AGREEMENT

DATED THIS 20th DAY OF JULY, 2004

JOHN DEERE HORICON WORKS

OF DEERE & COMPANY
HORICON, WISCONSIN

AND

LOCAL LODGE NO. 876

OF THE
INTERNATIONAL ASSOCIATION
OF MACHINISTS AND
AEROSPACE WORKERS
EXPIRED OCTOBER 2004
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PREAMBLE
HPWO PARTNERSHIP

The International Association of Machinist and Aerospace Workers Union (IAM LI. #873) and the John Deere Horicon Works recognize that change is a never-ending process. Even though change is inevitable it should be positive. By working together in a mutually supportive team focused partnership we can manufacture products and provide services that "Meet Customer Needs through Business Excellence". The goal is to enable us to develop relationships, which are mutually beneficial in keeping us strong and ensuring our future growth and prosperity. We look to the future recognizing the challenges that lie ahead. To become a High Performance Workplace Organization (HPWO) requires a long-term commitment, by both partners, to continuous education and communication. This degree of workplace change will require that all members/employees, wall to wall, are supported both from the union and management.

Work Environment
The Parties expect and deserve a safe, clean and healthy work environment. Our workplace will be closely monitored for the presence of appropriate ergonomic design principles. Our facilities will be clean and well organized to keep our members/employees proud of their workplace and the ongoing role they have in maintaining it.

Interpersonal relationships at the John Deere Horicon Works will be built on trust and honesty. These relationships should be characterized by focusing on teamwork, common goals, continuous improvement, and respect for the unique aspects and differences individuals bring to the workplace. Employees will expect to be treated with respect and dignity and in return all employees will treat each other in the same manner. The Parties commit to work together in an encouraging, inspiring, and creative environment that is driven by the goal "Meeting Customer Needs through Business Excellence."
PREAMBLE

Productivity and Continuous Improvement
Both Parties recognize the need to be best-in-class when measuring the cost of our products. Our profitability and long-term competitive advantage lies in the ability of our people to produce products both efficiently and effectively.

The need to continuously improve our processes and methods is critical to maintaining our ongoing competitive advantage. As Partners, we need to support, develop and grow our people, because without them we do not have a long-term competitive edge. We need to encourage our people to use their intellect to contribute to the efforts that maintain our position of "Growing the Business". Through this leadership we will grow our people and nurture their efforts to improve contributions to the business.

Decision-making
This collective bargaining agreement details how the Parties will deal with each other in many areas of management rights, union rights, and contractual obligations. In all other areas, the Parties will attempt to use consensus as the preferred mode of decision making. In the context of the John Deere Horicon Works business process, consensus will be defined as follows:

Consensus will have been achieved in a group or team setting when alternatives have been identified and the group decides it will choose and support one such alternative. In its purest sense consensus means that the group or team has reached a decision that will be supported by the actions of every member of such group or team. The decision need not be the primary choice of every team member, but demonstrated support of the alternative once consensus has been reached is key. In the event that a group is divided as to which decision they can support, the group must continue to work through the issue relying on data and facts as the basis for
such consensus decision-making. In the event a portion of a group is unable to indicate support for a decision that the balance of the group supports, those person(s) must either withdraw their objection or offer alternatives and convince the group of the merits of this alternative position, in effect allowing the group to reach consensus on the alternate idea. Simply saying “no” is never an acceptable option.

Summary:
Change is inevitable. The Parties desire these changes to be positive. The last word on shaping this positive change is trust. Deeds, not words, establish trust. But words agreed on through a collective negotiation establish procedures for both parties to make our ensuing actions believable and trustworthy. As we head towards the 21st Century, the John Deere Horicon Works of Deere and Company and the International Association of Machinists and Aerospace Workers, will continue to discuss ways to make the Horicon Works more competitive while ensuring stability and security for its members/employees. The goal is to continue our growth as a High Performance Work Organization and to trend towards world class in all areas. Leadership, teamwork, and the vision of a positive partnership will be necessary. Employ them, and nothing is impossible.
AGREEMENT

THIS AGREEMENT made and entered into this 1st day of October 1998 by and between the JOHN DEERE HORIZON WORKS OF DEERE & COMPANY, Horicon, Wisconsin, hereinafter called the COMPANY and DISTRICT 121 AND ITS AFFILIATE LOCAL LODGE NO. 873 of the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, AFL-CIO hereinafter referred to as the UNION.

ARTICLE I
MANAGEMENT

The management of the plant and the general operations thereof, the direction of the Company's working force, the affairs of the Company with reference to the operation of its business including the right to hire, transfer, discharge, and make reasonable shop rules, to suspend, promote or demote employees and the right to relieve employees within the bargaining unit from duty due to lack of work or other legitimate reasons subject to the provisions and conditions of this contract, are vested exclusively in the Company.

ARTICLE II
RECOGNITION

The Company recognizes the Union as the exclusive collective bargaining representative of all production and maintenance employees employed at the John Deere Horicon Works of Deere & Company, Horicon, Wisconsin, as certified on 10 November 1965 in NLRB Consolidated Cases No. 13-RC-4521 and 4522 (as later modified by voluntary decertification by letter of December 1983 from the International Molders & Foundry Workers Union of North America and also 30UC34) excluding all salaried employees, office clerical employees, shop clerks, watchmen, and guards, and supervisors as defined in the National Labor Relations Act.
ARTICLE III
UNION SECURITY

Section 1. Union Membership

A. Any employee who is a member of the Union in good standing on the effective date of this Agreement shall, as a condition of employment, maintain his membership in the Union to the extent of paying membership dues uniformly levied against all Union members. Such employee may have his membership dues deducted from his earnings by signing the form for "Authorization for Check-Off of Dues," or if no such authorization is in effect, he must pay his membership dues directly to the Union.

B. Any employee who on the effective date of this Agreement is not a member of the Union shall on the 31st day after such date, or on the 31st day after transfer into the bargaining unit, whichever is later, as a condition of employment, become a member of the Union to the extent of paying membership dues uniformly levied against all Union members, and shall maintain his membership as provided in Section 1-A above.

C. Any employee hired on or after the effective date of this Agreement shall become a member of the Union after thirty (30) days, and he shall, as a condition of employment, maintain his membership in the Union to the extent of paying membership dues uniformly levied against all Union members.

D. The Union will furnish the Company within fifteen (15) days from the effective date of this Agreement, the names of all members paying dues direct to the Union.

E. Any dispute arising as to the employees' membership in the Union shall be processed through the grievance procedure and arbitration entering the grievance procedure in Step B of Article XIII.
ARTICLE III

F. "Member of the Union" where used herein means any employee who is a member of the Union and is not more than sixty (60) days in arrears in the payment of Union dues specified herein.

G. Initiation fees for membership in the Union shall not exceed the maximum prescribed by the Constitution of the Union at the time the employee becomes a member.

Section 2. Check-Off of Union Membership Dues

A. During the life of the Agreement, the Company agrees to deduct Union membership dues levied by the Local Union in accordance with the Constitution and Bylaws of the Union from the pay of each employee who executes or has executed the following "Authorization for Check-Off of Dues" form.

AUTHORIZATION FOR CHECK-OFF OF DUES

"To the John Deere Horicon Works:

Date______________________

"I hereby assign to LOCAL UNION No. 873, INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS (AFL-CIO), from any wages earned or to be earned by me as your employee, the sum of $_________ per month and initiation fees, or such amount as may hereafter be established by the Union and become due to it, as my periodic membership dues in said Union. I authorize and direct you to deduct such amounts from my first pay for each month and to remit the same to the Union.

"This assignment, authorization, and direction shall become operative contemporaneously with the effective date of the new collective bargaining contract between the Company and the Union which shall succeed the current collective bargaining contract between the same parties."
ARTICLE III

"This assignment, authorization, and direction shall be irrevocable for the period of one (1) year, or until the termination of the said new collective bargaining contract between the Company and the Union, whichever occurs sooner; and I agree and direct that this assignment, authorization, and direction shall be automatically renewed, and shall be irrevocable for successive periods of one (1) year each or for the period of each succeeding applicable collective bargaining contract between the Company and the Union, whichever shall be shorter, unless written notice is given by me to the Company and the Union not more than twenty (20) days and not less than ten (10) days prior to the expiration of each period of one (1) year, or of each applicable collective bargaining contract between the Company and the Union, whichever occurs sooner.

Contributions or gifts to L.L. 873 I.A.M.A.W. are not tax deductible as charitable contributions for federal income tax purposes. However, they may be tax deductible under other provisions of the Internal Revenue Code.

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

(Signature of Employee here)

(Address of Employee)

(Type or Print name of Employee here)

(Employee's Clock No.)"

B. Deductions shall be made only in accordance with the provisions of said "Authorization for Check-Off of Dues," together with the provisions of this Section of the Agreement.

C. A properly executed copy of such Authorization for Check-Off of Dues form for each employee for whom
ARTICLE III

Union membership dues are to be deducted hereunder, shall be delivered to the Company before any payroll deductions are made. Deductions shall be made thereafter, only under authorization for Check-Off of Dues forms which have been properly executed and are in effect. Any Authorization for Check-Off of Dues which is incomplete or in error will be returned to the Union by the Company.

D. Check-Off deductions under all properly executed Authorization for Check-Off of Dues forms which have been delivered to the Company on or before the effective date of this Agreement, shall begin with the month following.

E. Thereafter on or before the fifteenth (15th) day of each month the Union shall deliver to the Company any executed Authorization for Check-Off of Dues forms under which Union membership dues are to be deducted beginning with the following calendar month. After receipt of the Authorization for Check-Off of Dues form, the Union membership dues for each succeeding calendar month shall be deducted from the employee’s check for the first pay period in that month in which the employee has sufficient net earnings to cover the Union membership dues. In the event that membership dues other than those for the calendar month in which the deduction is made and initiation fees have become due and owing by an employee subsequent to the effective date of said employee’s Authorization for Check-Off of Dues form, but prior to the first deduction by the Company thereunder, such membership dues and initiation fees will be deducted by the Company at the time it makes the first deduction for membership dues. The Union will notify the Company in writing, when it makes delivery of Authorization for Check-Off of Dues forms prior to the 15th of each month, of the amounts owing by employees who executed these forms.

F. In the case of employees rehired, or returning to work after layoff or leave of absence, or being transferred back into the bargaining unit, who previously have
ARTICLE V

Section 12. Report-In -- Call-In Pay

A. Any employee who has worked on the previous workday and who reports for work at his regular time on his regular shift unless he has been told in advance not to report, and whose regular work is not available, or whose regular work becomes unavailable prior to his completion of four (4) hours of work from the start of his regular shift, shall be offered other work on the following basis:

1. If the employee is an incentive worker, he shall not receive less than four (4) hours' work which shall be paid for at the rate of job assigned, but not less than the occupational rate of the work normally performed by the employee.

2. If the employee is a straight hourly paid worker, he shall receive not less than four (4) hours' work which shall be paid for at the rate of job assigned, but not less than his regular hourly rate.

3. If the employee's job is not in operation because of an occurrence beyond the Company's control, such as fire, flood or other weather conditions, explosion, power failure, interruption of power or heat because of unavailability of natural gas or other fuel, or work stoppage in violation of Article XVI, the above provisions shall not apply.

B. Any employee who, having left the plant after his regular shift, is recalled to perform additional work, shall be given the minimum of four (4) hours' work on the following basis:

1. If the employee is an incentive worker, he shall not receive less than four (4) hours' work which shall be paid for at the rate of job assigned, but not less than the occupational rate of the work normally performed by the employee.
ARTICLE IV
NONDISCRIMINATION

Section 1. Nondiscrimination

A. There shall be no discrimination against any employee in the bargaining unit by either party under this agreement because such employee is a member of a "protected class" as that term is used in Presidential Executive Orders and in Federal and State Legislation.

B. Wherever a reference to male gender appears in this Agreement it is understood that such language is nonrestrictive and is intended to include females.

Section 2. Interference

The Company will not interfere with, restrain, or coerce employees because of membership in the Union or lawful activity on behalf of the Union, nor will it by discrimination in regard to hire, tenure of employment or any term or condition of employment, attempt to discourage membership in the Union. The Company specifically will not permit on the part of its representatives any discrimination against the Union. Nor will it permit any activity by its employees against the Union during working hours.

Section 3. Solicitation

Neither the Union nor the members it represents will interfere with, intimidate or coerce any employee in regard to his right to work, and further, there shall be no solicitation of members during working hours; provided, however, this provision shall not be construed to prevent Union activity during the recognized lunch period or before or after work, and provided further, this section shall not be construed to prevent the Union from investigating and handling grievances in the plant, pursuant to the provisions of Article XII and XIII of this Agreement. Any disciplinary action taken against any individual under this provision shall be subject to the Grievance Procedure.
ARTICLE IV

Section 4. Equal Opportunity

The Company and the Union jointly recognize that members of "protected classes" as that term is used in Presidential Orders and in Federal and State Legislation should be afforded full opportunities for advancement. The parties further recognize that it is their joint responsibility to provide these individuals equal treatment and opportunity in all aspects of their employment. It is understood that the Company may recruit from outside sources in order to achieve representation by such employees. It is agreed that it may be necessary for the Company to make decisions that are contrary to express contract provisions in order to more fully satisfy Federal and State Legislative and Executive orders in this area.
ARTICLE V
HOURS OF WORK AND OVERTIME

Section 1. Definitions (Ref. Letter - pg. 138)

A. Workweek:

For purposes of straight-time and overtime pay for hours over forty (40) in a week, the workweek shall be a seven (7) day period, Sunday midnight to Sunday midnight, with two (2) consecutive scheduled rest days. It is the intent of this provision except for employees on seven (7) day continuous operations, as set forth below, that the scheduled rest days will be Saturday and Sunday.

B. Workday, Holiday, Scheduled Rest Day:

The period of twenty-four (24) consecutive hours from the time the employee normally or would normally begin his shift or the time the employee is required to report for work whichever is earlier. In no case will specific hours worked be considered in more than one (1) day for purposes of determining pay under Section 8 of this Article. The holidays celebrated are defined in Section 10 of this Article.

C. Saturday:

The hours falling between the hours of midnight Friday and midnight Saturday, except that any second or third shift extending into Saturday shall be considered a part of the day on which its first shift starts.

D. Sunday:

The hours falling between midnight Saturday and midnight Sunday, except that any second or third shift extending into Sunday shall be considered a part of the day on which its first shift starts.
ARTICLE V

Section 2. Shift Hours (Ref. Letters - pgs. 138 & 185)

A. Regular shift hours shall be as follows:

1. First Shift

7:00 A.M. until 3:30 P.M. with a thirty (30) minute lunch period on the employee’s time.

2. Second Shift

3:30 P.M. until 12 Midnight with a thirty (30) minute lunch period on the employee’s time, except that designated support personnel may be assigned to 3:00 P.M. until 11:30 P.M.

3. Third Shift

10:30 P.M. until 7:00 A.M. with a thirty (30) minute lunch period on the employee’s time, except that designated support personnel may be assigned to 11:00 P.M. until 7:30 A.M.

B. Continuous Shift Hours (Ref. Letter - pg. 148)

1. When an employee or group of employees working on processes, machines, machine groups or in work areas whose work assignment is such as to require operating on a continuous three-shift basis and they are unable to take a lunch period on their own time and still work a total of eight (8) hours, the shift hours shall be as follows:

First Shift 7:00 a.m. to 3:00 p.m.

Second shift 3:00 p.m. to 11:00 p.m.

Third shift 11:00 p.m. to 7:00 a.m.

2. Employees on continuous shifts as set out above, shall receive a twenty (20) minute lunch
period on Company time paid for in the case of the hourly worker at the established hourly rate of the employee, and in the case of the incentive worker he shall receive thirty-three hundredths (.33) of an hour as a lunch period paid for at the occupational rate of the job being performed.

C. Third Shift Starting Times

1. It is understood that the third shift will start at 10:30 P.M., and/or 11:00 P.M. Sunday night, and it is agreed there will be no overtime pay for such hours worked on Sunday.

2. A holiday for third shift employees will begin at the start of the shift the day prior to the calendar holiday. The third shift may begin work following a holiday as early as 10:30 p.m. the calendar day of the holiday, and it is agreed there will be no holiday premium pay.

3. Certain employees, whose work requires it, may start their workweek Monday night third shift as early as 10:30 p.m. For such employees, Saturday and Sunday shall be defined as follows:

   Saturday: Saturday shall be interpreted as the hours falling between midnight Friday and midnight Saturday except that third shift employees whose fifth day starts on Friday night shall be considered as working on Friday for the entire shift.

   Sunday: Sunday shall be interpreted as the hours falling between midnight Saturday and midnight Sunday except that third shift employees whose sixth day starts on Saturday shall be considered as working on Saturday for the entire shift.
ARTICLE V

D. Nothing in this section shall be interpreted or construed as a guarantee of daily or weekly hours of employment.

Section 3. Variations In Hours

Variations in shift hours and lunch periods may be made as required by the needs of production. If the variation is permanent in nature then the employee and the respective steward shall be notified twenty-four (24) hours in advance.

Section 4. Shift Premium Pay

When two or three shifts are being operated in the plant, an employee working on the second shift will receive an additional fifty-four and one-tenth (54.1) cents per hour; an employee working on the third shift will receive an additional seventy-eight and nine-tenths (78.9) cents per hour. Where a first shift employee works overtime extending into the second shift, the above fifty-four and one-tenth (54.1) cents will not be added unless the full extra second shift is worked. Where a second shift employee works overtime extending into the third shift, he will continue to receive the additional fifty-four and one-tenth (54.1) cents per hour, unless the full extra third shift is worked, in which event he shall receive the additional seventy-eight and nine-tenths (78.9) cents rather than the fifty-four and one-tenth (54.1) cents for the hours worked on the third shift.

Section 5. Determination of Shift

In order to determine when the above shift differential is applicable, the shift hours will be defined as follows:

First Shift - Any shift which begins at 6:00 A.M. or from 6:00 A.M. but prior to 10:00 A.M. will be considered first shift. Employees with normal shift hours starting between 6:00 A.M. and 10:00 A.M. shall receive third shift premium pay for only those hours worked prior to 6:00 A.M.
ARTICLE V

Second Shift - Any shift which begins at 10:00 A.M. or from 10:00 A.M. but prior to 7:00 P.M. will be considered second shift.

Third Shift - Any shift which begins at 7:00 P.M. or from 7:00 P.M. but prior to 6:00 A.M. will be considered third shift.

Section 6. Fifteen Minute Break

The policy of the Company of allowing a maximum period of fifteen (15) minutes for a short lunch and rest during the first four (4) hours of the working shift will be continued without any change in the Company’s present pay practice with respect to such periods.

Section 7. Personal and Clean Up Time

Employees may discontinue productive work ten (10) minutes prior to the end of the shift to perform necessary tasks such as cleaning machines and putting away tools, however, employees must not leave their work areas until five (5) minutes before the end of the shift and must not line up at the clock before the end of the shift.

Section 8. Overtime and Premium Pay

(Ref. Letter - pg. 146)

A. Time and one-half shall be paid for hours worked beyond eight (8) hours in any one workday.

B. Time and one-half shall be paid for hours worked beyond forty (40) hours in any one established workweek.

C. Time and one-half shall be paid for Saturday work except for employees working on continuous seven (7) day operations.

D. Double time shall be paid for Sunday work.
ARTICLE V

E. Double time shall be paid for all hours worked on a holiday(s) as defined. This payment shall be in addition to the holiday pay provided for in Section 10.

F. The overtime and premium pay above shall not be "pyramided", i.e., no overtime or premium pay shall be paid more than once for the same workday or hours.

Section 9. Continuous Seven Day Operations
(Ref. Letter - pg. 146)

Employees who do not work the normal week (i.e. power house and heat treat) but whose workweek fixes Saturday or Sunday, or both, as part of their five-day schedule, shall not benefit by the Saturday and/or Sunday premium pay, but shall receive time and one-half for hours worked on the first scheduled rest day of their scheduled workweek and double time for the hours worked in the second scheduled rest day of their workweek. These employees will, however, receive time and one-quarter for Sunday work when it is one of their regular scheduled work days.

Section 10. Holidays, Holiday Pay and Conditions for Payment of Holiday Pay
(Ref. Letter - pg. 146)

A. The Company will observe the following holidays: New Year's Day, Good Friday, last Monday in May, Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Eve Day, Christmas Day, New Year's Eve Day, 3 July 2000, 5 July 2002 and 2 January 2004. In recognition of Martin Luther King’s birthday, all employees have been granted an additional VAE day that is included in their total number of VAE days.

B. Employees (not suspended or discharged for good and just cause) will be paid for these holidays (as set out below) if they were scheduled to work in the workweek in which the holiday is observed, if they do not fail to work when requested on the holiday except for a satisfactory reason, and if they work both the workday
ARTICLE V

preceding and following the holiday unless absent for one of the reasons listed below.

(1) Formal leave of absence for more than three (3) days as provided in Section 1 of Article X, Leaves of Absence.

(2) Leave of absence for Union business as provided in Section 2 of Article X, Leaves of Absence.

(3) Plant-incurred injury.

(4) Jury duty.

(5) Confining illness of the employee or treatment by a physician or dentist, substantiated by a written statement from the attending physician or dentist.

(6) Layoff.

(7) Death or severe illness in the employee’s immediate family. (Immediate family is defined as: Grandmother, grandfather, granddaughter, grandson, father, mother, mother-in-law, father-in-law, brother, sister, spouse, son, daughter, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepchild, stepfather, stepmother, stepbrother, stepsister, spouse’s grandparents). If requested to do so the employee will furnish substantiating evidence.

(8) A temporary condition of no work available due to such causes as material shortages or trouble with machines or equipment but not including cases arising from occurrences beyond the control of the Company such as floods, fire, or other natural causes.

(9) Member of the Honor Guard.
ARTICLE V

(10) Subpoenaed as a witness.

(11) Required to appear for examination by a jury commission.

(12) Attend a funeral.

(13) Involved in a traffic accident.

(14) Wedding in immediate family.

(15) Graduation from senior high school or college of a member of the immediate family.

(16) Riot situation other than labor disputes.

C. An employee as set out in B above will be considered scheduled for the workweek during which a holiday occurs unless he fails to work any part of such workweek because he was:

(1) On layoff, other than an unscheduled layoff which does not exceed one (1) week;

(2) In the military service;

(3) Absent because of an illness as set out in B-(5) above, including an accident or hospitalization, which began more than ten (10) working days prior to the holiday;

(4) On a leave of absence which began prior to the end of the preceding workweek.

D. Notwithstanding B above, employees who fail to work all or part of the workday preceding and/or following the holiday for reasons other than set out above will receive holiday pay in an amount determined by totaling the number of hours worked on each day (maximum of 8 hours) and dividing the result by two (2) with a maximum of eight (8) holiday pay hours for each holiday.
ARTICLE V

E. An employee absent on either the workday preceding or following the holiday (not both) because no work was available because of an occurrence beyond the control of the Company such as floods, fire or other natural causes shall receive holiday pay.

F. For noncontinuous seven-day operations holidays falling on Sunday will be observed on Monday or Tuesday if Monday is also a holiday, and all holidays falling on Saturday will be observed on Friday or Thursday if Friday is also a holiday.

G. For seven-day continuous operations holidays falling on an employee’s second scheduled off-duty day will be observed on the employee’s first or second workday if the first workday is also a holiday, and all holidays falling on the employee’s first scheduled off-duty day will be observed on the employee’s fifth workday or fourth workday if the fifth workday is also a holiday.

H. Hourly rated employees who qualify will receive eight (8) hours’ holiday pay at their regular hourly rate, plus the appropriate shift premium pay; and incentive employees who qualify will receive eight (8) hours holiday pay at their average straight-time hourly earnings, plus the appropriate shift premium pay.

I. If an employee qualifies for both holiday pay and Weekly Indemnity or Workmen’s Compensation Benefits for the same day, the payment for the holiday not worked will be reduced by the amount of such benefit.

J. Subject to the other qualifications of this Section, employees not required to work on the first Christmas shutdown day and/or the third Christmas shutdown day will be deemed to have worked those days under this Section for purposes of qualifying for holiday pay for the Christmas Eve, Christmas Day, New Year’s Eve and New Year’s Day holidays. Provided, however, this provision will not apply if the employee failed to work or was absent for reasons other than those set out in
ARTICLE V

Paragraph B above on both the last scheduled workday before the Christmas holidays and the first scheduled workday following the New Year holidays. Nothing in this paragraph will be construed to "schedule" the employee under Paragraph C of this Section for either of the workweeks involved.

Section 11. Distribution of Overtime
(Ref. Letters - pgs. 157, 175, 177 & 179)

A. The Company may require any employee to work overtime. When overtime work is required in a department and is assigned to a particular job classification or overtime group then the overtime work shall be distributed among those in the job classification or overtime group as follows:

1. The overtime shall be divided as equally as practical, however, the spread between the employee with the least amount of actual overtime hours and the employee with the greatest amount of actual overtime hours will not exceed twenty-four (24) actual overtime hours as of the last workday in each calendar month.

2. The running cumulative total of the overtime records will be accepted as correct unless an alleged entry for the day's hours is brought to the Company's attention within seven (7) working days of that entry. The overtime list will be posted on the department bulletin board or available on the appropriate labor reporting screen.

3. The employee must be qualified to do the work required.

4. The employee that is offered the overtime assignment and is excused from the assignment because of a personal compelling reason satisfactory to the Company will be "charged" as if he or she had worked.
ARTICLE V

5. The employee who accepts the overtime assignment and fails to report will be "charged" as if he or she had worked.

6. Hours worked on Sundays and holidays will be considered overtime hours for the purpose of this Section.

B. When an employee enters another classification or overtime group he or she will be credited with the maximum hours worked by any employee in the particular classification or overtime group affected.

C. When an employee returns to work after being absent for an extended period of time (greater than one (1) calendar week, excluding holidays) he will be credited with the number of hours necessary to bring his spread up to what it was prior to such absence. An Employee absent for one calendar week or less, excluding holidays, will not be charged for any overtime worked by employees in his overtime group unless the overtime hours worked during his absence would cause the high employees in the group to be more than 24 hours ahead of the absent employee. In that case, the absent employee will be credited with only enough hours to bring him back within the 24 hour overtime spread.

D. In the event the twenty-four (24) hour spread is exceeded as of the last workday of the month because of an improper overtime assignment, then the employee with the least number of overtime hours in the affected classification or overtime group will be paid the hours necessary to bring him or her within the twenty-four (24) hour spread. This payment will be made to one employee for each mistake (i.e., payment will be made on a one-for-one principle) provided the spread violation is called to the attention of the Company within seven (7) working days from the last workday of the month in which the twenty-four (24) hour spread was allegedly violated.
ARTICLE V

Section 12. Report-In -- Call-In Pay

A. Any employee who has worked on the previous workday and who reports for work at his regular time on his regular shift unless he has been told in advance not to report, and whose regular work is not available, or whose regular work becomes unavailable prior to his completion of four (4) hours of work from the start of his regular shift, shall be offered other work on the following basis:

1. If the employee is an incentive worker, he shall not receive less than four (4) hours' work which shall be paid for at the rate of job assigned, but not less than the occupational rate of the work normally performed by the employee.

2. If the employee is a straight hourly paid worker, he shall receive not less than four (4) hours' work which shall be paid for at the rate of job assigned, but not less than his regular hourly rate.

3. If the employee's job is not in operation because of an occurrence beyond the Company's control, such as fire, flood or other weather conditions, explosion, power failure, interruption of power or heat because of unavailability of natural gas or other fuel, or work stoppage in violation of Article XVI, the above provisions shall not apply.

B. Any employee who, having left the plant after his regular shift, is recalled to perform additional work, shall be given the minimum of four (4) hours' work on the following basis:

1. If the employee is an incentive worker, he shall not receive less than four (4) hours' work which shall be paid for at the rate of job assigned, but not less than the occupational rate of the work normally performed by the employee.
ARTICLE V

2. If the employee is a straight hourly paid worker, he shall receive not less than four (4) hours' work which shall be paid for at the rate of job assigned, but not less than his regular hourly rate.

3. Any employee so recalled will be paid the appropriate shift premium, if any, determined by his starting time for the call-in period for the time he works.

C. In either A or B above, such part of the four (4) hours worked shall be paid at the appropriate overtime rate, if overtime, and the unworked time shall be straight time.

D. The straight time provided under the above provisions for unworked time, if any, shall not cancel out any payment for unworked time that may be due under Section 10-A of this Article.

Section 13. Computation of Overtime

A. The overtime referred to in this article shall consist of actual straight-time earnings for the overtime hours plus the extra pay provided for in such overtime and computed as follows:

1. In case of time and one-half, the extra pay shall be computed on the basis of one-half times the employee's average straight-time hourly earnings for the week multiplied by the number of overtime hours worked.

2. In case of double time, the extra pay shall be computed on the basis of one times the employee's average straight-time hourly earnings for the week multiplied by the number of overtime hours worked.
ARTICLE VI
SENIORITY

Section 1. Purpose and Scope

A. The purpose of this Article is to provide the maximum security to an employee consistent with the efficient operation of the plant.

B. The seniority standing of an employee shall apply only in layoffs from and recalls to active employment, except as otherwise specifically provided in this Agreement.

C. The Union and the Company recognize that the best interests of the employees and the Company will be served when the employees are assured that continuity of employment will be governed by seniority, skill and experience.

Section 2. Definitions

A. The term "seniority" wherever used in this Agreement shall mean the relative ranking of employees in the bargaining unit in terms of the employee's employment in the plant.

B. The terms "qualifications" and "qualified" wherever used in this Article as descriptive of an employee, shall mean, with normal supervision, the factors necessary for the satisfactory performance of the work for which the employee is being considered; that is, skill, ability, and fitness for the job.

C. The term "layoff" means the removal of an employee from the bargaining unit work force by the provisions of Section 9 of this Article.

D. The terms "reduced" or "reduction" mean the removal of an employee from a department and/or unit and his reassignment in accordance with the provisions of this Article.
ARTICLE VI

E. The term "recall" means the return of an employee on layoff out of the bargaining unit to employment in the bargaining unit.

F. The terms "return" or "returned" refer to the return of an employee working in the bargaining unit in another department and/or seniority unit.

G. The term "open job" means a work assignment that is created by the job bid procedure.

H. The seniority of employees hired on the same calendar day shall be in alphabetical order of surname as shown on Company records as of the date of hire.

Section 3. Probationary Period

A. The first three (3) months' active employment is a probationary period during which there shall be no responsibility on the part of the Company for the continued employment of the new employee. No active employment will be used in the accrual of the three (3) months if it occurred prior to a termination of employment, including quit, discharge, etc., or any absence from work greater than the active employment prior to such absence. On completion of the probationary period, seniority will date back to the first day of the three (3) months of active employment.

B. The phrase "active employment" is interpreted as to include all employment time other than absences from the plant for three (3) consecutive working days or more, layoffs of more than five (5) consecutive working days and any strike time of one (1) day or more.

C. Once each month the Company will furnish the Chairman of the Shop Committee with a record showing the names of all probationary employees who have acquired seniority during the preceding month.
ARTICLE VI

Section 4. Establishment of Seniority

A. The plant-wide seniority list shall contain the names of all employees as already established on the existing plant-wide list.

B. All employees will have their plant-wide seniority established as their permanent departmental and unit seniority in accordance with current personnel records.

C. Any employee who is permanently transferred from one department or unit to another department or unit for any reason other than reduction, shall have his total plant-wide seniority permanently established in his new department or unit as of the date of his entry therein.

D. After new employees have had three (3) month's active employment with the Company, as outlined in Section 3 above, the names of the employees and their seniority dates shall be placed on the plant-wide seniority list and on the departmental and unit seniority list of the department and unit in which they are employed at the time of completion of the three (3) months' period.

E. Seniority departments and units will be established for seniority purposes as set forth in Exhibit G of this Article attached hereto.

Section 5. Deviations from Seniority

In layoffs, reductions, recalls, and returns the Company will give first consideration to seniority. When seniority is deviated from it shall be because of definitely superior qualifications of the employees selected.

Section 6. The Following Sections of This Article Will Not Apply (Section 9, 10, 13, 15, 20)

A. At the time of normal decline and/or increase of operations in connection with the annual inventory period, and/or vacation shutdown period and/or during
ARTICLE VI

the inventory period and/or vacation shutdown period itself.

B. To layoffs or reductions of five (5) working days or less.

C. To recalls or returns following layoffs or reductions for a period of five (5) working days.

Section 7. Selective Service Act

None of the provisions of this Article shall be permitted to conflict with any obligation of the Company under the Selective Service Act and amendment thereof.

Section 8. Qualifications

Any reassignment of an employee in connection with Sections 9 and 10 of this Article will only be made if such employee is qualified to perform the work required.

Section 9. Layoffs and Reductions
(Ref. Letters - pgs. 172, 186 & 195)

When it becomes necessary to lay off or reduce any department and/or seniority unit, except as deviations may occur, as provided for in Section 5 above, the procedure will be as follows:

A. Probationary employees will be removed from affected departments first; and after that, employees with seniority will be reduced from affected departments in the reverse order of their plant-wide seniority provided those remaining in the department are qualified to perform the work required within that department.

B. Employees with seniority reduced from a department as a result of the reduction of the working force in that department shall be placed by the Company in other employment in the following order:
ARTICLE VI

1. To fill the Company's requirements, if any, for additional help in any other department within his seniority unit. If there are no requirements for additional help within his seniority unit, then,

2. To replace any probationary employee within his seniority unit. If there is no such probationary employee in his seniority unit, then,

3. To replace the employee with the least plant-wide seniority in his seniority unit.

C. Employees with seniority reduced from a seniority unit as a result of the reduction of the working force in that seniority unit shall be placed by the Company in other employment in the following order:

1. To fill the Company's requirements, if any, for additional help in any other seniority unit. If there are no requirements for additional help in any other seniority unit, then,

2. To replace any probationary employee in any seniority unit. If there is no such probationary employee in any seniority unit, then,

3. To replace the employee with the least plant-wide seniority.

Section 10. Recalls and Returns

A. Employees laid off from the plant will be recalled on the basis of their plant-wide seniority.

B. Employees who are recalled in accordance with their plant-wide seniority, as provided for in the above paragraph, will thereafter be returned to the department and unit in which their plant-wide seniority is permanently established when production requirements warrant same.
ARTICLE VI

Section 11. Layoff and Recall List

A list showing the names of employees who have been laid off, or who have been recalled will be submitted to the Chairman of the Shop Committee three (3) working days prior to the effective date of the layoff or recall. If any deviation is made from seniority an explanation of same shall be made by the Company.

Section 12. Layoff and Recall Grievances

It is understood that there shall be no redress to the Grievance Procedure by any employee, or the Union, in connection with layoff, or recall, unless a grievance is presented to the Company within seven (7) working days from receipt by the Union of the list of employees laid off or recalled. If such a grievance is presented it shall enter Step B of the Grievance Procedure.

Section 13. Notice of Layoff

A. When the employee who is to be affected by the layoff has been determined, said employee shall be given at least three (3) work days notice by the supervisor.

B. However, it is understood the Company will not be obligated to give such notice to any employee(s) temporarily sent home in accordance with Section 6 of this Article and/or sent home as a result of a work stoppage in violation of Article XVI, Strikes and Lockouts.

Section 14. Transfer Out of Bargaining Unit

Any employee who heretofore has been or who may at some future time be promoted or transferred to (1) a supervisory or administrative position, or (2) to any position not included in this bargaining unit and who later is returned to the bargaining unit shall be returned to his former department and classification and shall have plant-wide seniority accumulated and reestablished. An employee who transfers out of the
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bargaining unit after 1 October 1992 and who later returns will, for choice of shift, have his plant-wide seniority established as of his original date of transfer. This procedure will apply if the employee is returned at his request or at the request of the Company.

Section 15. Job Bidding Procedure
(Ref. Letters - pgs. 172 & 203)

A. When it becomes necessary to increase the number of employees in any classification the Company agrees to post such vacancies, subject to the provisions of this Section, in accordance with the following procedure:

1. If the vacancy in a classification is created by a quit, discharge, death, retirement, or transfer as set out in Section 14 above, and a replacement is required, or the introduction of a new classification as set out in Section 2 of Article VII, then the vacancy shall be posted after the restoration of reduced employees and without regard to whether employees are laid off.

2. If the vacancy in a classification is created by reasons other than in one (1) above, the vacancy will not be posted if there are any employees reduced through the operation of Section 9, Article VI, from the department and/or unit in which the vacancy exists, who are eligible for return as provided in Section 10 of Article VI, and are qualified to perform the work.

a. Employees reduced from the department or unit who are qualified to perform the work, will be returned to the department or unit.

1. When Section 2-A of this Article is invoked to fill a position of a new machine or assignment within an
ARTICLE VI

existing classification within a particular department, then employees within such classification within the department may request reassignment through their supervisor.

2. Such reassignments will be based on seniority and qualifications.

b. If there are no such employees reduced from the department or unit, who are qualified, then paragraph A-2.a. above will not apply, and the vacancy will be posted.

B. Any vacancy, which in the best judgment of the Company is of a temporary nature, i.e., vacancies of less than sixty (60) days’ duration will not be posted. Temporary vacancies of sixty (60) days or longer will not be posted if mutually agreed to by the Union and the Company.

C. Only the original vacancy as outlined in Section 15 of this Article and the vacancy created by the successful bidder will be posted. Any subsequent openings will be filled by the Company by recall or restoration before transfer or hire provided the employee is qualified to perform the work. If the opening is not filled within fifteen (15) working days by transfer or hire then such opening ceases to exist.

D. The Company shall post the vacancies on special bulletin boards or accessible computer screens. The posting shall specify the classification in which the vacancy exists, the qualifications necessary for an employee to be eligible to make application for the posted vacancy, and the pay level or pay levels of the vacancy. It is understood the Company shall have the right to prescribe the qualifications necessary to perform required work for each posted vacancy.
ARTICLE VI

E. Any employee with seniority, excluding those employees in the classification, in the department, in which the vacancy exists, who can qualify or believes themselves to be qualified, may apply for the vacancy by submitting a completed "Application for Vacancy" to the Personnel Department within the period specified.

1. Any employee who is working in the department and within the same classification in which the vacancy exists may request from the supervisor of the department, assignment to the vacancy. If more than one employee requests assignment to the vacancy, supervisor will assign the employee with the greatest plant-wide seniority, provided he is qualified to perform the work, and provided the employee's request has been made before the expiration of the posting date, referred to in Paragraph D above.

F. When the vacancy has been posted for two (2) working days (48 hours), the Company shall remove the posting and accept no more applications for the vacancy. From the applications filed the Company shall determine those who are qualified, and from this group, if there be more than one (1), shall fill the vacancy under the following procedure:

1. The senior qualified employee on the basis of the applicant's plant-wide seniority.

If it is determined by the Company that there are no qualified applicants, then the vacancy may be filled without reference to seniority.

G. The Company shall within two (2) weeks after posting the final successful bidder transfer the successful bidder(s) to their respective vacancies. In situations requiring the Company to hire new employees to fill vacancies the two (2) week requirement may be extended by mutual consent.
ARTICLE VI

H. No employee may apply for a transfer under the provisions of this Section who has been granted a change during the preceding six (6) months by this procedure.

I. All applicants will be notified of the selection made.

J. The Company will make copies of all job bids available to the Chairman of the Shop Committee as well as notification of the successful bidder in a timely manner.

Section 16. Preferential Seniority  (Ref. Letter - pg. 183)

A. The following I.A.M. Local representatives, during their term of office, shall, in connection with layoff, recall, reduction or restoration as set out in this Article, head the seniority list: President of the Local Union, Committeeens, Union Team Compensation Plan Representative(s), Union Time Study Representative(s) and Union Safety Representatives.

B. All Departmental Stewards (during their term of office) shall, in connection with layoffs and reductions as set out in Section 9 and recalls and returns as set out in Section 10 of this Article, be considered senior, except as provided in Paragraph A of this Section, to other employees in any seniority unit to the extent contained in the geographic portion of the plant for which they are certified as Departmental Stewards.

C. In connection with all of the foregoing paragraphs of this Section, it is understood and agreed that no member of the Shop Committee, Executive Board of the Local Union, or any Departmental Steward, shall exercise this special seniority status unless he has completed required probationary period and is qualified to perform the work of the employee he replaces. It is further understood and agreed with respect to the Union representatives mentioned in this Section, that upon termination of their certification as Union representatives, they shall be returned to their proper
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places on the seniority list in which they are permanently employed.

Section 17. Determination of Qualifications

A. When an employee is subject to layoff or reduction under Section 9 of this Article, or when an employee working in the plant is to be returned to some other job under the provisions of Section 10 of this Article and a question arises as to his qualifications for such job, and if there is a reasonable assumption that he may be qualified, or if,

B. Under the job bidding procedures of this Article, a senior applicant is disqualified as to qualifications on the basis of his work record with the Company and such applicant alleges he has the necessary qualifications based on his work experience outside the plant and if there is a reasonable assumption that he may be qualified, then,

C. Under the circumstances set out in "A" and "B" above, such employee shall be given an opportunity to observe the job in question and to demonstrate with normal supervisory instruction, his qualifications to perform the job. The length of time to be used for such demonstration shall be as determined by the supervisor.

Section 18. Permanently Incapacitated Employee Placement Procedure

An employee who has become permanently incapacitated for his regular work or an employee returning from service in the Armed Forces who is no longer physically or emotionally suited for his former work may be transferred by the Company to any other work he can perform in accordance with the following procedure:
ARTICLE VI

A. The incapacitated employee will be placed in an open job if such a job exists, and if he is qualified to perform such work.

B. If there are no open jobs, as noted above, and if there are no jobs held by probationary employees which the incapacitated employee is qualified to perform then the plant-wide seniority list will be checked from the employee with the least seniority upwards until a job is found which the incapacitated employee is qualified to perform. It is understood that no employee will be displaced who has greater seniority than that of the incapacitated employee. The employee displaced will be handled in accordance with the provisions of Section 9 of this Article.

Section 19. Disqualified Employees

An employee who is disqualified from his regular work for reasons other than physical incapacitation will be transferred by the Company to other work in accordance with the following procedure, provided, in each case, he is qualified to perform such work:

A. In an open job first within the department and then within the unit. If there are no open jobs within the department or unit, then he will replace any probationary employee first within the department and then within the unit. If there are no probationary employees within the department or unit, then he will be placed on any open job in the factory before displacing a probationary employee on a plant-wide basis.

B. If there are no open jobs, as noted above, and if there are no jobs held by probationary employees which the disqualified employee is qualified to perform then the plant-wide seniority list will be checked from the employee with the least seniority upwards until a job is found which the disqualified employee is qualified to perform.
ARTICLE VI

C. No employee will be displaced who has greater seniority than that of the disqualified employee. The employee displaced will be handled in accordance with the provisions of Section 9 of the Seniority Article.

Section 20. Loss of Seniority

A. An employee shall lose his seniority and employment will be broken for the following reasons:

1. When an employee quits or voluntarily leaves the Company.

2. When an employee is discharged.

3. When an employee remains away from work for three (3) consecutive working days without a reason satisfactory to the Company. In the case of a dispute the regular grievance procedure may be followed. It is the obligation of the employee to notify the Company of all absences.

4. When an employee fails to report for work at termination of leave of absence.

5. Death or retirement or a determination of permanent and total disability as specified in Appendix I, Article II, Section 4, and Appendix A, Article III, Section 5, of the John Deere Death, Disability and Pension Plan for Wage Employees, except that an employee who has been retired on a permanent and total disability pension, but who recovers and is subsequently reemployed shall have his seniority reinstated as though he had been continued on a leave of absence during the period of his disability retirement.

6. If he terminates his employment under the terms of Appendix D-1, Article IV of the Supplemental Unemployment Benefit Plan.
ARTICLE VI

7. Employees who have three (3) months and less than two (2) years seniority who are separated from the payroll for any reason other than the above will continue to hold seniority for a maximum of two (2) years of unemployment. If such time off exceeds two (2) years, such employee will no longer maintain seniority standing. Employees with two (2) years or more seniority separated from the payroll will hold their seniority for a maximum of five (5) years. If such time exceeds five (5) years, such employee will lose all seniority standing. If rehired, such employees will be considered new employees.

B. Employees “laid off” and desiring to retain their seniority rights must keep their address known to the Company. Upon being notified by certified or registered mail to report for work, employees shall so report within a period of five (5) days unless prevented by illness, in which event the employee shall within ten (10) days cause the Company to be notified. Any employee failing to report or notify the Company as herein provided shall lose all seniority standing.

Section 21. Shift Preference

A. Choice of shifts on work in the same department and classification shall be accorded employees in accordance with their plant-wide seniority except on work where the skill and experience of certain individuals is necessary for the proper processing of the products, the operation of a department or the plant.

B. In starting new shifts or jobs in any unit the Company may distribute skilled help, irrespective of seniority, for one (1) week from the start of such shift or jobs.

C. Employees cannot exercise shift preference under this provision more than once in any three (3) months’ period.
ARTICLE VI

D. The above provisions as to shift preference will apply to all employees in the bargaining unit, except those employees who do not work the normal workweek.

E. Local Union Shop Committee members and Departmental Stewards shall not be removed from the shift on which they are employed while certified as Shop Committee members and Departmental Stewards, by the application of seniority in the choice of shift.

Section 22. Transfer of Machines and Assignments

A. When a machine or major portion of an employee's assignment (i.e., not necessarily a classification) is permanently transferred to another department, the employee(s) already assigned to such machine or assignment shall be given first opportunity to continue that assignment in the new department.

B. This privilege of choice may be exercised only once by the employee. The employee must decide at the time the transfer is planned, however, he will not be required to move until the machine or assignment is in operation. During the interim period the employee's seniority remains in the original department.

C. If the employee chooses not to follow the machine or assignment, then such machine or assignment shall be declared an open job and will be filled under provisions of Section 15 of this Article.

D. The seniority of any other employee taking over the open job shall be governed by the applicable provisions of Section 4 of this Article.

E. When machines or operations are combined, the senior (plant-wide seniority) qualified employee shall be given first opportunity to continue the combined assignment. His seniority from the old department in such event shall also be carried over into the new department.
ARTICLE VI

F. When a department is permanently disbanded, discontinued, or merged with another department either wholly or in part and the employees concerned are permanently transferred to other departments, then such employees shall carry with them their effective plant-wide seniority to their new department.

G. When a department referred to above is reactivated at a later date then those employees who are originally in the department will be given the choice of returning to the reactivated department and classification or staying in their present department. Employees returning to the reactivated department will carry their plant-wide seniority therein.
ARTICLE VII
WAGES

Section 1. Schedule of Basic Wage Rates
(Ref. Letter – pg. 182)

The schedule of basic rates listed in Exhibits “A” and “B” shall be effective from 1 October 1998 through 1 October 2004.

Section 2. Job Classifications (Ref. Letter - pg. 168)

A. The listing of job classifications and applicable pay levels for wage occupations as applicable on the effective date of this Agreement are contained in Exhibit “B” or “C” which is attached to this Agreement and made a part thereof.

B. If a dispute arises as to whether or not a job classification, as set out in Exhibit “B” or “C” and as assigned to an employee is proper for the type of work being performed, then such dispute may be subject to the Grievance Procedure.

C. On introduction into the bargaining unit covered by this Agreement of new work not properly covered by the primary function of any job classification listed in Exhibit “B” or “C” as in effect on the effective date of this Agreement and applicable to said bargaining unit, the Company shall notify the Union in writing of the new job classification, including the job description, the pay level assigned, and whether the job will be on an hourly paid or incentive paid basis, or both.

D. A grievance alleging the pay level assigned to a new job classification introduced under “B” above is inadequate shall enter Step B of the Grievance Procedure. Such a grievance will not be subject to arbitration, but may, after Step C has been completed, be referred to strike action as provided in Article XVI.
ARTICLE VII

Section 3. Establishment of Hourly Rates

A. The basic hourly rates of all employees who are hired or who transfer into the bargaining unit covered by this Agreement on or after the effective date of this Agreement shall be determined by the schedule of rates listed in Exhibit “A” or “B”.

B. The hourly rate of an employee who is transferred within the bargaining unit covered by this Agreement after the effective date of this Agreement shall be as follows:

1. If transferred to a job classification in the same pay level, the employee’s current rate.

2. If transferred to a job classification in a higher or lower pay level, the rate of pay for that level based upon Exhibit “A” or “B” rate schedules.

C. Definition: Temporary Assignment: A reassignment to another job classification for a period of five (5) working days or less not involving a formal reclassification when, upon its completion, the employee is expected to return to his former assignment. (The five (5) day limitation does not apply to temporary incapacitated employees who are temporarily assigned.)

D. When an employee is temporarily incapacitated from performing his regular work assignment and is assigned by the Company to another work assignment, each other work assignment will be considered a temporary assignment under “C” above, but will not extend beyond the duration of the period the employee would have been eligible to receive Weekly Indemnity or Supplemental Worker’s Compensation Benefits had the incapacity been temporary total. The employee will be paid as provided for in Paragraph B above. If the employee is still so assigned at the end of the period of time for which he would have been eligible for Weekly Indemnity or Supplemental Worker’s Compensation Benefits had the incapacity been temporary total, the
ARTICLE VII

An employee will be transferred and reclassified to the work assignment and paid accordingly. Any extension (beyond the period of Weekly Indemnity or Supplemental Worker's Compensation Benefit eligibility) mutually agreed upon by the Company and Union will not exceed six (6) months.

Section 4. Guaranteed Rates

A. In the following special situations, the Team Compensation Plan employees will be paid at their Weekly Pay Level (WPL) times their Buyout Conversion Factor, (BCF), if any.

I. Formal Classroom Training

II. Limited Production Build.

III. Factory Level Employee Involvement Activities.

IV. Special projects/assignments of extended duration outside of plan operation.

Section 5. Inventory Period

Employees assigned to inventory work during inventory periods, shall be paid his/her regular wage rate.

Section 6. Daily Work Record

All work performed during the day will be recorded by the employee in the manner prescribed by the Company and no work shall be recorded that was not performed on that day. There shall be no change made in such employee record without his knowledge. The record shall, upon request, be available for employee references.
ARTICLE VII

Section 7. Computation of Average Straight-Time Hourly Earnings

The method of computing a wage employee's average straight-time hourly earnings shall be as follows: Divide the sum of all money earned during the four (4) calendar weeks preceding such date for hours worked, excluding shift differential premium and overtime penalty pay, by the total of such hours worked. Newly hired employees or employees transferred from salary payroll to wage payroll shall have their average earnings based upon the wage rate of the classification to which they are first assigned until the next regular period for average earnings determination as outlined below.

An employee's average straight-time hourly earnings rate shall be his average straight-time hourly earnings for the four (4) week period prior to the notice given to the Union, and shall be effective the first day of the pay period the program is initiated, and shall be his rate for the payment of average earnings for the four (4) weeks that follow introduction. The one (1) week lag shall be maintained during the AGREEMENT. The annual inventory and/or vacation shutdown period will be disregarded in determining the four (4) week computed workweeks.

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<th>Week</th>
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Section 8. Job Security Benefits

A. Eligibility for Job Security Benefits will arise when:

1. An employee, with one (1) year or more of seniority, is reduced from his seniority classification as a result of the permanent discontinuance of work directly attributable to subcontracting or the introduction of new technology into the plant, or

2. An employee, with one (1) year or more of seniority, is reduced from his department as a direct result of 1. above.

B. Duration of Benefits

The period of eligibility for Job Security Benefits of an employee with one (1) or more years of seniority will be the fifty-two (52) weeks immediately following his reduction as provided in paragraph A of this Section.

C. Limitations

1. No employee will be eligible for Job Security Benefits unless he has acquired one (1) year of
ARTICLE VII

seniority at the time of the assignment giving rise to Job Security Benefits.

2. An employee will waive his eligibility for a Job Security Benefit who transfers under the provisions of Article VI, Section 15, Job Bidding Procedure.

D. Computation

1. The computation rate for a wage employee shall be established as the employee's average basic hourly rate of pay (excluding any premiums or bonus of any kind) for all hours worked on wage work assignments during the last four (4) pay periods he worked prior to his layoff or reduction from his seniority classification. The Job Security Benefit shall be established as the difference, if any, between the use of his computation rate and the use of the basic hourly rate(s) received for each hour paid on the lower-rated work assignment(s) to which he is assigned or to which he is recalled during his eligibility period.

2. The Job Security Benefit shall be paid on a pay period basis.

3. Job Security Benefit payments will be considered as a part of wages for the purpose of determining wage related benefits.
ARTICLE VIII
VACATION PLAN

Section 1. Vacation Year

The vacation plan is organized around an employee's individual anniversary date of continuous employment as defined in this Article.

Section 2. Twenty Years or More

A. An employee hired prior to 1 October 1998 having twenty (20) or more years of continuous employment as of an anniversary date, shall receive a vacation of four (4) weeks, with vacation pay computed on the basis of eight percent (8%) of the employee's earnings as defined in this Article.

B. An employee hired on or after 1 October 1998 having thirty (30) or more years of continuous employment as of an anniversary date, shall receive a vacation of four (4) weeks, with vacation pay computed on the basis of eight percent (8%) of the employee's earnings as defined in this Article.

C. An employee hired on or after 1 October 1998 having twenty-five (25) years or more but less than thirty (30) years of continuous employment as of an anniversary date shall receive a vacation of three and one-half (3-1/2) weeks, with vacation pay computed on the basis of seven percent (7%) of the employee's earnings as defined in this Article.

D. An employee hired on or after 1 October 1998 have twenty (20) or more but less than twenty-five (25) years of continuous employment as of an anniversary date shall receive a vacation of three (3) weeks, with vacation pay computed on the basis of six percent (6%) of the employee's earnings as defined in this Article.
ARTICLE VIII

Section 3. Fifteen Years to Twenty Years

A. An employee hired prior to 1 October 1998 having fifteen (15) years or more but less than twenty (20) years of continuous employment as of an anniversary date, shall receive a vacation of three (3) weeks, with vacation pay computed on the basis of six percent (6%) of the employee's earnings as defined in this Article.

B. An employee hired on or after 1 October 1998 having fifteen (15) years or more but less than twenty (20) years of continuous employment as of an anniversary date, shall receive a vacation of two and one-half (2-1/2) weeks, with vacation pay computed on the basis of five percent (5%) of the employee's earnings as defined in this Article.

Section 4. Five Years to Fifteen Years

A. An employee hired prior to 1 October 1998 having ten (10) years or more but less than fifteen (15) years of continuous employment as of an anniversary date, shall receive a vacation of two and one-half (2-1/2) weeks, with vacation pay computed on the basis of five percent (5%) of the employee's earnings as defined in this Article.

B. An employee hired prior to 1 October 1998 having five (5) years or more but less than ten (10) years of continuous employment as of an anniversary date, shall receive a vacation of two (2) weeks, with vacation pay computed on the basis of four percent (4%) of the employee's earnings as defined in this Article.

C. An employee hired on or after 1 October 1998 having seven (7) years or more but less than fifteen (15) years of continuous employment as of an anniversary date, shall receive a vacation of two (2) weeks, with vacation pay computed on the basis of four percent (4%) of the employee's earnings as defined in this Article.
ARTICLE VIII

D. An employee hired on or after 1 October 1998 having five (5) years or more but less than seven (7) years of continuous employment as of an anniversary date, shall receive a vacation of one and one-half (1-1/2) weeks, with vacation pay computed on the basis of three percent (3%) of the employee's earnings as defined in this Article.

Section 5. Three Years to Five Years

An employee hired prior to 1 October 1998 having three (3) years or more but less than five (5) years of continuous employment as of an anniversary date, shall receive a vacation of one and one-half (1-1/2) weeks, with vacation pay computed on the basis of three percent (3%) of the employee's earnings as defined in this Article.

Section 6. Six Months or More

A. An employee hired prior to 1 October 1998 having six months (6) or more but less than three (3) years of continuous employment as of an anniversary date, shall receive a vacation of one (1) week, with vacation pay computed on the basis of two percent (2%) of the employee's earnings as defined in this Article.

B. An employee hired on or after 1 October 1998 having six months (6) or more but less than five (5) years of continuous employment as of an anniversary date, shall receive a vacation of one (1) week, with vacation pay computed on the basis of two percent (2%) of the employee's earnings as defined in this Article.

Section 7.

An employee hired prior to 1 October 1998 eligible for vacation under Sections 2, 3, 4, 5, 6, or 12 and having one (1) year or more of continuous employment shall receive an additional seven (7) days of vacation. The vacation pay for these days will be computed at the employee's regular hourly rate, if hourly paid, or at the employee's average straight-time hourly earnings if an incentive employee.
ARTICLE VIII

Section 8.

An employee hired on or after 1 October 1998 eligible for vacation under Sections 2, 3, 4, 5, 6, or 12 and having one (1) year or more of continuous employment shall receive an additional six (6) days of vacation. The vacation pay for these days will be computed at the employee's regular hourly rate, if hourly paid, or at the employee's average straight-time hourly earnings if an incentive employee.

Section 9. Terminated Employees

Except as provided in Section 10 of this Article, an employee whose employment is terminated during his anniversary year, shall not be eligible for a vacation or for vacation pay.

Section 10. Deceased or Retired Employee

An employee who dies or an employee who retires under the provisions of the "John Deere Group Life and Disability Insurance Plan for Wage Employees" or "John Deere Pension Plan for Wage Employees" during the vacation year will receive vacation pay provided he has worked some part of his anniversary year.

Section 11. Continuous Employment

The term "continuous employment" as used in this Vacation Plan shall mean the period of time from the date on which the employee reported to work in his last employment. For the purpose of this Article such "employment," if continuous, may be with any unit of Deere & Company including its domestic and foreign subsidiaries or subsidiaries thereof.

Section 12. Military Service

A. An employee who left his employment with the Company and immediately entered the service of the Armed Forces of the U.S.A. and who is still in such service and who has worked some part of the vacation earnings computation period with the Company shall receive a paid vacation of:
ARTICLE VIII

1. One (1) week provided he has had six (6) months or more but less than three (3) years of employment with the Company if hired prior to 1 October 1998 or less than five (5) years if hired after 1 October 1998 prior to such entry into the Armed Forces Service.

2. One and one-half (1-1/2) weeks provided he has had three (3) years or more but less than five (5) years of employment with the Company if hired prior to 1 October 1998 and had five (5) years or more but less than seven (7) years of employment with the Company if hired after 1 October 1998 prior to such entry into the Armed Forces Service.

3. Two (2) weeks provided he has had five (5) years or more but less than ten (10) years of employment with the Company if hired prior to 1 October 1998 and had seven (7) years or more but less than fifteen (15) years of employment with the Company if hired after 1 October 1998 prior to such entry into the Armed Forces Service.

4. Two and one-half (2-1/2) weeks provided he has had ten (10) years or more but less than fifteen (15) years of employment with the Company if hired prior to 1 October 1998 and fifteen (15) years or more but less than twenty (20) years of employment with the Company if hired after 1 October 1998 prior to such entry into the Armed Forces Service.

5. Three (3) weeks provided he has had fifteen (15) years or more but less than twenty (20) years of employment with the Company if hired prior to 1 October 1998 and twenty (20) years or more but less than twenty-five (25) years of employment if hired after 1 October 1998 prior to such entry into the Armed Forces Service.
ARTICLE VIII

6. Three and one-half (3 ½) weeks provided he has had twenty-five (25) years or more but less than thirty (30) years of employment with the Company if hired after 1 October 1998 prior to such entry into the Armed Forces Service.

7. Four (4) weeks provided he has had twenty (20) years or more of employment with the Company if hired prior to 1 October 1998 and thirty (30) years or more if hired after 1 October 1998 prior to such entry into the Armed Forces Service.

B. For an employee who resumes work with the Company following service in the Armed Forces of the U.S.A., absence because of such service shall be considered as employment for vacation eligibility purposes, provided:

1. There was no greater lapse than ninety (90) days between the end of the employee’s service with the Armed Forces and the resumption of work with the Company.

2. The employee worked some part of the vacation earnings computation period with the Company.

C. The vacation pay for employees qualifying under this Section 12 for a vacation shall be based upon the number of hours of vacation times the employee’s average straight-time hourly earnings for the vacation earnings computation period as follows:

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<td>7-1/2 Days</td>
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</table>
ARTICLE VIII

Section 13. Vacation One Day At A Time

A. An employee having five (5) or more years of continuous employment if hired prior to 1 October 1998, or seven (7) years of continuous employment if hired after 1 October 1998, may use any of his vacation entitlement in excess of ten (10) days two (2) hours at a time. An employee hired prior to 1 October 1998 having less than five (5) years but greater than one (1) year of continuous employment will be entitled to seven (7) days of vacation two (2) hours at a time. An employee hired after 1 October 1998 having less than seven (7) years but greater than one (1) year of continuous employment will be entitled to six (6) days of vacation two (2) hours at a time. The employee must give prior notice to the Company. At the end of the employee’s anniversary year an employee who has not taken all of his vacation may request pay in lieu of vacation for up to six (6) days.

B. If an eligible employee desires to do so he can take this seven (7) days or any remaining portion in excess of two (2) weeks during a personal illness resulting from sickness or accident under the following circumstances:

1. If the circumstances permit (for example, a planned operation), the employee shall notify the Company prior to leaving work that he is going to be absent and that he wants to take his personal leave time with pay beginning with the first day of absence.

2. In the case of sickness or an accident which makes it impossible to give prior notice this requirement will be waived if notice of the illness and the request for the personal leave time with pay is made within two (2) calendar weeks from the first day of absence.

3. If it is impossible for the employee to give notice during the two (2) weeks, as set out above, he
ARTICLE VIII

may do so within three (3) days from the date he reports back to work.

4. Where the employee elects to take vacation time with pay in connection with his illness, he is not thereby disqualified from receiving Weekly Indemnity Benefits for which he is otherwise qualified.

C. An employee who is absent from work on a scheduled workday for reasons other than as set out above may request pay for such absence which will be granted if and to the extent he is eligible for such pay. The granting of such pay will in no way imply that his absence was or was not for a reasonable or satisfactory reason nor will it imply any waiver of the employee's obligation to make a reasonable and satisfactory effort to have notified the Company prior to such absence.

Section 14. Vacation Period

The vacation period shall be the fifty-two (52) weeks following each employee's anniversary date each year. The Company will assign vacation to employees during such period and in so doing shall endeavor to allow vacations at the time requested by each eligible employee.

If an employee is laid off at or before his anniversary date, then such employee shall have his vacation scheduled to begin on the qualifying date. If an employee is laid off after his anniversary date, then such employee shall have his vacation scheduled to begin at the date of his layoff. Provided, however, that if such an employee requests his vacation to be scheduled at a different period then the provisions of Section 15 of this Article will not apply.

Section 15. Holidays with Vacations

When one of the holidays set out in Section 10 of Article V falls during an employee's vacation, then the employee's vacation shall be extended by allowing one additional day of vacation. This extra day of vacation shall be the next
ARTICLE VIII

scheduled working day following the end of the employee’s vacation; or with prior approval of the employee’s supervisor, the extra day of vacation may be the last scheduled workday prior to the start of the employee’s vacation. It is understood and agreed that there is no additional vacation pay for the extra day of vacation and that the extra day of vacation is fully compensated for by the payment of holiday pay for the unworked holiday falling during his vacation.

Section 16. Deductions

On all vacation pay checks the Treasury Department regulations require deduction for Withholding Tax and Social Security Tax. The Treasury Department also requests a deduction where bonds are being purchased. Therefore, the Company will make these deductions on vacation checks.

Section 17. Receipt of Vacation Pay

Employees who so desire will receive their vacation pay on the regular payday immediately preceding their vacation provided the Company has had at least one (1) week’s prior notice. The provisions of the Section do not apply in situations where vacation is taken one day at a time.

Section 18. Christmas Shutdown

A. The Company will schedule a Christmas Shutdown, except for employees who are required to work, beginning on Christmas Eve Day (or the day observed as the Christmas Eve Day holiday) and continuing through New Year’s Day (or the day observed as the New Year’s Day holiday). Employees having one year of continuous employment and on the active payroll as of 1 December of the year of the shutdown or employees who return to work after 1 December and who are not scheduled to work during this period and who had one (1) year or more of continuous employment as of 1 December will be compensated for the three (3) regular workdays during this period which are not observed as holidays.
ARTICLE VIII

B. This compensation for such three (3) days will be on the basis of one and one-quarter percent (1.25%) of the employee's earnings as set out in Section 21, minus required withholding and social security tax deductions, and will be paid on the regular payday immediately preceding the Christmas Shutdown. Employees required to work during the three (3) days described above who are eligible for the one and one-quarter percent (1.25%) compensation for the three (3) days will receive such compensation in addition to their earnings for hours worked during such period.

C. Employees returning from service in the Armed Forces as set out in this Article having one year of continuous employment, and who have returned to active employment prior to the Christmas Shutdown, will be eligible for twenty-five (25) hours' pay for such shutdown if they otherwise qualify as set out in Paragraph A above, and on the same basis as provided in Paragraph A above. An employee's pay shall be at his regular hourly rate, excluding night shift premium.

Section 19. Vacation Bonus

A. Employees having one or more years of continuous employment and who are eligible for vacation pay will receive a vacation bonus of $100 minus required withholding and social security tax deductions. The vacation bonus will be included with the paycheck received on the payday immediately preceding the employee's anniversary date.

B. The vacation bonus shall not be included as earnings for the purpose of computing vacation pay or any other benefits.

C. Notwithstanding any other provisions of this Section, employees who are or were attending school and whose employment during the vacation year as defined in this Article was limited to periods of school vacation or other periods of interruption in the students' school year will not be eligible to receive a vacation bonus.
ARTICLE VIII

D. Employees returning from service in the Armed Forces referred to in Article VIII, Section 18 above, who except for absence due to service in the Armed Forces, would qualify for vacation bonus will be paid the $100 vacation bonus minus withholding and social security tax deductions on the payday immediately preceding the Christmas Shutdown.

Section 20. Pay in Lieu of Vacation

An employee shall not be entitled to vacation pay in lieu of vacation except as provided in Section 13. However, in the event an employee (except an employee returning from the Armed Forces) has worked and received pay from the Company for less than 500 hours during the vacation earnings computation period, the employee at his option may elect to waive all or part of his vacation. Such waiver must be in increments of not less than one week, except that an employee eligible for 1-1/2 or 2-1/2 weeks may waive the 1/2 week. Upon receipt of written notice from the employee vacation pay will be paid in lieu of time off.

Section 21. Computation

A. In computing vacation pay as set out in Sections 2, 3, 4, 5, and 6 of this Article, the employee’s earnings shall be the sum of his straight-time earnings for hours worked during the vacation earnings computation period, i.e., the fifty-two (52) payroll weeks starting two (2) payroll weeks prior to the week containing the employee’s anniversary date, plus:

1. Any premium or overtime pay for hours worked during that period.

2. Any vacation pay received if the employee has worked during that period.

3. Any pay for unworked holidays during that period.
ARTICLE VIII

4. Any pay for bereavement and/or pay for excused personal absences during that period.

5. Any pay for Christmas Shutdown during that period paid in accordance with Section 18 of this Article.

6. Any make-up pay received for jury service under Article XVII, Section 1, of this Agreement.

B. If, during the vacation earnings computation period, an employee has worked and received pay from the Company for at least 500 hours, the amount of the following benefits received, if any, during the vacation earnings computation period will be included in computing vacation pay.

1. Any Supplemental Unemployment Benefits and any State System Unemployment Compensation received during the period of eligibility for SUB.

2. Any State Workmen’s Compensation Weekly Temporary Total Disability Benefits arising out of or in the course of employment with the Company.

3. Any Supplemental Weekly Indemnity Benefits - Occupational under Appendix "C."

4. Any Weekly Indemnity for Total Disability Insurance - Nonoccupational under Appendix "C."

5. Any payments received for Long-Term Disability Benefits under Appendix "C."
ARTICLE IX
MILITARY AND PEACE CORPS SERVICE

Section 1. Military Service

None of the provisions of this Agreement shall be permitted to conflict with any obligations of the Company under any Selective Service Act, and amendments thereto, for any of its employees who have been inducted into any of the services covered by such acts and amendments thereto.

Section 2. Peace Corps Service

An employee accepted for membership in the Peace Corps shall be granted the same privileges and shall be reemployed under the same circumstances as if he had entered the Armed Services of the United States. This provision shall cover one enlistment only.
ARTICLE X
LEAVE OF ABSENCE

Section 1. Personal Business

A. In special cases, the present practice of the Company of allowing employees to absense themselves from active employment for brief periods to take care of personal business will be continued, when arrangements are made in advance therefor. In such special cases, the employee shall retain and accumulate seniority and shall be returned to the job last held provided the seniority provisions so permit and provided that he returns to active employment at the expiration of such leave.

B. On any absence from active employment of more than three (3) days, and if a leave of absence on the proper form (Exhibit D) has been approved by management, a copy of such leave shall be furnished to the Union.

Section 2. Union Business

A. When the Union (Chairman of Shop Committee, President or Secretary) requests permission for an employee to be absent from active employment for three (3) days or more for Union business, the Company will grant a leave of absence. This permission shall be extended to not more than five (5) employees at any one time and shall not exceed a total of more than sixty (60) working days per year. In such special cases, the employee shall retain and accumulate seniority and shall be returned to the job last held provided the seniority provisions so permit and provided that he returns to active employment at the expiration of such leave.

B. Upon request by the Union (Chairman of Shop Committee, President or Secretary), permission to be absent from active employment will be granted to employees selected as delegates to John Deere Intra-Corporation Council; or as members of Local
ARTICLE X

Union election committees, or as Union negotiators in any contract negotiations with the Company, or to local Union representatives engaged in preparatory work for Steps C and D of the Grievance Procedure, or to members of the Shop Committee and/or Executive Board of the Local Union to attend meetings away from the plant. Such time off shall not be charged against the quota of employees or against the time allowed under 2-A above.

C. In addition, upon such request, the President of the Local Union or the Chairman of the Shop Committee (but not both) will be granted a special leave of absence to serve as a full-time representative of the Local Union. During such leave the employee shall retain and accumulate seniority. Such leave of absence shall be for one (1) year and shall be renewed from time to time upon written request from the Union. If he returns to the active employment of the Company at or before the end of such leave he shall be assigned to work as set out in paragraph D below.

D. Upon written request by the Union, the Company will grant a special leave of absence to not more than four (4) member(s) of the bargaining unit who accept a full-time job with the Union/AFL-CIO staff for a part or all of a year. The number of members on leave can exceed four (4) by mutual agreement. During such leave the employee shall retain and accumulate seniority. Such special leave of absence shall be limited to a period of one (1) year and shall be renewed from time to time upon written request from the Union. If the member returns to the active employment of the Company at or before the end of the special leave of absence, he shall be returned to the department/classification last held prior to his leave of absence. In the event the department/classification last held does not exist, or if his seniority is not sufficient to permit his remaining in that department/classification, then he shall be subject to the remaining provisions of Article VI.
ARTICLE X

Section 3. Termination

Any employee who fails to report to active employment at the expiration of a leave of absence shall be considered as having voluntarily quit unless he has a satisfactory reason.

Section 4. Educational

A leave of absence for a period not to exceed one (1) year without loss of seniority will be granted an employee who has one year or more of seniority in order that the employee may attend a recognized college, university, trade or technical school full time, provided that the course of instruction is related to the employee's employment opportunities with the Company. A request for a leave of absence to attend primary or high school will be regarded as being within the intent of this paragraph and the schooling will be regarded as being related to the employee's employment opportunities with the Company. Before receiving the leave, or an extension thereof, the employee shall submit to the Company satisfactory evidence that the college, university or school has accepted him as a student and, on the expiration of each semester or other school term, shall submit proof of attendance during such term. Such leaves may be extended for additional periods not to exceed one (1) year each.

Section 5. Elective Office

A. For the purpose of enabling employees to participate in the affairs of government, the Company shall grant, upon written notice from the employee, leaves of absence to employees who are elected to city, county, state, and national governmental positions for the first term or who are appointed to serve unexpired terms of such elective positions. Such leaves of absence will be granted by the Company, upon written request, for successive terms within the period of this contract.
ARTICLE X

B. Upon written request, an employee seeking candidacy, or government office, the Company will grant a leave of absence of sixty (60) days prior to an election date, for the purpose of campaigning on his own behalf.
ARTICLE XI
SAFETY AND SANITATION

Section 1. Safety Rules and Regulations

All reasonable shop rules and all laws governing health, safety appliances, and sanitary conditions shall be compiled with by the Company, the employees, and the Union.

Section 2. Protective Clothing (Ref. Letter - pg. 180)

The Company shall furnish special protective clothing (not ordinary items of clothing such as slacks for women) and special safety devices (not safety shoes or prescriptions for safety glasses) where such are required by the Company.


A. A Safety Committee, consisting of five (5) Company representatives and five (5) Union representatives shall have the role and responsibility of providing leadership and coordination of all factory safety activities. This includes safety awareness and the determination of necessary resources to provide for a joint pro-active safety program. In addition, the Committee will help implement the following policy.

B. This Committee shall meet at least semi-monthly on a day and time mutually agreed upon for the following purposes:

1. To discuss safety and sanitation in the plant.

2. To have at least two members of the Committee, one Company and one Union, investigate all shop accidents. The Committee will make a written report of all shop accidents citing the cause, recommendations to prevent a future accident and any other pertinent information. A copy of this report will be provided to the Manager of Human Resources and the Chairman of the Shop Committee. Other copies may be distributed as necessary.
ARTICLE XI

3. To review changes in shop rules governing safety and sanitation in the plant.

4. To review a report by the Company's Safety Director on the action taken or the progress made in connection with the recommendations made by the Committee at its previous meeting.

5. To review copies of all written grievances involving safety and sanitation filed by employees in the bargaining unit. The Manager of Human Resources will furnish copies of such grievances to the Committee.

6. To make recommendations on all safety and sanitation problems considered by the Committee. Copies of such recommendations will be furnished to the Plant Engineer, the Plant Safety Director, and the Manager of Human Resources.

7. To have, by mutual agreement of the Committee, specific safety or sanitation hazards inspected jointly by one (1) Company member and one (1) Union member of the Committee. Time lost from work by Union members of the Committee in making such inspections shall be paid for by the Company at the rate of the employee's average straight-time hourly earnings.

8. In addition the Company will provide periodic training for members of the Safety Committee.

Section 4. Minutes

Minutes shall be taken of the Committee meetings by one (1) of the Company members on the Committee and distributed to both Union and Company members of the Committee.
ARTICLE XI

Section 5. Pay for Meetings

The Company shall pay the Union representatives for time lost from work to attend the Safety Committee meetings, conduct joint investigations, and safety awareness involvement. The time spent on these activities will be determined by the Safety Committee. Such pay shall be at the rate of the employee's average straight-time hourly earnings.
ARTICLE XII
UNION REPRESENTATION

Section 1. General Representation

In the administration of this Agreement the Union shall be represented by departmental stewards, shop committeemen, one (1) Team Compensation Plan representative, and one (1) Union time study representative, as provided below. Each of these Union representatives shall be an employee of the Company and have completed his probationary period.

Section 2. List of Union Representatives

The Union shall, within twenty (20) days from the signing of this Agreement, provide the Manager, Human Resources with a list of its representatives by name, clock number, position, and the department(s) which each representative serves (if a steward). Changes in this list shall be furnished to the Manager, Human Resources promptly, in writing, as they occur. The Company shall not recognize any Union representative of whom it has not been so informed.

Section 3. List of Supervisors

The Company shall, within twenty (20) days from the signing of this Agreement, present to the Chairman of the Shop Committee, a complete list, in writing, of supervisors with whom grievances shall be taken up in Step A of the Grievance Procedure, which list shall show the department(s) over which each supervisor has jurisdiction. The Company shall inform the Union promptly, in writing, of all changes in personnel for any period that exceeds five (5) working days.

Section 4. Jurisdictional Areas

A. The Union shall be represented at Step A of the Grievance Procedure by departmental stewards. The jurisdiction of the departmental steward shall be limited to the processing of grievances in the department(s) which he serves as a steward. Each departmental steward shall be employed in the area which he serves.
ARTICLE XII

as a steward. The Union shall choose departmental stewards to act as its representatives, provided, however, that the total number of departmental stewards shall not exceed one (1) departmental steward for each thirty (30) employees in the bargaining unit except for the following: when there are more than ten (10) employees working at Building 101 or at the downtown factory on third shift, the Union may appoint a steward for representation without regard to the ratio of one (1) departmental steward for each thirty (30) employees in the bargaining unit.

B. With the respect to the number of departmental stewards as herein provided, the Union will not be required to change the number of such representatives to conform to such provisions until sixty (60) days after notice from the Company that changes are required.

Section 5. Departmental Stewards

A. A departmental steward shall be permitted to be away from his work in order to perform his duties as a Union Representative only in the processing of grievances in accordance with Step A of the Grievance Procedure in Article XIII, and to attend disciplinary hearings as provided in Article XIV, provided, however, a steward shall be permitted to leave his work only upon a request from an aggrieved employee or the Manager, Human Resources through the employee's supervisor. The foregoing shall not be construed to prevent a departmental steward from leaving his work to discuss Union business with his supervisor. A steward leaving his work shall notify his supervisor, or someone designated by the supervisor to act for him in his absence from the department, at the time of leaving and upon his return.

B. Departmental stewards shall be allowed a maximum amount of time away from their work, chargeable to the Company, of twelve (12) hours each four (4) week period, beginning with the effective date of this
ARTICLE XII

Agreement, for the purpose set out in Paragraph A above, and for such time or any part thereof, if used, shall be paid on the basis of the respective steward's average straight-time hourly earnings.

Section 6. Shop Committee

A. The Shop Committee shall be composed of five (5) members, and a majority shall constitute a quorum.

B. The Shop Committee shall represent the Union in all regular and special meetings, as provided in the grievance procedure in Article XIII, Section 3, 4, and 5 of the Agreement.

C. Regular meetings between the Company and the Shop Committee shall be held weekly on a day and time to be agreed upon, unless said weekly meeting is waived by mutual consent. Either party may request a special meeting in the event of an emergency, and such meeting, if consented to, shall be held without unnecessary delay after the receipt of a written request therefor, which shall state the nature of the business to be discussed and any refusal to meet shall be in writing and shall state the reason therefor.

D. Each Shop Committeeman shall be allowed time away from his work to attend the meetings set out in B above and to perform other Union Business approved by the Company. It is understood that no Shop Committeeman will become involved in any dispute prior to the time that the employee and steward have discussed the problem with the appropriate supervisor.

E. Each Shop Committeeman upon leaving his work as stated in D above shall report to his supervisor at the time of leaving and upon his return. Each Committeeman shall be allowed a maximum of ten (10) hours each week, if required, away from his work as stated in D above, chargeable to the Company. The
ARTICLE XII

payment shall be on the basis of the respective Committeeman's average straight-time hourly earnings.

F. The Chairman of the Shop Committee or his designee, who shall be a member of the Shop Committee, shall be entitled upon request to the Manager, Human Resources to visit in company with the Manager, Human Resources or upon his approval of the pass issued by the supervisor to the Chairman of the Shop Committee, any part of the plant under the jurisdiction of the Shop Committee where the circumstances of the grievance make it reasonably necessary to make an inspection of physical working conditions. In order to discharge the duties as enumerated in this Article, the Chairman of the Shop Committee shall be allowed compensation up to a maximum of forty (40) hours per week chargeable to the Company on the basis of the Chairman's average straight-time earnings as computed in accordance with Section 7 of Article VII. It is understood that the provisions of this paragraph shall not be construed so as to preclude private discussions with the stewards or other employees in connection with such inspection of physical working conditions.

Section 7. Union Time Study Representatives
(Ref. Letters – pgs. 155 & 156)

A. The Union may have the service of one (1) Union time study representative, trained by the Company, for a period not to exceed three (3) months. When the employee is so trained, he/she shall return to his/her regular job in the plant.

B. The duties of the Union Time Study representative shall consist only in making joint studies with a Company time study engineer. When a grievance arises over a permanent output standard, which cannot be settled satisfactorily to both parties in Steps A and B of the Grievance Procedure, then, after Steps A and B have been completed, the Company or the Union may request that a joint study be made. This joint study
ARTICLE XII

shall consist of a time study of the time study elements and an application review of the standard data of plant data elements. If the Chairman of the Shop Committee and the Manager, Human Resources agree, the joint study will be filmed. The filming of a joint study shall be used exclusively in the handling of that grievance in the Grievance Procedure.

C. Such Union time study representative shall in no way participate in the establishment of any output standard, but shall act only in cases where an existing output standard becomes a matter of dispute and a request is made by the Company, or the Union, for a joint study, as provided in Paragraph B of this section.

D. The Company agrees to pay the Union time study representative for time, which he loses from his work in making joint studies and in analyzing the data thereby obtained, up to a total of twenty-four (24) hours in each month. This time shall be paid on the basis of the Union time study representative's average straight-time hourly earnings. All time in excess of this twenty-four (24) hours in each month shall be paid for by the Union, except that the Company will pay for such time spent directly at its request.

E. Should the Company promote the Union time study representative to a position outside the bargaining unit, a replacement will be trained by the Company at its expense on the basis of the employee's average straight-time hourly earnings.

F. The cost of training a replacement for a vacancy caused by other than the action stated in Paragraph E above shall be borne entirely by the Union.

G. In selecting a replacement, the Union shall submit the names of five (5) employees, who shall meet qualifications set up by the Company. From this group the Company shall select three (3) whom it deems qualified for this work. The Union shall then select one (1) of these three (3) to receive the training.
ARTICLE XII

Section 8. Union Team Compensation Plan Representative
(Ref. Attachment 2 to Exhibit “H”)

A. The Union may have the service of one (1) Union Team Compensation Plan representative, trained by the Company for a period not to exceed three (3) months. When the employee is so trained, he/she shall return to his/her regular job in the plant.

B. The duties of the Union Team Compensation Plan representative shall consist of participation in the Team Compensation Plan dispute resolution procedure at Step 2 and Step C of the grievance procedure. In addition, the Union Team Compensation Plan representative will be a member of the Joint Team Compensation Plan committee and will participate in all functions and duties of that committee. It is expected the Union Team Compensation Plan representative will have a pro-active relationship with the Manager, Team Compensation Plan and his/her staff in the promotion and administration of the Team Compensation Plan.

C. Such Union Team Compensation Plan representative shall in no way participate in the development or establishment of any Team Compensation Plan base, but shall act only in cases where an existing base becomes a matter of dispute and is entered into Step 2 of the Team Compensation Plan dispute resolution procedure or Step C of the grievance procedure.

D. The Company agrees to pay the Union Team Compensation Plan representative for time, which he loses from his work in making joint studies and in analyzing the data thereby obtained, up to a total of twenty-four (24) hours in each month. This time shall be paid on the basis of the Union Team Compensation Plan representative’s average straight-time hourly earnings. All time in excess of this twenty-four (24) hours in each month shall be paid for by the Union, except that the Company will pay for such time spent directly at its request.
ARTICLE XII

E. Should the Company promote the Union Team Compensation Plan representative to a position outside the bargaining unit, a replacement will be trained by the Company at its expense on the basis of the employee's average straight-time hourly earnings.

F. The cost of training a replacement for a vacancy caused by other than the action stated in Paragraph E above shall be borne entirely by the Union.

G. In selecting a replacement, the Union shall submit the names of five (5) employees, who shall meet qualifications set up by the Company. From this group the Company shall select three (3) whom it deems qualified for this work. The Union shall then select one (1) of these three (3) to receive the training.

Section 9. General Provisions

A. In all cases where it is necessary for a Union representative to leave his work in order to perform his/her duties as a Union representative, as outlined above, he/she shall report to their supervisor, or his/her supervisor's designee, upon leaving and upon his/her return to their job. Sufficient time shall be allowed to arrange for the continuance of his work.

B. All time spent by Union representatives, as provided in this Article, shall be recorded on a daily time slip. A record of such time will be made out at the end of the week and shall itemize by days the amount of such time.

C. No provisions of this Agreement shall be construed so as to require payment by the Company for any time spent by a Union representative in any negotiations for the amendment, extension of, renewal, or of additions to, an existing Collective Bargaining Agreement, nor for the negotiations of new Agreements.

D. With respect to the number of unit stewards, as herein provided, the Union will not be required to change the
number of such representatives to conform to such provisions until sixty (60) days after notice from the Company that changes are required; provided, however, that there is work required to be performed within the area in which the Union representatives serve and provided further that the Union representatives are qualified to perform the work.

E. An International Union representative and Business Agent of the Local District shall be entitled, upon request to the Manager, Human Resources, to inspect in company with the latter and the Chairman of the Shop Committee or his/her designee any work area of the plant covered by the bargaining unit where the circumstances of the grievance make it reasonably necessary to make an inspection of physical working conditions involved in the grievance. It is understood that the above provisions only apply after the grievance has been discussed or is being discussed in a Step C meeting but prior to being answered by the Company in that Step, or after a grievance has been appealed to arbitration, but prior to the arbitration hearing.
ARTICLE XIII
GRIEVANCE PROCEDURE

Section 1. Scope

Should any employee or the Union desire to present a grievance to the Company concerning any matter involving rates of pay, wages, hours of employment, or any other condition of employment, such grievance shall be handled under the following grievance procedure.

Section 2. Step A

A. Between the aggrieved employee and his supervisor or, between the aggrieved employee, his departmental steward and his supervisor, as the employee elects.

B. In the event an employee is confronted with a problem and provided it is presented to the employee's supervisor within seven (7) working days from the date on which the act or condition complained of last occurred, he may take the matter up directly with his supervisor, or the matter may be taken up by the employee and the steward with the employee's supervisor, as the employee elects.

C. If the matter cannot be resolved, the grievance shall be reduced to writing and signed by the aggrieved employee and the steward. All handling of the grievance by either party shall thereafter be in writing. The supervisor shall give his answer, in writing, to the steward and the aggrieved employee within one (1) working day from receipt of the written grievance.

D. Any grievance, which is not carried to Step B within five (5) working days after the supervisor's written answer in Step A, shall be deemed settled on the basis of said answer.
ARTICLE XIII

Section 3. Step B

A. Between the Shop Committee of the Union and Company representatives.

B. Any grievance which remains unsettled after completion of Step A shall, if carried to Step B, be presented to the Manager, Human Resources by the Chairman of the Shop Committee and shall be discussed at the next regular weekly meeting of the Shop Committee and the Company following the date of appeal of such grievance in writing to Step B.

C. The Manager, Human Resources shall give the Shop Committee and the aggrieved employee the Company's written answer to any grievance in Step B not later than five (5) working days after the regular weekly meeting at which the discussion of the grievance is concluded.

D. Grievances of a general character, i.e., those affecting all employees in the bargaining unit or those involving matters outside the jurisdiction of the department supervisor, shall enter the grievance procedure at Step B and shall be filed within seven (7) working days after the condition complained of last occurs.

E. Grievances, which involve cases of disciplinary action, shall enter the grievance procedure at Step B, provided that such grievances shall be presented in writing, to the Manager, Human Resources by the Chairman of the Shop Committee within seven (7) working days after receipt of the minutes of the disciplinary hearings.

F. Any grievance, which is not carried to Step C within ten (10) working days from the date of the Company's answer in Step B, shall be considered settled on the basis of said answer.
ARTICLE XIII

Section 4. Step C

A. Between the Shop Committee and International Representative or District Representative of the Union and Company Representatives.

B. Should the Union desire to submit a grievance to Step C it shall request a meeting for such purpose within ten (10) days after receipt of the Company's answer in Step B, and shall state, in writing, to the Manager, at least three (3) working days prior to the date of such meeting, the grievances to be discussed. This meeting shall be conducted within six (6) weeks after the receipt of the Company's Step B answer.

C. In the written appeal to Step C the Union shall set out the alleged contract violation, if any, the Section(s) and paragraph(s) of the contract violated, and the specific relief sought thereunder. Should there be any dispute as to whether the Step C appeal conforms to these requirements, the Union may amend its appeal in the Step C hearing so to conform to the requirements of this provision.

D. Should the Union refuse to amend and the Company still considers that the Step C appeal does not meet the requirements of this provision and the grievance is later appealed to Step D (arbitration), then either party may submit this dispute directly to the arbitrator who shall determine whether or not the written appeal conforms with the requirements of this provision.

E. Any grievance, which is submitted to Step C, shall be answered, in writing, to the Chairman of the Shop Committee and the aggrieved employee not later than ten (10) working days after the meeting in which the discussion of the grievance is concluded and, if the grievance is denied or remains unsettled.
ARTICLE XIII

F. The Company in its answer shall state that the contract provisions cited by the Union are not violated or that other contract provisions govern the subject matter of the grievance or that no contract provision is involved in the grievance or any combination of these positions.

G. Any grievance processed through Step C, and which is not referred, in writing, to Step D within fifteen (15) working days from the date of the Company's written answer in Step C, shall be deemed settled on the basis of said answer.

Section 5. Arbitration

A. Grievances involving interpretation and application of the provisions of this Agreement, except for grievances involving (1) changes in existing output standards; (2) the establishment of new output standards; (3) the rate range for new hourly paid job classifications introduced into the plant as provided for in Article VII, Section 2-D; (4) the pay level rate for new job classifications introduced into the plant as provided in Article VII, Section 2-D; (5) the adequacy of standard data or plant data changed or established during the term of this agreement; (6) an allegation that new standard data or new plant data developed and established during the term of this Agreement or that changes in existing standard data or plant data were not in conformance with the provisions of this Agreement; or (7) the introduction and/or specific application of an alternate incentive plan introduced under this Agreement, which had been processed through the Grievance Procedure, and only such grievances may be submitted to arbitration.

B. The party desiring arbitration shall notify the other party in writing fifteen (15) working days from the date of the company's written answer to such grievance in Step C, stating specifically the grievance or grievances involved.
ARTICLE XIII

C. If the parties are unable to agree upon an arbitrator within five (5) working days from the date notice of referral of grievance to arbitration is received, the parties shall make joint application to the Federal Mediation and Conciliation Service for a list of five (5) names of arbitrators. Said joint application shall specify that the list of five (5) names is to be forwarded to the parties promptly by registered mail, return receipt requested. Each party shall strike off two (2) names from the list of five (5) arbitrators within five (5) working days from the date of receipt of the list from the Federal Mediation and Conciliation Service. The fifth (5th) or remaining name shall serve as the appointed arbitrator.

D. The jurisdiction of the arbitrator shall be limited to the interpretation and application of the provisions of this Agreement. The arbitrator shall have no power to change, alter, detract from or add to the provisions of this Agreement, but shall have the power only to apply and interpret the provisions of this Agreement to the settlement of grievances arising hereunder.

E. Either party shall be entitled to present its claim to the arbitrator in such manner as desired, provided that the arbitrator may determine the relevancy of the evidence presented. The decision of the arbitrator shall be final and binding, shall be reduced to writing, and each party shall be furnished with a signed copy thereof. The parties will request that the arbitrator render a decision within sixty (60) calendar days from the close of the hearing.

F. Each party shall bear its own costs and the expense of the arbitration proceedings shall be shared equally by the Company and the Union.

G. Nothing contained herein shall be construed as a waiver of alteration of any part of the Grievance
ARTICLE XIII

Procedure outlined herein above, and arbitration as provided for herein shall not be resorted to until the Grievance Procedure set forth in this Article has been exhausted.

H. Any grievance which is not processed from Step to Step, including arbitration, within the time limits set up in each Step, shall be deemed settled on the basis of the Company's answer in the last Step processed. Time limits may be extended by mutual agreement between the parties.

I. Not more than three (3) grievances covering different subject matters may be arbitrated at one (1) arbitration hearing.


A. The following procedure shall be operative as an alternative to strike action over eligible grievances at the option of the Union. In the event of its use, it is understood that the Engineer shall be governed in all instances by the equipment, material specifications, and manufacturing methods established for the operation and by the terms of the Agreement, including establishment of output standards. The expenses occasioned by the procedure shall be shared by the parties in the same manner in which they share expenses of other arbitration.

1. Output standard grievances eligible for the procedure outlined below shall be those grievances that are appealed as a result of the procedure as described in the letter titled Guidelines for Output Standard Complaints. In addition, grievances alleging the inadequacy of standard data or plant data introduced or changed during the term of this Agreement, or grievances alleging that new standard data or new plant data developed and established during the term of the Agreement or that
ARTICLE XIII

changes in existing standard data or plant data were not in conformance with the provisions of this Agreement may be processed under the following procedure:

2. The Union shall, within sixty (60) calendar days following the Company's written answer in Step C, notify the Company that it is requesting a joint submission of the dispute to special arbitration, subject to mutual agreement upon the selection of a qualified industrial engineering firm, or qualified industrial engineer.

3. Immediately following the selection of the industrial engineering firm, or the industrial engineer a meeting with the appropriate Company and Union representatives and the engineer shall be arranged at the plant. This meeting shall be for the purpose of presenting all necessary facts of the dispute to the engineer.

4. In addition to hearing pertinent statements by the Union and the Company the engineer shall make such observation and study of the operation in question as is necessary to enable him to develop the true facts in the case and shall have access to any information pertaining to the dispute, including standard data, or plant data, or study(ies) of the operation.

5. Upon completion of his study, the engineer shall send a report of his findings to the Union and the Company, which shall be binding on both parties. The engineer's decision shall show the true and proper output standard as determined by him, based on the equipment, material specifications, and manufacturing methods established by the Company, and in compliance with this Agreement.
ARTICLE XIII

Section 7. General Provisions

A. All grievances and answers thereto, which are required to be reduced to writing under the provisions of the foregoing Sections of this Article, shall be recorded on a mutually acceptable grievance form. Such grievances shall be signed by the aggrieved employee, whose presence may be required by either party in any step of the Grievance Procedure.

B. All agreements concluded between the Union and the Company in Steps B and C of the Grievance Procedure shall be final and binding upon the employees concerned.
ARTICLE XIV
DISCIPLINARY ACTION (Ref. Letter - pg. 173)

Section 1. Cause

The Company shall not exercise its right to discipline by reprimand, suspension, discharge, or otherwise, any employee except for good and just cause.

Section 2. Notice

A. Before an employee is required to leave the plant as a result of any incident calling for disciplinary action, his Unit Steward if in the plant, or otherwise any representative of the Union, shall be summoned to an office designated by Management for the purpose of being notified that the employee is being sent out of the plant and for the purpose of hearing the employee's statement of his position. It is understood that this meeting does not constitute a hearing and the sole reason for the presence of the Unit Steward at this time is to be notified that the employee is being sent out of the plant and to hear the statement of said employee.

B. The employee will not be required to leave the plant in instances involving garnishment, tardiness and absenteeism. Before the hearing is held the Unit Steward or his alternate shall be notified.

Section 3. Disciplinary Hearing

A. Within a reasonable period of time after the employee has been sent out of the plant a disciplinary hearing shall be conducted by the Company at a designated office. At this disciplinary hearing the employee shall have the right to be present and to be represented by his Unit Steward or his alternate and both parties shall be allowed to bring in witness in order to ascertain all the facts and circumstances of the case. The Chairman of the Shop Committee may, if he requests, be present at the disciplinary hearing.
ARTICLE XIV

B. Should the Company decide to discipline the employee, it shall so notify the employee and the Unit Steward or his alternate. In imposing discipline the Company will not take into account any prior infraction which occurred more than three years previously.

Section 4. Minutes

Written copies of the minutes of the disciplinary hearing, as provided in Section 3 above, including a statement of the Company's disciplinary action, if any, will be furnished by the Company to the Chairman within five (5) working days from the date of the disciplinary hearing. The time limit on the filing of a grievance as a result of disciplinary action, if any, will begin at the time such minutes are furnished to the Union.

Section 6. Discipline Grievances

If any employee desires to present a grievance because of disciplinary action by the Company as described in Sections 1, 2, and 3 of this Article, said grievance shall enter the Grievance Procedure in Step B as provided in Article XIII of this Agreement; and if it is finally determined that the employee has been disciplined without good and just cause, such employee shall be restored to his former status at the time such action was taken against him and shall be compensated for the wage loss, if any, which has been incurred.

Section 6. Probationary Employees

It is agreed that this Article shall not apply to probationary employees, except in cases where discrimination because of Union activity or membership in the Union is alleged by the employee, a grievance may be filed as provided in Section 5 of this Article. The Company agrees that any probationary employee will be given the right to see his Departmental Steward before he is required to leave the plant because of disciplinary action.
ARTICLE XIV

Section 7. Written Reprimand

A. An employee may request the presence of his Departmental Steward when he is issued a Written Warning by the Company.

B. After a written reprimand has been on file for one (1) year without any intervening disciplinary action, it will be removed from the employee's employment record.
ARTICLE XV
BULLETIN BOARDS

Section 1. Use of Bulletin Boards

A. The Company will assign bulletin boards for the exclusive use of the Union.

B. The Union agrees that it will limit the use of these bulletin boards to the following Union notices and will supply the Company with copies of such notices:

Recreational and social affairs of the Union.
Union meetings.
Union appointments.
Union elections.
The result of Union elections.
Reports of standing Union Committees.

C. No provision of this Article shall be construed to permit the posting of any political or advertising matter on bulletin boards or elsewhere upon Company property.
ARTICLE XVI
STRIKES AND LOCKOUTS

Section 1. Strikes

The Union and the employees it represents, agrees that it will condemn and will not authorize, encourage, or promote any curtailment or restriction of production, sit-down, slow-down, or other form of strike or work stoppage on the part of any employee, or group of employees, in the unit covered hereby; that it will in good faith attempt to prohibit the same, and that engaging in any sit-down, slow-down, or other strike or work stoppage, on the part of any employee, or group of employees, in the unit covered hereby shall be grounds for immediate disciplinary action, as set out in Article XIV, by the Company of any or all such employees or groups of employees, it being understood that such disciplinary action be subject to Grievance Procedure.

Section 2. Lockouts

There shall be no lockout by the Company during the term of this Agreement.

Section 3. Exceptions

A. The provisions of Section 1 and 2 of this Article shall not be effective in the following:

1. Disputes referred to Step C as provided in the Guidelines For Output Standard Complaints.

2. The (1) pay level for new job classifications introduced under the provisions of Article VII, Section 2-C. The (2) adequacy of standard data or plant data changed or established during the term of this Agreement; (3) an allegation that new standard data or plant data developed and established during the term of this Agreement or that changes in existing standard data or plant data were not in conformance with the provisions of this Agreement; or (4) the introduction and/or specific application of an alternate incentive plan.
ARTICLE XVI

established under this Agreement, shall not be subject to arbitration but may be appealed through the Grievance Procedure to, and answered by the Company in Step C as provided in Article XIII.

3. Any grievance as set out in 1 and 2 above, processed through Step C of the Grievance Procedure, shall be deemed settled on the basis of the Company's written answer in Step C unless the grievance is further processed under the provisions of Article XIII, Section 6, or unless, within sixty (60) calendar days from the date of said answer, the International Union, by written notice signed by an officer thereof, notifies the Company that the International and Local Union have authorized a strike of the bargaining unit as provided by the Constitution of the International Union.

4. Such strike notices shall be for fifteen (15) calendar days, shall specify the grievance or grievances involved, and the strike shall not begin until after the completion of the fifteen (15) days. After the conclusion of the fifteen (15) days' notice, neither party will be bound by the provisions of Sections 1 and 2 of this Article with respect to any grievances as set out in A (1), (2), and (3) of this Section.

5. It is understood that nothing in this Section shall be construed to permit any sit-down, slow-down, or any curtailment or restriction of production at any time, except for authorized strikes as provided in this Section 3.
ARTICLE XVII
GENERAL CONDITIONS

Section 1. Jury Service (Ref. Letter - pg. 170)

A. Any employee who is called for jury service (which includes grand jury service) or who is required by law to appear for examination by a jury commission prior to such jury service or is subpoenaed and reports for witness service and/or the giving of a deposition in a proceeding in a Court of Record will be reimbursed the difference between his normal rate of pay (i.e., his regular hourly rate if he is a straight hourly paid worker, or if he is an incentive worker, his average straight-time hourly earnings on a straight-time, 8-hour-per-day, 40 hour-per-week basis excluding shift premiums and all other premium pay) for necessary time lost because of such service on any day during which in accordance with his regular work schedule he would not have worked for the Company.

B. In order for an employee to be eligible, the employee must

(1) immediately notify his supervisor of the receipt of summons for such service,

(2) furnish his supervisor proper evidence of his service.

C. If a first shift or second shift employee is excused from service during the morning, the employee may report for work to finish the day. If an employee fails to report for work to finish the day, he will be reimbursed only for the actual hours lost up to the time he was excused. If such employee is excused after 12:00 noon, he will not be required to return to work that day.

D. A third shift employee will be excused from work on either the shift preceding his service, or the shift immediately following the completion of his service, at the option of the employee. Such employee must notify
ARTICLE XVII

his immediate supervisor of his election prior to being absent from work.

E. Hours paid for by the Company under this Section count as hours worked for purposes of overtime.

Section 2. Bereavement

A. When death occurs in his immediate family, i.e., grandmother, grandfather, granddaughter, grandson, father, mother, mother-in-law, father-in-law, brother, sister, spouse, son, daughter, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepchild, stepfather, stepmother, stepbrother, stepsister, spouse’s grandparents, an employee, on request, will be excused for any three (3) normal scheduled days of work (or for such fewer days as the employee may be absent) during the three (3) calendar days (excluding Saturdays, Sundays and holidays) immediately following the date of death provided he attends the funeral.

B. After making written application therefore, the employee shall receive pay for any scheduled days of work for which he is excused (excluding Saturdays, Sundays and holidays) or in the case of seven-day operations, the sixth and seventh days of the employee’s scheduled workweek, provided he attends the funeral. Payment shall be made at the employee’s straight-time hourly rate on the last day worked (or in the case of incentive employees, the employee’s average straight-time hourly earnings) exclusive of shift and overtime premium. Time thus paid will not be counted as hours worked for purposes of overtime.

C. An employee on notice to the Company may elect to count the day of death rather than the day following death as the first day.
ARTICLE XVII

D. In a delayed burial situation the employee may elect to take compensated days of bereavement so as to attend the burial service. In this instance the days need not be consecutive but in no event may the compensated days extend beyond the day after the burial service. In order to use this the employee must receive prior approval of the Company.

E. In case of multiple deaths, no time is allowed beyond six (6) days following the date, or last date of death.

F. An employee will be eligible for bereavement pay in instances where the body is cremated if the employee attends a bonafide memorial service at a place of worship or a funeral home held in the same community area within one (1) week of the cremation.

Section 3. Physical Examinations

When a physical examination or laboratory test has been made by physicians acting for the Company, a report thereof will be given to the personal physician of the employee involved, upon the written request of the employee.

Section 4. Subcontracting (Ref. Letter - pg. 157)

The Company will not, as long as equipment and qualified personnel are available, subcontract production or maintenance work which is customarily performed by employees in the bargaining unit to any other Company. It is understood that the Company's obligation under the terms of this clause does not apply:

A. when there is 90% or more of the working force at work, scheduled for five (5) days of work (90% based upon those who hold seniority in the bargaining unit.)

B. to the performance of experimental field work outside a radius of fifty (50) miles from the John Deere Horicon Works in Horicon, Wisconsin.
ARTICLE XVII

C. It is not the Company’s intent to have subcontractors working in the plant on maintenance work normally performed by bargaining unit people unless the affected bargaining unit people are working a maximum number of hours. (i.e., The employees currently in the overtime group which normally would be assigned to the subcontracted work will be scheduled for at least eight (8) hours of overtime). Where practicable in such cases the Union will be notified prior to the work being performed.

Section 5. Company Salaried Employees

Under regular operating conditions, salaried employees shall not perform work covered by the terms of this Agreement except in the following types of situations:

A. In emergencies when regular employees are not immediately available.

B. In the instruction and training of new employees.

C. When work done is for the purpose of facilitating production or maintenance work or for the purpose of developing a new job.

D. In the performance of necessary work when production difficulties are encountered on the job.

Section 6. Current Address

As it is necessary for the administration of the terms of this Agreement, it is the duty of every employee to keep the Personnel Department advised of his/her current address and telephone number.
ARTICLE XVIII
APPRENTICESHIPS

Section I. Apprenticeship and Training Programs:
Classifications
(Ref. Letters - pgs. 143, 187 & 206)

A. Apprentices may be enrolled in the following job
classifications subject to the limitations of Article II,
Recognition,

R-5 Machine Maintenance
R-20 Electrician
R-100 Industrial Pipefitter
T-1 Tool and Die Maker
T-100 Tool Room Machinist
X-98 Product Development Specialist

B. Trainees may be enrolled in the following job
classifications subject to the limitations of Article II,
Recognition,

R-15 Repair Mechanic (Industrial Trucks)

Section 2. Eligibility Requirements

A. Selection of apprentices and trainees under this
program shall be made from qualified applicants either
employees with seniority or applicants from the outside
on the basis of qualifications alone.

Section 3. Seniority Employees

A. Notice of apprenticeship and training openings will be
posted on the Company's bulletin board.

B. Applications for apprenticeship and training programs
will be accepted by the Human Resource Department
from seniority employees who consider themselves
eligible under this program.
ARTICLE XVIII

Section 4. Applications

A. All selections for apprenticeship and training programs shall be in descending order of qualifications (ranking); except, that when two or more seniority employees receive the same rank, the one with the most seniority will be selected. It is understood that if none of the seniority employees or applicants from the outside possess minimum qualifications, the posted opening will not be filled.

B. Qualifying Standards:

1. Mechanical Comprehension Test  
   (Maximum Point Value - 56 points - 1/2 point per question.)

   Any scores under 47.5 will not be awarded points and the applicant will no longer be considered in the selection process.

2. Education  
   (Maximum Point Value - 15 points.)

   For each applicable course successfully completed (C or above) after Grade 8, 1 point will be awarded. 1/2 Point for each English course.

3. External Training  
   (Maximum Point Value - 5 points.)

   External training such as technical colleges, trade schools, etc. that pertains to the apprenticeship.

4. Work Performance  
   (Maximum Point Value - 14 points.)

   The following categories are considered and rated by your supervisor:
ARTICLE XVIII

Quality
Quantity
Job Knowledge
Dependability
Cooperation
Adaptability
Supervision

A maximum of 2 points will be awarded for each category.

5. Previous Related Work Experience
(Maximum Point Value - 6 points.)

Credit will be awarded for previous related work experience based on number of hours worked.

6. Interview
(Maximum Point Value - 10 points.)

An interview will be conducted by a selection panel of 3-5 managers/supervisors and the apprentice coordinator. The skilled trades representative may participate as an observer.

Section 5. Ratio of Apprentices and Trainees

A. The number of apprentices enrolled and trainees enrolled in any one job classification shall be limited to twenty-five (25) percent of the total number of skilled workers employed and/or recorded on the plant-wide seniority list in the particular job classification wherein the employee is to be enrolled, provided, however, that the Company may enroll a minimum of four (4) apprentices or trainees in each job classification listed in this Article. Fractional amounts resulting from the application of the above percentage may be increased to the next whole number.
ARTICLE XVIII

B. The percentage ratios noted above shall not operate to remove any employee presently enrolled. This percentage ratio may be increased or decreased by mutual agreement of the parties to this Agreement.

Section 6. Seniority

A. Enrolled apprentices and trainees will be exempt from the seniority provisions of the Agreement and there shall be no obligation on the part of the Company to continue the training, if, in the judgment of the Company, the progress of the apprentice or trainee is unsatisfactory.

B. When apprentices or trainees are removed from their training status for any reason, including graduation, and are assigned to other employment in the plant, they shall receive credit for seniority purposes for the time spent in the apprenticeship or training program.

C. Upon completion of the Apprenticeship or Training requirements the employee will be classified in the particular job classification in which the employee had been enrolled. In the event there is no need for an additional employee in the classification any reduction in force will be handled in accordance with the provisions of the Seniority Article (Article VI, Section 9.)

D. When it is determined by the Company that it is necessary to increase the number of employees in an apprenticeship or training program, the employees removed will be returned to the program in the order of the employee with the highest credited hours first.

Section 7. Rates

A. Apprentices in each of the 10,400 hour job classifications covered by these standards shall be paid a progressively increasing schedule of wages, as follows:
ARTICLE XVIII

1st 1300 hours -- 65% of the maximum wage rate of the classification
2nd 1300 hours -- 70% of the maximum wage rate of the classification
3rd 1300 hours -- 75% of the maximum wage rate of the classification
4th 1300 hours -- 80% of the maximum wage rate of the classification
5th 1300 hours -- 85% of the maximum wage rate of the classification
6th 1300 hours -- 90% of the maximum wage rate of the classification
7th 1300 hours -- 95% of the maximum wage rate of the classification
8th 1300 hours -- 95% of the maximum wage rate of the classification

B. Apprentices in each of the 8000 hour job classification covered by these standards shall be paid a progressively increasing schedule of wages, as follows:

1st 1000 hours -- 65% of the maximum wage rate of the classification
2nd 1000 hours -- 70% of the maximum wage rate of the classification
3rd 1000 hours -- 75% of the maximum wage rate of the classification
4th 1000 hours -- 80% of the maximum wage rate of the classification
5th 1000 hours -- 85% of the maximum wage rate of the classification
6th 1000 hours -- 90% of the maximum wage rate of the classification
7th 1000 hours -- 95% of the maximum wage rate of the classification
8th 1000 hours -- 95% of the maximum wage rate of the classification

C. Applicants who are given credit for previous experience shall be paid the wage rate for the period to which such credit advances them.
ARTICLE XVIII

D. Upon completion of the apprenticeship requirements the hourly rate will be increased to the maximum of the rate range for the particular job classification in which the employee had been enrolled. In the event there is no work available in such classification at the time the apprenticeship is completed and if the employee is assigned to some other classification of work, he will receive a rate within the rate range of the classification of work to which he is assigned through the application of Exhibit “A” or “B”.

E. Trainees in each of the job classifications covered by these standards shall be paid a progressively increasing schedule of wages, as follows:

1st 1000 hours — 65% of the maximum wage rate of the classification
2nd 1000 hours — 75% of the maximum wage rate of the classification
3rd 1000 hours — 85% of the maximum wage rate of the classification
4th 1000 hours — 95% of the maximum wage rate of the classification

F. Upon completion of the training requirements the trainee’s hourly rate will be increased to the maximum of the rate range for the particular job classification in which the employee had been enrolled.

Section 8. Credit for Previous Experience

A. The applicant may be granted credit for experience in his trade acquired before entering the program. For applicants from the outside, such work experience must have been gained under an approved apprentice program, Wisconsin state vocational school work or previous applicable work experience.

B. Veterans may receive credit for applicable work experience gained in the Armed Services, based on a review of their service record.
ARTICLE XVIII

C. The Company may during the course of an employee's program determine that the employee possesses the necessary knowledge and/or skills required by the particular areas of training, then the employee will be credited with the maximum hours assigned to that particular area of training and will not be required to complete all of the hours listed. Any hours so credited will count toward the total number of hours required for the classification for purposes of graduation. The employee's rate of pay, if necessary, will be adjusted at the time the hours are credited.

D. The Company shall notify the Shop Committee Chairman of any determination made in Paragraph C above and the reason therefore.

Section 9. Related Classroom Study

A. The Apprentices and Trainees will be required to complete a related training course through classroom work or by correspondence. The Company will determine the type of classroom study applicable in each situation.

B. Time spent in related training shall be in accordance with the schedules of work processes referred to in this Section. The time and place of such training will be determined by the Company and such time, if used, shall be paid at the apprentice's or trainee's regular hourly rate.

C. In case of failure on the part of any apprentice or trainee to fulfill his obligation as to satisfactory completion of related classroom study, the Company may suspend or revoke his apprenticeship or training agreement.

D. The Chairman of the Shop Committee of the Union shall be notified of any such cancellation as this will terminate the eligibility of the apprentice or trainee as a student.
ARTICLE XVIII

Section 10. Supervision of Apprentices and Trainees

A. Apprentices and Trainees shall be under the general direction of the Supervisor of Apprentices and Trainees or an individual charged with the responsibility and under the immediate direction of the supervisor of the department to which they are assigned. The Supervisor of Apprentices and Trainees is authorized to move apprentices and trainees from one department to another in accordance with the predetermined schedule of work training. No apprentice or trainee may be retained on a scheduled work process for a period longer than the time scheduled for such work process.

B. Adequate record forms shall be prepared under the supervision of the supervisor under whom the apprentices and trainees receive direct instruction and experience. Supervisors shall make a report at least every thirty (30) days to the Supervisor of Apprentices and Trainees on the work and progress of the apprentices or trainees under their supervision.

Section 11. Tools

Apprentices and trainees shall procure the hand tools needed and as required and specified by the Company. Such tools may be purchased ($50.00 minimum purchase) through the Company under a payroll deduction authorization.

Section 12. Information

A. The Company will keep the Union informed of the identity of all apprentices and trainees.

B. A record will be kept by the Company of time spent on the various work processes, and this record will be available for inspection by the Chairman of the Shop Committee upon request at reasonable times.
ARTICLE XVIII

Section 13. Terms of Apprenticeship and Training Program

The term of apprenticeship and training programs shall be as established in accordance with the schedule of work processes and related instructions as outlined and attached hereto.

Section 14. Company and Union Meetings

A. The Company and the Union shall meet once a month provided that an agenda is submitted by either party with three (3) days’ notice to discuss matters arising out of the meaning and application of this Article.

B. The Company representatives shall be the Manager of Human Resources and the Supervisor of Apprentices and Trainees or individuals designated by them.

C. The Union representatives shall be the Chairman of the Shop Committee and the Skilled Trades Representative or individuals designated by them.

D. Any dispute which cannot be resolved in this meeting may be filed as a grievance in Step B.

Section 15. Schedules of Work Processes

The Schedules of Work Processes are listed below. It is agreed that the sequence of the specific areas of training shall be determined by the Company on the basis of work available and the progress and needs of the apprentice or trainee. The continuity of the hours within an area may be broken and areas of training may be revised or replaced when in the opinion of the Company it is to the best interest of the apprentices or trainees, the operations of the department or in conformance with the provisions of Article II, Recognition, to make such changes. Major changes of over ten percent (10%) must be done by mutual agreement.
### A. T-1 TOOL AND DIE MAKER

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<tr>
<th>Category</th>
<th>Hours</th>
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<tbody>
<tr>
<td>Lathe manual</td>
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<tr>
<td>CNC</td>
<td>120</td>
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<tr>
<td>Milling Machines manual</td>
<td>300</td>
</tr>
<tr>
<td>CNC</td>
<td>950</td>
</tr>
<tr>
<td>Grinding (surface, cyl., profile, cutting tools)</td>
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<tr>
<td>Drill Presses</td>
<td>250</td>
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<tr>
<td>Welding</td>
<td>200</td>
</tr>
<tr>
<td>Materials, Metallurgy, &amp; Heat Treat</td>
<td>250</td>
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<tr>
<td>Press Room Set-up</td>
<td>120</td>
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<tr>
<td>Blueprint Reading &amp; Sketching, Geometric</td>
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<tr>
<td>Dimensioning and Tolerancing</td>
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<tr>
<td>Tool Design (CAD)</td>
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<tr>
<td>Bench Work (assembly &amp; analysis)</td>
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<tr>
<td>Basic Die Making</td>
<td>1665</td>
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<tr>
<td>Jigs and Fixtures</td>
<td>250</td>
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<td>Classroom</td>
<td>600</td>
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<td>Cutoff Machines (Saws, etc.)</td>
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<td>Precision Measurement (CMM, Layout, Operation of Measuring Tools)</td>
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<td>Tool Room Service (runner)</td>
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<td>EDM</td>
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<td>Miscellaneous</td>
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<td>hydraulic press, sensors-press &amp; dies</td>
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B. X-98 PRODUCT DEVELOPMENT SPECIALIST

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<tr>
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<td>Advanced Math, Pro-E CAD</td>
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<td>Machining, Sheet Metal Fabrication</td>
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<td>Tool Design</td>
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<td>Fixture Design, Metallurgy</td>
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<td>Basic and Advance Welding</td>
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<td>Brazing, Hot Roll Bending</td>
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<td>Prototype Assembly</td>
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<td>DC Fundamentals</td>
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<td>Hydraulics, Vehicle</td>
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<td>Engine Fundamentals and Power Transmission</td>
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<td>Laboratory and Field Testing</td>
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<td>Engine Tests and Test Equipment</td>
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<td>Electronics and Instrumentation</td>
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<td>Advance Fabrication Processes</td>
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<td>Advance Welding Practices</td>
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<td>Setup and Calibrate PLC's and Related Test Equipment</td>
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<td>Applied Electronics and Digital Circuity</td>
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<td>Advanced Analog Solid State Devices</td>
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<td>Miscellaneous</td>
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<td>Classroom Training</td>
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<td><strong>TOTAL</strong></td>
<td>10400</td>
</tr>
</tbody>
</table>
### ARTICLE XVIII

#### C. R-20 ELECTRICIAN

**Electrical Installation**
- Powerhouse, Power Supply:
  - Substations: 120 Hours
- Equipment: 1000 Hours
- Lighting: 800 Hours
- Electrical Design: 200 Hours
- Machine Maintenance (Hydraulics): 400 Hours

**Maintenance and Repair**
- Machine Controls: 1800 Hours
- Welding: 900 Hours
- Heat Treats: 90 Hours
- Load: 825 Hours
- Motors: 500 Hours
- Hoists: 175 Hours
- Classroom: 600 Hours
- Miscellaneous: 590 Hours

**TOTAL** 8000 Hours

#### D. R-5 MACHINE MAINTENANCE

**Electrical Maintenance**
- 120 Hours

**Machine Operation**
- Lathe: 85 Hours
- Grinder: 85 Hours
- Mill: 85 Hours
- Do All Saw: 85 Hours
- CNC Machine: 160 Hours

**Heat Treat**
- 40 Hours

**Machine Maintenance**
- Hydraulic and Pneumatics: 1800 Hours
- Overhaul: 2000 Hours
- Repair: 2000 Hours

**Tool Crib**
- 40 Hours

**Welding and Fabrication**
- 400 Hours

**Miscellaneous**
- 500 Hours

**Classroom Training**
- 600 Hours

**TOTAL** 6000 Hours

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### E. R-100 INDUSTRIAL PIPEFITTER

Install, Maintain, and Repair the following:

- Steam, and Hot Water Heating Systems, Valves, Steam Traps, Air Vents, Radiators and Pipe Fabrication: 1800 Hours
- Install, Maintain and Repair Industrial Piping Systems such as Process Piping, Refrigeration and Air Conditioning Systems: 2000 Hours
- Install and Maintain Piping and Fixturing for Waste and Sewer Systems: 200 Hours
- Install and Maintain Piping for Air, Oil, Gas, Paint, Water, Argon, Chemicals and Ammonia Systems: 2500 Hours
- Maintain Heat Treat, Furnaces, Gas Trains and Equipment: 200 Hours
- OSHA/Safety Training: 200 Hours
- Miscellaneous: 500 Hours
- Related Classroom Studies: 600 Hours

**TOTAL**: 8000 Hours

### F. T-100 TOOL ROOM MACHINIST

- Grinder - surface, external, internal: 1000 Hours
- Heat Treat: 40 Hours
- Lathe manual: 400 Hours
- CNC: 600 Hours
- Milling Machine manual: 600 Hours
- Small CNC: 1000 Hours
- Large CNC: 2000 Hours
- CAD/CAM: 200 Hours
- EDM: 1340 Hours
- Miscellaneous: 220 Hours
- Classroom: 600 Hours

**TOTAL**: 8000 Hours
G. R-15 REPAIR MECHANIC (industrial Trucks)

Performs Repair and Maintenance of:

- Internal Combustion Engines, Hydraulic & Electrical Systems and Controls
- Electric Vehicle Maintenance & Controls
- Transmissions, Clutches,
  Differentials
- Chassis, Suspension, Springs, Axles
- Steering and Brakes
- Fuel, Oil & Cooling Systems
- Tires and Batteries
- Welding & Fabrication
- Use & Operation of Specialized Equipment & Tools
- Crib Functions - Location & Identification of Supplies & Equipment
- Related Classroom Study

TOTAL

<table>
<thead>
<tr>
<th>Task/Activity</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Combustion Engines</td>
<td>1070</td>
</tr>
<tr>
<td>Hydraulic &amp; Electrical Systems and Controls</td>
<td>1200</td>
</tr>
<tr>
<td>Electric Vehicle Maintenance</td>
<td></td>
</tr>
<tr>
<td>&amp; Controls</td>
<td></td>
</tr>
<tr>
<td>Transmissions, Clutches</td>
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<tr>
<td>Differentials</td>
<td></td>
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<tr>
<td>Chassis, Suspension, Springs, Axles</td>
<td>200</td>
</tr>
<tr>
<td>Steering and Brakes</td>
<td>200</td>
</tr>
<tr>
<td>Fuel, Oil &amp; Cooling Systems</td>
<td>160</td>
</tr>
<tr>
<td>Tires and Batteries</td>
<td>40</td>
</tr>
<tr>
<td>Welding &amp; Fabrication</td>
<td>160</td>
</tr>
<tr>
<td>Use &amp; Operation of Specialized Equipment &amp; Tools</td>
<td>160</td>
</tr>
<tr>
<td>Crib Functions - Location &amp; Identification of Supplies &amp; Equipment</td>
<td>40</td>
</tr>
<tr>
<td>Related Classroom Study</td>
<td>230</td>
</tr>
</tbody>
</table>

TOTAL 4000 Hours
ARTICLE XIX
SUPPLEMENTAL AGREEMENTS

A. The parties agree that the benefits contained in the following appendices of the Supplemental Agreement to the 1998-2004 Labor Agreement are hereby incorporated (by specific reference) into this Agreement, and subject to limitations spelled out in Paragraph B below.

1. Appendix "1" - Benefit Plans Deere & Company

2. Appendix "A" - John Deere Horicon Works Supplement to the John Deere Pension Plan for Wage Employees

3. Appendix "B" - The Health Benefit Plan for Wage Employees

4. Appendix "C" - The Disability Benefit Plan for Wage Employees

5. Appendices "D" and "D-1" - Supplemental Unemployment Benefit Plan

6. Appendix "H" - Tuition Refund Plan

7. Appendix "I" - John Deere Group Life and Disability Insurance Plan for Wage Employees

8. Appendix "J" - John Deere Worldwide Commercial & Consumer Equipment Division - Profit Sharing Compensation Plan for Wage Employees

9. Appendix "L" - John Deere Tax Deferred Savings Plan

10. Appendix "L-1" - John Deere Tax Deferred Savings Plan for Wage Employees
ARTICLE XIX

B. No matter respecting the provisions of Appendices “1,” “A,” “B,” “C,” “D,” “D-1,” “I,” “J,” ”L,” or ”L-1” will be subject to the grievance procedure and arbitration provisions of Article XIII of this Agreement.

C. The provisions of Appendix “H” are subject to the grievance procedure and arbitration provisions of Article XIII of this Agreement.
ARTICLE XX
LOCAL AGREEMENTS

It is hereby agreed that any written Agreement, Letter of Understanding or past practice entered into locally between Management and the Local Union which has continuing effect may be readopted and shall remain in effect for the duration of the Labor Contract provided:

1. Such Agreement does not modify such Labor Contract and is not inconsistent with the provisions thereof, and

2. Such Local Agreement or past practice is identified to the opposite party by either the International Union or the Manager of Industrial Relations within thirty (30) days after the date of the Labor Contract.
ARTICLE XXI
WAIVER

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

This Agreement shall become effective the Monday of the week in which it is signed by the authorized representatives and ratified by the membership of Local 873 and shall remain in full force and effect until the 1st day of October, 2004 and shall be automatically renewed from year to year thereafter unless sixty (60) days prior to the expiration date either party gives notice in writing of a desired change in or termination of this Agreement. In the event that such notice is given, negotiations shall be opened not less than forty-five (45) days prior to the expiration date of this Agreement.

Signed this 1st day of October, 1998.

JOHN DEERE HORICON WORKS OF: DEERE & COMPANY HORICON, WISCONSIN

/local: JOHN DEERE HORICON WORKS OF: DEERE & COMPANY HORICON, WISCONSIN

/local: LOCAL 873 INTERNATIONAL ASSOC. OF MACHINISTS AND AEROSPACE WORKERS

/s/ Charles D. Evans /s/ David L. Margelofsky
/s/ Harvey R. Plummer /s/ Steven E. Kovalaske
/s/ /s/ Stephen J. Hartl
/s/ /s/ James E. Giedd
/s/ /s/ Dennis C. Beske

/s/ Ronald R. Sovey /s/ Daniel F. Hilbert
## EXHIBIT "A"

### BASIC WAGE AND PROGRESSION TABLE

**FOR EMPLOYEES HIRED AFTER 1 OCTOBER 1998**

<table>
<thead>
<tr>
<th>Pay Level</th>
<th>Minimum</th>
<th>After 26 Work Weeks</th>
<th>After 52 Work Weeks</th>
<th>After 76 Work Weeks</th>
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</thead>
<tbody>
<tr>
<td>2. (Non-TCP)</td>
<td>$15.350</td>
<td>$15.620</td>
<td>$15.885</td>
<td>$16.155</td>
</tr>
<tr>
<td>4. (TCP or Non-TCP)</td>
<td>$10.710</td>
<td>$10.895</td>
<td>$11.085</td>
<td>$11.270</td>
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<tr>
<td>5. (TCP or Non-TCP)</td>
<td>$10.430</td>
<td>$10.615</td>
<td>$10.795</td>
<td>$10.980</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Pay Level</th>
<th>After 104 Work Weeks</th>
<th>After 156 Work Weeks</th>
<th>After 208 Work Weeks</th>
<th>After 260 Work Weeks</th>
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</thead>
<tbody>
<tr>
<td>1. (Non-TCP)</td>
<td>$17.390</td>
<td>$17.955</td>
<td>$18.525</td>
<td>$19.095</td>
</tr>
<tr>
<td>2. (Non-TCP)</td>
<td>$16.425</td>
<td>$16.960</td>
<td>$17.510</td>
<td>$18.035</td>
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<tr>
<td>3. (Non-TCP)</td>
<td>$15.450</td>
<td>$15.965</td>
<td>$16.460</td>
<td>$16.965</td>
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<tr>
<td>4. (TCP or Non-TCP)</td>
<td>$11.460</td>
<td>$11.835</td>
<td>$12.210</td>
<td>$12.585</td>
</tr>
<tr>
<td>5. (TCP or Non-TCP)</td>
<td>$11.160</td>
<td>$11.525</td>
<td>$11.890</td>
<td>$12.255</td>
</tr>
<tr>
<td>6. (TCP or Non-TCP)</td>
<td>$10.250</td>
<td>$10.585</td>
<td>$10.920</td>
<td>$11.255</td>
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</tbody>
</table>

If it is necessary to hire other than at the minimum rate, the Company will notify the Union.
## EXHIBIT "B"

**JOB CLASSIFICATION RATES FOR EMPLOYEES HIRED PRIOR TO 1 OCTOBER 1998**

<table>
<thead>
<tr>
<th>OCC CODE</th>
<th>CLASSIFICATION</th>
<th>REGULAR WORK ASSIGNMENT</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>If assigned to TCP</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hired after 1 Oct 1995</td>
</tr>
<tr>
<td>C-200</td>
<td>Fabricator - TCP</td>
<td>$13.92</td>
</tr>
<tr>
<td>F-36</td>
<td>Combination Welder - Production Parts</td>
<td>$14.27 b</td>
</tr>
<tr>
<td>F-50</td>
<td>Setup - Welding</td>
<td>$14.27 b</td>
</tr>
<tr>
<td>F-200</td>
<td>Welder - TCP</td>
<td>$14.27</td>
</tr>
<tr>
<td>K-13</td>
<td>Assembly Setup</td>
<td>$13.75 c</td>
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<tr>
<td>K-14</td>
<td>Assembly Changeover or Repair</td>
<td>$14.27 c</td>
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<tr>
<td>K-200</td>
<td>Assembler - TCP</td>
<td>$13.92</td>
</tr>
<tr>
<td>L-13</td>
<td>Automated Paint System Quality &amp; Service Technician</td>
<td>$13.75</td>
</tr>
<tr>
<td>L-20</td>
<td>Parts Handler - Cleaning or Painting (If hired prior to Oct 92)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M-30</td>
<td>Production Parts Reclaimer (If hired prior to Oct 92)</td>
<td>$11.60 abcd</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$13.14</td>
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</table>
**EXHIBIT “B”**

JOB CLASSIFICATION RATES FOR EMPLOYEES
HIRED PRIOR TO 1 OCTOBER 1998

<table>
<thead>
<tr>
<th>OCC CODE</th>
<th>CLASSIFICATION</th>
<th>REGULAR WORK ASSIGNMENT</th>
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<tbody>
<tr>
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<td></td>
<td>If assigned to TCP</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hired after 1 Oct 1995</td>
</tr>
<tr>
<td>M-200</td>
<td>Manufacturing Processor – TCP</td>
<td>$13.92</td>
</tr>
<tr>
<td>R-5</td>
<td>Machine Maintenance</td>
<td></td>
</tr>
<tr>
<td>R-9</td>
<td>Building Repair &amp; Maintenance</td>
<td></td>
</tr>
<tr>
<td>R-15</td>
<td>Repair Mechanic (Industrial Trucks)</td>
<td></td>
</tr>
<tr>
<td>R-17</td>
<td>Truck, Tractor, Transporter or Battery Service (If hired prior to Oct 92)</td>
<td>$13.68</td>
</tr>
<tr>
<td>R-19</td>
<td>Machine Oiler</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(If hired prior to Oct 92)</td>
<td></td>
</tr>
<tr>
<td>R-20</td>
<td>Electrician</td>
<td></td>
</tr>
<tr>
<td>R-25</td>
<td>Combination Welder</td>
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</tr>
<tr>
<td>R-37</td>
<td>Pipefitting, Heating &amp; Ventilation Maintenance</td>
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<tr>
<td>R-41</td>
<td>Maintenance Painter</td>
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</tbody>
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### EXHIBIT "B"

**JOB CLASSIFICATION RATES FOR EMPLOYEES HIRED PRIOR TO 1 OCTOBER 1996**

<table>
<thead>
<tr>
<th>OCC CODE</th>
<th>CLASSIFICATION</th>
<th>REGULAR WORK ASSIGNMENT</th>
<th>If assigned to TCP</th>
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<tbody>
<tr>
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<td></td>
<td>Hired after 1 Oct 1995</td>
<td>Hired prior to 1 Oct 1995</td>
</tr>
<tr>
<td>R-62</td>
<td>Portable Tool Repair</td>
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<tr>
<td>R-90M</td>
<td>Assistant (If hired prior to Oct 92)</td>
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<tr>
<td>R-100</td>
<td>Industrial Pipefitter</td>
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<tr>
<td>T-1</td>
<td>Tool and Die Maker</td>
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<tr>
<td>T-9</td>
<td>Tool and Die Repair</td>
<td>$18.50 i</td>
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</tr>
<tr>
<td>T-10</td>
<td>Machine Hand</td>
<td>$18.50 g</td>
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<td>T-20</td>
<td>Tool Grinder</td>
<td>$17.60</td>
<td></td>
</tr>
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<td>T-21</td>
<td>Tool Grinder</td>
<td>$16.23 e</td>
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</tr>
<tr>
<td>T-100</td>
<td>Tool Room Machinist</td>
<td>$19.25</td>
<td></td>
</tr>
<tr>
<td>U-10M</td>
<td>Production Layout Inspector</td>
<td>$17.60</td>
<td></td>
</tr>
<tr>
<td>U12-M</td>
<td>Inspector</td>
<td>$14.92 abcd</td>
<td>$14.92 abcd</td>
</tr>
<tr>
<td>V-1</td>
<td>Driver (If hired prior to Oct 92)</td>
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</table>
EXHIBIT “B”
JOB CLASSIFICATION RATES FOR EMPLOYEES
HIRED PRIOR TO 1 OCTOBER 1998

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<th>OCC CODE</th>
<th>CLASSIFICATION</th>
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<tr>
<td></td>
<td>if assigned to TCP</td>
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</tr>
<tr>
<td></td>
<td>hired after 1 Oct 1995</td>
<td>hired prior to 1 Oct 1995</td>
</tr>
<tr>
<td>V-2M</td>
<td>Material Coordinator/Handler</td>
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<tr>
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<td>$12.79 abcd</td>
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<tr>
<td>W-11</td>
<td>Stores and Tool Crib Attendant</td>
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<tr>
<td></td>
<td>(if hired prior to Oct 92)</td>
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</tr>
<tr>
<td>X-5</td>
<td>Spray Painter</td>
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</tr>
<tr>
<td>X-7</td>
<td>Mechanic</td>
<td></td>
</tr>
<tr>
<td>X-8</td>
<td>Mechanic</td>
<td></td>
</tr>
<tr>
<td>X-13</td>
<td>Instrumentation and Test Mechanic</td>
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</tr>
<tr>
<td>X-20</td>
<td>Parts Layout</td>
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</tr>
<tr>
<td>X-26</td>
<td>Field Test Equipment Operator</td>
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<tr>
<td></td>
<td>(if hired prior to Oct 92)</td>
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<tr>
<td>X-45</td>
<td>Welder</td>
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<td>X-98</td>
<td>Product Development Specialist</td>
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</tr>
</tbody>
</table>
# EXHIBIT "B"
## JOB CLASSIFICATION RATES FOR EMPLOYEES HIRED PRIOR TO 1 OCTOBER 1998

<table>
<thead>
<tr>
<th>OCC CODE</th>
<th>CLASSIFICATION</th>
<th>REGULAR WORK ASSIGNMENT</th>
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<tbody>
<tr>
<td></td>
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<td>If assigned to TCP</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hired after 1 Oct 1995</td>
</tr>
<tr>
<td>Z-30</td>
<td>Production Tool Service</td>
<td></td>
</tr>
<tr>
<td>Z-31</td>
<td>Methods Setup</td>
<td></td>
</tr>
<tr>
<td>Z-32</td>
<td>Machine Setup</td>
<td>$15.68 a</td>
</tr>
<tr>
<td>Z-43</td>
<td>Inventory Counter or Checker (If hired prior to Oct 92)</td>
<td>$13.68</td>
</tr>
<tr>
<td>Z-90</td>
<td>Factory Attendant – Cleaning (If hired prior to Oct 92)</td>
<td>$12.83</td>
</tr>
</tbody>
</table>

a. Openings will be filled as C-200  
b. Openings will be filled as F-200  
c. Openings will be filled as K-200  
d. Openings will be filled as M-200  
e. Openings will not be filled  
f. Openings will be filled as R-100  
g. Openings will be filled as T-100  
h. Openings will be filled as X-98  
i. Openings will be filled as T-1
<table>
<thead>
<tr>
<th>Occ. Code</th>
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<th>Job Classification</th>
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<tbody>
<tr>
<td>C-200</td>
<td>5</td>
<td>Fabricator - TCP</td>
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<tr>
<td>F-50</td>
<td>4</td>
<td>Setup - Welding</td>
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<tr>
<td>F-200</td>
<td>4</td>
<td>Welder - TCP</td>
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<td>K-13</td>
<td>4</td>
<td>Assembly Setup</td>
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<tr>
<td>K-200</td>
<td>5</td>
<td>Assembler - TCP</td>
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<td>L-13</td>
<td>5</td>
<td>Automated Paint System</td>
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<tr>
<td>M-30</td>
<td>6</td>
<td>Production Parts Reclaimer</td>
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<td>Manufacturing Processor - TCP</td>
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<td>Machine Maintenance</td>
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<td>R-9</td>
<td>3</td>
<td>Building Repair &amp; Maintenance</td>
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<td>R-15</td>
<td>3</td>
<td>Repair Mechanic (Industrial Trucks)</td>
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<td>R-17</td>
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<td>Truck, Tractor, Transporter or Battery Service</td>
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<td>8</td>
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<td>R-20</td>
<td>2</td>
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<td>Combination Welder</td>
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<tr>
<td>R-41</td>
<td>4</td>
<td>Maintenance Painter</td>
</tr>
<tr>
<td>R-62</td>
<td>4</td>
<td>Portable Tool Repair</td>
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<tr>
<td>R-90M</td>
<td>6</td>
<td>Assistant</td>
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<td>R-100</td>
<td>2</td>
<td>Industrial Pipefitter</td>
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<td>T-1</td>
<td>1</td>
<td>Tool and Die Maker</td>
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<tr>
<td>T-20</td>
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<tr>
<td>T-100</td>
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<td>Tool Room Machinist</td>
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<tr>
<td>U-10M</td>
<td>3</td>
<td>Production Layout Inspector</td>
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<tr>
<td>U-12M</td>
<td>3</td>
<td>Inspector</td>
</tr>
<tr>
<td>V-1</td>
<td>6</td>
<td>Driver</td>
</tr>
<tr>
<td>V-2M</td>
<td>6</td>
<td>Material Coordinator/Handler</td>
</tr>
<tr>
<td>W-11</td>
<td>6</td>
<td>Stores and Tool Crib Attendant</td>
</tr>
<tr>
<td>X-26</td>
<td>6</td>
<td>Field Test Equipment Operator</td>
</tr>
<tr>
<td>X-98</td>
<td>1</td>
<td>Product Development Specialist</td>
</tr>
<tr>
<td>Z-30</td>
<td>6</td>
<td>Production Tool Service</td>
</tr>
<tr>
<td>Z-31</td>
<td>2</td>
<td>Methods Setup</td>
</tr>
<tr>
<td>Z-43</td>
<td>6</td>
<td>Inventory Counter or Checker</td>
</tr>
<tr>
<td>Z-90</td>
<td>6</td>
<td>Factory Attendant - Cleaning</td>
</tr>
</tbody>
</table>
EXHIBIT "D"
LEAVE OF ABSENCE FORM

Date

WAGE EMPLOYEE REQUEST FOR LEAVE OF ABSENCE
JOHN DEERE HORIZON WORKS

Employee Name: (Please print) ______________________
I herewith make request for leave of absence for ____________
(days, weeks, months)

for the following reasons: ________________________________

Last Day Worked: ________________________________

Effective Date of Leave: ________________________________

Social Security Number: ________________________________

I understand that:

1. My service record is governed by the prevailing rules and
   regulations of the Pension Plan, Vacation Plan, or any
   other plan based on service.

2. Group health benefit coverage for myself and my
   dependents may be continued in force during the leave of
   absence as follows:

   Except for military reserve and family leaves, health benefit
   coverage, other than Weekly indemnity, may be continued
   during such leave up to a period of twelve (12) months by
   my payment in advance of half the full premium for the first
   six months and the full premium for the remaining six (6)
   months. (If the leave is for military reserve or family leave,
   my health benefit coverage is continued on the same basis
   as active employment).

3. Non-Contributory Group Life and Accidental Death and
   Dismemberment Insurance shall continue for the remainder
   of the month in which my leave becomes effective plus 31
   days. Such insurance may be continued during the
   balance of my leave or upon renewals of it from time to
   time upon my payment of the premiums in advance for the
   insurance.
4. My return to work shall be subject to employment conditions existing at the time of such return.

I further understand that if I do not return to work by 19____, my employment will be terminated as provided by the collective bargaining agreement.

Upon approval of this request and if asked to do so, I agree to return to the Company, before going on leave, all equipment and supplies furnished to me by the Company and for which I am currently responsible.

Signed __________________________ Date __________
   Employee
Department __________________________ Clock# __________

I do / do not recommend that leave of absence be granted:
Recommendation approved:

Signed __________________________ Date __________
   Supervisor

Signed __________________________ Date __________
   Production Unit Manager

Signed __________________________ Date __________
   Manager, Human Resources

Signed __________________________ Date __________
   Wage Sr. HR Representative

Copies to: File____, Emp.____, Supervisor____, Payroll____,
HR Mgr. Secretary____, Deere Direct____, Union____
EXHIBIT "F"
ESTIMATED OUTPUT STANDARDS

(Ref. Letters - pgs. 155 & 156)

A. The Company may estimate output standards for untimed operations.

B. The resulting estimated output standard will be issued and will be effective until revised for changes in design, equipment, material specification, manufacturing method, or clerical error, or is replaced with an output standard for the operation.

C. In the development of the output standards, the Company will not be bound by any estimated time values.

D. Estimated output standards arrived at under Paragraph A above can be established when:

1. In the opinion of the Company, the annual production requirements are low enough that setting a permanent output standard is not practical. In this situation the estimated output standard will not be modified until production requirements increase significantly, or until changes in part design, equipment, material specification, or manufacturing method or discovery of clerical error causes the estimate to change by a significant amount.

2. In the opinion of the Company, setting an initial permanent output standard is not practical. In this situation the preliminary estimate will not remain in effect longer than (90) days unless such time is extended by mutual agreement between the Company and the Union.
EXHIBIT "G"
SENIORITY UNITS

Unit No. 85

Dept. 85 - Inspection - Division II and Division III

Dept. 89 - Inspection - Division I

The departments listed below are their seniority unit.

If there are shared employees between departments/TCP teams, the hours will remain in the established bases. The teams will decide when to use the employee, and the seniority unit will be determined by the majority of hours. If the distribution of hours between bases is 50/50 or there is not a majority, then the employee will make a one-time election for their seniority unit. Red circled employees are excluded from this procedure.

| Dept. 24 | Dept. 79 |
| Dept. 25 | Dept. 80 |
| Dept. 28 | Dept. 81 |
| Dept. 29 | Dept. 86 |
| Dept. 30 | Dept. 90 |
| Dept. 46 | Dept. 96 |
| Dept. 51 | Dept. 100 |
| Dept. 55F | Dept. 300 |
| Dept. 55H | Dept. 400 |
| Dept. 60 | Dept. 600 |
| Dept. 70 | Dept. 800 |
| Dept. 71 | Dept. 900 |
| Dept. 72 | Dept. B00 |
| Dept. 73 | Dept. FF2 |
| Dept. 74 | Dept. FF5 |
| Dept. 75 | Dept. PS1 |
| Dept. 77 | Dept. R00 |
| Dept. 78 | Dept. T02 |
|           | Dept. T03 |
Exhibit "G"

1 The indicated departments will remain the seniority unit for red circled employees.
2 Employees classified as M-9 Burrer and M-20 Parts Cleaner will become C-200 Fabricator-TCP on 01 October 1998. Dept. 29 will be dissolved on 01 November 1998, and all employees will be assigned to Dept. T-03.
3 Includes Dept. 35 F-200 Welder-TCP and Dept. 51 K-200 Assembler-TCP on 01 October 1998.
4 Dept. 20 is dissolved on 01 October 1998, and employees classified as M-200 Manufacturing Processor are assigned to Dept. T-02. In addition, Dept. 25 employees classified as C-60 Metal Fabricator and M-13 Cold Work Handler are reclassified as C-200 Fabricator-TCP and assigned to T-02 on 01 October 1998.
5 Dept. 25 employees classified as C-200 Fabricator-TCP are assigned to Dept. T-03 on 01 October 1998.

In addition, effective 01 October 1998:

The L-201’s in Seniority Unit 55L will become K-200 Assemblers in their assigned TCP department.

The H-1 Heat Treater will become an M-200 Manufacturing Processor in Department 400.

All K-8M’s will become K-200 Assemblers in their assigned TCP department.
EXHIBIT “H”

TEAM COMPENSATION PAY SYSTEM
(Ref. Letter - pg. 144)

The Team Compensation Pay System is designed to reinforce the principles of teamwork by rewarding teams of employees when continuous improvement of basic business objectives are achieved. The Team Compensation Plan (TCP) provides employees the opportunity to both increase their earnings by sharing in these improvements and maintain a consistent weekly pay level through a cooperative effort from all employees.

Section 1. Outline of the Team Compensation Pay System

A. A Team Compensation Plan provides incentive compensation to a team of employees for achieving continuous improvement on a weekly basis above the Base performance metric(s).

B. Weekly Plan Performance is a team’s calculated weekly earnings level expressed as a percent. It is determined by increasing (or decreasing) the 120% weekly pay level for the team for the week by 64.3% of the percentage change in weekly results achieved, compared to each Base performance metric(s). When multiple metrics (e.g., quality, productivity, schedule performance, etc.) are used, each metric will be assigned a percentage weighting factor with the sum of the weighting factors equaling 100%. A Weekly Plan Performance is calculated for each metric as described above and then multiplied by its respective metric weighting factor. These individual metric calculations are then added together to arrive at the total Weekly Plan Performance.

C. Pay for an employee’s attendance hours while participating in a TCP application (input hours) within a given week is computed by multiplying the employee’s TCP base rate(s) times the Weekly Pay Level for the
week. Weekly Pay Level for each TCP application will be determined as follows:

1. The maximum Weekly Pay Level for the TCP application is 120%. Weekly hours earned in excess of 120% will be allocated to the TCP application’s Reserve Fund.

2. When Weekly Plan Performance for the TCP application is between 100% and 120%, the hours required to build-up earnings to the maximum Weekly Pay Level for the plan’s participants will be provided equally from the TCP application’s Reserve Fund Hours and the Company, if hours are available in the Reserve Fund.

3. When a TCP application’s Weekly Plan Performance provides an earnings level that is less than 100% of an employee’s input hours times their TCP base rate(s), the Company will provide build-up hours to a weekly pay level of 100% of their TCP base rate(s) for a plan participant’s input hours in the plan. Weekly earnings will be built-up further to the maximum Weekly Pay Level according to Section 1.C.2

D. An Average Plan Performance for each TCP application, weighted by the plan participants' weekly input hours, will be calculated for each Base metric at the end of (6) fiscal months (Reserve Fund Period) which may cause the total elapsed weeks to vary between 25 and 27 calendar weeks from the start of the plan, and each (6) fiscal months thereafter.

1. When the Average Plan Performance is less than the Base Adjustment Level of 125%, its Base performance metric will not be changed for the next RFP.
2. When the Average Plan Performance equals or exceeds the Base Adjustment Level of 125%, its Base performance metric will be adjusted so that the weekly results which generated a Weekly Plan Performance of 125% during the RFP will provided a Weekly Plan Performance of 120% during the next RFP. In return for this adjustment, the Company will distribute a Base Adjustment Allowance of additional paid hours to the plan participants equivalent to 5% of the plan input hours, factored by the Base metric's weighting. Overtime premiums required by statute will be paid with the Base Adjustment Allowance.

3. If a Base Adjustment Allowance is earned for a metric as provided in D-2 above during a current RFP and there was a Base Adjustment, as provided in D-2 above, for that metric in one or two of the immediately preceding RFP's, then an additional premium equal to the current Base Adjustment Allowance for that metric will be paid.

4. Hours remaining in the Reserve Fund at the end of the RFP (accumulated weekly Reserve Fund Hours less hours used for build-up) will be distributed to the plan's participants at that time. A specified number of Reserve Fund Hours may be carried forward to the next RFP, rather than be distributed. The Reserve Fund Hours and the Base Adjustment Allowance, if earned, will be distributed to the plan's participants based on a ratio of each participant's plan input hours to the total plan input hours during the RFP. If Reserve Fund Hours are to be carried forward, but less than the specified number of hours are left in the Reserve Fund at the end of the RFP, the Company will contribute the additional hours required to reach the specified number.
5. By mutual agreement of both parties some degree of flexibility will be allowed to shorten or extend the RFP. If the number of workweeks within a RFP is less than (22) or more than (26), any Base adjustment will be increased or decreased by the ratio of the number of workweeks in the RFP divided by (24) workweeks.

E. Each Base performance metric will be established using historical data, when available, or through comparative data and/or appropriate engineering techniques, such that weekly results equal to the Base performance metric will yield a Weekly Plan Performance of 120%.

F. Employees' time for the following situations will be excluded when establishing the Base performance metric and as plan input hours.

1. Paid Lunch Hours
2. Authorized Union Business
3. Formal Training Classes
4. Catastrophic downtime
5. Limited Production Builds
6. Factory Level Employee Involvement Activities
7. Special projects/assignments of extended duration outside of plan operation

G. All attendance hours not included as plan input hours will be paid for at the appropriate TCP base rate.

Section 2. Maintenance of TCP Applications

A. In addition to Base adjustments described in Section 1.D.2, adjustments to Base performance metric(s) and/or output standards will be made for the following conditions:
1. The Company invests greater than $15,000 in a TCP application area.
   a. When an investment results in improved performance the adjustments will account for only 80% of the calculated improvement to allow employees time to adjust to the change.
   b. When an investments results in deteriorating performance the adjustments will account for the full affect of the deterioration.
2. When work is added / deleted from the plan as a result of one or more of the following events:
   Work moved in or out of the plan or to or from another area.
   Direct Labor added to or deleted from the operations.
   Indirect Labor added to or deleted from the plan.
   Introduction of new or revised products.
   If during the Reserve Fund Period the accrued changes to the Base performance metric(s) are less than 5%, no change will be made to the Base performance metric(s) until the end of the Reserve Fund Period.
   If during the Reserve Fund Period the accrued changes to the Base performance metric(s) are greater than 5% then the Base metric will be adjusted to reflect all changes.
3. The Company may update the output standards of all products produced by the employees in a TCP in order to update methods of manufacture, machine loading, product costing and LIFO accuracy, etc. In this event the ratio of output
Exhibit "H"

hours produced to the plan participants’ input hours (Base performance metric) will be adjusted to produce the same Weekly Plan Performance for this metric after the adjustment that was achieved prior to the change in the output standards.

4. Both parties agree that a change is necessary to assure the on-going competitiveness of the operation.

B. Output Standards in TCP applications will be established using procedures such as time study, standard data, plant data, video analysis, laboratory analysis, predetermined data systems, part family analysis or any combination thereof.

C. In the event that a TCP application is not producing the desired results, the parties agree to meet, determine the extent of the problem, and develop solutions within the framework of the Team Compensation Pay System.

Section 3. Other Contract Provisions

A. Work covered by any job classification listed in Exhibit "B" or Exhibit "C" may be included in a TCP application.

B. Where Occupational Rate appears in the contract, it will be interpreted to mean the TCP rate.

C. Employees assigned to a TCP application will be considered as incentive employees for pay system purposes.

D. The provisions of Article VII, Sections 4 will not apply during input hours of employees assigned to a TCP application.

E. The dispute resolution process provided for in Article XIII and Article XVI will not be applicable to TCP related issues. (Ref. Att. 2 to Exh. "H").
ATTACHMENT 1 TO EXHIBIT "H"

BUYOUT OF STANDARD HOUR PLAN

During the 1995 negotiations, it was agreed to buyout the Standard Hour Plan and replace it with a new Team Compensation Pay System. This transition will be completed by 1 October 1997.

As a means of allowing employees to preserve a comparable earnings opportunity, eligible employees will be provided with a Buyout Conversion Factor (BCF). An employee's BCF will be used for computing earnings in a Team Compensation Plan only when formally classified as a C-60, C-100, C-200, F-200, H-1, K-8M, K-11, K-200, L-20, M-7, M-9, M-13, M-20, M-200, M-503, W-2M or W-54. This BCF will also be recognized in any successor pay systems beyond the term of this Agreement.
ATTACHMENT 2 TO EXHIBIT “H”

TEAM COMPENSATION PLAN
DISPUTE RESOLUTION PROCEDURE

STEP 1
Between the employee(s) with his departmental steward and supervisor. It is anticipated that a Manufacturing Engineering Representative may participate in these discussions. Any resolution shall apply only to the situation involved and will have no weight or precedent in other situations.

STEP 2
If the matter is unresolved in Step 1, it may be referred to the Joint Team Compensation Plan Committee. This Committee will be comprised of the Union Team Compensation Plan Representative, a designated Company Team Compensation Plan Representative, a member of the Shop Committee, and the Supervisor, Human Resources-Industrial Relations. The Committee will investigate the complaint and attempt to resolve the issue. During the resolution process the Committee may use Win/Win techniques, alternative dispute resolution processes, experts, and/or a third party facilitator.

If the matter is unresolved at Step 2, the Union may submit a written grievance and enter it at Step C of the grievance procedure.

(Art. XII)
ATTACHMENT 2 TO EXHIBIT “H”

GUIDELINES FOR TCP COMPLAINTS

Oral Complaint to Supervisor

Base Adequacy Complaint
TCP Plan Administration Complaint

Supervisor reviews complaint with TCP Facilitator

Supervisor or TCP Facilitator answers complaint to employee/team

Is employee/team satisfied?

Yes

Resolved

Write TCP Dispute Step 1 (Exhibit “H” Attachment 2)

No

Supervisor, steward, employee/team will discuss dispute and try to resolve

Is employee/team satisfied?

Yes

Resolved

No

Move to Step 2 of the Dispute Procedure (Exhibit “H” Attachment 2)

IAM TCP Rep. may be used as a resource at any time in the procedure
EXHIBIT "I"
RED CIRCLED EMPLOYEES

The following employees are red circled by classification for seniority purposes. Any employee who feels they should be included in this exhibit must contact the John Deere Horicon Works Industrial Relations Department by 1 November 1998 to have their request reviewed.

U-12M Seniority
Department 85 and Department 89

The following guidelines will be used in the administration of U-12M seniority within Department 85 and Department 89.

1. Shift preference per seniority.

2. *When a red circled U-12M bids out of TCP, before posting the opening, it may be filled from other U-12M’s in TCP or non-TCP in Department 85. Second opening will be posted as a K-200 if in TCP or U-12M if non-TCP.*

3. U-12M’s added after 1 October 1998 may not move to any TCP U-12M opening, including shift preference.

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<th>NAME</th>
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1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI  53032

During the course of negotiations the parties discussed the possibility that TCP may not apply to a specific operation(s). If the Union and Company agree that TCP does not fit, an alternate pay system may be mutually agreed to.

JOHN DEERE HORIZON WORKS

C. D. Evans
Manager, Human Resources
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During negotiations the parties discussed continued investigation of implementing a four (4) day work week or other alternate work schedules. If an alternate work schedule is considered feasible, the Company will meet with the representatives of the Union to negotiate such changes necessary and establish details of an alternate work schedule plan. Such plan must be approved by the membership before implementation.

JOHN DEERE HORIZON WORKS

C. D. Evans
Manager, Human Resources

(Art. V, Sec. 1
Art. V, Sec. 2)
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

LUMP SUM PAYMENTS

Employees shall be eligible for Annual Lump Sum Payments, provided they were hired before 1 October 1998 and have seniority as of each designated eligibility date set forth below.

1. Table

<table>
<thead>
<tr>
<th>ELIGIBILITY DATE</th>
<th>AMOUNT</th>
<th>PAYABLE DURING WEEK ENDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 October 1998</td>
<td>Five percent (5%) of the Employee's Qualified Earnings for the eligibility year (6 October 1997 - 4 October 1998) as defined below</td>
<td>6 November 1998</td>
</tr>
<tr>
<td>ELIGIBILITY DATE</td>
<td>AMOUNT</td>
<td>PAYABLE DURING WEEK ENDING</td>
</tr>
<tr>
<td>------------------</td>
<td>--------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>4 October 1999</td>
<td>Three percent (3%) of the Employee's Qualified Earnings for the eligibility year (5 October 1998 - 3 October 1999) as defined below</td>
<td>5 November 1999</td>
</tr>
<tr>
<td>2 October 2000</td>
<td>Three percent (3%) of the Employee's Qualified Earnings for the eligibility year (4 October 1999 - 1 October 2000) as defined below</td>
<td>3 November 2000</td>
</tr>
<tr>
<td>1 October 2001</td>
<td>Three percent (3%) of the Employee's Qualified Earnings for the eligibility year (2 October 2000 - 30 September 2001) as defined below</td>
<td>2 November 2001</td>
</tr>
<tr>
<td>30 September 2002</td>
<td>Three percent (3%) of the Employee's Qualified Earnings for the eligibility year (1 October 2001 - 29 September 2002) as defined below</td>
<td>1 November 2002</td>
</tr>
<tr>
<td>29 September 2003</td>
<td>Three percent (3%) of the Employee's Qualified Earnings for the eligibility year (30 September 2002 - 28 September 2003) as defined below</td>
<td>31 October 2003</td>
</tr>
</tbody>
</table>
2. Qualified Earnings, as used herein, are defined as income received by an eligible employee from the Company during each designated Lump Sum Payment eligibility year resulting from the following:

   Basic Wages*
   COLA*
   Shift Premium
   Incentive Earnings
   Vacation Pay
   Holiday Pay
   Sunday Work Premium Pay
   Bereavement Pay
   Earned Bonus Hour Pay
   Jury Duty Pay
   Excused Personal Absence Pay
   Call-In Pay
   Military Duty Pay

   *Including overtime, Saturday, Sunday, and Holiday premium payments.

3. An employee who retires during the term of this Agreement who, but for such retirement, would have had seniority as of the designated eligibility date, shall qualify for the Lump Sum Payment.
4. In the case of an employee who dies during an eligibility year, a Lump Sum Payment shall become payable as if he were a seniority employee on the designated eligibility date and calculated based on his eligible hours during the eligibility year in accordance with paragraph (3) above. In the event an eligible employee dies before receiving a Lump Sum Payment, the amount of Lump Sum Payment which such employee would have received if he had retired on the date of death will be paid in a lump sum to the person or persons designated in, and in the same manner as is provided in, the John Deere Group Life and Disability Insurance Plan for Wage Employees.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources
(APPRENTICESHIPS)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations the Company and Union discussed the possibility of changes in the State's apprenticeship requirements.

Any changes in State requirements during the term of the current Labor Agreement will be reviewed by the Joint Apprenticeship Committee. The Committee will make a recommendation to the Shop Committee and the Manager, Human Resources. Recommendations and required changes will be implemented by the Company and Union.

JOHN DEERE HORIZON WORKS

C. D. Evans
Manager, Human Resources

(Art. XVIII)
(BASE ADJUSTMENT ALLOWANCE)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of 1998 negotiations the Union raised a concern for employees who have out of TCP hours for Union business. These hours would not be considered in any Base Adjustment Allowance.

Accordingly, the Company agrees for Union stewards in a TCP a build-up for out of plan Union business hours to a maximum of 12 hours per 4 week period. This build-up is for qualified Union stewards or alternates using Account No. 26198. The build-up will apply at the end of each reserve fund period in which the team qualified for a Base Adjustment Allowance.

Additionally, Shop Committee members (Account No. 26194), Union Time Study Representative (Account No. 26190), Union TCP Representative (Account No. 26190), and elected Union Safety Representatives (Account No. 26187) will also be built-up for out of plan hours spent on Union business. The build-up will apply at the end of each reserve fund period in which their team qualified for a Base Adjustment Allowance.
Any issues resulting from this procedure will be mutually resolved by the parties.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Ref. Exh. H)
(CONTINUOUS OPERATIONS)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations the parties discussed the concept of continuous operations in specific critical work areas and related support functions. The critical areas anticipated to receive such application during the term of the Labor Agreement were described and discussed.

If continuous operations are considered necessary, the Company will meet with representatives of the Local and International Union to negotiate such changes and to establish the details of such continuous shifts. The following schedule is an example:

<table>
<thead>
<tr>
<th>M</th>
<th>T</th>
<th>W</th>
<th>TH</th>
<th>F</th>
<th>SA</th>
<th>SU</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:00 A.M. - 3:00 P.M.</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>B</td>
<td>OPEN</td>
</tr>
<tr>
<td>3:00 P.M. - 11:00 P.M.</td>
<td>B</td>
<td>B</td>
<td>B</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>11:00 P.M. - 7:00 A.M.</td>
<td>C</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
</tbody>
</table>
If the above schedule is implemented, no employees will be required to work first shift on Sunday.

The Company agrees that it is obligated to pay time and one-half for Saturday and double time for Sunday for those hours worked by employees involved in the extension of the continuous operations program. The Company and the Union will try to reach agreement as to how and when this premium will be paid. Unless agreed otherwise, payment will be made in the regular paychecks of the employees who work Saturday and/or Sunday as part of their regular five-day schedule.

Employees assigned to continuous shift operations will be placed in overtime groups separate from non-continuous shift operations, and shall be grouped by classification within the department.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. V, Sec. 2B
Art. V, Sec. 8C
Art. V, Sec. 9
Art. V, Sec 10G)
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations the Parties discussed the need for providing income protection in the event that inflation exceeds certain limits. It was agreed that if the official Consumer Price Index - All Items (1967 = 100) Revised Urban Wage Earners and Clerical Workers (CPIW) increases more than five (5) percent per year, the Company will pay a bonus.

The years are defined as follows:

**Year One:**
September 1998 CPIW Index - September 1999 CPIW Index
(Avg. of May, June, July 1998) (Avg. of May, June, July 1999)

**Year Two:**
September 1999 CPIW Index - September 2000 CPIW Index
(Avg. of May, June, July 1999) (Avg. of May, June, July 2000)
Dave Margelofsky  
(Cost of Living Protection)  
1 October 1998  
Page 2

Year Three:  
September 2000 CPIW Index - September 2001 CPIW Index  
(Avg. of May, June, July 2000)  
(Avg. of May, June, July 2001)

Year Four:  
September 2001 CPIW Index - September 2002 CPIW Index  
(Avg. of May, June, July 2001)  
(Avg. of May, June, July 2002)

Year Five:  
September 2002 CPIW Index - September 2003 CPIW Index  
(Avg. of May, June, July 2002)  
(Avg. of May, June, July 2003)

Year Six:  
September 2003 CPIW Index - September 2004 CPIW Index  
(Avg. of May, June, July 2003)  
(Avg. of May, June, July 2004)

If in any year, the quarterly CPIW exceeds the CPIW at the beginning of the year by more than five (5) percent, a bonus equal to the amount in excess of 5% times the employees’ qualified earnings for the preceding quarter will be paid. This percentage in excess of 5% times qualified earnings for each succeeding quarter will be paid for the remainder of the Agreement.

In the third or sixth year a bonus will be paid prior to reaching the 5% threshold if the sum of the uncompensated CPIW Index increases (up to 5% in each of the previous two years) exceeds 12%.
Qualified Earnings, as used herein, are defined as income received by an employee from the Company resulting from the following:

- Hourly and/or Incentive Basic Wages*
- Shift Premium
- Incentive Earnings
- Vacation Pay
- Holiday Pay
- Sunday Work Premium Pay
- Bereavement Pay
- Jury Duty Pay
- Call-In Pay
- Military Duty Pay

*Including overtime, Saturday, Sunday and holiday premium payments.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During negotiations we discussed the subject of direct deposit of paychecks for all bargaining unit employees. The Company indicated it was their continued interest to have all employees on direct deposit. The Company and Union agreed that all employees will be placed on direct deposit no earlier than sixty (60) days after the installation of one (1) ATM at Building 101 and one (1) ATM with the Downtown operations.

The Company and the Union also discussed the need for direct deposit education. The Company agreed to provide all employees the opportunity to learn about the advantages of direct deposit.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources
(DISCONTINUANCE OF MAJOR FUNCTIONS)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations, the Union raised the Company's "Core Business Philosophy" and expressed concern over the effect on employees and their job security when the Company discontinues manufacturing functions previously performed by employees within the bargaining unit.

The Company responded that over the years there have been many changes introduced into the manufacturing process at the Horicon Works. These changes have allowed the Company to produce quality products which could be sold at a profit in the competitive market for consumer products. In the final analysis, the continued efforts of the Company, employees, and the Union towards improving our manufacturing processes and keeping our products competitive are the only means to job security for all of us.
Recognizing that some manufacturing decisions may have an effect on the work force, the Company has agreed that if it decides to discontinue a major function and such decision will have a significant effect on the employees within the bargaining unit, the Company will provide the Union with notice of the decision. Such notice will include the reasons for the decision and the tentative date. The Union may request that an ad hoc committee be established to discuss the ramifications of the decision and possible alternative approaches.

The Company will meet with the Shop Committee to discuss the effects of the decision on the bargaining unit employees and possible employee protection programs. The employee protection programs could include special early retirement programs, severance pay benefits (as outlined in Attachment - VTEP), extension of basic insurance, unemployment services, outplacement services, etcetera.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Attachment - VTEP - pg. 200)
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations we discussed the continued interest of engineering management, engineering personnel, and engineering wage employees to have the ability to investigate and implement continuous improvement projects.

To address this mutual interest, the Company and the Union agreed to continue the development and change process that will more fully integrate the shop floor personnel into the design and test process.

Any recommendations made by the resource teams will require review and approval by the Company and the Union. In addition, the recommendations must be approved by Departments 80 and 81 employees. This will be by a simple majority vote. All approved changes will be implemented on an interim basis and will be ratified as a part of the 2004 bargaining process.

JOHN DEERE HORIZON WORKS

C. D. Evans
Manager, Human Resources
(GUIDELINES FOR OUTPUT STANDARD COMPLAINTS)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During negotiations we agreed to the attached guidelines for handling output standard complaints and the utilization of the Union time study representative.

JOHN DEERE HORIZON WORKS

C. D. Evans
Manager, Human Resources

Attach.

(Art. XII, Sec. 7
Art. XIII, Sec. 6
Exhibit "F")
GUIDELINES FOR OUTPUT STANDARD COMPLAINTS

Employee/Team states complaint to supervisor

Supervisor reviews complaint with engineer

Supervisor and/or engineer reviews or addresses complaint to employee/team and steward

Clerical errors will be corrected and revised standards issued immediately

Is employee/team satisfied?

- Yes
  - IAM Time Study Rep reviews output standard adequacy with engineer

  - Clerical errors will be corrected and revised standards issued immediately

  - Is employee/team satisfied?
    - Yes
      - Resolved
    - No
      - Grievance is written and enters process in Step "C"

- No
  - Perform joint time study
  - Discuss results at Step "C"
JOHN DEERE HORICON WORKS
300 North Vine St.
Horicon, WI  53032-1260

GUIDELINES ON FIELD TEST ASSIGNMENTS

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI  53032

The Company recognizes the terms of the Labor Agreement as applying to employees of the Experimental Department employed at the John Deere Horicon Works, including shop assignments within a fifty (50) mile radius of Horicon, Wisconsin.

From time to time field test assignments are conducted beyond a fifty (50) mile radius of Horicon. The Company will offer such assignments to experimental employees, where it is practical and feasible to do so.

In such cases where employees of the Experimental Department are offered an opportunity to take a field assignment outside the fifty (50) mile radius, the employees and the Union will not thereafter claim such work (outside of the fifty (50) mile radius) on the basis it has been performed by them in the past.
On occasions where employees of the Experimental Department are assigned to work outside the fifty (50) mile radius (as described in Article XVII, Section 4), the following guidelines will be followed. The purpose of these guidelines is to provide guidance in offering such assignments, and in handling questions which can be anticipated as arising on such assignments.

1. Employee assignment will be on the basis of department, classification and qualification.

2. Field test assignments will not normally exceed one (1) month in duration. Field test assignments may be extended; however, such extensions shall not exceed one (1) week. An employee may option for a three (3) calendar month assignment with an additional three (3) month extension. At the conclusion of an employee’s assignment, they will return to the round-robin rotation.

3. Travel:

   a. Commercial transportation will be scheduled as closely to the workday hours as possible.

   b. Total travel time between motel and work site (beyond fifteen (15) minutes each way) will be considered hours worked.

   c. Noncommercial transportation will be considered as hours worked for driver and passenger. Maximum driving time should be approximately ten (10) hours per day for operator safety.
4. Employee will normally be scheduled to work fifty (50) hours per week when on a field assignment greater than one (1) week's duration, except in instances where weather, equipment availability and etc. are not conducive to meaningful test results.

5. Time slips and expense reports will be forwarded to the Manager, Product Engineering Services, each week.

6. Telephone Communications:

   a. When en route, or arriving on location, an employee will be allowed a three (3) minute (station-to-station) call. (One call per day, per person, while traveling or on day of arrival.)

   b. Company will pay up to fifteen (15) minutes per week for employee telephone calls (station-to-station) when an employee is on a field test assignment. These calls shall be noted on expense report forms.

   c. Any Company approved business phone calls should be noted on the expense report. Such approved phone calls will be paid by the Company.

7. Employee will be given three (3) calendar days notice from the time asked before departure outside the fifty (50) mile radius from the John Deere Horicon Works.

8. Employees assigned to field test assignments beyond the fifty (50) mile radius may request their payroll check to be sent to a designee on a weekly basis, and will be based upon a minimum of forty (40) hours (if forty (40) hours has been earned for the week).
For the purpose of offering opportunities for field test assignments to employees outside a fifty (50) mile radius of the John Deere Horicon Works in Horicon, Wisconsin the following procedure will be followed:

a. A listing of employees will be compiled by seniority and classification in Department 81 for the purpose of offering employees field test assignments outside a fifty (50) mile radius of the John Deere Horicon Works in Horicon, Wisconsin.

b. Employees selected for E.O. teams will be from Department 80 and/or Department 81. Employees in Department 81 will not be involved in the round-robin assignment rotation while on an E.O. team and will travel based on E. O. team requirements.

c. Department 81 will be divided into a lab group and a travel group with the lab personnel not being required to travel as part of round-robin. The lab group may be selected for E. O. team participation.

d. As needs arise to assign employees to such assignments as set out in (a) above, the Company will determine the classification(s) of work necessary to complete the assignment.

Then, such offering of field test assignment will be made on a round-robin basis by seniority and classification. When there are multiple field assignments to be made, assignments will be offered based on the anticipated commencement date of such assignment. In the event an
assignment is temporarily postponed, the employee(s) assigned to such trip will go on that trip when it is rescheduled, unless prevented to do so (i.e., employee assigned to a subsequent field assignment or other extenuating circumstances.)

e. When an employee is offered a field test assignment and accepts such assignment, the record will indicate a “yes” and the date of the commencement of such assignment. The employee will be credited one (1) point for each week of a field test assignment and one (1) point for a 3-7 day assignment when such assignment is not part of a longer term assignment.

f. When an employee is offered a field test assignment and declines such assignment, the record will indicate a “no” and the date of the commencement of such assignment. The employee will be credited zero (0) points.

g. When an employee is unavailable for a field test assignment offering because of vacation, an incomplete field test assignment at another location, or a personal compelling reason, the record will indicate:
   VAC – vacation
   FL, AZ, SRTS, HUR – or location of current field assignment
   PER – personal compelling
The employee will be credited with zero (0) points.

h. Upon the completion of the assignment, the actual overtime hours worked on the assignment
will be recorded, for recording purposes only, on the record of the employee who worked the assignment and the employee who refused such assignment.

i. Employees who are added to the existing round-robin field assignment list will be credited zero (0) points and will thereafter share assignment offerings as the sequence requires.

j. When an employee returns from a field test assignment, he will be credited with the number of hours necessary (on the "Shop" overtime list) to bring his spread up to what it was at the commencement of that field assignment.

k. It is understood that the provisions of Article V, Section 11 of the Agreement do not apply to work performed outside a fifty (50) mile radius of Horicon, Wisconsin and that the round-robin system for field assignments fulfills completely the Company obligation with regard to overtime balancing on field assignments.

10. Employees will be returned home or will work on all Company paid holidays. Such holiday will be paid at straight time. Upon their return to the factory, employees who have worked a holiday will be given a day off at their regular hourly rate.

11. If an available employee is not offered the correct turn on the round-robin, item (a) or (b) below will occur if the violation of the round-robin is brought to the attention of the Company within five (5) working days of the commencement of the improper assignment.
a. The affected employee will be offered an opportunity to replace or join the employee who received a turn improperly, or

b. The affected employee will be paid an equivalent amount of overtime hours worked by the employee who was offered and accepted a field test assignment out of turn. This obligation ceases when the affected employee accepts or rejects the offer in (a) above or is offered a subsequent field assignment, whichever occurs first.

c. The exercising of 11-(a) or 11-(b) will constitute a turn on the round-robin for the affected employee.

12. If some or all employees on the affected classification round-robin list decline a particular field assignment and there still exists a requirement for an employee(s), then the employee with the fewest round-robin points will be required to work that assignment. In the event two or more employees are credited with the same number of round-robin points, then the most junior employee(s) according to plant-wide seniority, available on that listing will be required to work that assignment. This required (forced) assignment will be a minimum of two (2) weeks in duration. This should not be construed to mean that the junior employee will not be offered his next regular turn on the round-robin field assignment list. All round-robin points accrued for each employee will revert to zero (0) on the first of October of each year.
13. Hours of work and overtime for field travel:
   a. For the purpose of straight time and overtime pay for hours over forty (40) in a week.
   b. The workweek shall be a seven (7) day period -- Sunday midnight to Sunday midnight -- with two (2) consecutive off-duty days.
   c. The off-duty days will be Saturday and Sunday.
   d. All hours worked over forty (40) per week will be paid at time and one-half.

14. Travel expenses are determined by the Company and pre-approved by management. Daily rates are accepted by printed document issued to each employee on a travel assignment.

15. These guidelines on field test assignment expire on the expiration date of the Labor Agreement.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. V, Sec. 11
Art. XVII, Sec. 4)
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During negotiations the Company and Union had considerable discussion regarding non-TCP hourly employees. The Company recognizes the critical role these employees play in supporting TCP, overall factory operations, and meeting customer needs.

In recognition of this support the following TCP BAA Hourly Recognition Program will be implemented effective 1 October 1998. Eligible employees will include all hourly non-TCP individuals with seniority rights to the following classifications as of the last Friday in November of each contract year: F-36, F-50, K-13, K-14, L-13, L-20, M-30, QF-100, R-5, R-9, R-15, R-17, R-19, R-20, R-25, R-37, R-41, R-62, R-90M, R-100, T-1, T-9, T-10, T-20, T-21, T-100, TF-100, U-10M, U-12M, V-1, V-2M, W-11, X-1, X-5, X-7, X-8, X-13, X-20, X-26, X-40, X-45, X-98, Z-30, Z-31, Z-32, Z-43, Z-90.

Employees who are on temporary light duty and have been re-classified will be considered eligible as of the last Friday in November if their light duty re-classification occurred ninety (90) days or more from such date.
Individual awards will be based on the TCP buyout rate for the twelve (12) month period of the first Monday in December through the last Friday in November of the following year. Award amounts will be determined by the attached schedule and eligible earnings during the buyout rate determination period. Payments will be made on the third pay period in December.

Eligible earnings include:
- Basic wage and overtime
- Shift premium
- Vacation pay
- VAE days
- Holidays
- Bereavement pay
- Jury duty pay
- Call-in pay
- Military pay

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

Attach.
TCP Base Buyout Rate was:

<table>
<thead>
<tr>
<th>At least</th>
<th>But less than</th>
<th>Hourly Bonus Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td>5%</td>
<td>0.00%</td>
</tr>
<tr>
<td>5%</td>
<td>10%</td>
<td>0.00%</td>
</tr>
<tr>
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<td>15%</td>
<td>0.00%</td>
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<td>15%</td>
<td>20%</td>
<td>0.00%</td>
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<tr>
<td>20%</td>
<td>25%</td>
<td>0.00%</td>
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<td>30%</td>
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<tr>
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<td>40%</td>
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</tr>
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<td>50%</td>
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</tr>
<tr>
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<td>90%</td>
<td>2.25%</td>
</tr>
<tr>
<td>90%</td>
<td>100%</td>
<td>2.50%</td>
</tr>
</tbody>
</table>
(INTRODUCTION OF NEW TEAM COMPENSATION PLAN JOB CLASSIFICATIONS)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During negotiations the parties agreed that the Company will continue to introduce job classifications to cover TCP work which was previously considered hourly paid work, and they will be added to either Exhibit "B", Exhibit "C", or both, as new work by Memorandum of Agreement during the term of the Labor Agreement.

The Union will be notified of the new job classification as provided in Article VII, Section 2. A grievance alleging that the pay level assigned to the new job classification is inadequate shall enter the grievance procedure in Step B.

Any grievance concerning the output standards established on this work will be handled in accordance with the letter "Guidelines For Output Standard Complaints", page 155.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. VII, Sec. 2
Art. XIII, Sec. 3)
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations, the Union expressed concern over the effect on employees when new work is introduced into the bargaining unit because of new technology. The Company responded that when technological changes take place that require additional knowledge and/or skill on the part of employees that the practice of providing affected employees with the training necessary to remain abreast of the technology will be allowed and paid for by the Company.

C. D. Evans
Manager, Human Resources
(JURY SERVICE)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations the parties discussed the application of Article XVII, Section 1, Jury Service, as it relates to employees who testify as a witness in legal proceedings. Employees who are called to testify in legal proceedings will be compensated as provided unless such testimony may result in personal gain or loss to the employee.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. XVII, Sec. 1)
1 October 1998

Dave Mangelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

The Company and the Union discussed the possible changes that may occur in the next few years, such as new manufacturing technologies and processes, improved distribution systems to better meet the needs of customers, and reduced response time to changing market conditions.

The impact that future changes will have on the Labor Agreement are difficult to predict at this time. Therefore, in the spirit of the partnership, it is the intent of this letter to provide the Company and the Union with the opportunity to reach mutually acceptable solutions to problems that may arise. It is recognized that any modification to the Labor Agreement will require membership ratification.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of bargaining we discussed the handling of improperly classified employees and agreed to the establishment of the following procedure:

When it has been determined by the Company that an employee is improperly classified, the affected employee will be given the option of being reclassified to the proper classification or reduced from his present classification in accordance with Article VI, Section 9.

If the employee chooses not to be reclassified then the vacated position will be filled by the application of Article VI, Section 15, Job Bidding Procedure.

JOHN DEERE HORIZON WORKS

C. D. Evans
Manager, Human Resources

(Art. VI, Sec. 9
Art. VI, Sec. 15
Exhibit "B"
Exhibit "C")
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations we discussed continuing the practice of administrating "non-punitive" discipline.

The "non-punitive" discipline concept provides that employees subject to disciplinary action will be handled as they have been in the past with the exception that after a disciplinary hearing no actual time off will be served. In other words, the procedural requirements of Article XIV, Disciplinary Action, will continue to be observed (i.e. cause, notice, minutes, union representation, etc.), but instead of an actual disciplinary suspension being served the record will reflect that the employee was given time off (3 days, 2 weeks, 30 days, etc.), and he will be returned to work after the disciplinary hearing. He will be paid his appropriate occupational rate for the time lost at the disciplinary hearing. Certain serious types of misconduct such as theft, falsification, assault, etc. will not be subject to the proposed procedure.
The principles of progressive/corrective discipline remain unchanged and the employees will continue to be handled as they have been in the past. The penalty on the record under the proposed system carries the same weight and impact as the traditional system.

The program of "non-punitive" discipline is terminable by either party at any time upon written notice to the other party. It is also to be understood that this pilot program will not take the place of a traditional contractual disciplinary procedure, but would be in addition to the current program. The procedure which the Company elects to employ would not be a matter of either the grievance procedure or arbitration. An employee, of course, can still file a grievance over whether the Company had good and just cause to impose discipline, but whether he was given an actual discipline suspension or "paper discipline" would not be subject to the grievance procedure.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. XIV)
JOHN DEERE HORICON WORKS  
300 North Vine St.  
Horicon, WI  53032-1260

(OVERTIME DISTRIBUTION)

1 October 1998

Dave Margelofsky  
Shop Committee Chairman  
IAM, Local Lodge #873  
258 Barstow Street  
Horicon, WI  53032

During the course of negotiations the parties discussed several overtime issues and agreed to the following:

o All previously non-chargeable overtime will become chargeable when assigned to an individual and/or overtime group. The assignment of this overtime will not redefine the employee's normal work for application of Article V, Section 11, Paragraph D. This change will become effective 1 December 1992.

o When non-group, employee involvement overtime causes the overtime spread to exceed twenty-four hours in an overtime group, it does not automatically create a spread violation. When the spread exceeds twenty-four hours, those group employees exceeding twenty-four hours on the overtime spread will not be assigned group overtime. Should such an improper assignment be made, and group overtime not offered to any other group member available to work, an overtime violation has occurred, and will be paid at that time.
“Relative position within an overtime spread” will be determined as follows: Compare to the high person in the overtime group, unless the high person in the overtime group is there because of overtime due to Employee Involvement activities, then compare to the low person in the overtime group.

If, due to Employee Involvement, the overtime spread is in excess of twenty-four hours in a group, and a new person or persons are added to the overtime group, then the new group member(s) will enter the group twenty-four hours ahead of the low person in the group.

JOHN DEERE HORIZON WORKS

C. D. Evans
Manager, Human Resources

(Art. V, Sec. 11)
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of bargaining, the parties established the following Overtime Groups pursuant to Article V, Section 11.

A. DEPARTMENTS 70, 72, 74, 75, 77
   1. Building 101 - By classification within each department
   2. Downtown - By classification within each department

B. DEPARTMENT 78
   1. Building 101 - By classification within the department
   2. Downtown - Each product separate overtime group

C. DEPARTMENTS 80/81
   1. Distant field travel assignments described in Guidelines For Field Test Assignments

D. DEPARTMENT 86
   1. Building 101 - By classification within the department
   2. Downtown - By classification within the department
The parties agreed that each TCP will have one (1) overtime group established for each TCP job classification: C-200, F-200, K-200 and M-200.

Other classifications in the TCPs will become part of the established TCP classification overtime group(s) as determined by the team.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. V, Sec. 11)
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI  53032

During the course of the negotiations the Company agreed that no employee will be required to work overtime for more than three (3) consecutive Saturdays and first scheduled rest days.

Employees offered overtime on the fourth consecutive Saturday, or first scheduled rest day, will be charged on the overtime distribution records.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. V, Sec. 11)
(PAINTERS' CLOTHING)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
268 Barstow Street
Horicon, WI 53032

During the course of negotiations, the Union proposed that the Company furnish clothes to spray painters.

The Company will agree to provide coveralls or other suitable clothes to all employees in the following job classifications:

- Spray Painter (Occ. Code X-5)
- Paint System Service (Occ. Code L-13)
- Maintenance Painter (Occ. Code R-41)

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. XI, Sec. 2)
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of 1998 negotiations the parties agreed to calculate the 1998 profit sharing award as negotiated in the 1995 – 1998 Agreement utilizing the following average hourly rate calculation.

The average straight time hourly rate for the fiscal year for hours worked during the plan year provided they have completed at least six (6) months of continuous employment during the fiscal year.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources
(RED-CIRCLED RATES OF PAY)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations the parties agreed that all red-circled hourly employees in a Team Compensation Plan will have their TCP rate determined by dividing their basic hourly rate by 1.18, rounded to 2 places.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. VII, Sec. 1
Exhibit "A" or "B")
JOHN DEERE HORICON WORKS
300 N. Vine St.
Horicon, WI  53032-1260

(SAFETY COMMITTEE MEMBERSHIP)

1 October 1998

Dave Margolofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI  53032

During the course of negotiations the membership of the Safety Committee was changed to include five (5) Union representatives and five (5) Company representatives.

This membership will be established as the following:

Three (3) elected Union safety representatives
Two (2) Union safety representatives at large
One (1) Safety Director
One (1) Ergonomics Coordinator
Three (3) management representatives at large

The three (3) elected Union representatives, Safety Director, Ergonomics Coordinator and two (2) management representatives selected by the Company will meet and select the remaining two (2) Union and one (1) Company representatives at large. The membership rotation for the members at large and the selection of the Joint Committee Chairperson will be determined by the Committee.
Article VI, Section 16, Paragraph A, only applies to the three (3) elected Union safety representatives.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. VI, Sec. 16
Art. XI, Sec. 3)
(SHIFT HOURS)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations the parties agreed to formalize the practice of allowing employees, with the authorization of the supervisor, to alter the starting shift hours up to one hour on either side of the shift hours specified in Article V, Section 2A to accommodate parties’ wishes for reasons other than the needs of production.

When a group wishes to change its shift starting time, it will be considered by management only if 80% of the affected group so wishes.

Such change where authorized will always begin on the first workday of the workweek and will last at least two week’s duration, but management reserves the right to discontinue after one week. It is understood that under the conditions of this letter, third shift may start at 9:30 P.M. and/or 10:00 P.M. Sunday night and it is agreed that there will be no overtime pay for such hours worked on Sunday.

JOHN DEERE HORIZON WORKS

C. D. Evans
Manager, Human Resources

(Art. V, Sec. 2)
(SPECIAL INVENTORY SHUTDOWNS)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of bargaining the Union discussed the interest of some employees who wish to be laid off during periods of special inventory adjustments which result in temporary factory closings. The Company agreed to develop a system whereby employees, based upon their seniority, may express their desire to be laid off. Granting the request is dependent upon the availability of employees with lesser seniority qualified to perform the work required and that the shutdown is of a period two weeks or longer.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. VI, Sec. 9)
JOHN DEERE HORIZON WORKS
300 North Vine St.
Horicon, WI 53032-1260

(T-100 MACHINIST AND R-100 INDUSTRIAL PIPEFITTER APPRENTICE TRANSITION)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations the parties agreed on the following procedure to transition current employees from the T-10 and R-37 job classifications to the T-100 and R-100 Apprenticeship Program.

1) All employees in the T-10 and R-37 job classifications as of 1 October 1998, will have the option of electing the respective T-100 or R-100 Apprenticeship Program.

2) Current employees will have until 1 January 1999 to elect the Apprenticeship Program. If the number of employees electing the Apprenticeship Program exceeds twenty-five (25) percent of the total number of employees in the T-100 or R-100 job classifications, then selection into the Apprenticeship Program will be on the basis of seniority. Successful candidates will remain at their
base rate of pay effective 1 October 1998 until completion of training hours and related classroom study grant wage rate increases per Section 7 of Article XVIII, Apprenticeships. Employees entering the Apprenticeship Program will be subject to the provisions of Sections 5 through 15 of Article XVIII, Apprenticeships.

3) Employees who do not elect an apprenticeship program will retain their current classification. Any future additions will be to the T-100 or R-100 classifications/apprenticeship program, and no employees will be added to the current T-10 or R-37 classifications.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. XVIII)
JOHN DEERE HORICON WORKS
300 North Vine St.
Horicon, WI 53032-1260

(TCP JOB CLASSIFICATIONS)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations the parties agreed on the following means to transition current employees to the new TCP classifications, i.e., C-200, F-200, K-200, M-200.

**Hourly Employees - TCP**
Hourly employees whose job assignment becomes part of a TCP may elect to be red-circled in their current hourly classification for seniority purposes, or elect to be re-classified to a TCP classification.

**F-50 / F-2 Dual Classified Employee - TCP**
F-50 / F-2 dual classified employees whose job assignment becomes part of a TCP may elect to be red-circled in their current hourly classification for seniority purposes, or be reclassified to the F-200 TCP classification. However, these employees' rate of pay will be $14.70 times BCF.
Elections
All elections must be made 2 weeks prior to the start of a TCP or 2 weeks prior to the start of any subsequent reserve fund period. All elections to TCP classifications are final.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Exhibit "B"
Exhibit "C")
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of bargaining, the Company and the Union discussed the issuance of TCP output standards and estimated TCP output standards. The Company will continue to establish these standards using procedures such as time study, standard data, plant data, video analysis, laboratory analysis, predetermined data systems, parts family analysis or any combination thereof. In addition, established policy and procedures as documented in Company Industrial Engineering Standard Practice Manuals will continue to be utilized.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During 1998 negotiations the Company and the Union had considerable discussion regarding the TCP Plan. The parties reached consensus to form a TCP Steering Committee. This committee will support and guide the principles of the Team Compensation Pay System stated in Exhibit H of the collective bargaining agreement. The major focus of the committee will be in the areas of education, continuous improvement, and the promotion of team concepts.

The TCP Steering Committee shall include the following from the Union: the Union TCP Representative, the Shop Committee Chairman, another Shop Committee representative, the Union Time Study Representative, and the IAM District Representative. The Company representatives shall include: the Manager, Team Compensation Pay Plans; Manager, Human Resources; Supervisor, Human Resources; Manager, Operations; Division Manager – Production Primary Group; and a representative from Deere and Company Industrial Relations Department.
Both Parties recognize there will be issues that arise during the term of this agreement that were not anticipated or discussed during bargaining. The Company and the Union will work together in partnership to mutually resolve any issues that may arise.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Exhibit "H")
(TEAM LEADS)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local #873
258 Barstow Street
Horicon, WI 53032

During the course of 1998 bargaining, the Company and the Union had considerable discussion on the establishment of Team Leads.

Many aspects of this position were discussed and many common interests were identified. However, to fully consider all issues, the parties agreed to continue discussions during the term of this agreement with possible implementation.

It is recognized that any modification to the labor agreement will require membership ratification.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources
JOHN DEERE HORICON WORKS
300 North Vine St.
Horicon, WI  53032-1260

(VOLUNTARY LAYOFF)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI  53032

During the course of bargaining the Company and Union discussed the interest of senior employees who wish to be laid off during periods of employment reduction.

The Company and Union agreed that in certain special situations a voluntary layoff could occur by mutual agreement.

If a voluntary layoff is agreed to by the parties, the following conditions will apply:

1) The voluntary layoff period will be for a maximum of eight (8) weeks. During this voluntary layoff period, no employee on voluntary layoff will be allowed to exercise their seniority on any employee remaining in the factory.

2) The voluntary layoff option will only be made available to those employees whose work assignments are being affected by the reduction.
3) Recall will be by seniority and the employee will be returned to their former work assignments by application of Article VI of the Labor Agreement.

4) Upon conclusion of the employee's voluntary layoff period, Article VI of the current Labor Agreement will apply.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. VI, Sec. 9)
(VOLUNTARY POLITICAL CONTRIBUTIONS)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During negotiations the parties reached the following understanding in connection with the Union’s request to provide employees a voluntary checkoff by payroll deduction for the Machinist Non-Partisan Political League.

1. The Company will make authorized deductions from the checks of employees represented by the Union so long as the Company has an obligation to provide such procedure under the Federal Election Campaign Act.

2. The designated financial officer of the local Union will furnish to the Manager of Human Resources an authorization card for each employee for whom a deduction is to be made. The authorization card must be signed by the employee and must contain the employee’s name, employee identification number, employee Social Security number and amount to be deducted each period. Authorization cards that cannot be processed will be returned to the local Union for correction.
3. Authorized deductions will be made from checks for the third pay period ending in each deduction period. Deductions will be made from any checks prepared for the employee through regular payroll processing but will not be made from checks prepared through special payroll processing.

4. A deduction not made in one period will not be carried forward to a subsequent month.

5. Each deduction period the unit will issue a single check, or by electronic transfer where possible, payable to Machinist Non-Partisan Political League for deductions made in the preceding period.

6. A computer-generated listing also will be forwarded which will indicate the name, address, payroll location code, local Union number, full social security number, and the amount deducted for each employee that pay period. Year-to-date deduction totals for each employee will also be included in the report.

7. The Union will pay the Company the actual costs of initial setup and programming, of general administration, computer and machine time, and of processing new authorization changes or cancellations. Provided however, the Union and Company must agree on these costs prior to the implementation of this program.

8. The Company will bill the local Union for the amounts owed pursuant to Paragraph 7 above, which bill shall be paid in the month following the month in which billed.
9. The amounts set forth in Paragraph 7 above may be increased or decreased by the Company from time to time as experience dictates, upon notice to the local Union.

10. Employees who wish to cancel their authorizations for payroll deductions will sign a card supplied by the Union for that purpose. Refunds will be the responsibility of the Union.

11. The designated financial officer of the local Union will collect and forward as one transmittal all signed authorization cards and cancellation cards for the initial processing and for each period to local management.

12. An authorization card that is not revoked by the employee shall continue in effect upon reinstatement to active status in the same employing unit provided the employee’s record is still being maintained by the employing unit’s Payroll Department.

13. The Union will indemnify and hold harmless the Company from any and all liability or claims arising from administrative error resulting from the deductions provided for in this Agreement.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources
VOLUNTARY TERMINATION OF EMPLOYMENT PROGRAM

(ATTACHMENT TO DISCONTINUANCE OF MAJOR FUNCTIONS)

1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

From time to time and for specified periods, the Company and the Union may, by special agreement, authorize the following Program for designated eligible employees. Employees must apply within 60 days after the date the Program is made available to them.

Voluntary Termination of Employment Program

This Voluntary Termination of Employment Program (VTEP) provides a guaranteed lump sum benefit payment subject to the conditions and limitations contained herein. This Program is applicable to employees with at least one year of seniority who are at work, on or after the effective date of the Agreement and who are not eligible to retire under the provisions of the John Deere Pension Plan for Hourly and Incentive Paid Employees.
Description of Program Benefits

<table>
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<th>Years of Seniority</th>
<th>As of Application Date</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 but less than 2</td>
<td>$12,000</td>
<td></td>
</tr>
<tr>
<td>2 but less than 5</td>
<td>18,000</td>
<td></td>
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<tr>
<td>5 but less than 10</td>
<td>30,000</td>
<td></td>
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<td>10 but less than 15</td>
<td>40,000</td>
<td></td>
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<tr>
<td>15 but less than 20</td>
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<td>20 but less than 25</td>
<td>60,000</td>
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<tr>
<td>25 or more</td>
<td>65,000</td>
<td></td>
</tr>
</tbody>
</table>

The maximum gross amount of the benefit payable under this Program is $65,000 for employees with 25 or more years of seniority.

In no event, however, shall the amount of the VTEP payment provided under this Program exceed such amount permissible under the Employee Retirement Income Security Act of 1974 (ERISA).

Any VTEP payment to an eligible employee will be reduced by the employee's outstanding debts to the Company or to the Trustees of any Company Benefit Plan or Program.

An employee who accepts a VTEP payment shall (i) cease to be an employee and shall have seniority broken as of the date application for a VTEP payment is received, and (ii) shall have canceled any eligibility the employee would otherwise have had for a Separation Payment under Appendix "D-1" to the Collective Bargaining Agreement.
An employee who receives a VTEP payment, and who is subsequently reemployed by the Company will not be eligible for any future VTEP payments until the employee has five or more years' seniority following such reemployment. No seniority used to determine the amount of a previous VTEP payment shall be used in determining a subsequent VTEP payment.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Ref. Letter - pg. 152)
1 October 1998

Dave Margelofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations the parties agreed to the following procedure for the selection of wage trainer/facilitators and wage quality facilitators:

1. Post job opening.

2. Human Resource Department sort job bids according to job bid language.

3. Reduce list of job bidders to a minimum of five (maximum of ten) top candidates through a four-minute live presentation describing why they should be selected for this job. This presentation will be given to the Selection Committee consisting of two wage and two salary personnel.

4. Interview the candidates selected in Step #3. The Selection Committee to consist of two salaried representatives and two wage representatives as selected by the Union. Wage representation to be made from individuals experienced with the TQM effort.
The questions for the interview will be established by the Continuous Improvement Department.

5. Conduct D.A. to evaluate the candidates based on the information gathered in the interviews as well as the live four-minute presentation. The Selection Committee will be the same as the Interview Committee.

6. Successful candidates will be selected based on results determined during the (D.A.) process which includes the adverse consequence step. After consideration of adverse consequences, any point total differences greater than 5% of the highest total will be considered significant. When point totals are 5% or less and adverse consequences do not eliminate a candidate, seniority will prevail.

7. A post interview contact will be made with all interviewees prior to posting the successful candidate. The results of their interview and suggested areas for improvement will be shared. All members of the Selection Committee will participate in the post interview process.

JOHN DEERE HORIZON WORKS

C. D. Evans
Manager, Human Resources

(Art. VI, Sec. 15)
1 October 1998

Dave Margeolofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI  53032

During the course of bargaining, the Company and the Union discussed the issue of X-26’S at the Swan Road Test Site. As a result of these discussions, the Company agreed to bid three (3) X-26 Field Test Equipment Operator jobs for the Swan Road Test Site by 1 May 1999.

JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources
JOHN DEERE HORIZON WORKS
300 North Vine St.
Horicon, WI 53032-1260

(X-98 JOB CLASSIFICATION – ASSIGNMENT OF CURRENT EMPLOYEES)

1 October 1998

Dave Margolofsky
Shop Committee Chairman
IAM, Local Lodge #873
258 Barstow Street
Horicon, WI 53032

During the course of negotiations the parties agreed on the following procedure to transition current employees holding the X-5, X-7, X-8, X-13, X-20 or X-45 job classifications to the X-98 job classification.

1) Effective 1 October 1998, all employees holding the X-5, X-7, X-8, X-13, X-20 or X-45 job classifications will be assigned to the X-98 job classification.

2) All employees in the X-5, X-7, X-8, X-13, X-20 or X-45 job classifications as of 1 October 1998, will have the option of electing an X-98 Apprenticeship Training Program or a Non-Apprenticeship Training Program.

Apprenticeship Training Program

Current employees will have until 1 January 1999 to elect the Apprenticeship Training Program. If the number of employees electing the Apprenticeship Training Program exceeds twenty-five (25) percent of the total number of employees in the X-98 job classification, then selection into the Apprenticeship Training Program will be on the basis of seniority. Successful
candidates will remain at their base rate of pay effective 1 October 1998 until completion of training hours and related classroom study grant wage rate increases per Section 7 of Article XVIII, Apprenticeships. Employees entering the Apprenticeship Training Program will be subject to the provisions of Sections 5 through 15 of Article XVIII, Apprenticeships.

Non-Apprenticeship Training Program

Employees electing the Non-Apprenticeship Training Program will receive advances in hourly rates above their base rate of 1 October 1998 as training hours and related classroom study are completed per the following schedule. The Company will determine the type of classroom study applicable in each situation.

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<th>Employee Rate 1 October 1998</th>
<th>After 9 Credits and 1300 Hours</th>
<th>After 18 Credits and 2600 Hours</th>
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<td>$20.23</td>
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<table>
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<th>Employee Rate After 27 Credits and 3900 Hours</th>
<th>After 36 Credits and 5200 Hours</th>
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<td>$19.25</td>
<td>$20.23</td>
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<tr>
<td>$20.23</td>
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JOHN DEERE HORICON WORKS

C. D. Evans
Manager, Human Resources

(Art. XVIII)
### 1999

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<thead>
<tr>
<th>January</th>
<th>February</th>
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<tbody>
<tr>
<td>S</td>
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<tr>
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</tbody>
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### 2000

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### 2001

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