered insubordination and the employee will be subject to the appropriate discipline.

Section 9. The Company will select a properly licensed and accredited testing facility certified by NIDA and follow testing procedures specified above to assure the most accurate results, maintain the chain of custody and quality control procedures, and assure maximum confidentiality.

Section 10. All screening and the results of any screen will be treated in a confidential manner and will be accomplished in a manner compatible with the employee's dignity. All employees who are tested will be given the results, from the testing laboratory, of their test in writing.

Section 11. Any employee found to be under the influence of alcohol in accordance with five (5) above, or who has evidence of illegal/illicit chemical substances or controlled substances in his system which would indicate abuse, will be offered the opportunity for rehabilitation. The appropriate medical authorities will determine the type of rehabilitation program. The Union and the Company will cooperate in establishing a list of appropriate medical authorities.

In those locations, which presently have an EAP, the EAP will be used instead of the above-mentioned medical authority.

Section 12. An employee may be suspended subject to termination if any one of the following occurs:

- (a) The employee refuses the initial offer for rehabilitation.

(b) If for reasonable cause, the employee is found to be under the influence of alcohol in accordance with five (5) above or has the presence of illegal/illicit chemical substances, or controlled substances in his system, in accordance with six (6) above, the second time.

(c) The employee fails to comply with the requirement of the rehabilitation program.

Section 13. If an employee comes forward and admits that he has had a relapse, after having been rehabilitated, a clinical evaluation will be made to determine the medical facts. The EAP, or the appropriate medical authorities as set forth in this Article, will evaluate factors contributing to the relapse and then be responsible for developing the second treatment.

Section 14. Any dispute with respect to this Drug and Alcohol Program Agreement shall be subject to the grievance and arbitration procedure set forth in this Contract.

Article 40 Subcontracting

Section 1. The Company agrees that it will not sublet contracts for maintenance, repair, and other work in and around the plants under this Contract if such work can be as satisfactorily and as economically performed by bargaining unit employees, provided the Company has the facilities for doing the work and available trained personnel who can perform the work within the required time.

Section 2. The Company will train Production and Maintenance employees to perform their normal maintenance and repair work. The training will only be conducted when there is a need for the skills, and time is available and the work can be completed economically. The Company will determine when training will be conducted.

Section 3. The Company recognizes the Union's desire to retain all work that can be economically performed by its members. No journeyman/apprentices will be displaced or on lay off during any time that outside contractors are performing work at the Company's facility. When bargaining unit personnel are not trained in the skills needed to perform the work which would be subcontracted, then in such cases employees would be recalled from layoff on a one-for-one basis. In all other cases, there would be no one displaced or remaining on layoff prior to said subcontracting.

Section 4. When subcontractors are performing work normally performed by bargaining unit employees, those employees in the respective department(s) will be entitled to at least an equal amount of overtime hours of the work performed by the subcontractors.

Section 5. As a condition of contracting work, weekly or as necessary, the Department Head and the Local Union or designee will meet and review the

contemplated plans for contracting out the work with the intent of giving primary consideration to **fully** utilizing the available services of Bargaining Unit employees. During this review, the Company shall furnish a description **in writing** of the work to be performed, the special equipment to be utilized and explain to the Local Union or designee the extent and available cost information for the job(s), the necessity for subcontracting the job(s) and **the time the job(s) are to be done**. If at the end of this review, the Company decides to contract the job(s), they will advise **in writing** the Local Union or designee of the contractor to do the job. If the Company contracts out work, then the Company will review with the Local Union or designee the details of the contract.

Section 6. Any GMP members not based in the plant in which work is performed and are not employees of the Company shall be considered as subcontractors for purposes of this Article.

Section 7. Prior to GMP Travel Crews performing work at a facility, Management will meet in advance with the Local Union or designee to discuss the nature and scope of the work to be performed. The Company shall furnish a description of the work and equipment to be worked on and the time requirements of the project. The utilization of plant journeymen will also be discussed at that time. No journeyman/apprentices will be displaced or on lay off during any time that outside contractors are performing work at the Company's facility. When bargaining unit personnel are not trained in the skills needed to perform the work which would be subcontracted, then in such cases employees would be recalled from layoff on a one-for-one basis. In all other cases, there would be no one displaced or remaining on layoff prior to said subcontracting.

Contracting Out For Non-Maintenance Work

Prior to the Company employing or contracting out any work normally and customarily performed by employees from departments other than the Maintenance Department, the Company shall meet with the Local Union and provide it with a written explanation for its desire to contract the work out.

The Company will give primary consideration to the full utilization of services of bargaining unit employees and will not contract out work that can reasonably and as economically be performed by the department employees.

Section 8. Grievances arising over violations of this Article may be filed at Step 3 of the Grievance Procedure. If the Company agrees at any step of the Grievance Procedure that there has been a violation of this Article by Management or if the Arbitrator so determines, the employee or employees who would have performed the work will receive a reasonable award.

ARTICLE 41
Wages

Section 1. Effective 12:01 a.m., **April 1, 2005**, the base hourly wage rate of all job classifications (including apprentices) will be increased by **three percent (3%)** per hour.

Section 2. Effective 12:01 a.m., **April 1, 2006**, the base hourly wage rate of all job classifications (including apprentices) will be increased by **three percent (3%)**.

Section 3. Effective **April 1, 2007**, the base hourly wage rate of all job classifications (including apprentices) will be increased by **two and one-half percent (2 1/2%)**.

Section 4. Any employee receiving a promotion shall not be reduced from his present rate should the higher rated apprentice job have a lower beginning rate.

Section 5. In order to reduce the East-West rate differential on all jobs, the base hourly rates will be increased by one cent (\$0.01) effective **April 1, 2005**, one cent (\$0.01) effective **April 1, 2006**, and **two cents (\$0.02)** effective **April 1, 2007**.

Section 6. Group Leaders and/or Crew Leaders shall receive not less than twenty-five cents (\$.25) per hour more than the highest paid classification in their group and/or crew. Group Leaders and/or Crew Leaders who presently receive more than the mentioned twenty-five cents (\$.25) per hour shall continue to receive such higher rate.

Section 7. Effective **April 1, 2005**, all journeyman and apprentices of Local 174, Streator, Illinois, will receive a base hourly wage rate increase of fifty cents (\$0.50) only applicable to hours worked in plants other than CMR in Streator.

Section 8. New-Hires Rates: Base hourly rate for newly-hired production employees shall be as follows: First year of employment, \$2.00 less than rate set forth in schedule A; Second year of employment \$1.00 less than rate set forth in schedule A; Beginning the third year of employment, the applicable rate set forth in schedule A shall apply. An employee transferred as a result of a plant closing shall not be considered a "newly-hired" employee. A "newly hired" employee who is transferred or successfully bids to another job during the first year period shall receive \$1.00 less than the qualified rate. A "newly-hired" employee who is transferred or successfully bids a second time during the second year shall receive the qualified rate. A new hire who has 2 years pervious glass container experience will not be subject to this section.

ARTICLE 42
Apprenticeship Program

Section 1. The jointly approved and/or State and Federally sanctioned Apprenticeship Programs currently in effect, shall remain in effect for the term of this

Contract along with their rules, regulations, apprenticeship committees and Memorandums of Understanding unless changed by mutual agreement during the term of this Contract.

The Company embraces the concept of using the Apprenticeship Programs to train skilled employees in advance of the need for such. If the Company feels it is necessary to hire a journeyman from outside the current workforce and they have exhausted all possibilities of securing one through the local plant policies and procedures they will review the Union's lists of available journeymen.

The Company will not hire any person in the journeyman classification who cannot satisfy the same or the equivalent documented classroom and on the job training requirements of the Company's apprenticeship standards.

The Local Joint Apprenticeship Committee will review the credentials of applicant Journeymen, however, the final employment decision will be at the discretion of the Company.

Section 2. Agreements to establish new Apprenticeship Programs and/or merge existing programs, shall not be entered into without the expressed consent of the International Union, the Company and all affected Local Unions.

ARTICLE 43 Cost-of-Living

Section 1. During the term of this Contract, annual cost-of-living increases will be made on April 1, 2006 and on April 1, 2007 in accordance with the provisions of this Article.

Section 2. Cost-of-living increases, if any, will be added by using the Consumer's Price Index (1967 = 100, Urban Wage Earners and Clerical Workers (revised CPI-W). After the percentage limitations for increases set forth below have been met, the amount of any cost-of living increase will be one cent (\$.01) per hour increase for each .5 of a point rise in the Consumer's Price Index by using the dates as set forth in this Article.

(a) For the cost-of-living increase on April 1, 2006, the base for the twelve-month period (March, 2005 through February 2006) will be the index for February, 2005, as reported in March, 2005. There will be no increase on April 1, 2006, unless there has been a six percent (6%) rise in the Consumer's Price Index on such base, and any increase on this date will be computed by excluding initially said six percent (6%).

(b) For the cost-of-living increase on April 1, 2007, the base for the second twelve-month period (March, 2006, through February, 2007) will be the index for February, 2006, and reported in March, 2006. There will be no increase on April 1, 2007, unless there has been a six percent (6%) rise in the Consumer's Price Index on such base, and any increase on this date will be computed by excluding initially said six percent (6%).

Section 3. Any cost-of-living increase required under this Article will be paid on the standard hourly base rate required by this Contract and will be paid for all purposes.

ARTICLE 44

Labor Management Committee

Section 1. A Labor-Management Committee will be appointed consisting of the President of each Local Union covered by this Contract, and International Officer of the Union, the Vice President, Personnel of the Company and the Personnel Director of each plant covered by this Contract. The President of each merged Local Union covered by this Contract will designate one additional Local Union member to attend each meeting of the Committee.

Section 2. The Labor-Management Committee shall meet in the Spring of the year 2006 and in the Spring of the year 2007 at a location and date mutually agreeable to the Union and Company. The employee shall have the option of air or automobile travel. The Company will pay for coach transportation, mileage, taxi fare to and from airports and airport parking in keeping with the Travel Policy. In such cases, rather than the airfare, etc. set forth above, the Local Union representative will be paid, at the Company's discretion either mileage (@\$0.375 per mile) for the distance from his/her home to the location of the Labor Management Meeting or reimbursement for a rental car and gasoline. All other expenses will be borne appropriately by the Union and Company for their representatives. Each meeting shall be limited to a discussion of written agenda items prepared and agreed to thirty (30) days in advance by and between the Vice President, Human Resources of the Company and the International Officer of the Union who is a member of the Committee.

ARTICLE 45

Personal Premiums

Section 1. Machine, product, or other equipment premiums which are in excess of the job rates of employees covered by this Contract shall become "personal" premiums and apply only to employees who were regularly receiving such personal premiums.

Section 2. Should the Company discontinue such personal premiums it shall negotiate with the International Union and the Local Union, the buy-out method that should be used for discontinuing same. If the Company and International Union and the Local Union are unable to agree upon the amount or method of buyout, this matter shall be submitted to arbitration upon request of either party to this Contract.

Section 3. No new Personal Premium will be created during the term of this Contract unless it has been approved and signed by a Corporate Director of Labor Relations of the Company and an International Vice President of the Union or his designated representative.

UNION SHOP CONTRACT
between
ANCHOR GLASS CONTAINER CORPORATION
Production and Maintenance
Department
and the
GLASS, MOLDERS, POTTERY, PLASTICS &
ALLIED WORKERS
INTERNATIONAL UNION
AFL-CIO, CLC

On behalf of itself as the International Union as agent for and on behalf of its Local Unions covered by this Contract:

Frank J. Brandao, Sr.
International Vice President

Billy Webb,
Executive Officer

Randy J. Gould
Executive Officer

Sondra Powell
Executive Officer

Don Seal
Executive Officer

Darrell Clevenger, LU 14, Winchester, IN
Shirley Hutchings, LU 21, Salem, NJ
Carol McCormack, LU 42, Lawrenceburg, IN
Albert Tucker, LU 48, Henryetta, OK
Janet Barnhill, LU 91, Jacksonville, FL
Randy Miller, LU 129, Shakopee, MN
Herman Gear, LU 157, Salem, NJ
Jim Taylor, LU 174, Streator, IL
Eugene Pack, LU 180, Elmira, NY
Gordon Wetherbee, LU 234, Warner-Robins, GA

UNION SHOP CONTRACT
between
ANCHOR GLASS CONTAINER CORPORATION
Production and Maintenance Department
GLASS, MOLDERS, POTTERY, PLASTICS &

**ALLIED WORKERS
INTERNATIONAL UNION
AFL-CIO, CLC**

On behalf of Anchor Glass Container Corporation:

Benn Bell,
Manager Human Resources, Salem, NJ

Tom Krawiec,
Manager Human Resources – Jacksonville, FL

Bill Bohlinger,
Manager Human Resources, Warner-Robins, GA

Mike Whiting,
Manager Human Resources, Lawrenceburg, IN

Dave Emmo,
Manager Human Resources, Elmira, NY

Gail Tabor,
Manager Human Resources, Streator, IL

Lynn Owens,
Director Labor Relations

Monica Marselli,
Associate General Counsel

Mark J. Karrenbauer,
Vice President, Labor Relations

Signed this 1st day of April, 2005

FOR THE COMPANY: FOR THE UNION

Mark J. Karrenbauer,
Vice President,
Labor Relations

Frank J. Brandao, Sr.
International Vice President

Lynn Owens,
Director Labor Relations

Billy Webb,
Executive Officer

Schedule "A"
Wage Rate Groups

Labor Grades	Apr. 1st '05	Apr. 1st '06	Apr. 1st '07
2	15.578	16.056	16.477
3	15.671	16.151	16.575
4	15.769	16.252	16.678
5	15.857	16.342	16.771
6	15.970	16.459	16.890
7	16.032	16.523	16.956
8	16.135	16.629	17.064
9	16.238	16.735	17.173
10	16.346	16.846	17.287
11	16.439	16.942	17.385
12	16.578	17.085	17.532
13	16.691	17.202	17.652
14	16.830	17.345	17.798
15	16.954	17.472	17.929
16	17.077	17.599	18.059
17	17.206	17.732	18.195

East West Coast Differential Reflected In The Above Wage Rates

Skilled Wage Rates

Job Classifications	Apr 1st '05	Apr 1st '06	Apr 1st '07
Maintenance Mechanic	21.60	22.25	22.81
Machinist	21.60	22.25	22.81

Labor Grades

2005 Labor Contract Negotiations

Plant	Department	Job Classification	Job Description	Lbr Grd
Winchester	Carton & Ctn Stg	Carton Assembler	Wayne Oper & Partition Inserter	7
Winchester	Carton & Ctn Stg	Inspector	SQC Counter	7
Winchester	Carton & Ctn Stg	Mobile Equipment	Forklift Trucker	7
Winchester	Gen Fact & Maint	General Laborer	Laborer	6
Winchester	Gen Fact & Maint	Mechanic Automotive	Mechanic Automotive	14
Winchester	Mix & Melt	Batch Unloader	Unloader	5
Winchester	Mix & Melt	General Laborer	Laborer	6
Winchester	Mix & Melt	Furnace Operator	Batch Collector Weigher	11

Winchester	Mix & Melt	Furnace Operator	Tank Tender	17
Winchester	Mold Repair	Mold Cleaner & Polisher	Mold Cleaner & Polisher	7
Winchester	Quality Control	Inspector	Ware Gauger	9
Winchester	Quality Control	Inspector	Quality Control Technician	9
Winchester	Select & Pack	Janitor	Janitor/Sweeper	2
Winchester	Select & Pack	Selector Packer	Reselector/Repacker	3
Winchester	Select & Pack	Selector Packer	Selector/Packer	3
Winchester	Select & Pack	Palletizer Operator	Palletizer Attendant	5
Winchester	Select & Pack	Report Clerk	Report Clerk (Cullet Analysis)	5
Winchester	Storeroom	Storeroom Attendant	Stockroom Attendant/Driver	9
Winchester	Ware Stg & Shipping	Mobile Equipment Operator	Sweeper	7
Winchester	Ware Stg & Shipping	Mobile Equipment Operator	Forklift Trucker (Lehr)	7
Winchester	Ware Stg & Shipping	Mobile Equipment Operator	Loader - Checker	7
Connellsville	Ware Stg & Shipping	Mobile Equipment Oper.	Trucker	7
Salem	Carton & Ctn Stg	Carton Assembler	Automatic Machine Operator	7
Salem	Decorating	Label Line Operator	Label Line Operator	8
Salem	Gen Fact & Maint	General Laborer	Laborer	6
Salem	Mix & Melt	Batch Mixer	Batch Collector	9
Salem	Mix & Melt	Furnace Operator	Tank Tender	17
Salem	Mix & Melt	Hot Repair	Tank Repairman	17
Salem	Mold Repair	Mold Cleaner & Polisher	Mould Technician	7
Salem	Quality Control	Inspector	Inspector	9
Salem	Quality Control	Inspector	Quality Control Technician	9
Salem	Quality Control	Inspector	Q. A. Technician	9
Salem	Select & Pack	Selector Packer	Reselector	3
Salem	Select & Pack	Selector Packer	Selector/Packer	3
Salem	Select & Pack	Palletizer Operator	Palletizer Attendant	5
Salem	Select & Pack	Palletizer Operator	Pallet Loader	5
Salem	Select & Pack	Report Clerk	Report Clerk	5
Salem	Select & Pack	Mobile Equipment Operator	Trucker Forklift	7
Salem	Select & Pack	Mobile Equipment Operator	Utility Person	7
Salem	Storeroom	Storeroom Attendant	Receiver and Issue	8
Salem	Ware Stg & Shipping	Mobile Equipment Operator	Trucker Forklift	7
Salem	Quality Control	Inspector	Lab Tech Quality	9

Jacksonville	Carton & Ctn Stg	Carton Assembler	Auto Carton. Equipment Operator	7
Jacksonville	Mix & Melt	Utility	Utility Person	8
Jacksonville	Mix & Melt	Furnace Operator	Furnace Operator	17
Jacksonville	Mold Repair	Mold Cleaner & Polisher	Polisher & Cleaner	7
Jacksonville	Quality Control	Inspector	Quality Assurance Technician	9
Jacksonville	Quality Control	Inspector	Ware Gauger	9
Jacksonville	Select & Pack	Selector Packer	Reselector Repacker	3
Jacksonville	Select & Pack	Selector Packer	Selector Packer	3
Jacksonville	Select & Pack	Palletizer Operator	Palletizer Attendant	5
Jacksonville	Select & Pack	Mobile Equipment Operator	Forklift Trucker – Reselect	7
Jacksonville	Storeroom	Storeroom Attendant	Stores Issuer	8
Jacksonville	Ware Stg & Shipping	Mobile Equipment Operator	Forklift, Trucker	7
Jacksonville	Ware Stg & Shipping	Mobile Equipment Operator	Utility Person	7
Jacksonville	Ware Stg & Shipping	Mobile Equipment Operator	Storage Controller	7
Shakopee	Carton & Ctn Stg	Carton Assembler	Carton Assembler	7
Shakopee	Carton & Ctn Stg	Mobile Equipment Operator	Carton Service Person	7
Shakopee	Carton & Ctn Stg	Mobile Equipment Operator	Forklift Driver	7
Shakopee	Gen Fact & Maint	General Laborer	Laborer	6
Shakopee	Mix & Melt	Batch Unloader	Cullet Handler	5
Shakopee	Mix & Melt	Batch Unloader	Cullet Processor	5
Shakopee	Mix & Melt	Batch Mixer	Batch Mixer	9
Shakopee	Mix & Melt	Furnace Operator	Furnace Tender	17
Shakopee	Mix & Melt	Hot Repair	Hot Repairmen	17
Shakopee	Mold Repair	Mold Cleaner & Polisher	Mold Cleaner & Polisher	7
Shakopee	Quality Control	Inspector	Packed Ware and Lehr Inspector	9
Shakopee	Quality Control	Quality Control	Quality & Raw Materials Inspector	9
Shakopee	Select & Pack	Janitor	Sweeper	2
Shakopee	Select & Pack	Selector Packer	Line Controller	3
Shakopee	Select & Pack	Palletizer Operator	Palletizer Operator	5
Shakopee	Select & Pack	Report Clerk	Production Recorder	5
Shakopee	Ware Stg & Shipping	Mobile Equipment Operator	Forklift Driver	7
Shakopee	Ware Stg & Shipping	Mobile Equipment Operator	Forklift Driver	7
Warner- Robins	Carton & Ctn Stg	Carton Assembler	Carton Assembly	7
Warner- Robins	Carton & Ctn Stg	Mobile Equipment Operator	Forklift Trucker	7

Warner-Robins	Carton & Ctn Stg	Mobile Equipment	Carton Service Driver	7
Warner-Robins	Gen Fact & Maint	Storeroom Attendant	Storeroom Attendant	8
Warner-Robins	Gen Fact & Maint	Utility	Maintenance Helper	8
Warner-Robins	Gen Fact & Maint	Mobile Equipment Mech	Mobile Equipment Mechanic	13
Warner-Robins	Mix & Melt	Batch Unloader	Raw Material Unloader	5
Warner-Robins	Mix & Melt	Furnace Operator	Furnace Tender	17
Warner-Robins	Mix & Melt	Hot Repair	Hot Repairmen	17
Warner-Robins	Mold Repair	Mold Cleaner & Polisher	Mould Cleaner & Polisher	7
Warner-Robins	Quality Control	Inspector	Physical Tester	9
Warner-Robins	Quality Control	Inspector	Packed Ware of Lehr Inspector	9
Warner-Robins	Quality Control	Quality Control	Lab Technician	9
Warner-Robins	Select & Pack	Selector Packer	Line Control (Selector)	3
Warner-Robins	Select & Pack	Palletizer Operator	Pallet Loader (Offbearer)	5
Warner-Robins	Select & Pack	Report Clerk	Production Recorder	5
Warner-Robins	Select & Pack	Mobile Equipment Operator	Driver Utility	7
Warner-Robins	Ware Stg & Shipping	Mobile Equipment Operator	Fork Lift Driver/Loader	7
Warner-Robins	Ware Stg & Shipping	Mobile Equipment Operator	Fork Lift Driver	7
Henryetta	Carton & Ctn Stg	Mobile Equipment Operator	Carton Receiver	7
Henryetta	Mix & Melt	Batch Unloader	Cullet Handler	5
Henryetta	Mix & Melt	Furnace Operator	Tank Tender	17
Henryetta	Mix & Melt	Hot Repair	Hot Repairman	17
Henryetta	Mold Repair	Mold Cleaner & Polisher	Mould Cleaner & Polisher	7
Henryetta	Quality Control	Inspector	Pressure Tester	9
Henryetta	Quality Control	Inspector	Impact/Capacity Tester	9
Henryetta	Quality Control	Inspector	SQC /Gaugers	9
Henryetta	Quality Control	Quality Control Lab Technician	Quality Inspector	9
Henryetta	Select & Pack	Janitor	Sweeping	2
Henryetta	Select & Pack	Selector Packer	Reselector	3
Henryetta	Select & Pack	Selector Packer	Line Controller	3
Henryetta	Select & Pack	Palletizer Operator	Bulk Palletizer Operator	5
Henryetta	Select & Pack	Report Clerk	Production Recorder	5
Henryetta	Storeroom	Storeroom Attendant	Stores Issuer/Receiver	8

Henryetta	Ware Stg & Shipping	Mobile Equipment Operator	Power Sweeper Utility	7
Henryetta	Ware Stg & Shipping	Mobile Equipment Operator	Truck Loader	7
Henryetta	Ware Stg & Shipping	Mobile Equipment Operator	Truck Line Driver	7
Elmira	Carton & Ctn Stg	Carton Assembler	Carton Machine Operator	7
Elmira	Carton & Ctn Stg	Mobile Equipment Operator	Mechanical Truck Operator	7
Elmira	Carton & Ctn Stg	Mobile Equipment Operator	Carton Utility	7
Elmira	Gen Fact & Maint	General Laborer	Material Handler	6
Elmira	Gen Fact & Maint	Mobile Equipment Operator	Equipment Operator	7
Elmira	Gen Fact & Maint	Storeroom Attendant	Stockroom Attendant/Driver	8
Elmira	Gen Fact & Maint	Maintenance Utility	Maintenance Utility	12
Elmira	Mix & Melt	Mobile Equipment Operator	Batch Unloader	7
Elmira	Mix & Melt	Mobile Equipment Operator	Payload Operator	7
Elmira	Mix & Melt	Batch Mixer	Batch Mixer/Tramrail Operator	9
Elmira	Mix & Melt	Furnace Operator	Multiple Furnace Oper/ Batch Mixer	17
Elmira	Mix & Melt	Hot Repair	Group Leader	17
Elmira	Quality Control	Quality Control	Specification	9
Elmira	Select & Pack	Selector Packer	Selector/Packer	3
Elmira	Select & Pack	Palletizer Operator	Sealer Piler	5
Elmira	Select & Pack	Report Clerk	Rover	5
Elmira	Select & Pack	Inspector	Packed Ware Inspector	9
Elmira	Select & Pack	Quality Control	Guager Inspector	9
Elmira	Ware Stg & Shipping	Pallet Repair	Pallet Repair	4
Elmira	Ware Stg & Shipping	Mobile Equipment Operator	Equipment Operator	7
Elmira	Ware Stg & Shipping	Mobile Equipment Operator	Mechanical Truck Operator	7
Lawrenceburg	Carton & Ctn Stg	Carton Assembler	Carton Mach. Oper.	7
Lawrenceburg	Gen Fact & Maint	General Laborer	Material Handler	6
Lawrenceburg	Gen Fact & Maint	Storeroom Attendant	Stores Issuer/Receiver	8
Lawrenceburg	Mix & Melt	Mobile Equipment Operator	Equipment Operator	7
Lawrenceburg	Mix & Melt	Utility	Utility	8
Lawrenceburg	Mix & Melt	Furnace Operator	Multiple Furn Operator Batch Mixer	17
Lawrenceburg	Mix & Melt	Hot Repair	Hot Repairman	17

Lawrenceburg Mold Repair	Mold Cleaner & Polisher	Mould Cleaner/Coater Polisher	7
Lawrenceburg Quality Control	Quality Control	Utility Inspector Teste	9
Lawrenceburg Quality Control	Quality Control	Guager Tester	9
Lawrenceburg Select & Pack	Selector Packer	Selector Packer	3
Lawrenceburg Select & Pack	Palletizer Operator	Palletizer Operator Piler	5
Lawrenceburg Select & Pack	Carton Assembler	Selecting & Carton Relief	7
Lawrenceburg Select & Pack	Inspector	Packed Ware Inspector	9
Lawrenceburg Select & Pack	Mobile Equipment Operator	Mechanical Truck Operator	7
Lawrenceburg Select & Pack	Quality Control	Guager Inspector	9
Lawrenceburg Ware Stg & Shipping	Mobile Equipment Operator	Mechanical Truck Operator Loader	7
Streator	CMR General Laborer	Utility	6

**Letters of Understanding
2005 - 2008 Labor Contract Negotiations**

NUMBER	SUBJECT
01	Accident & Sickness Benefit
02	Closed Plants Contract Terms
03	Drug & Alcohol Testing
04	Easter Sunday as Thirty-two (32) Hour Period
05	Filling of Vacancies
06	Job Post Procedure – AMD – Former Midland
07	Martin Luther King and Veterans Day Holiday Selection
08	Plant Closing Benefits – Elmira & Lawrenceburg & Streator
09	Plant Recreation / Glassco Committees
10	Premium Pay twenty-four (24) Hour Period
11	Prescription Safety Glasses
12	Probationary Period Application
13	Relief and Travel Time
14	Relief – Jurisdictional Plant 6
15	Religious Beliefs
16	Standard Operating Procedures
17	Streator CMR Vacation
18	Subpoena
19	Summer College Vacation Relief
20	Transfer Jurisdiction of Work
21	Travel Policy
22	Vacation Pay In Lieu Of Vacation Time Off
23	Wage Progression Schedule Access
24	Weekly Disability Benefits
25	Winchester Apprentice Mechanics

Travel Policy

I. INTRODUCTION

SCOPE

This policy is applicable to all employees who incur travel, entertainment or other reimbursable expenses on behalf of the Company.

A. PURPOSE

Good business practices, as well as current laws, require that employees traveling on Company business account for expenses incurred.

This policy has been adopted in order to achieve reasonable, consistent and fair treatment of employees in the handling of travel and related business expenses. It is designed to assist employees in keeping the increasing cost of such expenses within reasonable limits. It also is intended to conform with Company accounting practices and requirements for substantiation of travel, entertainment and other reimbursable expenses to Federal Income Tax Regulations.

B. ADMINISTRATION

Responsibility and authority to implement and enforce this Policy is placed with each manager who has employees who incur reimbursable expenses. This responsibility includes effective communication of the Policy and any necessary related procedures to all personnel affected. The responsibility for interpretation of the provisions of the Policy will reside with the Vice President - Administration. Approval to deviate from the Policy can be given only by an appropriate vice president or officer. The immediate manager will be responsible for authorizing "prior approval" where necessary.

II. GENERAL

A. It is imperative that the Company maintain strong controls over these expenditures in order to control rising costs.

When formulating plans for a trip, please consider the following:

- 1.) Is the trip really necessary?
- 2.) Are the number of individuals traveling necessary?
- 3.) Will the benefits justify the expense?
- 4.) Does the monthly/annual budget support the expense?
- 5.) Have I considered all cost saving options?

Because of the climbing cost of travel and entertainment, if the answer to any one of the preceding four questions is “no,” serious consideration should be given to less expensive alternatives. All employees and supervisors share a joint responsibility for the use of good business judgment in transacting the Company’s business.

B. It is the Company’s policy to reimburse employees for reasonable expenses which they may incur in the conduct of Company business. Such expenses include reasonable costs of travel, meals, lodging, telephone and similar expenses. Also included are entertainment expenses in connection with Company business.

It is recognized that the nature and amount of expense will vary with the objective of the employees’ assignments and circumstances surrounding individual trips. Expenses incurred should be on a conservative basis. Effective control of expenses is a vitally important part of our business and very often determines the difference between profit and loss. This is a primary responsibility of everyone.

III. TRANSPORTATION GENERAL

A. The method of travel should be selected in the best interest of the Company, cost and time considered.

B. Employees should be mindful of costs and practice economy such as the utilization of round-trip tickets, “super saver” type airfares, special corporate discounts and corporate or convention rates at hotels and motels.

C. Travel reservations for airline tickets, rental cars and lodging will be made through the Corporate Travel Department or, when made during non-business hours, Travel Incorporated’s toll free number. This is required in order for the Company to receive full advantage of any negotiated rates, fares and commissions.

IV. AIR TRAVEL

A. AIRLINE TICKETS

Paper tickets and Electronic tickets (etickets) are defined as tickets and should be handled in an identical manner regarding returns, cancellations, etc.

B. PROCEDURES

All commercial airline reservations will be made by the Corporate Travel Department. They have been instructed to obtain the lowest cost flight available according to your travel requirements. The hours of operation are 8:00 a.m. to 5:30 p.m. (Eastern Standard Time) Monday through Friday. Arrangements can be made either by phone or by mailing or faxing a Travel Reservation Form to the Travel Department. For enroute changes and cancellations, please call the Travel Department or call Travel Incorporated at 1-888-874-8390. When calling Travel Incorporated at the 800 number, always identify yourself as an Anchor Glass employee and advise if you need assistance in a new reservation, an existing reservation or a cancellation.

All air travel should be charged through the Travel Department. If an employee uses his corporate American Express Card, the charges will appear on his individual American Express invoice. They will not be centrally billed unless the reservation is made in the Travel Department. **FOR ALL CENTRALLY BILLED AIRLINE CHARGES, AN ADVICE OF TRAVEL FORM MUST BE COMPLETED WITHIN 48 HOURS OF THE EMPLOYEE'S RETURN, SIGNED BY THE EMPLOYEE'S SUPERVISOR, AND GIVEN TO THE APPROPRIATE DEPARTMENT SECRETARY RESPONSIBLE FOR RECONCILING THE AIRLINE CENTRAL BILL.**

All air travel will be made at the lowest applicable fare. The travel reservationists will search for alternate schedules that will result in a savings to Anchor Glass.

Any exceptions must be authorized by a vice president or manager for employees under their supervision when in their judgment the circumstances warrant such action. A standard report will be issued comparing the lowest cost fare to the actual cost of the fare incurred. This report will be reviewed on a regular basis by management.

AT NO TIME SHOULD PERSONAL PREFERENCES SUCH AS AIRLINE PREFERENCES OR FREQUENT FLYER MEMBERSHIPS INTERFERE WITH COST SAVING OPTIONS!

C. **ADVANCE PURCHASES**

Advance purchase of airline tickets usually results in a fare savings, and all employees are expected to utilize this option whenever possible.

D. **PENALTY FARES**

The use of Penalty or Super-Saver fares is a very effective cost reduction tool which should be used whenever possible. Since these tickets are usually either fully or partially non-refundable, when making your travel arrangements, be sure to ask your reservationist about all the rules, regulations and options available to you if your travel plans shed change.

E. **WAITLISTING**

If the lowest fare is not available at the time of booking; the travel reservationist will place the traveler on a waitlist for later confirmation. This information will appear on the itinerary and should also be monitored for clearance. It is imperative that you check for your waitlist clearance upon check-in, as this is the most common time for confirmation. Should this occur, always obtain a refund application copy for credit follow-up.

F. **UNUSED AIRLINE TICKETS**

Unused tickets or partial tickets should be considered the same as cash and returned to the Travel Department as soon as possible. It is to the benefit of Anchor Glass to return all tickets within the same week they were issued whenever possible. **Employee**

must still complete an Advice of Travel Form stating that the ticket was returned for credit.

G. TICKETS OBTAINED USING EMPLOYEE FREQUENT FLYER POINTS

Employees have the option of using their personal frequent flyer points to obtain an airline ticket for business travel. If this option is taken, the employee will be reimbursed for half the resulting savings to the Company. The amount reimbursed will be used on one-half of what the airline ticket would have cost Anchor Glass had the lowest fare available in the market been obtained. Any dispute over the low cost fare must be directed to and resolved by the Director in charge of the Travel Department before the reservation is made.

In order to obtain this 50% reimbursement (maximum of \$500.00), the employee must complete a Check Request Form, have it approved by his/her supervisor and the Travel Department, and forward to Corporate Distribution for the approval of the Director responsible for the Travel Department. The voucher copy of the ticket, the itinerary, and the Travel Department's quote for the lowest cost fare should be attached to the check request. (See attached Exhibit "E").

H. PERSONAL & BUSINESS TRAVEL MIX

The extension of a business trip to include personal trips is permissible providing;

- 1.) Prior authorization is obtained from immediate supervisor.
- 2.) No additional cost to Anchor Glass.
- 3.) Travel reservationist is advised at time of booking.

The employee must reimburse the Company for the difference between the cost of the whole trip (business and personal) and just the business portion of the trip.

V. PUBLIC TRANSPORTATION

A. This should be used whenever possible and economical in lieu of a rental car. Airport/hotel limousines, buses or taxicabs are often far more economical. These options should be considered to eliminate or decrease the number of car rental days.

VI. RENTAL CARS

A. POLICY

1. The Company shall pay the cost of car rentals for employees traveling on Company business whenever the use of public transportation (buses, taxicabs or other forms of mass transit) is uneconomical.

2. Midsize cars shall be used whenever possible.

3. Reservations for rental cars should be made through the Travel Department.
4. Rental of cars shall be made in the Company's name in order to take advantage of negotiated rates.
5. Payment to the rental agency by the employee shall be by a corporate or personal credit card, and reimbursement will be made through use of the Employee Expense Statement.

There will be no central billing for car rentals at the corporate office. However, central billing will be available for each of the plants for personnel who do not have a personal or corporate credit card. **EMPLOYEES WHO USE CAR RENTAL CENTRAL BILLING ARE REQUIRED TO SUBMIT THEIR RENTAL RECEIPT, ALONG WITH A COMPLETED ADVICE OF TRAVEL, TO THE APPROPRIATE PLANT COMPTROLLER SO THAT THE INVOICE CAN BE RECONCILED.**

6. Employees traveling together shall share the rental car.
7. Employees shall not purchase the "Collision Damage Waiver" section of the rental agreement. Charges for such coverage are not reimbursable because Anchor Glass carries insurance coverage for employees who rent cars for Company business.

B. EMPLOYEE RESPONSIBILITY

1. The employee shall;
 - a) Select the lowest cost rental agency which the Company has listed for service, identify himself as an Anchor Glass employee and give the AGCC corporate identification number. (The first choice should be Alamo and the second choice should be Hertz.)
 - b) Reserve a midsize car.
 - c) Examine the car in the presence of an agency representative for body damage.
 - d) If involved in an accident, file a report immediately and notify Corporate Risk Management.
 - e) Attach the rental agreement and credit card charge slip to the Employee Expense Statement for reimbursement. If the rental was charged to a plant's central bill, an Advice of Travel Form must be completed upon return from trip, signed by a supervisor and forwarded to the respective plant personnel responsible for the invoice reconciliation and payment.

2. When advance reservations are made, they should be through the Company travel agency. When using a local rental company, all arrangements should be made through the local agency.

3. Car rental agencies authorized by the Company for employee use change from time to time as rates change. Memos are sent to travel coordinators as changes occur. Local agencies shall be provided at plant areas and shall be used when possible.

VII. PRIVATELY OWNED AUTOMOBILES

A. POLICY

1. The Company allows use of privately owned automobiles when a direct benefit results.

2. The use of privately owned automobiles must be approved in advance by the employee's supervisor/general manager authorizing the travel and approving the expense statement.

3. The employee shall be reimbursed at the applicable mileage rate (currently **\$.375 per mile as of 04/01/2005**), plus tolls and parking fees. Proper documentation is required.

4. Auto mileage to the airport from an employee's residence and the return trip is not reimbursable if the mileage approximates the employee's normal commuting mileage. For example, Tampa employees who normally commute from Clearwater (40 miles per day) would not be eligible for reimbursement of mileage to go to the Tampa airport and return home since the airport is close to the office, and the commute to the office would have occurred had the trip to the airport not been necessary.

5. Should questions arise as to the correct mileage between points of departure and destination, the Rand McNally Mileage Guide shall be the final authority.

6. The mileage driven from and to locations shall be shown on the Employee Expense Statement for the appropriate day(s).

7. The Company shall not be responsible for loss or damage to the automobile or for traffic fines.

B. EMPLOYEE RESPONSIBILITY:

1. If involved in a accident, the employee shall file an accident report, if necessary, as soon as he returns to his home office.

2. The employee shall file for mileage reimbursement on the employee expense statement.

3. The employee shall be responsible for carrying property damage and liability insurance. Limits of such coverage are \$100,000/\$300,000 bodily injury and \$50,000 property damage. If an employee does not have sufficient coverage, his personal car should not be used for company business.

VIII. **LODGING:**

- A. Accommodations should be reserved at economical hotel/motel chains without frequent flyer consideration.
- B. Reservations for hotels should be made through the Travel Department.
- C. Room type must be the standard room. Suites are not reimbursable without prior approval.
- D. When business plans change and a reserved room reservation has been made, it is imperative that you cancel the reservation. When you are canceling direct, always obtain a cancellation number whenever possible or the name of the person to whom you are speaking, the date and time. When canceling through the Travel Department, they will provide you with a cancellation number that must be maintained for your records. If requested by the employee, hotel reservations will be guaranteed by the Travel Department. Hotel rooms will be guaranteed with the employee's Corporate American Express card or other personal credit card. If an employee's plans change and he does not cancel the reservation, a "no show" charge will appear on the employee's credit card invoice. **"NO SHOW" BILLS ARE NOT REIMBURSABLE!**
- E. Employees shall reserve accommodations at the authorized hotels or motels that offer Anchor Glass employee discounts. This information is available from the Travel Department. The obtaining of economical lodging rates will be the responsibility of each supervisor who must approve the expenses incurred.

IX. **TRAVEL, BUSINESS AND ENTERTAINMENT EXPENSE REPORTING:**

- A. **PURPOSE**
To establish a uniform method for reporting authorized travel and related business expenses and to establish procedures for approval and reimbursement of these expenses.
- B. **POLICY**
 1. The following forms shall be used in conjunction with Company travel, business and entertainment reporting:
 - a) Employee Expense Statement (Exhibit "A")
 - b) Entertainment Record (Exhibit "B")
 - c) Request for Cash Advance (Exhibit "C")

d) Advice of Travel (Exhibit "D")

2. The Company will authorize and pay expenses incurred by employees carrying out assigned duties when the expenses are deemed normal and necessary. **A REASON FOR TRAVEL AND LIVING EXPENSE IS REQUIRED TO BE STATED ON ALL EXPENSE STATEMENTS.**

3. The amount of expenses may vary according to circumstances, and specific limits cannot be set.

4. Managers reviewing the Employee Expense Statements are responsible for determining validity of the expense. All expense statements must be approved and signed by the appropriate manager.

5. The Corporate Treasury Department is responsible for making an annual review of all Permanent Travel Advances. The status of these advances will be confirmed annually.

6. Employees must submit an Employee Expense Statement **NOT LATER THAN THE FIFTH BUSINESS DAY FOLLOWING RETURN FROM THE TRIP.** Reimbursement checks will be submitted to the employee within a reasonable timeframe following the submission of the completed expense report however, no later than the fifth business day after submission. When an employee is away from his home office on an extended trip in excess of one week, he must fill out an Employee Expense Statement, attach the necessary receipts and mail it to his home office weekly. The employee may choose to have the reimbursement check sent to his home office, field location or primary place of residence.

7. Employees involved in extended travel shall be allowed to return home up to twice per month at the discretion of the supervisor. Such travel must be in accordance with Section IV (Air Travel) of the Travel Policy regarding low cost fares. However, if the round trip costs of returning home and traveling back to the assignment location are less than the travel expenses (lodging, meals, transportation) of remaining at the job location, the supervisor may authorize a weekly return home.

8. Receipts are required for all transportation and lodging expenses. Receipts for direct-billed air travel must be attached to an Advice of Travel Form and submitted with the Employee Expense Statement for signature by the employee's immediate supervisor. The amounts of the direct billed charges must appear on the expense statement, either circled or in parenthesis, but these amounts should not be included in the total as the employee should not obtain reimbursement for charges which the Company will be paying directly.

9. Employee Expense Statements must show for each day the location, mode of travel to and from, and purpose of the trip.

10. Unless properly approved by the responsible manager, completed in detail, arithmetically correct and accompanied by the proper receipts, Employee Expense Statements will not be accepted.
11. Employee Expense Statements must be approved by the person at the next highest level of authority.
12. Employees shall submit original receipts (if possible) with the expense statements. Copies should be retained for personal records.

C. **TRAVEL EXPENSE**

1. The itinerary and method of travel must be shown on the Employee Expense Statement each day such travel occurs.
2. Leased or rental cars shall be used only when the number of persons using such transportation makes it economically advantageous or where other means of transportation are not available.
3. Air travel will not be charged on the employee's corporate American Express or other personal charge cards. All air travel will be charged through the Travel Department to a central billing account. Central billed charges for air travel should be circled or in parenthesis on the Employee Expense Statement, but not included in the total. The ticket receipt and a copy of the itinerary must be attached to an Advice of Travel Form and submitted to the appropriate department secretary responsible for reconciling the air central billing (BTA) invoice.
4. All rental cars will be paid for with either the employee's corporate American Express charge card or an employee's personal credit card. These charges should be submitted on an Employee Expense Statement and reimbursed. Central billing for rental cars is available only for plant personnel who do not have a Company or personal credit card. For car rental which is centrally billed to a plant, **an Advice of Travel must be completed within 48 hours after the trip and submitted to the appropriate Plant Administrative Leader.**
5. The personal use of rental cars for weekend side trips and excursions not related to business activities shall not be reimbursed.
6. Gas and oil purchases for rental cars must be supported by paid receipts attached to the Employee Expense Statement.
7. Employees using personal cars shall state on the Employee Expense Statement the name of any other employee passengers.
8. The Company shall allow taxi, bus and other mass transit charges when they are necessary to conduct Company business. (Airport limousine service should be used only

when mass transit is not available and then the charge on the expense statement must be initialed by the approving Manager).

9. The employee shall obtain a refund on any unused transportation tickets. Any tickets charged to the American Express central bill will be credited to the employee and reflected on the billing activity report.

D. **AUTHORIZED MEAL EXPENSES**

1. On most occasions, employees are to buy their own meals.

2. Meal expenses are generally permissible only when employees are out of town overnight on business. However, exceptions may be made with approval by the employee's supervisor if the employee is not away overnight, but returns to home area after 7:00 p.m. and/or has been out of town beyond eight hours.

3. Employees ordinarily are not to buy meals for other employees. On occasions when such entertainment is necessary, the highest-ranking employee should absorb the expense.

4. A maximum of **\$30.00** per day is allowed for **meal expenses**. Meal expenses in certain high cost areas (New York City, San Francisco, Chicago, etc.) may warrant exceptions, but the entry on the expense statement must be initialed by the approving manager.

5. The Company will allow the actual cost of meals in connection with meetings of industry, business or professional organizations of which the employee has been authorized to become a member.

6. Receipts are required for all meal expenditures which exceed **\$28.00 per meal**.

E. **PERSONAL TELEPHONE EXPENSE**

1. Personal telephone or FAX costs are reimbursable in emergency situations or because of a change in travel plans. Also, employees away overnight may make one personal telephone call home and should limit such calls to a reasonable period, because hotels/motels mark-up such calls exorbitantly.

2. If the employee is to remain in the field for five days or longer, the Company shall reimburse him/her for reasonable phone contact with his/her family.

3. An explanation shall be required for all telephone charges over \$5.00 per call for **any call non-work related**.

4. Company telephone "calling cards" shall be used whenever feasible.

F. **MISCELLANEOUS EXPENSES**

1. Miscellaneous expenses should be specifically identified and supported by a receipt.
2. Reasonable postage shall not require a receipt.

G. **UNAUTHORIZED EXPENSES**

1. Personal entertainment.
2. Premiums for air travel insurance (the **Company already provides a \$50,000 Accidental Death Policy when traveling on Company business**).
3. Personal services - barber or shoe shine.
4. Personal medical costs.
5. Reading material.
6. Repair or maintenance of personal effects.
7. Thefts, loss or damage to personal effects.
8. Repair of personal attire.
9. Dues, donations and subscriptions.
10. Traffic violations, fines and court costs.
11. Office equipment.
12. Expense of wife and family on trips (unless business related).
13. Gifts.
14. Laundry and valet - less than five days away from home unless the standard uniform service at the plant is not an option.
15. Personal telephone, telegraph and postage (except as noted on 10-E).
16. Radio or television rentals.
17. Movies on hotel bills.
18. Special room services.

19. Transportation to and from home to regular place of employment.
20. Unauthorized attendance at conventions, meetings and conferences.
21. Unexplained expenses.
22. Personal and rented automobile insurance.
23. No-show charges for guaranteed hotel reservations.
24. Auto mileage to airport from home and return trip (see Page 7).

H. **ALLOWABLE EXPENSES**

1. Airline fares.*
2. Bridge and toll roads.**
3. Bus fares.
4. Business conference and entertainment - when required by employee assignment.*
5. Checking baggage.
6. Cost of traveler's checks.*
7. Garage rent - overnight parking while away from home.
8. Laundry and valet - allowable after one week away from home.* Charges may be allowed for shorter periods when unusual conditions exist requiring frequent need for cleaning.
9. Meals including tips - requires receipt if over \$28.00 per day. (\$28.00 per day maximum for most travel locations).
10. Personal automobile usage limited to applicable mileage reimbursement rate (currently \$.375 per mile as of 04/01/05).
11. Porter.
12. Postage, telephone and telegraph for business reasons only*
13. Parking fees.**
14. Railroad fares.*
15. Rented automobiles - when justified by economy.*

16. Rooms - on trips away from home; also for meetings or conventions when authorized.*

17. Taxis - when common carrier and/or limousine service is not adequate.

* Receipt required.

** For Sales personnel, a receipt is required for all expenditures of \$25.00 or more, and also for all tolls and parking when the cumulative amount in either category is more than \$10.00 in any one day.

I. CREDIT CARDS

1. Only vice presidents may authorize Company credit cards for travel expenses (not including air travel) and telephone.

2. Company credit cards are restricted to employee business use only.

3. The employee corporate American Express charge card should not be used to charge air travel, but will still be used for restaurants, hotels, rental cars, etc. **Personal charges are not authorized on the corporate charge card.**

4. The employee may use personal credit cards, if necessary, but expense reporting must be supported with detail.

5. The employee's Company charge card may be revoked if misused.

J. EMPLOYMENT INTERVIEWS

1. The Company allows expenses for transportation, rooms, meals and similar expenses incurred by prospective employees in connection with the interview.

2. Prospective employees are to report their expenses on the Employee Expense Statement. Reimbursement will be made at the local plant or office.

K. TRAVEL ADVANCES

1. Travel advances shall mean cash or check advances received to make a specific business trip. It does not include the following:

a) Relocation advances - relocation information may be obtained from the Human Resource Department.

b) Permanent advances - information may be obtained from the Corporate Treasury Department.

2. Any advance issued to an employee must be signed by the employee prior to issuance.
3. Travel advances are to be issued and settled only at the place of employment. An employee working at any other plant or office cannot receive an advance at the place of visitation without the specific approval of his/her supervisor, the Plant Administrative Services Leader or the Human Resource Department.
4. Each request for an advance should list itinerary dates and bear the approval of the employee's immediate supervisor or next level supervisor.
5. All advances must be cleared **within 48 hours** of the employee's return.
6. There will be **no advances for trips of less than two working days**. Employees without Company-provided American Express cards can receive advances for trips of two or more working days. Employees with Company-provided American Express cards can receive advances for trips of five or more working days. Exceptions should be outlined in detail and approved by the next higher level of management above the approving supervisor.
7. The **maximum** advance amount shall be **\$50 per working day** or up to \$500 in total. Any complications or exceptions shall be detailed and approved by the next higher level of management above the approving supervisor.
8. Each advance must be cleared before obtaining a second advance. Again, exceptions and complications must be noted and approved by the next higher level of management above the approving supervisor. **EMPLOYEES WITH PERMANENT ADVANCES WILL NOT BE ALLOWED TO OBTAIN TRAVEL ADVANCES.**