

K# 3203

AGREEMENT
between
Briggs & Stratton Corporation
Milwaukee, Wisconsin
and
Paper, Allied-Industrial, Chemical
and Energy Workers
International Union
Local 7-0232
AFL-CIO, CLC

Effective
August 1, 2002
through
July 31, 2006



105 pages

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THIS AGREEMENT is made and entered into this 8th day of July, 2001, by and between the Briggs & Stratton Corporation, its successors or assigns, hereinafter referred to as "Company" and Local 7-0232 of the Paper, Allied-Industrial, Chemical and Energy Workers International Union, AFL-CIO, CLC, hereinafter referred to as "Union," and the Paper, Allied-Industrial, Chemical and Energy Workers International Union, AFL-CIO, CLC. Pronouns used in this Agreement such as "he," "his," or "him" shall apply to both sexes and shall be so defined.

It is mutually agreed by and between the parties as follows:

ARTICLE I

Recognition

Section 1

The Company recognizes the Union as the sole and exclusive collective bargaining agency for all hourly-paid employees of the Company employed at its plants in the State of Wisconsin in accordance with the provisions of the National Labor Relations Act for the purpose of collective bargaining with respect to wages, hours, rates of pay, working conditions and all other conditions of employment.

Section 2

The term "Employee" or "Employees" as used in this agreement shall not include office employees, guards, technical and professional employees including Layout Inspectors, and monthly-paid Facilitators.

Section 3

Employees shall have the right to self-organization, to form, join or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities for the purpose of collective bargaining or other mutual aid or protection, and also shall have the right to refrain from any or all of such activities, except to the extent that such right may be affected by this agreement.

Section 4

The Company agrees that there shall be no discrimination against any employee because of Union membership and it will not aid, finance, or support any employee or group of employees in any manner for the purpose of undermining the Union.

Article II – Membership

Section 5

The Union agrees that it will not conduct, on Company time, any Union activities other than those of collective bargaining and handling of grievances in the manner and to the extent provided in this contract.

Section 6

The Company will not discriminate in its employment practices against any employee or group of employees because of race, color, creed, age, sex, handicap, national origin, or because he is a disabled veteran or veteran of the Vietnam era. The Union will not discriminate in its membership practices because of said factors and will represent its members free of any discrimination.

Sexual harassment is discrimination. The Company will take corrective action to ensure that such discrimination is not practiced. Reprisal against a grievant or witness is prohibited. Sexual harassment is any sexual attention that is unwanted.

ARTICLE II Membership

Section 1

All employees of the Company who are subject to the terms of this agreement, shall, upon completion of their probationary period, become and remain members of the Union in good standing as a condition of employment. Employees losing their good standing in the Union by reason of failure to pay their monthly dues and initiation fee, will not be retained in the employ of the Company and upon written notice from the Union to the Company that any employee is not in such good standing with the Union, the Company will, within five working days, terminate such employee and remove such employee from the payroll of the Company. During such five working days, the Union agrees to meet with the Company for the purpose of discussion of the Union's request. If the employee pays his delinquencies during such five-day period, he need not be discharged, but no employee shall have this privilege more than twice during the life of this agreement.

Article II – Membership

New employees of the Company, or former employees of the Company who have lost their seniority and have been rehired, shall be considered probationary employees until after they have been in the employ of the Company for sixty (60) days, after which their seniority and employment continuity shall date back to the last date of hire. Time lost from work due to an industrial injury shall not count toward the probationary period. Although it shall be solely within the discretion of the Company during the probationary period to decide whether or not a probationary employee is to be retained by the Company, no such employee shall be discharged because of his membership or activity in the Union, and the Union will represent, and bargain for, such probationary employees with respect to all collective bargaining matters such as wages, hours, and any other conditions of employment.

Section 2

The Company agrees to deduct and check off from the wages of an employee who is subject to the terms of this agreement, the Union initiation fees, and monthly dues as authorized and approved by the Union, upon receipt by the Company of the employee's signed authorization for the deduction of such initiation fees, and monthly dues and the assignment thereof to the Union. The Company shall not be required to make any checkoff which is in violation of law. All such deductions shall be made from the Company's first payroll on the first payday each month for that month's dues and shall be remitted to the Financial Secretary-Treasurer of the Union by the tenth day of each calendar month. Checks therefore shall be made payable to PACE (AFL-CIO, CLC) Local No. 7-0232. An itemized statement on magnetic tape, computer disc when possible, and computer printout, in duplicate, showing the index number of each employee and the amount deducted for each employee for monthly dues and initiation fees will be forwarded to the Financial Secretary-Treasurer of the Union as soon as possible.

Section 3

In the event of an overcharge to an employee, in the aforementioned deductions by the Company, and such overcharge has been remitted to the Union, the Union shall be responsible for the adjustment of such claims with the employee involved. In the event of an undercharge by the Company under the same circumstances, the Company shall make the additional necessary deductions from the first payroll of the following month and promptly remit the amount of such undercharge to the Financial Secretary-Treasurer of the Union.

Article III – Representation

ARTICLE III Representation

Section 1

For the purpose of collective bargaining, the Union and the employee shall be represented as follows:

- (a) By Union stewards, representing employees in a department or group of departments, each steward to be working in one of the departments he represents. When there is more than one steward in any department or group of departments, no more than one such steward shall be assigned to the handling of grievances from a definite area or for a specific group of employees. If a department does not have a steward or if the steward is absent, an employee may go to a steward in the nearest department.
- (b) The number of stewards in a department or group of departments shall be determined by the Union.
- (c) By Grievance Representatives or Chief Stewards who shall act only in the absence of any regular Grievance Representative. There shall be a second or third shift Grievance Representative when conditions warrant.
- (d) The designation of Grievance Representatives shall be by the Union.
- (e) By a Bargaining Committee consisting of not more than fifteen (15) members including the Chairperson, and who shall be elected by the members of the Union from among employees of the Company who are subject to the terms of this agreement.
- (f) By the Chairperson of the Bargaining Committee, International Representative and/or any other member of the Bargaining Committee who may assist the Grievance Representative at any meetings at their respective plant or division locations.
- (g) By International Union officers and/or representatives, not to exceed three (3) who may at any time participate and assist the Bargaining Committee in meetings with Company Representatives.
- (h) The President of the Union and Grievance Representatives shall have access to any plant location upon prior notice to the Plant Vice President or designated Company Representative when circumstances make such notice possible.

Section 2

In negotiations with the Union Bargaining Committee, the Company's representatives shall not exceed ten (10).

Article IV – Grievances

Section 3

The Company shall furnish to the Union Office the names of all Facilitators, Plant Vice Presidents and their designated alternates, and all other Company representatives with whom the Union shall deal in handling grievances or other matters. The Facilitator will furnish the steward of the department, an up-to-date seniority list on request. The Union shall furnish to the Company the names of all stewards, Grievance Representatives, Chief Stewards, Bargaining Committee members and officers of the Local Union. Each party shall notify the other in writing of any changes which may take place from time to time.

ARTICLE IV Grievances

Section 1

Complaints or grievances which may arise between the Company and the Union, or between the Company and any employee or group of employees, shall be handled in the following manner, except for grievances concerning piecework rates which shall be handled in accordance with the provisions of paragraphs (g), (h) and (i) of Section 2 of ARTICLE IX (pages 49, 50, 51).

Step 1: An employee having a complaint or grievance, shall have the right, initially, to present the complaint or grievance verbally and directly to his Facilitator or to have such complaint or grievance presented verbally to the Facilitator by his steward. Although the Company agrees that it will deal only with the designated representative of the Union on such matters as are properly a subject for collective bargaining, it is the desire and the intention of both the Company and the Union that minor routine complaints or grievances of individual employees shall be disposed of as promptly as possible by the Facilitator. If a complaint or grievance is not settled in this step of the grievance procedure, it shall not preclude the aggrieved employee from requesting the Grievance Representative, or filing a written grievance under Step 1-A.

Step 1-A: Employees having a complaint or grievance may elect originally to file their complaint or grievance as a written grievance with their steward, and omit Step 1 set forth above. All written grievances shall be made out on triplicate grievance forms provided by the Union and must include the employee's index number, and be signed by the aggrieved employee or employees. The 3rd copy shall remain in the grievance book. The steward will present the 2nd copy to his Grievance Representative

Article IV – Grievances

and the original copy to the Facilitator, and with the Facilitator attempt to bring about a settlement of the grievance. At this discussion the steward may also request the presence of his Grievance Representative. Either the Facilitator, steward or the Grievance Representative may request and obtain the presence of the aggrieved employee at this step of the grievance procedure. A written answer to the grievance shall be furnished to the steward by the Facilitator within twenty-four (24) hours after the discussion of the grievance has been concluded.

Step 2: In the event that no settlement can be reached that is mutually satisfactory to the employee, the steward, the Facilitator and the Grievance Representative, then the Grievance Representative may take up the matter with the Plant Vice President or other designated Company Representative. The Company may have a representative of the Personnel Department present at this step. At the request of the Grievance Representative, the steward and/or employee or employees, appropriate Facilitators, or other Company Representatives will be called in by the Plant Vice President or other designated Company Representative. Except in emergencies, the Grievance Representative and Plant Vice President or other designated Company Representative shall not meet more often than once a day at a mutually agreeable time. A written statement to the grievance as to whether it is settled and the terms, if any, or denied, shall be furnished to the Grievance Representative by the Plant Vice President or other designated Company Representative within twenty-four (24) hours after the discussion of the grievance has been concluded.

Step 3: In the event that the grievance is not satisfactorily settled in Step 2 above, the Bargaining Committee of the Union may then take up the grievance with the designated representative of the Company, indicating the grievances to be discussed. At the request of either the Union or the Company the parties shall meet not less than once a week in an attempt to settle grievances. Discharge grievances by employees or general policy grievances by the Company or Union shall be taken up commencing at this step of the grievance procedure. Although it is contemplated that meetings between the Company and the Union shall be restricted to the meetings designated above, meetings at this step may be called by either party on shorter notice in the event of emergency.

Section 2

Should there be no settlement of a grievance or grievances between the Union and the Company after the outlined steps of the Contract grievance procedure have been exhausted, either party may submit such grievance or grievances to arbitration within sixty (60) days after the grievance has first been discussed in the third stage of the grievance procedure. Either party shall notify the other in writing as to which grievance or grievances are to be submitted to arbitration.

Article IV - Grievances

Should a bargaining unit employee successfully challenge a decision by the Local Union not to pursue a grievance to arbitration at the first Union meeting held after the expiration of the 60 day time limit, the Union may submit such grievance to arbitration within three (3) business days.

Upon making a timely request for arbitration the two parties or their designated Representatives shall select an arbitrator from the following:

1. Robert Mueller
2. William Petrie
3. Arlen Christenson
4. George Fleischli
5. Neil Gundermann
6. Steven Briggs
7. Edward Krinsky

The parties shall strike names alternately from the panel until one name is left. He shall be the arbitrator. The party requesting arbitration shall strike first and thereafter the parties shall alternate in striking first.

In the event that during the term of the contract one of the arbitrators listed above becomes unavailable to serve, the parties shall meet and agree on an alternate arbitrator for placement on the list.

In the event that a case arises in which both of the parties agree that it would be beneficial to select an arbitrator which is not one of the arbitrators on the above list, the parties may mutually select a different arbitrator to hear such a case.

With the exception of grievances concerning the incentive system outlined in this Contract, all grievances between the two parties shall be deemed arbitrable. Priority shall be given to discharge cases and the decision of the arbitrator shall be due within thirty (30) days after the completion of all matters pertaining to the hearing. With the exception of discharge and policy grievances there will be no court reporter nor will there be counsel for either party at the arbitration hearing and each party will be expected to present substantially those same arguments each made in support of their position at the third (3rd) step grievance meeting and there will be no post hearing briefs. If new evidence or arguments come up after 3rd stage, the party finding the new evidence or arguments must notify the other parties prior to arbitration.

The Union and the Company must provide the arbitrator with their mini-briefs within ten (10) days after the hearing. The arbitrator will provide the parties with a written award within twenty (20) days after the hearing.

Article IV – Grievances

The decision of the arbitrator shall be final and binding. The arbitrator shall have no authority to alter any part of the Contract of which this is a part.

The actual cost of the arbitrator, FMCS fee, stenographer and arbitration facilities shall be equally assumed by the parties.

If a backlog of arbitration cases occurs, the Company and Union will schedule a meeting and make a good faith attempt to settle all outstanding grievances.

Section 3

Grievance Representatives, Chief Stewards and stewards shall remain at their work at their respective jobs unless engaged in working on a grievance or performing other official Union business, and for that purpose shall leave their jobs only in accordance with the following procedure:

- (a) A steward shall contact his Facilitator when leaving his job to work on a grievance or perform other official Union business in his department or departments to allow the Facilitator sufficient time to replace him on his job, if necessary. If the steward wants to take up a grievance with his Grievance Representative, he shall so inform his Facilitator who shall promptly have the Grievance Representative called to the steward's department.
- (b) A Grievance Representative shall contact his Facilitator when leaving his job to allow the Facilitator sufficient time to replace such Grievance Representative on his job, if replacement is necessary.
- (c) A steward will be permitted to leave his work in his department when called by a Company representative or a Union representative for a discussion concerning a grievance or other official Union business.
- (d) A Grievance Representative will be permitted to leave his work in his department to discuss grievances with the Plant Vice President or other designated Company representatives, or with a steward, after such grievance has been submitted to the Grievance Representative by the steward.
- (e) Stewards and Grievance Representatives shall punch out when starting on grievance activity or other official Union business as set forth above and upon their return to work following such grievance activity or other official Union business, shall so notify their Facilitator, and punch in.

Article IV - Grievances

Section 4

The President of the Local Union is a member ex-officio of all committees and chairman of the Bargaining Committee, and shall have the right to attend any and all meetings held between the Company and the Bargaining Committee.

Section 5

When a steward leaves his work for the purpose of taking up a grievance with his Facilitator and when a Grievance Representative leaves his work for the purpose of taking up grievances with the Plant Vice President or other designated Company Representative under the grievance procedure, he will be paid at his day rate for time lost in handling such grievances, provided he punches in and punches out. If an employee is called away from his work by the Company or at the request of the Union representative to discuss a grievance with the Company representative, in accordance with the above grievance procedure, he will be paid at his day rate for time so lost, provided he punches in and punches out.

Section 6

Each member of the Bargaining Committee shall be paid by the Company up to a maximum of twelve (12) hours per month for any third step meetings. Pieceworkers on the Bargaining Committee shall be paid at a rate equal to the Company average (combined piecework and daywork average) as of August 1st of each year of this Contract and day workers at their regular day rate.

Section 7

The Union agrees that during the term of this agreement, that it will not participate in or recognize any sympathy strike, nor will it authorize, approve or participate in any concerted slow down, strike, work stoppage or other concerted interruptions of Company operations relative to any dispute amenable to the arbitration provisions of the labor agreement but that it is understood that the Union reserves the right to take such lawful economic action relative to disputes arising under Article IX, Section 2 (h) (3).

The Company agrees that for the same period there shall be no lockouts.

Article V – Discipline and Discharge

ARTICLE V Discipline and Discharge

Section 1

Any employee who is to be disciplined by a layoff or discharge shall be advised by the Company that he may request and obtain the presence of the Grievance Representative or the steward for his department to discuss the case with him before he is required to leave the plant.

Section 2

Any employee who is called to a personnel office or his Facilitator's office for a disciplinary investigation, after he believes he has been sufficiently informed of the subject of the investigation shall be advised by the Company Human Resources representative conducting the investigation, or his Facilitator if he is conducting the investigation, that he may request and obtain the presence of the Grievance Representative or the steward for his department during such investigation. If, as a result of such investigation, a grievance is filed by the employee, the grievance shall be submitted to the grievance procedure beginning at the second step of the grievance procedure. If a written complaint or memorandum of discipline is made in an active employee's personnel file, a copy of such notation shall be submitted to the Grievance Representative and employee concerned.

Section 3

Employees with seniority will not be discharged without just and sufficient cause. The Company will notify the Union Office and Plant or Division Grievance Representative of any discharge within twenty-four (24) hours. A grievance regarding discharge for insufficient cause shall be made in writing, signed by the discharged employee, and shall be delivered to the Personnel Department of the Company at the 124th Street Plant within three (3) working days after the discharge or within three (3) working days after the Union Office and Grievance Representative have been given written notice of the discharge. Such grievance shall be a proper matter for the grievance procedure starting at the third step. Employees found to have been unjustifiably discharged, shall be reinstated to their jobs with full seniority, and unless otherwise agreed to between the Company and the Union, shall be paid for all time lost as a result of such discharge.

Grievances with respect to discipline other than discharge shall be handled starting at the second step of the grievance procedure.

Article V – Discipline and Discharge

Attendance/Tardy Policy

Unless otherwise provided, all absences and tardies shall be handled on a point accumulation system as follows:

1. Tardy or leaving early one (1) hour or less = 1/3 point.
2. Tardy or leaving early more than one (1) hour but four (4) hours or less = 2/3 point.
3. Each absence/occurrence of more than four (4) hours unless specifically excepted in this Article = 1 point.
4. Failure to notify the Company via the ACTT system that an employee is unable to report for work as required by this Article = 1/3 point.

Exceptions for which no points are assessed are limited to the following:

1. Holidays, unless scheduled to work.
2. Vacations, scheduled and with proper Company approval.
3. Leave of absence if approved by the Company.
4. Medically documented worker's compensation injuries or illnesses.
5. Leave taken in accordance with the terms of the Wisconsin and/or Federal Family and Medical Leave Law or any other applicable law. Any claimed violation of such law(s) shall not be subject to arbitration.
6. Approved Company business.
7. Official Union business.
8. Lack of work.
9. Disciplinary suspensions.

Consecutive days off for the same verified illness will be considered on an incident basis rather than a daily basis. Non-consecutive days off for the same verified illness will also be considered on an incident basis rather than a daily basis, provided that the employee has not returned to work for more than two (2) days. For example, an employee, off ill with the flu for two consecutive days who returns to work for two (2) days and then is absent the following day due to the same flu, would receive only one (1) point for that entire incident provided proper medical documentation is provided substantiating that the absence was related to the same illness, and that the employee was treated during the period of absence.

Article V – Discipline and Discharge

The following progressive discipline steps are included in the program:

Step 1: An employee who accumulates less than six (6) points will receive no disciplinary action.

Step 2: An employee who accumulates six (6) or more points but less than seven (7) will receive a first written warning.

Step 3: An employee who accumulates seven (7) or more points but less than eight (8) will receive a second written warning.

Step 4: An employee who accumulates eight (8) or more points but less than nine (9) will receive a third written warning.

Step 5: An employee who accumulates nine (9) or more points will be subject to termination.

The above policy shall be administered on a twelve (12) month rolling calendar. The present month and the preceding 11 months of active employment constitute the twelve (12) month rolling calendar. Time off for lay-offs and leaves is dead time. If an employee is active for fifteen (15) or more calendar days in a calendar month, the month will count for purposes of the rolling calendar. If an employee is active less than fifteen (15) calendar days in a calendar month, the month will not count for purposes of the rolling calendar; however, he can accumulate points during the month.

An employee who is unable to report for work for any reason must notify the Company via the ACTT system as soon as possible, but not less than fifteen (15) minutes prior to the normal work period. If an emergency prevents an employee from calling fifteen (15) minutes before the start of his or her shift, such employee must call or report to work as soon as he or she is reasonably able to do so.

An employee who's seniority entitles him to three (3) or more weeks of vacation per vacation year will be allowed to back-charge up to three (3) vacation days per calendar year for days of absence (except the day before or after a holiday), provided the Personnel Department is notified via the ACTT system between two (2) hours prior to their scheduled starting time and their regularly scheduled shift ending time upon their return from the absence. Such absences will not count as points.

When an employee's absentee record reaches Step 5, the Company can decide not to terminate the employee because of mitigating circumstances.

Article VI – Hours of Work

In the event that any employee objects to any warning or discharge, the grievance-arbitration procedure may be invoked: provided, however, the Union's failure to submit to arbitration any grievance related to a warning will not in and of itself establish that such was proper. In the processing of any grievance that may arise hereunder, the Company agrees to furnish to the Union, at its request, all relevant information concerning said grievance.

ARTICLE VI Hours of Work

Section 1

Except where required otherwise for firemen, other similar special operations, the Die Cast Components Division, and Departments 242, 243, & 763 (Waste Treatment, Plating and Heat Treating), eight (8) hours shall constitute the normal work day, and forty (40) hours, five (5) work days of eight (8) hours each, either commencing on Sunday and ending on Thursday for the third-shift, or commencing on Monday and ending on Friday for the first and second-shift, shall constitute the normal work week. Although this section does not constitute a guarantee of any minimum number of hours of work per day or per week, the Company shall not reduce the work day below eight (8) hours or the work week below forty (40) hours solely for the purpose of work spreading or work sharing to avoid the layoff provisions of the contract in situations where the layoff is caused by a lack of orders by our customers, except as otherwise provided for in this contract. Work spreading or work sharing to meet other legitimate business needs shall be permitted provided that it shall not extend beyond six (6) consecutive regularly scheduled working days. The Company and Union may agree to mutually extend this period where circumstances dictate. The Company will not spread or share work due to a lack of customer orders. It is only where the Company has sufficient orders but is faced with unusual or unforeseen circumstances (i.e., a strike or recall at a vendor or machine breakdown) of a periodic or short duration that the Company will use this language. It is the Company's intention to use this language only for legitimate business reasons. This language is designed to minimize disruptions in the workforce while satisfying customer demands.

Section 2

The work week of each employee, except where required otherwise for firemen, other similar special operations, the Die Cast Components Division, and Departments 242, 243, & 763 (Waste Treatment, Plating and

Article VI – Hours of Work

Heat Treating), shall start on Monday, Sunday for the third-shift, at the established starting time of his respective shift, excepting as provided in Section 3.

Section 3

The starting time of the first shift for the normal bulk of the employees in the bargaining unit shall be 7:00 o'clock A.M. It is mutually agreed that *certain departments shall have a starting time of 6:30 o'clock A.M.* The starting time for the normal bulk of employees working on the second shift shall be 3:30 o'clock P.M. except in departments where three shifts operate where the starting time for the normal bulk of employees shall be 3:00 o'clock P.M., for the second shift and 11:00 o'clock P.M., for third shift. The variation of the above starting time will not exceed one (1) hour. It is understood that there are special operations, the Die Cast Components Division, and Departments 242, 243, & 763 (Waste Treatment, Plating and Heat Treating), which may be scheduled with starting times varying from the above.

Section 4

See the Memorandum of Agreement on page 73 which can modify the hours of work for the Die Cast Components Division, and Departments 242, 243, & 763 (Waste Treatment, Plating and Heat Treating).

Section 5

One and one-half (1-1/2) times an employee's regular earnings shall be paid for:

- (1) All time worked in excess of eight (8) hours in any one day;
- (2) All time worked in excess of forty (40) hours in any one week;
- (3) All work performed on the sixth day of an employee's work week.

One and one half (1-1/2) times an employee's regular earnings shall not be paid twice for the same hours worked.

Section 6

Two (2) times an employee's regular earnings shall be paid for:

- (1) All time worked on the seventh day of an employee's work week.
- (2) All time worked on: Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Day, New Year's Day, and the normal work days from December 24 through January 1, inclusive.

Article VI – Hours of Work

Two times an employee's regular earnings shall not be paid twice for the same hours worked.

Section 7

The Company will pay employees for the holidays of Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Friday after Thanksgiving, and the normal work days from December 24 through January 1, inclusive, not worked, on the following basis:

Pay for any holiday period not worked will be for eight (8) hours at a rate equivalent to the average hourly straight time earnings (including overtime and shift pay), for the full week prior to the week in which the holiday period occurs. Payment will be made provided the employee has seniority prior to the start of the holiday period and has performed his scheduled hours of work on the last regular work day prior to and first regular work day after the holiday period. An employee who is on authorized leave of absence or vacation, jury duty, bereavement leave, military duty, absent because of industrial and non-industrial injury or verifiable illness, emergency, layoff, or extreme weather conditions, or late less than one (1) hour shall be considered to have worked.

It is further provided that to be eligible for payment the employee must have otherwise performed work for the Company at some time in the half of the month in which the holiday occurs, the first half ending on the 15th and the second half ending on the last day of the month. However, for the Fourth of July Holiday only, an employee shall be entitled to holiday pay provided he meets the last day – first day work requirement, has the required seniority on June 30th and has otherwise performed work for the Company in the second half of June or the first half of July. Time will be considered as worked in the half of the month when an employee is off due to vacation or emergency leave of absence.

If a holiday falls on a Saturday or Sunday, except for the Christmas shutdown, the following Monday shall be observed as the holiday.

In the event that work is performed on any of the holidays mentioned in Section 6 of this Article, the double time for work performed on such days will be paid to such employees in addition to the straight time pay which such employees are to receive for no work on such holidays. Second shift employees whose work carries over into the holiday by virtue of beginning on the day previous to a holiday and ending during the holiday will be considered to have worked only on the day previous to the holiday and not on the holiday for the purpose of this section. Third-shift employees whose regular shift starts on a holiday and ends on the day following the holiday will be considered to have worked only on the day after the holiday and not on the holiday for purposes of this section.

Article VI – Hours of Work

Section 8

All holidays mentioned in Section 6 of this Article shall be from 12:00 midnight at the end of the day previous to 12:00 midnight at the end of the holiday.

Section 9

When employees are sent home before having worked four (4) hours after having been permitted to come to work without having been notified not to report for work they shall receive a minimum of four (4) hours pay at their regular earnings, if dayworkers, and, if incentive workers, four (4) hours pay calculated on the basis of average piecework earnings for the previous week. In such event such employees may be assigned to any work which they might reasonably be expected to perform. This section shall not apply if the Company has made reasonable effort to give such notice or is prevented from doing so by conditions beyond its control.

Section 10 — Overtime

(1) General

The performance of overtime work on weekends, holidays and in excess of forty five (45) hours during an employee's regular work week shall be on a voluntary basis except:

- (a) For firemen and other similar special operations.
- (b) When production demands require that Saturday overtime be scheduled (Fridays for third-shift), the Company will first try to meet its production requirements through volunteers. If not enough employees in the affected department, job classification and shift volunteer, the Company shall have the right to designate by job classification and shift fourteen (14) Saturdays (Fridays for third-shift) per calendar year which do not adjoin a holiday period, or the opening weekend of the Wisconsin gun deer hunting season for mandatory overtime. The Company will not schedule more than two (2) mandatory Saturdays per month from September through May. The Company will not schedule more than one mandatory Saturday in June. The Company will not schedule mandatory Saturdays in July or August. A mandatory Saturday (Friday for third-shift) will not be scheduled in excess of eight (8) hours per shift.
- (c) Skilled Trade Maintenance and Skilled Tool Room Work – The Company shall have the right throughout the year to designate two (2) Saturdays (Fridays for third-shift) per month per employee which do not adjoin a holiday period, or the opening weekend of the Wisconsin gun deer hunting season for mandatory overtime. A mandatory Saturday (Friday for third-shift) will not be scheduled in excess of eight (8) hours per shift.

Article VI – Hours of Work

In order to improve efficiency and satisfy customer demand, when weekend overtime is scheduled in the Die Cast Components Division Tool Room for outside customer work, or for engine work not in production as of February 21, 1997, the Company may ask the employee who is performing the work.

When a weekend is scheduled, employees will be asked for the full weekend. If not enough employees volunteer and the Company desires to increase its Saturday schedule and adds employees, the Company will add from the Saturday list by seniority.

Seniority shall be recognized in the assignment of overtime work, provided the employee can perform the work satisfactorily, with the understanding that pieceworkers will be assigned piecework jobs and dayworkers will be assigned daywork jobs.

Dayworkers will be confined to their daywork classification and labor grade and pieceworkers will be assigned to piecework unless it is necessary to do otherwise within the department.

Employees who prefer a job on which there is daily overtime must remain on the job during regular hours.

An employee who because of personal necessity cannot work overtime when a schedule change is made will be permitted to remain on the job of his preference and be given a reasonable amount of time to make arrangements so as to be able to work the overtime.

An employee who is unable to work overtime because of extensive health problems will be permitted to remain on the job of his preference if he can otherwise satisfactorily perform the work.

When overtime becomes necessary after the start of a shift, the senior employee(s) on the same job in the department and who is performing the job will be asked.

Probationary employees will not be assigned overtime work until all senior employees in the department on a given shift capable of doing the work have been asked to work, except for the skilled trades, where probationary employees may be asked after all senior employees in the given classification and labor grade on a given shift have been asked.

When overtime becomes necessary after the start of the shift, the employee performing the job must work the overtime, except if the employee has a legitimate reason not to work the overtime. Then, the Company will offer the work to the most senior employee by classification, labor grade and shift in the department capable of doing the job.

Whenever possible the Company will notify employees on Thursday of each week when there is to be weekend overtime.

Article VI – Hours of Work

Overtime may be worked during layoff when production requirements do not justify the recall of employees capable of performing the scheduled work.

(2) Dayworkers — Production

If additional dayworkers are needed and there are no additional qualified dayworkers available in the department in the same classification, then qualified dayworkers in the department in the same labor grade will be asked. If additional dayworkers are still needed, the next three labor grades up and down in the department will be combined, and the overtime will be offered by seniority to qualified dayworkers within the six labor grades. If additional dayworkers are still needed, then the most senior qualified dayworker in the department in the next best labor grade (getting lower in number) will be asked.

(3) Inspection and Quality Control Work

Where employees of the Inspection or Quality Control Departments are assigned to and work directly with a production department the assignment of overtime work to them will be handled on the same basis as the assignment of overtime work to the employees of the production department in which such employees of the Inspection and Quality Control Departments work.

The rules for assigning inspectors to overtime at all plants shall be:

First – exhaust the appropriate labor grade by seniority for those inspectors assigned to inspect the production department that is to work overtime.

Second – exhaust the next three labor grades of inspectors by seniority up and down, assigned to inspect the production department that is to work overtime.

Third – exhaust inspectors in the proper labor grade by seniority in another department.

The most senior qualified inspection supervisor(s) from the area where the majority of the work is scheduled will be brought in for overtime work as required.

(4) Skilled Work

Whenever possible when overtime work will be involved during the week, the Facilitator shall assign the work to the most senior employee in the department working in the same labor grade and classification. It is understood that the employee to whom the work is assigned or reassigned remains on the job until completed.

Article VII - Vacations

(5) Engine and Carburetor Assembly Line(s)

When overtime occurs, the line(s) that normally performs the work will be asked.

(6) Weekend and Holiday Work

Overtime work scheduled on weekends or holidays will be assigned in accordance with the above procedure. In a department that has a 2nd or 3rd shift operation each shift will be scheduled an equal amount of hours when possible.

A weekend or holiday shift will not be less than five (5) hours.

If because of unforeseen circumstances the overtime work scheduled for a Saturday or holiday cannot be completed, then those employees in the proper classification and at work capable of doing the job shall be asked to volunteer by seniority to come in and work on Sunday or the day following the holiday if it is not a normally scheduled work day.

(7) Shortage of Personnel

If additional employees are required for overtime work employees from similar departments when available will be asked in accordance with seniority.

In the event of an emergency during any particular shift which would require additional personnel not available in the plant, senior employees from subsequent shifts within a department shall be called.

ARTICLE VII Vacations

Section 1

All employees subject to the terms of this agreement who have seniority on May 1 of the vacation year and who have worked for the Company more than 600 hours during the 52 full week period preceding April 1 of the vacation year inclusive, are entitled to a vacation with pay at a rate equivalent to their average hourly earnings (including overtime and shift pay) during that period. Time lost from work due to industrial injuries, vacations, jury duty, paid bereavement, holidays and voluntary layoffs shall be considered, not to exceed a twelve (12) month period, as time worked for vacation purposes. Vacation time may not be accumulated for more than three (3) years.

Article VII – Vacations

Section 2

Employees who have seniority of less than two (2) years on May 1 of the vacation year, shall receive vacations and vacation pay on the following basis:

A total of 1600 hours of work during the 52 full week period preceding April 1 of the vacation year inclusive, will be considered a full year's employment, and will entitle one who has worked that many hours or more to 40 hours of vacation and vacation pay. Employees who have worked less than 1600 hours in such period shall receive the same proportion of 40 hours of vacation and vacation pay as is the proportion of the total hours they worked to 1600 hours. For example, an employee who worked 1400 hours during such period would receive:

$$\frac{1400}{1600} \times 40 = 35, \text{ or } 35 \text{ hours pay at his average rate for such period}$$

Employees entitled to a full vacation check (1600 hrs.) have the option to be paid their vacation as they take it, or to receive a lump sum the third Wednesday in June. Employees with at least 600 qualifying hours, but with less than 1600 hours, will receive a lump sum the third Wednesday in June.

Eligible employees who choose to be paid their vacation as they take it, must notify the Human Resources department by May 1. These employees will start receiving vacation pay for vacation days taken after May 1 in four (4) or eight (8) hour increments.

Employees will remain on the pay as you take it plan until they notify the Human Resources department in writing of a change in status. Status changes must be made in the month of April of the vacation year. Any vacation pay remaining at the end of the vacation year will be paid by the third paycheck in May.

If an employee retires on July 1 and has at least 560, but less than 600 qualifying hours for vacation pay, additional hours will be added to bring his/her total qualifying hours to 600.

Section 3

All employees subject to the terms of this agreement who, on May 1 of the vacation year, have seniority of two (2) years or more, but less than six (6) years seniority, shall receive vacations and vacation pay as stated above, multiplied by two.

Article VII - Vacations

Section 4

All employees subject to the terms of this agreement who, on May 1 of the vacation year, have seniority of six (6) years or more, but less than thirteen (13) years seniority, shall receive vacations and vacation pay as stated in Section 2, multiplied by three.

Section 5

All employees subject to the terms of this agreement who, on May 1 of the vacation year have seniority of thirteen (13) years or more, but less than twenty (20) years seniority shall receive vacations and vacation pay as stated in Section 2, multiplied by four.

Section 6

All employees subject to the terms of this agreement who, on May 1 of the vacation year have seniority of twenty (20) years or more, but less than twenty-seven (27) years seniority shall receive vacation and vacation pay as stated in Section 2, multiplied by five.

Section 7

All employees subject to the terms of this agreement who on May 1 of the vacation year have seniority of twenty-seven (27) years or more shall receive vacations and vacation pay as stated in Section 2, multiplied by six.

Section 8

Vacations will, so far as practical, be granted at times most desired by employees. Employees wishing to make such arrangements must do so before May 1st of the vacation year by advising their Facilitator in writing on a form provided by the Company and of which they shall be allowed to retain a copy. In case of conflict, preference in the time for taking vacations will be granted to employees in accordance with their seniority with those employees higher in point of seniority being given prior choice of vacation time. Called in vacation is for legitimate emergencies only. This privilege cannot be abused.

Section 9

Employees may take vacation in one-half (1/2) day increments. The following rules will apply to one-half (1/2) day vacations.

- Half day vacations must be scheduled at least one (1) day prior to the date requested.
- At the Facilitator's discretion, a 1/2 day vacation may be granted on the day requested.

Article VII – Vacations

- A minimum of one-half (1/2) the scheduled shift must be worked.
- If you work more than one-half (1/2) the scheduled shift, you will still be charged with four (4) hours vacation.
- Half day vacations will not apply to weekend work or holiday work.
- Half day vacations cannot be called in.

Section 10

The Company shall have the right to have a vacation shutdown of two consecutive weeks and one day starting on the Friday before the Fourth of July which shall be considered vacation time for the employees in the affected plant(s) to the extent of the employee's entitlement.

If there is to be no vacation shutdown or only a partial shutdown, employees of the affected departments shall be so advised by April 1st of the vacation year. Employees of a department scheduled to work during the vacation period or required to perform emergency work where advance notice is not possible, may exercise their seniority as to their choice of working or not working.

The Friday before the 4th of July and the following week will be a guaranteed shutdown period for all divisions except Distribution, Sales and Service. Skilled Trades employees needed for maintenance, repair or replacement and employees needed for buildings and grounds operations will not be part of the guaranteed shutdown week. The Company can also utilize volunteers during the guaranteed shutdown week.

Section 11

If holidays fall within the vacation period of any employee who is eligible for holiday pay, such employee shall receive the additional pay for such holidays not worked in addition to the regular vacation pay, and such holidays shall not be considered vacation days.

Section 12

Employees who qualify for and earn vacation and vacation pay in accordance with the provisions of this Article, but who may be laid off, be discharged, or quit before receiving such vacation and vacation pay, shall be paid their earned vacation pay as promptly as possible.

Section 13

Employees who as of May 1 of any year are on the laid off list or absent because of disability and still hold seniority in the Plant, and who have otherwise qualified for and earned vacation and vacation pay in accordance with the provisions of this Article, shall have their vacation pay sent to them as promptly as possible.

Article VIII – Seniority

Section 14

Employees who enter active military service and who have otherwise qualified for vacation and vacation pay shall receive such vacation pay upon request and furnishing sufficient proof of active military service.

Section 15

Employees who quit without vested pension rights or are justifiably discharged prior to May 1 of any year, shall not be entitled to any vacation benefits for that year.

Section 16

In the event an employee who has qualified for an earned vacation and vacation pay, in accordance with the provisions of this Article, dies prior or subsequent to the end of the vacation year, such employee's vacation pay will be paid to the surviving spouse, if any, and otherwise to his legal heirs.

Section 17

Employees who retire or quit with vested pension rights before May 1st of any vacation year shall receive vacation pay when the vacation checks are issued, if otherwise qualified.

ARTICLE VIII Seniority

Section 1

The word "seniority" as herein used, shall be deemed to mean the right to priority in employment based upon the length of uninterrupted employment continuity as hereinafter provided and qualified.

Employees whose employment with the Company began on the same date, will use their index number to establish seniority for layoff, transfer and job preference purposes (excluding bumping) under the contract, with the employee with the lowest index number having the highest seniority on that date.

Section 2

In applying the seniority provisions of this agreement, employees who may be retained, transferred or rehired for work other than their regular job, must be able to perform satisfactorily the work available.

Article VIII – Seniority

Section 3 — Job Preference

(a) General

Employees with five (5) or more years of seniority shall have the right to prefer a job within their respective departments in accordance with their seniority, with the understanding that they shall be able to perform the job satisfactorily and do not abuse this right. The following provisions shall apply:

(b) Piecework

- (1) *Employees within a department that requires daily job assignment changes shall have the right to daily job preference at the start of their shift. The Facilitator shall indicate the expected length of the run of the jobs to be assigned. All piecework employees who have daily job assignments will be called floaters.*
- (2) *Employees within a department that primarily has long running jobs shall normally remain on their preferred job. This will not affect an employee's right to job preference from the daily job list when his preferred job is down or lacks stock at the start of the shift. In the event the job is down or lacks stock the second day in a row, the employee will have job preference of the department.*

Employees do have the right to another job preference other than as stated above, providing they inform their Facilitator before lunch if a bump is involved or if no bump is involved at least two (2) hours prior to the end of the shift on the day before the move is to be made and do not abuse this right.

- (3) *In departments that have long running jobs and floaters, the floaters will fill in on all daily openings caused by vacation, jury duty, leaves of absence, bereavement, two (2) week military duty and absenteeism, of less than one (1) week.*

Floaters will line up by seniority at the start of the shift in a designated area and be ready to select their jobs according to seniority from the list prepared by the Company prior to the start of the shift. This will not preclude the most senior pieceworker from choosing a job before the start of the shift if they choose to do so.

- (4) *In departments that have long running jobs and floaters, employees transferring in or returning to work from temporary termination will float for one (1) day.*
- (5) *Third-shift employees who cannot go on their preferred job until second-shift vacates the job, shall pick both their temporary job and their preferred job at the start of the shift.*

Article VIII – Seniority

(c) Daywork

Employees working on daywork shall have the right to choose jobs in accordance with their seniority within their department and their respective labor grades and job classifications. An exception to the above is the Company's responsibility to train supervisors, set-up men and floor inspectors in all areas of their department.

In applying seniority and job preference on daywork jobs, it is understood between both the Union and the Company that an employee must be able to satisfactorily perform such jobs that he may choose.

- (d) See the Memorandum of Agreement – page 77 – for rules regarding the operation of job preference on engine and carburetor assembly lines and regarding the performance of work by employees of the skilled trades.
- (e) When additional employees are required in a given department for overtime work and employees from similar or other departments are asked in accordance with seniority, they shall only be entitled to job preference after all employees regularly assigned to the department, with the exception of probationary employees, have had the opportunity of job preference. In so far as possible, employees who are to work overtime in a department to which they are not regularly assigned are to be informed as to the work that will be available in such department and they must perform such work satisfactorily.

Section 4

The members of the Bargaining Committee shall head the plant seniority list during their term of office. At the close of their term, they shall be returned to their regular positions on the seniority roster. The provisions of this Section shall not be considered with respect to job assignment, job preference, transfers, vacations, vacation pay or overtime work, but shall apply in connection with remaining on their respective shift in their plant or division at the time of a permanent reduction of the work force or layoff.

Section 5

Shop stewards shall head the department seniority list during their term of office. At the close of their term, they shall be returned to their regular positions on the seniority roster. The provisions of this Section shall not be considered with respect to job assignment, job preference, transfers, vacations, vacation pay or overtime work but shall apply in connection with remaining in their departments, groups and shifts at the time of permanent reduction of the work force or layoff.

Article VIII – Seniority

Section 6 — Layoffs

Layoffs may be VOLUNTARY in accordance with the procedure set forth herein.

(a) Volunteering

- (1) Employees with seniority and wishing to be considered for voluntary layoff shall notify their Facilitator in writing by use of a Voluntary Layoff Card. This card will be made available to employees year-round.
- (2) Facilitators shall, upon receipt of notice of a pending layoff, post such notice for a period of 24 hours, and when possible 48 hours, during which time employees shall have the right to withdraw their name from the list of employees who have already volunteered or add their names to the list of employees who have already volunteered. Said notices shall be in writing and given to their Facilitator.

(b) Layoff of Dayworkers

- (1) An employee may take a voluntary layoff in inverse seniority order unless there is no fully qualified employee in his department and in his job classification to replace him. Employees who volunteer for layoff in a particular department and job classification shall be scheduled for voluntary layoff prior to any direct transfers or bumping that may take place as herein after provided. Bumping between dayworkers will always be lateral or down in labor grade, never up, and the person doing the bumping must displace the least senior employee in the same job classification regardless of shift. When bumping laterally or to the next best labor grade an employee will stay on his shift if a less senior employee is on such job. The employee being bumped will displace the least senior employee in the same classification regardless of shift or if no such job exists bump laterally or to the next best labor grade that he can handle on his shift.
- (2) If not enough employees in a particular classification in a department volunteer to be laid off then the least senior employee(s) by seniority in that job classification and department to be reduced shall be eliminated as provided below:
 - (1a) If an employee who is not scheduled for voluntary layoff is on a job which is in labor grade one (1) through fifteen (15) and the employee is on a job whose classification is identical to that of the least senior employee on his shift in a similar department as grouped below, the employee(s) will be transferred directly to that job. If seniority does not permit, he will bump the least senior employee in the classification on any shift.

Article VIII – Seniority

DEPARTMENT GROUPS:

| | |
|--------------------|-----------------|
| Toolmakers | 135-138-735 |
| Maintenance | 100-173-700 |
| Model Makers | 132-832-945-953 |

(1b) If any employee is the least senior employee in his job classification and in his department and does not have direct transfer rights as outlined in paragraph (1a) above, he will be bumped down, regardless of shift, to another daywork job in his department qualifications and seniority permitting. Daywork employees in labor grade fifteen (15) and above, and Setup Helpers, may bump pieceworkers on their shift, seniority permitting or if their seniority does not permit, they may bump the least senior pieceworker on another shift within their department, seniority permitting.

(1c) An employee who has not volunteered for layoff and has no direct transfer rights as outlined in paragraph (1a) above or bumping rights as outlined in (1b) above will be placed on involuntary layoff.

(c) Layoffs of Pieceworkers

- (1) Layoffs shall be by department on a voluntary basis in inverse seniority order.
- (2) If not enough pieceworkers in a particular department volunteer for layoff, then the least senior pieceworkers in the department shall be placed on involuntary layoff.

Section 7 — Recall

(a) Employees Who Volunteer For Layoff

- (1) Employees who volunteer for layoff will not be recalled by the Company to their former department, job, and shift to fill a job opening unless there are no employees at work with former job right transfers on file or employees on layoff subject to recall to that particular job opening as herein provided (see page 28, subparagraph 2) who are capable of satisfactorily performing the job.
- (2) Employees on voluntary layoff on the first scheduled work day following the Labor Day Holiday will have their status changed from voluntary layoff to involuntary layoff and within six (6) weeks be bumped into their original department, job and shift seniority permitting.
 - (a) If an employee wishes to remain on voluntary layoff, the employee must notify the Company prior to Labor Day.

Article VIII – Seniority

(b) Employees on voluntary layoff on the first scheduled work day in April will have their status changed from voluntary layoff to involuntary layoff and within six (6) weeks be bumped into their original department, job, and shift, seniority permitting. If an employee wishes to remain on voluntary layoff, the employee must notify the Company prior to the first scheduled work day in April.

(b) Employees on Layoff

(1) Employees on layoff will be placed in one of the following three groups:

(1a) Dayworker — (An employee who was on a daywork job at the time he was laid off.)

(1b) Machine Operator — (An employee who was working as a pieceworker at the time he was laid off in one of the following departments):

LIGHT MACHINING DEPTS.

MED North – M7P, M7X

MED South – 780

HEAVY MACHINING DEPTS.

MED North – M1X, M3X, M5X, M8X

DCCD – 188, 191–192, 197

(1c) Assembler — (An employee who was working as a pieceworker at the time he was laid off in one of the following departments):

MED North – L1X, L5A, 345

DSSD – 472

MED South – 238, 716, 797

(2) An employee whether a dayworker, machine operator or assembler, on voluntary or involuntary layoff in any of the three groups will be recalled by seniority to a job in his particular group only and only to a job that he is capable of performing satisfactorily. Employees assigned to heavy machining departments shall be considered for recall to light machining departments. Employees assigned to light machining departments shall not be considered for recall to heavy machining departments unless they so indicate

Article VIII – Seniority

on their recall card. Voluntarily laid off employees in the particular group subject to recall by seniority may be allowed to remain on layoff until their original department is recalling if there are other less senior employees in the group, whether voluntary or involuntary, who by seniority are subject to recall.

- (3) If there are no employees in the appropriate group in either the involuntary or voluntary layoff category subject to recall according to paragraph (2) above, then the most senior employee on voluntary or involuntary layoff in another group capable of satisfactorily performing the job will be recalled.

Voluntarily laid off employees in the selected group subject to recall by seniority may be allowed to remain on layoff until their original department is recalling if there are other less senior employees in the group, whether voluntary or involuntary, who by seniority are subject to recall.

- (c) Employees on involuntary layoff due to lack of work with two (2) or more years of seniority and entitled to work because of seniority, shall be returned to work within their division that they can perform satisfactorily as soon as practical, or at a maximum within six (6) weeks from the date of their layoff, or if seniority does not permit to another division within nine (9) weeks, if there are no further layoffs contemplated which could affect them and there are less senior employees in other divisions working on jobs in the group. No recalls of employees from layoff will be made during a year when the frequency and size of the layoff does not so permit. When layoffs are due to employees' jobs being eliminated the above language pertains with the exception that affected employees shall be returned to work within six (6) weeks to any division where less senior employees are working on jobs in the group.
- (d) If the Company is in the process of large recalls of laid off employees due to increases in production, it is understood that employees will not be recalled to one department and then have to be moved a short time later to another department according to the above recall language, but that instead the employee will remain on layoff so that he will be recalled directly to the job from which he was laid off.
- (e) Employees that have a minimum of five (5) years seniority, and have notified Personnel that they desire a group change shall be considered for return to work in keeping with the other terms of this contract on and after either the first scheduled work day following April 1, the Labor Day holiday, or Christmas shutdown. To be considered for any of the scheduled bumps an employee must notify Personnel of his desire for a group change at least one month prior to April 1, Labor Day, or the Christmas shutdown. The Company will make the bumps dur-

Article VIII – Seniority

ing the six (6) week period following April 1, Labor Day, and the Christmas shutdown when returning employees to work that they can perform satisfactorily in other groups. Employees will be returned to work in other groups in the following manner:

- (1) Assemblers — Will be bumped in to the machining areas or light daywork in Labor Grade 27 through 23, and if their record indicates that they have successfully handled heavy daywork in the past, those jobs.
- (2) Machine Operators – Will be bumped in to assembly or light daywork in Labor Grade 27 through labor Grade 23, and if their record indicates that they have successfully handled heavy duty jobs in the past, those jobs.
- (3) Dayworkers – Will be bumped in to assembly or light machining areas, and if their record indicates they have successfully handled heavy duty machining in the past, those jobs.

Section 8 — General

- (a) The Company shall notify any employee to be laid off forty-eight (48) hours in advance whenever possible and verbally notify the Union Office and applicable Grievance Representative(s) of the pending layoff and departments affected.
- (b) At the time of layoff each laid off employee, whether voluntary or involuntary, shall fill out completely a Recall Data Card, sign it and give such card to his Facilitator for delivery to the Personnel Department. After having been laid off, if an employee wishes to change any information on his Recall Data Card, he must do so in person at the Employment Office at the 124th Street Plant. If a light machine operator reports to the Personnel Department to change his recall card to indicate that he is willing to do heavy machining, he will be returned to a heavy machining department within a six (6) week period, seniority permitting. Copies of recall cards shall be sent to the Union Office upon request.
- (c) There shall be no upgrading in the Daywork group either at the time of layoff or at the time of recall except at the request of the Company.
- (d) Employees on a Labor Grade 23 job or better at the time of layoff will not be recalled on Labor Grade 27 work unless the list of all Labor Grade 27 employees on layoff has been exhausted. Employees on layoff will not be considered for Trucker, Janitor or other heavy duty jobs unless they have proven to the satisfaction of the Company that they are physically capable of handling such jobs.
- (e) After transfer requests of senior employees have been honored, the following groups of employees who are on involuntary layoff may fill open jobs in labor grades up to and including labor grade 18.

Article VIII – Seniority

- (1) Dayworkers in labor grades 27 through 19.
- (2) Assemblers choosing to change their classification to daywork.
- (3) Machine operators choosing to change their classification to daywork.

To be considered for these job openings, the employee must notify Personnel of his desire to be considered.

- (f) Any employee at work who lost his former job because of layoff, or being bumped and who at the time had seniority will only be returned to the job and shift from which first removed if he has on file a transfer request to do so. Such requests for transfer shall be honored during recall unless an employee on layoff with more seniority was laid off from said job. No employee will be permitted to withdraw a request for transfer, nor will a request for transfer be honored for a job being filled, after arrangements to fill such job have been started.

If an employee changes department due to layoff or bump and remains in that department for one (1) year or more without submitting a transfer request to his former department, then his former job rights revert to the new department.

- (g) No request for transfer filed under paragraph (c) of Section 10 of this Article need be honored at times of layoff, recall or at times when transfers are the result of layoffs, except that in order to balance the shifts in a given department transfer requests on file from those already in the department and in the same job classification may be honored.
- (h) A list of recalled employees, as well as newly hired employees, will be given to the Union promptly after such employees report for work.
- (i) No new employees shall be hired while there are laid off employees on the seniority list who are able to perform satisfactorily the work available and the Company agrees to notify the Union of its intention to hire employees without seniority if at such time there are any laid off employees having seniority who are still on layoff.
- (j) All employees who are on layoff during the vacation shutdown will be considered to have used all vacation time up to ten (10) days to which they may be entitled.
- (k) Should there be permanent elimination of a department or a major cut-back, resulting in permanent elimination of daywork or piecework jobs in a department (excluding relocation to another department or plant represented by PACE Local 7-0232) or permanent elimination of jobs directly due to automation or plant modernization severely affecting

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high seniority piecework employee earnings, then the high seniority piecework employees affected will have an opportunity, to the extent determined by the Company, to as soon as reasonable be directly transferred if seniority permits to similar work which they are capable of doing, where the least senior employees are performing such work. If it is determined that this is not possible, then these employees will be transferred, if seniority permits, to similar work which they are capable of doing in other departments or at other plant locations where less senior employees are performing such work. Shift preference will be given seniority permitting.

Section 9 — Insurance

- (a) If an employee with less than five (5) years of seniority on his last day of work is temporarily laid off, his insurance shall be continued by the Company but not beyond the end of the third month following the month in which the layoff starts.
- (b) If an employee with five (5) or more years of seniority on his last day of work is temporarily laid off, his insurance shall be continued by the Company but not beyond the end of the 6th month following the month in which the layoff starts.
- (c) If an employee with ten (10) or more years of seniority on his last day of work is temporarily laid off, his insurance shall be continued by the Company but not beyond the end of the ninth month following the month in which the layoff starts.
- (d) For employees enrolled in either of the medical plans provided by the Company, continuation of that portion of insurance up to the time limits shown in (a) and (b) of this section is contingent on the employee paying any monthly charge normally obtained through payroll deduction.

Section 10 — Transfers

The transfer of employees shall be subject to the following rules, and every transferred employee shall put forth normal, reasonable effort to perform satisfactorily the job to which transferred:

(a) Permanent Transfers

When making a permanent transfer from a department due to a cut back or loss of jobs, the Company will transfer the least senior pieceworkers or dayworkers from the standpoint of seniority who are not needed to meet production requirements. Transfers will be made to the proper group and classification whenever possible.

(b) Daily Transfers

- (1) Dayworkers: In making transfers from job to job within a department, or daily transfers out of the department, the Company will

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transfer the least senior employee from the standpoint of seniority from the group of dayworkers (i.e. labor grade and classification) selected by the Company from which the transfer is to be made. If the least senior employee in the group selected cannot perform the job satisfactorily to which the transfer is to be made, the Company may then transfer the next least senior employee from the group who can perform the job satisfactorily. When dayworkers are to be temporarily assigned to a piecework job on any given day when vacancies must be filled, the Company shall ask the most senior qualified employees from the group of dayworkers (ie: labor grade and classification) selected by the Company assigned to the department and who are readily available in the immediate work area.

- (2) Pieceworkers: In making transfers from job to job within a department or daily transfers out of the department, the Company will transfer the least senior employee from the standpoint of seniority from the group of pieceworkers selected by the Company from which the transfer is to be made. If the least senior employee in the group selected cannot perform the job satisfactorily to which the transfer is to be made, the Company may then transfer the next least senior employee from the group who can perform the job satisfactorily. The next least senior employee transferred, whether to piecework or daywork, will be compensated for any loss of earnings based on his piecework average of the prior week, provided he notifies his Facilitator in writing, on the form provided by the Company of his claim and the amount thereof on each day the transfer occurs. This paragraph is not meant to prevent the Company from shutting a job down that is not needed that is being run by a more senior employee and moving him to an open job that is needed and without any adjustment in pay, but is only meant to compensate a senior employee whose skill and ability is utilized to do a job a less senior employee cannot do satisfactorily.
- (3) Transfers will be made on the basis of pieceworker to piecework and dayworker to daywork, unless necessary to do otherwise. Employees transferred to another job within their department at the start of the shift shall use their seniority for purposes of job preference. Employees assigned to a given department shall receive job assignments at the start of the shift before those that are transferred in for the day.
- (4) If an employee comes in to work late and there is no work available at that time in his department, he will be transferred to another department that has work. In the event that a piecework job opens up, the most senior employee will be returned to their department for that job.

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(5) In the event that the Company must send employees home for lack of work, the affected employees may volunteer to leave by seniority.

(c) Vacancies and Shift Openings

When vacancies or shift openings occur or new jobs become available, subject to the exceptions set forth in Sections 7 and 8 of this Article, *first opportunity to fill such vacancy or job or shift opening shall be given to the most senior employee in point of Company wide seniority with eighteen (18) or more months of seniority who has on file in the Personnel Office a written request for transfer to such type of work, subject to the conditions herein contained. The types of transfers here involved, other than shift transfers, are not merely changes of machines, etc., within a department. The employee, in order to be considered, must have qualifications established, such as past experience in the plant, skill, training or ability, so that he may reasonably be expected to be able to perform the work satisfactorily. Transfer requests shall not be denied because of absenteeism or work record unless either or both of them are poor and the employee has failed to correct them in any given six (6) month period after having been warned to do so as recorded in his personnel file, but employees applying for supervisor and set-up jobs must have better than average attendance and work records. Transfer requests shall be valid for six (6) months from date of filing or renewal. The employee will receive a copy of his transfer request or renewal upon request. An employee may be denied a transfer request only once if there is no qualified replacement immediately available and then only in the first six (6) months from the original date of filing.*

The employee and his grievance representative shall be so notified in writing of the denial of his transfer request. No employee shall have more than one request on file at any one time.

It is understood that employees with former job rights, who have on file in the Personnel Office a request for transfer to return to their former department, job, and shift, shall be returned in accordance with seniority and ahead of employees who do not have former job rights to the job from which they were first removed due to layoff, industrial injury or illness. Such employees returning to former jobs shall also have priority, at their request, to return to their former shifts.

It is further understood that if an employee files a request for transfer for a job, other than the job for which he has former rights, and is transferred to such job, he shall thereby forfeit the former job rights referred to in the preceding paragraph.

When the Company requires employees to take tests for jobs such as floor inspector, etc., a Union representative may be present during

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such tests. The Company will furnish the Union Office with a list of all jobs that require testing.

No employee will be permitted to withdraw a request for transfer, nor will a request for transfer be honored for a job being filled, after arrangements to fill such job have been started.

If an employee is unable to satisfactorily perform the work after such transfer, and if the job from which he was transferred has been filled, he is subject to removal to other work he can satisfactorily perform. It is recognized that employees shall not abuse these transfer provisions by making repeated requests for transfer.

(d) Job Posting

All skilled job openings in the Model Shop, Toolrooms, and Maintenance Departments will be posted on Company bulletin boards for two (2) working days (48 hours) and a copy of the posting will be furnished to the Union. The applicable transfer provisions in the contract shall be followed by those persons who seek a transfer as the result of a job posting.

All skilled upgradings in a Model Shop, Toolroom or Maintenance Department will be posted on the appropriate department's bulletin board for two (2) days (48 hours) and a copy of the posting will be furnished to the Union.

These postings will be identified by job title, labor grade, shift, department and plant location. Employees will not be allowed to bid down solely for shift preference.

(e) Returning to Work After Disability

Employees who have been returned to work from sick leave, industrial injury or non-industrial injury shall be reinstated to their former department, job and shift if seniority and physical condition permit.

(f) Lighter Work

(1) The Company will make every effort to find lighter work when the same is available to an employee who temporarily becomes physically unable to perform satisfactorily his regular job due to industrial injury, illness or non-industrial injury.

(2) Temporary Limitation(s)

When possible an employee with limitations, whether from industrial cause or not, will be placed by the Company on available work in his department and on his shift, but if not possible, assigned work on another shift or in other departments.

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For an employee with limitations, whether from industrial cause or not, that will require a healing period of some duration, the Company will consider placing him upon an open job for which he is qualified and for which a more senior employee does not have a transfer request on file.

For an employee with limitations, due to industrial injury, that will require a healing period of some duration, the Company will consider transferring him to a special department for the duration of the healing period when such a special department is available. Transfers to such a special department shall be at Company request only.

(3) Permanent Disability

An employee who upon completion of his healing period, whether after being on lighter duty at work or after absence from work, and whether from industrial cause or not, but who has permanent disability and can no longer perform his former job, will be assigned by the Company to an open job that he is capable of satisfactorily performing and for which a more senior employee does not have a transfer request on file. If there is no such open job, then the employee shall be placed by the Company, on the job of a less senior employee for which he is qualified and can satisfactorily perform, or if no such job is immediately available, placed on layoff.

(4) Returning to Former Job

(1a) Industrial Injury: Upon completion of the healing period whether assigned to a special department at Company request or an open job at Company request, the employee shall be given former job rights and upon filing a transfer request to return to his former job and seniority and physical condition permitting, be allowed to bump in and replace the least senior employee in his former department, job and shift.

(1b) Sick Leave and Non-Industrial Injury: Upon completion of the healing period, whether after being assigned to an open job at Company request or after absence from work and being rehired to a different job because of his physical condition, the employee shall be given former job rights and upon filing a transfer request to return to his former job and seniority and physical condition permitting, be allowed to bump in and replace the least senior employee in his former department.

Section 11

The Company shall furnish an accurate seniority list to the Union, and as occasions arise, notify the Union of any additions or deductions in the seniority roster.

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Section 12

An employee shall cease to have seniority and continuity of employment if:

- (a) He voluntarily quits.
- (b) He is discharged for just cause.
- (c) After having been laid off or otherwise permitted to be absent from work, he does not report for work within one week after a written notice to report for work has been sent by first-class mail to the address furnished by him at the time he is laid off or as appears on the Company's records in the Personnel Department if otherwise permitted to be absent from work. Employees on layoff will be contacted by letter only if they cannot be reached by telephone. A copy of such notice shall be given to the Union at the time of mailing. Extension of the one-week period will be granted by the Company for satisfactory reasons given by the employee before the expiration of such period.
- (d) He has not worked for the Company for a number of days equal to his length of service with the Company at the time he last worked for the Company, provided that for this purpose absence with leave and time off caused by compensable injury sustained while in the employ of the Company shall not be counted. Upon rehiring there shall be no reduction of seniority if the employee has not lost his seniority.
- (e) He is absent for three (3) consecutive working days without notifying the Company, unless there is a satisfactory reason for failure to so notify.
- (f) He is absent for more than five (5) consecutive working days without obtaining permission from Personnel to be absent, provided that permission will be given for satisfactory reasons, and provided further that failure to apply for such permission within such time shall be excused only for satisfactory reason.
- (g) He fails to respond with proof of disability within twenty (20) calendar days, to an unrestricted certified letter sent by the Company requesting proof of disability to the address furnished by him as appears on the Company's records in the Personnel Department. A copy of such notice shall be given to the Union at the time of mailing.
- (h) An employee will begin to lose seniority on the first regularly scheduled work day he is absent.
- (i) The Company shall notify the Union, in writing, as soon as possible of all terminations and reason therefor.

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Section 13

- (a) The Company will grant employees temporary emergency leaves of absence for up to six (6) weeks subject to extension, upon the presentation of good and sufficient reason for such leaves of absence or extension. An emergency is defined as a sudden, unexpected occurrence demanding immediate action.
- (b) Once every five (5) years any employee with five (5) or more years of seniority will be granted a personal leave of absence (from March 1 through October 31 inclusive for non-hardship) of up to six (6) weeks. The above will not have any effect on any temporary emergency leave as stated in Section 13 (a). Leaves of absence will not be granted to employees for the purpose of seeking or working on other jobs or business ventures.
- (c) The Company will grant employees an adoption leave for up to six (6) weeks upon proof of such adoption. The above will not have any effect on any temporary emergency leave or any personal leave as stated in Section 13 (a) and (b).
- (d) Should the Company deny an employee's request for a personal leave of absence, an emergency leave of absence or an adoption leave, the employee shall have the right to request an immediate meeting between the Union and the Company to resolve the issue. The provisions of this Section shall not apply to absences due to an employee's illness or injury.
- (e) The Company further agrees to grant a leave of absence to any employee, not exceeding twelve at any one time, accepting an office with the International Union, Local Union, Milwaukee County Labor Council or State AFL-CIO, CLC for the duration of that office.
- (f) Leaves of absence to accept an elective position to public office shall be by mutual agreement between the Union and the Company.
- (g) When an employee leaves his job in the plant to take a job to serve the Local Union, whether it be an elected position or an appointed position, the employee will have the right to return at his request or at the end of his term in office to the job he left in the plant, seniority permitting. If seniority does not permit, the employee will have former job rights.
- (h) The Company will furnish to the Union and the employee who is issued a leave of absence, a memo stating when the leave begins and when the leave is scheduled to end. When the Company extends a leave of absence, the Company will issue an updated memo reflecting the change.

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Section 14

The following divisions, departments or groups of departments, which the Company can change for legitimate business purposes during the term of this agreement, except as otherwise provided in paragraph (1a) of Section 6 and paragraphs (1b) and (1c) of Article VIII, Section 7, are listed for transfer and layoff purposes only. The Company will not change the following list for the sole purpose of protecting individuals or denying job preference.

Corporate Division

Dept. No.

- 105 Buildings & Grounds
- 111 Technical Services Metrology
- 123 Waste Management
- 132 Engineering Model Shop
- 138 Special Equipment
- 203 Rehabilitation
- 476 Product Reliability
- 832 D.B.S. Co LTD – Engineering
- 942 Metrology
- 945 Model Shop/R&D
- 953 Engine Application

Die Cast Components Division

Dept. No.

- 135 Tool Room
- 173 Maintenance – DCCD
- 176 Production Control
- 177 Aluminum Alloy Processing
- 186 Tool Crib
- 188 Die Cast Finishing and Trim
- 191–192 600 & 900 Ton Die Cast
- 197 1200 Ton Die Cast
- 198 Die Cast Components – Machining
- 351 Quality Assurance

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Distribution Sales and Service Division

Dept. No.

472 Distribution Center Operations

MED North

Dept. No.

F7X Components – Finishing
L1X Assembly – Model 9/17/19
L5A Assembly – Model 40/42
M7M Carburetor Assembly
M1Q Quality – Model 17/19
M1X Model 17/19 – Machining Department
M3Q Quality
M3X Machining Department
M5Q Quality – Model 40/42
M5X Model 40/42 – Machining Department
M7P Punch Press, Brazing, Transfer Press
M7Q Quality – Components
M7R Steel Storage/Slitter
M7X Components – Machining Department
M8X General Factory Ductile
100 Maintenance – MED North
106 Machine Pts/Tool Crib
108 Facility Supply
112 Quality – New Product
126 QC Purchased Material
128 Shipping Room
345 Micro Engine
346 Quality Control
348 New Product Development
455 Metrology/Layout
838 Prototype Engines

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MED South

Dept. No.

- 238 Miscellaneous Subassembly
- 242 Wastewater Treatment
- 243 Plating
- 700 Maintenance
- 716 Automatic Components
- 719 Laminated Cam Gears
- 720 Production Stores
- 735 Tool Room
- 743 Degreasers/SWECO
- 752 Quality Control
- 760 Automatic Screw Machines
- 763 Heat Treat
- 765 Grinders
- 770 Cold Headers
- 771 Central Crib
- 772 Vertislides
- 780 Automatic Punch Press
- 797 Magneto Coil Assembly
- 837 Prototype Engines – Vanguard

Section 15

Employees who choose or are assigned to experimental work, new production, or new machinery and equipment under the seniority provisions of this contract shall have departmental super seniority from the date of assignment for twelve (12) months.

Employees who choose or are assigned to a newly established department under the seniority provisions of this contract shall have departmental super seniority for eighteen (18) months from the date the first employees are assigned.

Article IX – Wages

ARTICLE IX Wages

Section 1

(a) Daywork Rates

The daywork rates on page 95 of this book will be in effect on August 1, 2002.

The following wage increases will be applied to all daywork rates, piecework rates, and piecework additives at the dates indicated:

| | |
|----------------|------|
| August 1, 2002 | 2% |
| August 1, 2003 | 2.5% |
| August 1, 2004 | 3% |
| August 1, 2005 | 3% |

The following rates are the minimum that will be paid employees hired prior to 8-1-83 as determined by seniority.

| | Grade 27 thru 24 | Grade 23 & up |
|-------------------------|---------------------|------------------|
| After 13 wks. seniority | 6.91 | 9.40 |
| After 26 wks. seniority | 8.16 | 10.67 |
| After 78 wks. seniority | 11.75 | 13.19 |

Labor grades 23A and 27A shall apply to all employees hired prior to 8-1-83 and 23B and 27B to all employees hired on and after 8-1-83.

(b) Piecework Rates

- (1) Piecework jobs will be designated as Class #4 piecework jobs and Class #8 piecework jobs with an hourly Class #4 additive (see below) and Class #8 additive (see below) being added to hourly piecework earnings.

The following piecework additives will be paid employees as determined by seniority.

| | Class #4 | Class #8 |
|--------------------------|-------------|-------------|
| New Hire | 3.14 | 4.08 |
| After 13 weeks seniority | 3.47 | 4.71 |
| After 26 weeks seniority | 4.08 | 5.33 |
| After 78 weeks seniority | 5.55 | 6.09 |

The daywork rate of both Class #4 and Class #8 pieceworkers shall be established in accordance with the type of work they perform when not working on Class #4 or Class #8 piecework jobs,

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and the rate of pay shall be controlled as to amount in accordance with the progression established in the daywork rate schedule, but in no event shall such rate of pay exceed the rate of pay at the midpoint of the labor grade for the type of work performed.

Pieceworkers, when temporarily not working on either a Class #4 or a Class #8 piecework job, who are not assigned to a definite daywork job, shall be paid their respective daywork rate in Labor Grade 27 if working on a Class #4 piecework job and their respective daywork rate in Labor Grade 23 if working on a Class #8 piecework job, such rates to be controlled according to period of service and in no event to exceed the rate of pay at the midpoint of the labor grade. Employees who fail to report downtime to their Facilitator or supervisor will receive no pay.

Rates of pay established in this manner shall be used as the basis of compensating employees who earn less than such rates when working on piecework jobs under the provisions of Paragraph (2).

- (2) All pieceworkers who earn less than their day rate while working on a piecework job shall be paid their respective day rate on such job providing that on the day in which such situation occurs, they notify their Facilitator in writing on a form provided, listing the jobs on which they did not earn their day rate. Employees who repeatedly fail to produce at normal production levels on a given job will be subject to assignment to a different job or transfer. Employees working on a piecework job who purposely or repeatedly do not earn more than the minimum daywork rate for pieceworkers shall be subject to removal from piecework or dismissal.
 - (3) Defective parts produced by a pieceworker because of their own negligence will be repaired by the pieceworker at Labor Grade 27 on Class #4 piecework jobs or Labor Grade 23 on Class #8 piecework jobs.
 - (4) No job complaints shall be registered against the operators on short running jobs where the operators cannot become acclimated to the operation and those jobs where extensive training is required.
- (c) Employees hired after 8-1-02 and assigned as an assembler or machine operator will be paid no less than \$11.00 per hour and must proceed through the skill levels outlined in the pilot program book. After completing the skill levels they will receive \$14.00 per hour if assemblers and \$14.25 per hour if machine operators. All rates will be adjusted based on general wage increases on and after 8-1-03.

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BRIGGS AND STRATTON CORPORATION ECONOMIC VALUE ADDED INCENTIVE COMPENSATION PLAN FOR PACE LOCAL 7-0232 EMPLOYEES

Plan Summary

Following is a summary of the terms of the Briggs and Stratton Corporation Economic Value Added Incentive Compensation Plan for PACE Local 7-0232 Employees (the "Plan"). **In all cases the terms set forth in the Plan document shall control over this summary.** The formal plan, on file in Personnel and with the Union, is available for more detailed information.

1. Purpose. To promote the maximization of economic value creation by providing incentive compensation to PACE Local 7-0232 employees of Briggs and Stratton Corporation (the "Company") in a form which relates the financial reward to an increase in the value of their Company.
2. Eligibility. All PACE Local 7-0232 employees of the Company who are employed during any Plan Year and have seniority at the end of the plan year or have retired, died, or quit with vested pension rights after having at least 600 hours of work in the plan year.
3. Bonus. The Bonus for Participants for a Plan Year (coincident with the Company's fiscal year) will be equal to 100% of the Company performance calculation, calculated as follows:

$$\begin{array}{rcc} & \text{Target} & \text{Company} \\ \text{Participants} & \times \text{Incentive} & \times \text{Performance} \\ \text{Base Wage} & \text{Award} & \text{Factor} \end{array}$$

With the target incentive award being 3% (three percent).

4. Company Performance Factor. The Company Performance Factor is determined as follows:

$$\text{Company Performance Factor} = \frac{\text{NOPAT}}{\text{CAPITAL CHARGE}}$$

In the event that the Company Performance Factor calculates at less than .6, the Company Performance Factor shall be zero for that year.

5. Base Wage. Includes all wages paid in the applicable fiscal year, excluding profit sharing or EVA bonus payments.
6. Payment. Payment will be made (net of tax withheld) on or before the end of the second month following the end of the relevant Plan Year.

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7. Applicable Years. This plan is in effect for the Company's fiscal years beginning approximately July 1, 2002 through the expiration of this agreement. Bonuses earned during this agreement shall be paid regardless of any other agreement or the lack of any agreement at the expiration of this agreement.
8. "Cost of Capital". For the life of this agreement, the Cost of Capital shall be 15%. (12% multiplied by a base goal of 125% (.12 x 1.25 = 15%))
9. "NOPAT". Means cash adjusted Net Operating Profits After Taxes as defined in the plan document.
10. "Capital Charge". Means the deemed opportunity cost of employing Capital in the Company's businesses, determined as follows:
$$\text{Capital Charge} = \text{Capital} \times \text{Cost of Capital}$$
11. "Capital". Means the Company's weighted average monthly operating capital for the Plan Year as defined in the Plan Document.
12. Pension. EVA bonus payments will be considered earnings for pension purposes.

Incentive Payment Procedure

Section 2

- (a) Piecework is eliminated effective 8-1-04. All references to piecework, and any language referring to piecework in this section and contract are obsolete on 8-1-04, and are deleted from this contract.

On 8-1-04, pieceworkers in Departments 191, 192, and 197 become labor grade 16 Machine Tenders. All other pieceworkers become Assemblers or Machine Operators in the pilot program.

Assemblers or Machine Operators performing work on pilot jobs must consistently achieve comparable productivity based on historical output. If employees do not maintain defined productivity rates they will be removed from the job.

- (b) Employees who are performing operations which are designated as incentive operations shall be paid according to the following provisions:
- (1) Incentive earnings shall be computed on each job worked in a day. The production standard on each job shall stand on its own merits and in no case shall incentive earnings on one job be used to equalize production below the employee's incentive level on any other job.

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- (2) Incentive standards which have been computed shall be changed only in accordance with the provisions contained in this Article.
- (3) New incentive standards shall provide earnings comparable to those earned on accepted standards. Changed incentive standards shall provide the same earning possibility as on the previous standard.
- (4) Nongrieved standards which receive an upward adjustment by the Company shall be adjusted retroactive to the date of the job change up to a maximum of three (3) months.
- (5) Employees who are required to perform piecework which is not on standard shall be paid in accordance with the provisions set forth in paragraph (k) of this section.
- (6) A permanent rate is a rate that is applied to a job which has been standardized.

A temporary rate is a timed rate that will be applied to a job for a designated period of time.

A special rate shall be applied to a job that has an off-standard condition or a new job.

(c) General

Before embarking on a stopwatch time study for the purpose of establishing a new or changed standard or for checking a standard which is in dispute, the Company analyst shall:

- (1) Inform the employee approximately one (1) hour in advance that the operation is to be studied, and insure that the operation is standardized in all respects. On those operations that will run less than one hour the Company will notify the employee as soon as possible before taking a time study.
- (2) Insure that the employee to be studied is trained in the method and is an employee who regularly performs the operation.
- (3) At the time of the study insure that circumstances and conditions of the job being timed are properly representative, and record in sufficient detail on the appropriate observation sheet all circumstances and conditions pertaining to the operation so that the operation could, if necessary, be reconstituted in the future.

(d) Allowances

All new or changed jobs shall include appropriate allowances to compensate for non-productive time related to the satisfaction of personal needs and fatigue.

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(e) Stopwatch Time Study Procedure

Standards shall be set by stopwatch study. When using the stopwatch in the establishment of new standards, changed standards, or in check studies (or in the development of stopwatch standards) the following procedures in addition to those contained in (c) (General) above shall be followed:

- (1) The decimal minute stopwatch shall be used.
- (2) The continuous method of watch reading shall be used.
- (3) Before beginning the study, the time study person shall follow the procedures contained in section (c) (General) above and shall:

Prepare an elemental breakdown of the operation which shall consist of a detailed description of the method being employed at the time of the study including pictures of the part and work place and distinguished between elements which are manually controlled and those which are machine controlled.

Determine length of the machine cycle from the time the machine is activated until the completion of its cycle.

Carefully note the element breakoff points.

Determine the work elements so that no two consecutive elements shall be less than .05 in duration.

- (4) During the study, the time study person shall:
Record on the timestudy observation sheet all observed performance times for cyclic, non-cyclic and foreign elements;
Record on the timestudy observation sheet any unusual circumstances or occurrences which may have an effect on the results of the study.
- (5) Insure that pieces worked on pass inspection standards immediately prior to study and that this be recorded on the time study.
- (6) Calculate the standard according to the following procedure:
Disregard no watch reading obtained during the study unless a clear explanation of the reason for such strike out appears on the time study observation sheet.

Apply a performance rating factor to each average elemental time per cycle to obtain normal or selected elemental time per cycle on changed elements.

Add up normal or selected times plus all non-cyclic allowances. This will equal total selected time.

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Transmit to the employee involved within six (6) working days the job standard which is the result of the observation and calculations whenever possible.

(f) Procedure for Changing Standards

A production standard once accepted shall not be changed except in the case where the Company makes a change in the materials, tools, machines, method or design of an operation. A production standard once accepted shall not be changed merely because of a change in name, symbol, or number of any materials, tools, machines, parts or operations.

- (1) The procedure for determining whether or not a change decreases or increases the standard time per piece shall be as follows:

The Company analyst shall determine and record the changes which have been instituted in the job circumstances:

After the time study has been made, the Company Analyst shall set up a comparative data sheet showing the elements of the operation which have been affected by the change, how the change has affected them, and the time for each element that existed prior to the change and the proposed time after the change;

The Company Analyst shall examine the data sheet and determine whether or not the difference in time for those elements which are affected by the change reduces or increases the time per piece which existed prior to the change;

If this application does not reduce or increase the time per piece which existed prior to the change, then the time per piece shall not be changed;

If a difference is determined which reduces or increases the time per piece than the time for those elements affected by the change shall be placed in effect and the old standard recomputed with the new figures.

- (2) Whenever the Company makes a change in a product or operation or introduces a new product or operation, the production standards which have been accepted prior to the change or introduction and/or which are part of the operations on the new or changed product shall not be changed.
- (3) The above procedures for changing standards are based on the principle that any changes in standards shall permit the same incentive opportunity as existed under the accepted original standards.

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- (4) Any E.C.O. changes which affect standards, must be incorporated by the Company within ninety (90) days of the effective date of the change.
- (5) When employees on an engine assembly line are temporarily moved to an open line, the Company will take into consideration the magnitude of the move, and the degree of the change, and upon Union request, will meet with the Union to discuss loss of wages, to determine if loss of wages are needed.
- (6) It is understood that the Company will take into consideration method changes and if the method changes were entirely instituted by the operator, the Company will not take advantage of such changes. When changes are not entirely instituted by the operator, the Company will not take advantage of the proportionate changes attributable to the operator.
- (7) The discovery of clerical errors in the computation of a standard shall warrant an appropriate adjustment in that standard but such errors shall be brought to the attention of the parties within a reasonable period of time after the issuance of the standard.
- (8) When machines are moved from one area to another, the Company will not change the rate unless there is a change in the operation.

(g) Procedures for Work Standards and Wage Incentive Grievances:

Any new or changed standard shall be given a fair trial, normally one (1) day, by the employees involved before a challenge of such standard is in order.

Any upward adjustment on a standard as a result of a grievance shall be retroactive from the date of the grievance to a maximum of twelve (12) months, if the upward adjustment occurs within three (3) years of the date of the filing of the grievance. If the upward adjustment occurs after three (3) years from the date of the filing of the grievance, the upward adjustment shall be retroactive to a maximum of twelve (12) months from the date of the settlement. This paragraph shall not apply if the job does not run regularly.

All back pay shall be paid within sixty (60) days of the actual settlement date of a grievance to any employee affected. If back pay is not paid within the sixty (60) day period, an additional 1.5 percent per month will be added to all payments from the date of the settlement unless an extension is mutually agreed to between the Company and Union analyst. The employees not on the payroll who have back pay coming in excess of \$5.00 will be paid by a separate check and those employees who have less than \$5.00 coming will receive this money

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when they return to work. An employee who has less than \$5.00 coming and does not return to work will have sixty (60) days after the new rate was applied to request payment. Payment will be mailed to him as soon as possible after his request.

A list of back pay for a settlement of a time study grievance and a copy of all production records used to calculate the back pay will be issued to the Union at the time of payment.

A written challenge of a standard shall be considered as a grievance and shall be processed under the grievance provisions set forth below:

- (1) A Grievance may be directed at the standard itself or any aspect of it.
 - (2) Any grievance filed in connection with a standard may include a request which the Company shall fulfill that a stopwatch time study be taken of the operation under dispute, or in the event that such request is not made in the grievance, the Union shall have the right at any time during the discussion of such grievance to make a similar request which the Company will fulfill. Such a study shall be taken under the procedures contained in this Section. This study and its results shall serve in the grievance procedure as the basis for discussion and argument as to the appropriateness of the disputed standard.
 - (3) The Union shall have the right to bring into the plant a consultant employed by PACE (AFL-CIO, CLC) or any other mutually agreeable consultant. The Company shall on request provide the consultant with copies of any time studies, element analyses, comparative data sheets and other data which the Union or the consultant deems pertinent to the dispute. The consultant shall have the right to observe the job under dispute and if he deems it necessary the right to take a time study or make an analysis of the job.
- (h) A grievance relating to any aspect of the incentive system will be processed in the following manner:
- (1) The grievance will be referred to one of the Union paid Compensation analyst(s) where an attempt will be made to resolve said grievance with the appropriate representative(s) of the Company.

When investigating a grievance in a given department or making a time study, the Union paid Compensation analyst shall first advise the Facilitator if available.

- (2) If the grievance cannot be resolved at this step, a meeting will be arranged between the parties, at which time the Union may be

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represented by its International Representative and other Union representatives.

(3) If no agreement is reached, the Union may at any time, after (15) days advance notice in writing, take strike action. Provided, however, that there shall be no strike action unless and until such action has been authorized as provided in the Constitution of the International Union.

(i) When a grievance is filed with respect to a piecework rate the Company shall provide the Union with a copy of any information and/or data requested by the Union which in the view of the Union pertains to the establishment, application or operation of the matters covered in this Section.

(j) Incentive Classifications

(1) Whether a piecework job is a Class #4 or a Class #8 job or shall be changed from one to the other, is a matter for negotiation between the parties under the terms of this agreement and nothing contained in this agreement shall be construed as a waiver of the position of either party with respect to such matter.

Negotiated multiple machine base rates shall not be changed unless machine operations are added or dropped.

Once a multiple machine base rate is established on a job and a machine is added to the job, the job will be increased to the next machine base rate.

(2) Upon request of the Union, the parties shall meet for the purpose of reviewing the Company's incentive system with the view of having the Company obtain whatever recommendations, suggestions or requests the Union may wish to make on any phase of the incentive system, and any agreement which may result from such conferences shall be reduced to writing.

(k) Special Piecework Rate

A special piecework rate is a rate that is applied to an operation from DAY to DAY. A special rate shall be set by the Facilitator and shall provide the opportunity for the operator's average hourly earnings prior to the off-standard condition. The above shall also apply to new jobs.

Form #553 --- Special Rate Card --- is provided for recording a special piecework rate. The Facilitator is required to completely fill out this form when applying a special rate including an explanation of the reason for the use of this special rate.

Jobs which are not ready for permanent rates may be run with special rates which, being in the form of an estimate, may not necessarily agree with the permanent rate later set on the job.

Article IX -- Wages

Special piecework rates are ordinarily applied to jobs with permanent rates under the following off standard conditions:

- (1) Use of material which affects the output of that operation.
- (2) Use of tools, dies, or fixtures which affect the output of that operation.
- (3) Use of equipment which affects the output of that operation.
- (4) Repair jobs that are not likely to reoccur.

NOTE: Regular repair jobs should have a regular timestudy rate applied.

- (i) On August 1, 1998, the following piecework operations will be changed to daywork:

| <u>Operation</u> | <u>Daywork Labor Grade</u> | <u>Grand- fathered Rate</u> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|
| 1. Certain Department 765 piecework operations (See attached List) | 18 | 20.03 (Group Average) |
| 2. Certain Die Cast Department machine controlled piecework jobs that utilize automated spraying and extraction systems. (See attached list) | 18 | 17.20 (Group Average) |

Affected employees will be grandfathered at the applicable above-listed grandfathered rate when performing the former piecework operation. A grandfathered pieceworker must produce the same amount of pieces on the average that were produced when the operation was on piecework. If he does not, he will be removed from the job. In the event a grandfathered pieceworker voluntarily vacates any of the above-mentioned jobs, he will no longer be eligible for the grandfathered rate.

For future openings, pieceworkers in the appropriate department who have a transfer request on file will be given first opportunity to fill the jobs.

Employees transferred to the above-mentioned jobs must produce the same amount of pieces on the average that were produced when the operation was on piecework. If they do not, they will be removed from the job.

Article IX - Wages

The following breakoff jobs in Department 178 will be changed to daywork (labor grade 18):

| <u>Number</u> | <u>Description</u> |
|---------------|----------------------|
| 211911 | Cylinder |
| 212752 | Piston |
| 212753 | Piston |
| 212754 | Piston |
| 212758 | Piston |
| 213014 | Piston |
| 213095 | Piston |
| 213222 | Cylinder (Service) |
| 213705 | Base (Single Cavity) |
| 214057 | Cylinder |
| 214068 | Cylinder |
| 214069 | Cylinder |
| 214117 | Cylinder |
| 214243 | Cylinder |
| 212342 | Cover |
| 213417 | Cover |

This will affect 4 operators per shift.

The following Department 765 piecework jobs will be changed to daywork (labor grade 18):

Twin Grips
Face Grinders
Stem Grinders
Thru Feeds
Hahn & Kolb

The Company and Union agree that the above jobs and labor grades will not be used in the comparative ranking system.

This section addresses piecework jobs that are not true incentive operations and therefore, should not remain on piecework. This proposal has limited application and is not an attempt to eliminate the piecework system.

Dayworker's Wage Plan

Section 3

This dayworker's wage plan applies only to daywork employees and to permanent daywork jobs and does not in any way have any effect on incentive jobs, method of timestudy or establishment of piecework rates.

All new jobs and all new work will be daywork or pilot program.

Article IX – Wages

All daywork jobs have a job description, job number, and labor grade which has been agreed to by the Company and the Union and each have a copy of the job description.

It is recognized that the Company and the Union used a comparative ranking system and certain bench mark jobs in establishing the daywork system. It is also recognized that daywork jobs can change making them either harder or easier in comparison to other jobs in the Plan. It is the intent of both parties that jobs with significant changes be identified and be moved up or down in the Plan as necessary in order to maintain equity in relation to other similar jobs. It is also recognized that many jobs may undergo change, but that change does not automatically justify movement up or down, especially when viewed in relationship to other similar jobs which also may have or may be undergoing change. The Company and the Union will recognize all changes dating back to the implementation of the last upgrading or the original date of agreement to a job description, whichever is later.

The Company will furnish the Union with a list of daywork employees, their job number and their daywork rate at such time as daywork tapes are prepared.

- (1) The Company shall write the job description and assign the job number and the labor grade for all new or changed jobs and will submit them to the Union for its approval. Job descriptions are primarily for the purpose of identifying specific jobs and describe generally the duties to be performed on the job. No job description shall require the performance of duties unrelated to the job. No job shall be considered a permanent job until there is an agreement between the Company and the Union on the job description, job number and labor grade. A job once deactivated will not be reactivated without the approval of the Union.
- (2) The rate of pay of a new or transferred employee or an employee who is moved from a job to a job with a different number shall be determined and put into effect by the Company, subject to the approval of the Union. If the rate of pay agreed upon by the Union and the Company is higher than the rate originally determined by the Company, then the correction shall be made, as of the effective date of the agreement.
- (3) Employees temporarily assigned to a higher rated job on any given day when vacancies must be filled shall be the most senior qualified employees assigned to the department and who are readily available in the immediate work area. They shall have their regular rate increased by thirty cents (30¢) per hour for each hour so assigned, or a minimum of sixty cents (60¢), whichever is greater, per day.

Article IX - Wages

Employees temporarily assigned to jobs in labor grade nineteen (19) through one (1) who had previously held the midpoint of said jobs, shall be paid the midpoint.

An employee shall be so compensated provided he notifies his Facilitator in writing on the form provided by the Company of his claim on each day he is assigned to such higher rated job. Temporary assignments shall not exceed twelve (12) weeks.

Temporary vacancies for supervision and set-up will be filled by employees who meet the requirements of Article VIII, Section 10, subsection (c).

- (4) Employees will not lose merit positions earned prior to 1-1-91.
- (5) No employee who has worked for the Company for more than 13 weeks on one job shall receive less than the rate of pay at Position 2, and after 26 weeks, at Position 3 of his job's rate range. No employee who has worked for the Company for more than 78 weeks on one job shall receive less than the rate of pay at the midpoint (Position 4) of that job's rate range. (See pages 95-98.)
- (6) An employee who is lacking the necessary skills or qualifications necessary for performing the job he desires to have in his department may be rotated onto work that will provide such by the Company and at his current rate of pay.
- (7) Employees who do not have the necessary qualifications to be considered for skilled set-up jobs in Labor Grade 15 or a higher pay scale, can obtain the necessary experience on Grade "B" set-up jobs subject to the availability of such jobs and the contract provisions dealing with job changes and/or transfers.

If there is an opening for a Setup "A" employee in a department, that opening will be filled by a qualified Setup "A" employee and if no qualified Setup "A" employee is available, then a Setup "B" employee shall be used to fill the opening.

After 52 weeks on a Grade "B" set-up job, the employee if qualified will be considered, at his request, for transfer to a set-up job under the contract provisions dealing with job changes and/or transfers. Employees may be changed from Grade "B" set-up jobs to set-up jobs at the Company's request at any time, subject to the contract provisions dealing with job changes and/or transfers or removed from Setup "B" because of lack of ability or poor performance.

Article IX – Wages

- (8) For the purpose of determining the number of weeks worked in Paragraphs 5 and 7, a week worked shall be any week in which the employee worked at least 3 full days of the normal work week. Any week in which the employee did not work 3 full days of a normal work week shall not be counted.
- (9) Complaints or grievances related to this Dayworker's Wage Plan, which may arise between the Company and the Union, or between the Company and any employee, or group of employees, shall be handled as follows: Complaints or grievances will be referred to the Union paid Compensation Analyst(s) who will, in step 1, step 1A, and step 2 of the grievance procedure, attempt to resolve the complaints or grievances with the designated Company representative. The Plant Grievance Representative may be present at any of the above steps of the grievance procedure. If a complaint or grievance is not resolved, the grievance will be referred to the third stage of the grievance procedure at which time the daywork analyst may be present to discuss the grievance in dispute. The Union shall have the right to bring in a consultant employed by the International Union PACE (AFL-CIO, CLC) or any other mutually agreed upon consultant. The consultant shall have the right to observe any jobs related to the dispute.

In the event the grievance procedure has been exhausted and there is still no settlement, such grievances may be submitted to arbitration. Any upward adjustment of a labor grade as a result of a grievance will be retroactive to the date of the grievance.

- (10) Labor grade 18 Machine Tender jobs in DCCD will be moved to labor grade 16. The Company and Union agree that these Machine Tender jobs and labor grade will not be used in the comparative ranking system.

See pages 95-98 for Daywork Rate Schedule.

Section 4

All non-skilled trades employees working on the second shift shall receive twenty cents (20¢) per hour in addition to their regular earnings, and employees working the third shift shall receive thirty cents (30¢) per hour in addition to their regular earnings.

All skilled trades employees working on the second shift shall receive thirty cents (30¢) per hour in addition to their regular earnings, and employees working the third shift shall receive fifty cents (50¢) per hour in addition to their regular earnings.

Employees, the major portion of whose work shift is after the hour of 3:00 P.M., shall receive second shift pay; and employees, the major por-

Article IX – Wages

tion of whose work shift is after the hour of 11:00 P.M., shall receive third shift pay.

Section 5

Employees performing piecework operations in departments where three continuous eight-hour shifts are scheduled shall be paid three-tenths of an hour at their day rate as lunch allowance in addition to their regular earnings for such day.

Dayworkers in such departments shall not be so paid but shall have a lunch period of three-tenths of an hour and shall work the same regular hours as set forth in Section 3 of Article VI.

Section 6 — Jury Duty Pay

Any employee with seniority and actively engaged at work in the plant regardless of the shift on which such employee works shall be protected by the Company against any loss in pay by reason of jury duty in accordance with the provisions of this section. Dayworkers shall be paid at their regular rate and pieceworkers at a rate equal to their average hourly piecework earnings during the last full calendar work week preceding the week in which they are called for jury duty. The computations of both daywork and piecework payment for jury duty shall be on the basis of straight time, excluding all overtime but including shift premium. The payment made by the Company shall be minus all compensation received by the employee for jury duty. Time spent on jury duty shall not impair an employee's holiday or vacation pay, nor shall it impair an employee's time spent toward acquiring seniority or becoming eligible for group insurance benefits. Daywork employees will not be credited for time worked on a job when absent from work because of jury duty unless such absence does not exceed the limits established under the Dayworkers' Wage Plan.

In order to be compensated for loss of pay by reason of jury duty, an employee must present his claim within two weeks following the completion of such jury duty. The claim should be presented to the Timekeeping Department in the plant in which the employee works and must be accompanied by proper written verification from the Court or one of its officers as to the exact number of days of jury duty service and the amount of compensation received for such service.

Employees absent from work for jury duty must report such absence in the same manner as any other absence from work.

Employees called for jury duty and excused without actually performing such jury duty will be paid on the same basis that they would have been paid had they actually performed such jury duty.

Article IX – Wages

Section 7 — Bereavement Pay

The Company will grant an employee with seniority and actively engaged at work at the plant or during emergency leave of absence, vacation or holiday periods up to three work days of paid bereavement leave at the time of the death or burial of a member of his immediate family defined as such employee's spouse, children, step children, full term stillborn infants, mother, step mother, mother-in-law, father, step father, father-in-law, grandmother, grandfather, sisters, brothers, half sisters, half brothers, or grandchildren.

The Company will grant employees actively engaged at work at the plant or during emergency leave of absence, vacation or holiday periods one day paid bereavement leave at the time of the death or burial of their brother-in-law, sister-in-law, spouse's grandparent, son-in-law or daughter-in-law.

Dayworkers shall be paid at their regular rate for the time missed from work and pieceworkers at a rate equal to their average hourly piecework earnings during the last full calendar work week preceding the week in which the absence takes place. The computation of both daywork and piecework payments shall be on the basis of straight time, excluding all overtime but including shift premium.

Claim for payment should be presented to the Timekeeping Department in the plant in which the employee works and must be made within two weeks following the employee's return to work and also must be supported by satisfactory proof showing the name of the deceased, the name of the employee and the employee's relationship to the deceased.

Section 8 — Military Duty Pay

Employees with seniority attending annual encampments or training duty in any branch of the armed forces shall, upon presentation to the Timekeeping Department of proper proof of all payments including allowances, except per diem, travel, and uniform allowances received, be protected by the Company against any loss in pay by reason of engaging in such training duty up to a maximum period of two weeks per year. Similar protection shall be provided for a maximum period of two weeks per year to employees called for emergency National Guard service.

The differential in pay for dayworkers shall be calculated at their regular rate and for pieceworkers at a rate equal to their average hourly piecework earnings during the last full calendar week preceding the period of absence. The computation of both daywork and piecework payments shall be on the basis of straight time, excluding all overtime but including shift premium.

Article X - Safety and Health

ARTICLE X Safety and Health

Section 1

The Company recognizes its responsibility to protect the health and safety of its employees and agrees to observe all federal, state and local laws, and, as promptly as possible, to control recognized safety and health hazards. The Union agrees to cooperate with Company's effort to control hazards and further cooperate to enforce compliance with regulations.

Section 2

For purposes of providing a safe and healthy workplace, the Union Plant or Division Grievance Representatives may meet with the Company to discuss matters of safety and health, to review accidents, injuries and their causes, and to discuss methods of correcting safety and health code violations and general hazards.

The Union shall have the right to request via Personnel for meetings or an inspection of facilities and processes by the Head of the Union's Health and Safety Committee with the Company's designated Representative. The Company shall on request provide material safety data sheets, industrial hygiene test results and other data which the Union deems pertinent to safety and health conditions.

Section 3

The Safety Department will notify the Union Plant or Division Grievance Representative of all serious accidents or injuries as soon after they occur, as is practicable.

The Company will provide the Union, upon request, with copies of OSHA Forms 200 (occupational injury report), the Wisconsin WC-12 Form (employer's first report of occupational injury or disease), and other pertinent information.

The Company will provide the Union, upon request, with all data and findings from monitoring and testing concerning industrial hygiene conducted by the Company. Further, the Company will notify the Union and allow the Union Representatives to be present when testing and monitoring in regard to industrial hygiene.

Section 4

Any employee called or referred to Safety or Worker's Compensation for an interview with a Company representative has the right to Union representation.

Article XI – Apprenticeship Program

Section 5

The Facilitator or supervisor shall have the duty to shut down an unsafe operation.

The employees shall have the right to refuse to work on unsafe operations.

Section 6

An employee who is injured while at work and who, on that day or on any other day, is sent by the Company to a doctor for treatment, will be paid for time lost on that day at his daywork rate, if he presents a certificate from the doctor.

Section 7

An employee who sustains injury while at work, no matter how slight, shall notify his Facilitator at once and report to the nurse's office for treatment. Such employee shall be paid at his day rate for time so consumed during working hours. Time so lost shall be indicated on the employee's time card, such indication to be by punching in and out where that is possible.

Section 8

Employees who go to the nurse's office for treatment for a non-industrial ailment or injury shall be paid at their day rate for time so consumed during working hours, provided they indicate time so lost by punching out and punching in and do not abuse this privilege.

ARTICLE XI Apprenticeship Program

Section 1

The Company shall have the right to maintain and administer a State Indentured Apprenticeship Program in the skilled trades subject to the terms of this agreement and applicable State and Federal law.

The Company and Union will participate in a Joint Apprenticeship Committee. The J.A.C. will meet at least once every four (4) months to discuss the apprenticeship program. The Committee will consist of nine (9) members: three (3) Company Representatives; three (3) Union Representatives; and three (3) apprentices. The Company Representatives will

Article XI - Apprenticeship Program

be selected by the Company. The Union Representatives will be selected by the Union. The apprentices will be jointly selected by the Company and the Union.

Section 2

Applicants shall be at least 18 years of age.

Section 3

When practicable, the Company will give first consideration for indentures to individuals already employed.

Section 4

- (a) The probationary period for an employee upon entering an apprenticeship program shall be six (6) calendar months during which the apprenticeship agreement shall be voidable by either party to the indenture upon written notice to the Wisconsin Department of Industry, Labor and Human Relations.
- (b) The Department of Industry, Labor and Human Relations may annul the indenture after completion of the probationary period upon application of either party and a showing of good cause.
- (c) The termination of an apprenticeship agreement shall not be subject to review under Article IV of this agreement.

Section 5 - Wages & Hours

- (a) An apprentice's wage will be scheduled by the Company to average no less than 60% of position four (4) of the wage scale for the trade during the term of the apprenticeship. The actual wage scale and progression will be detailed in each indenture and approved by the State.

Candidates may receive credit for related work experience. Credit for previous schooling or work experience may be evaluated during the probationary period and then applied.

Those awarded credit will be paid a commensurate rate of pay.

In no case will any candidate receive credit for more than one-half the total hours of his apprenticeship.

- (b) Upon completion of the apprenticeship, the apprentice will be given a Journeyman job, classification and wage rate at a plant location and on a shift to be determined by the Company. Under normal circumstances apprentices will be assigned to the plant in which they have served their apprenticeship. The opening for which an apprentice is

Article XI - Apprenticeship Program

being considered shall be treated as an upgrading within the department and the job will be posted within six (6) regularly scheduled working days on the appropriate department's bulletin board for two (2) days (48 hours) and a copy of the posting will be furnished to the Union.

Upon completion of apprenticeship, the employee shall receive the midpoint of his trade.

- (c) All hours of Company approved schooling shall be paid at straight time by the Company.
- (d) The Company shall pay his pre-approved school costs related to tuition and books.
- (e) The assignment of overtime to apprentices working with a given job classification shall only be done after all non-apprenticed employees in the given job classification in which the work is to be done have been asked.

Section 6

The Company shall have the right to assign an apprentice, at Company request, to any given plant, shift, or work assignment within his trade as long as no other non-apprenticed employee already assigned to the given plant, shift or work is displaced.

The Company shall have the right to use qualified skilled personnel in the training of an apprentice.

Section 7 - Layoff & Recall

During a reduction in work force in the skilled trades, apprentices in the affected department and job classification shall be the first employees removed and the last employees recalled.

Apprentices shall have both a Company seniority date in accordance with Article VIII of this Contract and also an apprenticeship seniority date which shall be based on the amount of time remaining for completion of an employee's indenture. The employee with the least amount of time remaining on his indenture and in his particular trade at his plant location shall be the most senior apprentice in that trade.

After being transferred from or laid off from an apprenticeship classification, an employee shall exercise Company seniority.

The Company shall at its discretion have the right to continue a transferred or laid off apprentice's schooling.

Article XII - Educational Assistance Program

Section 8

An employee who is released for any reason from his indenture, shall be transferred to an open job that he can satisfactorily perform or else be placed on layoff.

Section 9

After graduation, apprentices will have trade seniority and Company wide seniority. Trade seniority will date back to the date they started the apprenticeship program and will apply for overtime scheduling and transfers only. This section applies only to apprentices who start their apprenticeship on or after August 1, 1995.

Section 10

All apprentices will accrue a cash liability of \$2,000 per year as the cost of their apprenticeship. This liability will be waived at the rate of \$2,000 per year in return for working for the Company after the completion of their apprenticeship. Any employee who completes his/her apprenticeship, and who leaves before the liability is repaid, will be required to repay the remaining amount of the accrued liability to the Company at the time of his/her resignation.

Employees will pay all amounts owing to the Company within 90 days following the date that the employee voluntarily terminates their employment. The employee will pay the Company 8% interest on all amounts that remain unpaid after the end of the 90-day period. In addition, the employee will pay the Company's costs and expenses, including actual attorneys' fees, of collecting any amounts payable.

Each apprentice, upon entering the program, will be required to sign a contract that provides these terms.

ARTICLE XII Educational Assistance Program

Section 1

The Company encourages employees to obtain additional education in their fields of endeavor to develop and prepare employees for advancement opportunities and to increase the potential value of employees to the Company.

Thus the Company will provide reimbursement for 100% of out of pocket expenses for tuition, lab fees, and book expenses (not including

Article XII – Educational Assistance Program

registration fees, transportation, etc.) to eligible employees satisfactorily completing approved courses as defined below.

- (a) To be eligible for educational assistance an employee must:
- (1) (a) Be a full-time employee who has six (6) months of seniority at the time of enrollment for, and completion of, the course; or
(b) Be a laid off employee who has at least six (6) months seniority at the time of enrollment for, and completion of, the course. The course(s) taken must be less than six (6) months in duration. The employee must be recalled to full time status within six (6) months of completing the course.
 - (2) Pay all expenses of the course prior to receiving reimbursement for such course.
 - (3) Receive written approval of the specific course from the Personnel Office in advance.
 - (4) Submit a tuition receipt and evidence that the course has been satisfactorily completed with a grade of at least "C" or its equivalent.
 - (5) If an employee's shift is changed due to a Company transfer and the employee is forced to drop the course they are currently enrolled in, they will be reimbursed for the course. The employee will make every reasonable effort to transfer their class schedule.
- (b) To be eligible for reimbursement under the Educational Assistance Program, a course of study must:
- (1) Be offered by an accredited college, university, or technical school. Correspondence courses are not eligible for tuition reimbursement, unless the Company decides to make an exception.
 - (2) Contribute to the performance of the employee's present or probable future job within the Company.
 - (3) Require class attendance on the employee's time.

The Personnel Department shall determine the appropriateness of the course or courses to be taken and approve or disapprove the course for educational assistance. Should the Company deny an employee's request for a course, the employee shall have the right to request an immediate meeting between the Union and the Company to resolve the issue.

Upon satisfactory completion of the course, the employee shall present his grade report and educational expense receipts to the Personnel Department which will request appropriate and prompt reimbursement.

Article XII -- Educational Assistance Program

Section 2

- (a) When the Company requires employees to attend or take part in training to maintain skill levels in their current classifications and labor grade, pay for all hours spent in class will be in accordance with the Contract. Employees who go to school Monday through Friday from a department that is on a nine (9) hour schedule will not lose the ninth hour for pay purposes. The Company will attempt to make the training available to all shifts by seniority. The Union will be notified in advance of scheduled schooling and those in attendance.

When the Company schedules voluntary training opportunities for employees to expand their skills in their current classification and labor grade, they will receive pay to a maximum of eight (8) hours per day based on their straight time average, including shift premium, for the week prior to the week in which the training occurs.

Employees who are not in the affected classification and labor grade may request to attend such training in order to qualify themselves for advancement, provided unslotted openings are available, without pay.

- (b) The Company may at times schedule non-paid general knowledge courses to provide technical training for employees to advance themselves. Examples: Blueprint reading, use of the micrometer, statistical process control.
- (c) It is understood that new knowledge being introduced into the shop because of new technology may initially be scheduled under paragraph (a) above, but that eventually such knowledge will become a prerequisite for employees desiring to enter a classification for the first time and that the employee has the obligation at that time to obtain said knowledge on his own, in many cases through use of the Educational Assistance Program.

Section 3

In addition to Article XII, Section 1, when an employee with five (5) or more years seniority is laid off for twelve (12) consecutive months he will be entitled to education and retraining according to the following:

Courses will be approved by the Company which contribute to or enhance the employee's ability to obtain other employment provided that the employee begins the approved course(s) within one (1) year after eligibility.

Article XIII – General

Approved courses will normally be given at schools which are accredited by recognized regional or state accrediting agencies and may include:

- Occupational or vocational skill development;
- Fundamental reading or numerical skill improvement;
- High school diploma or equivalency achievement; and
- College level career oriented courses.

An employee will be reimbursed up to a maximum of \$4,000 for authorized expenses which are incurred within two (2) years of eligibility provided a grade of C or better is received in the course. Authorized expenses include verified tuition and necessary books.

This section does not apply to terminated employees.

ARTICLE XIII General

Section 1

The Company agrees to allow the Union the use of a sufficient number of bulletin boards. The Union agrees to submit the notices to the Personnel Department prior to posting and to restrict such notices to:

- (1) Notices of Union recreational and social activities;
- (2) Notices of Union elections;
- (3) Notices of Union appointments and results of elections;
- (4) Notices of Union meetings;
- (5) Notices of Union business.

Section 2

The Company agrees to notify the Union of all individual wage adjustments and transfers of employees who are subject to the terms of this agreement.

Section 3

The Union recognizes that the Company retains the traditional rights to manage its business and to direct, plan and control plant operations and the working forces. These unilateral management rights include, but are not limited to, the right to determine products to be manufactured or serv-

Article XIII – General

iced; to introduce, discontinue, or transfer a product or operations or any portions thereof including the sole right to determine when and where such product and operations shall be introduced, discontinued or transferred; to determine, and adjust or modify its operations, methods, processes, facilities, equipment, and materials to be used in connection with manufacture or maintenance.

The Company retains the right to subcontract work subject only to the following:

Skilled Trade Maintenance Work — Applicable skilled trades employees of the Company will be utilized for production demand work if they can satisfactorily perform a given job with the readily available equipment in a timely manner.

Subcontractors will be utilized for new construction, rebuilding, replacement or modification of existing machines and facilities and to meet production demands.

When it is necessary to utilize subcontractors for production demands, the Company will assign overtime as stated in Article VI, Section 10, Overtime (1) General (c) as a means of minimizing the use of subcontractors.

To meet production demands, the Company will be allowed to use subcontractors on a temporary basis for reasons such as to fill in for employees on vacation, leave of absence, quit, or until they can hire, without being obligated to assign weekend overtime.

Skilled Tool Room Work – For maintenance and repair of dies (this does not include making replacement parts), applicable skilled trades employees of the Company will be utilized if they can satisfactorily perform a given job in the space available with the readily available equipment in a timely manner. The Company will assign overtime as stated in Article VI, Section 10 – Overtime, (1) General (c) as a means of minimizing the use of outside contractors. If the Company outsources dies for maintenance or repair because of timeliness, the fact that dies are on the outside does not obligate the Company to assign overtime.

Joint Union – Company Tool Room Committees will be formed as needed and will meet quarterly to discuss new work and alteration subcontracting. The Committees will discuss factors such as, but not limited to, timeliness, available manpower, commitment of the workers, equipment needed and economics. The purpose of the Committees is to allow the Union and the Company to work together to enhance productivity in the Tool Rooms with the intended result to

Article XIII - General

minimize the need for the use of outside contractors. The Company retains the ultimate discretion as to final subcontracting decisions subject to the terms of this section.

Section 4

In an effort to minimize subcontracting, a joint subcontracting committee will be established. Subcontracting is defined as the placement of work previously performed by bargaining unit members with outside concerns when such work could be performed by bargaining unit personnel at the time of such placement without overtime or additional equipment and at the same quality level as that offered by the outside concerns.

The committee will consist of no more than five management representatives and seven Union representatives, all of whom shall be employees of the Company. The committee will meet regularly twice a month, unless mutually agreed otherwise, to discuss the status of jobs presently subcontracted as well as jobs then known to be scheduled for subcontracting and to evaluate the economic and other considerations which resulted in the subcontracting or proposed subcontracting. The committee shall be provided with sufficient information to allow it to make recommendations as to means to bring the work back or to render the proposed subcontracting unnecessary. Whenever practicable, the committee will be provided with such information as to the proposed subcontracting in sufficient time to allow it to review the proposed subcontracting before it takes place. The Union Representatives will be paid at their day rate for time spent in subcontracting meetings.

The ultimate goal of the committee is to insure that work traditionally performed by bargaining unit employees will be retained whenever it is in the best interests of the Company and the employees to do so. The Company retains the ultimate discretion as to final subcontracting decisions.

Any subcontracted work brought back to the Company thru the efforts of the Subcontracting Committee shall remain at the Company for at least one (1) year. Any process improvement developed by the Subcontracting Committee will not be given to an outside supplier.

Section 5

The Union agrees that in the event of a work holiday, strike, work stoppage or other concerted production interference, a minimum number of firemen and other plant protection employees shall continue in their regular duties of firing and plant protection without interruption or interference. This clause shall not be effective in the event that the Company should endeavor to carry on production operations during such period.

Section 6

(a) The Company will, to the extent provided on page 89 of this agreement, pay the premium cost of the Group Life, Health and Accident

Insurance Plans covering employees and their dependents as designated in the Plans. The benefits provided for in the existing Group Insurance Plans, plus those added in connection with this agreement, will be maintained during the term of this agreement.

The Company will provide a dental plan for employees with six (6) or more months seniority and their qualified dependents. The Company will pay the premium cost of the dental plan.

- (b) There are two (2) program groups of medical and dental coverage available under the benefit plan — The HMO Medical and Dental Programs and the Comprehensive Medical and Dental Expense Programs.

New employees will, upon eligibility, be enrolled in the HMO Medical and Dental plans unless they elect the Comprehensive Medical and/or Dental Programs at the time of hire.

- (c) *Transferring from one Group Insurance Program to another shall be as follows:*

(1) Employees desiring to transfer from the HMO Medical plan to the Comprehensive Medical and/or from the HMO Dental plan to the Comprehensive Dental, may do so by giving proper written notice to the Insurance Department during November of any given year and the transfer will become effective on January 1 of the following year.

(2) Employees desiring to transfer from the Comprehensive Medical to the Medical HMO plan and/or from Comprehensive Dental to the Dental HMO plan, may do so by giving proper written notice to the Insurance Department during November of any given year and the transfer will become effective on January 1 of the following year.

- (d) The existing Retirement Plan as amended by this agreement will be maintained during the term of this agreement.

Section 7

Facilitators and other managerial employees of the Company may instruct but shall not normally perform work ordinarily done by members of the bargaining unit.

It is hereby agreed between the Union and the Company that in the event of complaints regarding supervisory personnel, the Company and the Union will meet and review such complaints and, if necessary, remedial action will be taken by the Company.

Section 8

The Company agrees to furnish to the Union all address changes.

Article XIII – General

Section 9

In the event it becomes necessary to call in employees for emergency work, they shall be paid one (1) hour for coming to the plant and one (1) hour for returning home following the call, or one (1) hour if the employee does not return home and continues to work his regular shift hours. All such time is to be paid on an overtime basis regardless of the number of hours the employee works on his regular shift.

The above applies only in case of emergency, and does not apply to work done by an employee outside of his regular hours, such work and hours having been pre-arranged and the employee having been so notified.

Section 10

The Company will make metric tools available for employee use, where necessary during the life of this contract.

Section 11

The Company will assign the Plant Grievance Representative a room in which to conduct Union business.

Section 12

Upon request, the Company will furnish the Union, for its own use, with a reasonable number of Contract books, pension and insurance booklets at no cost.

Section 13

The following modifications to the current Briggs & Stratton Corporation collective bargaining agreement will take place upon ratification.

- Skilled trades rates increase \$2.00/hr on 8-1-01.
- Article I, Section 2 and Letter of Intent
 - Layout Inspectors to Salary.
- Article VII, Sections 1 and 2
 - Date change for vacation pay calculation.
- Article VII, Section 10
 - Shutdown to first 2 weeks of July.
- Memorandum of Agreement
 - Pilot program.
- Group Insurance Plan
 - Change in medical plan options and Company contributions.
 - Life insurance increase effective 1-1-02.
 - Replaced supplemental life program.
- Letter of Intent
 - Retiree employment.

Article XIV – Termination

- Letter of Intent
 - Daywork incentive program.
- Letter of Intent
 - Lump sum pension supplement.
- Letter of Intent
 - Health insurance for Union officials.

ARTICLE XIV Termination

Section 1

This agreement shall be in full force and effect from August 1, 2002, to and including July 31, 2006, and shall continue in full force and effect from year to year thereafter unless written notice of desire to terminate this agreement is served by either party upon the other at least sixty (60) days prior to the expiration or an automatic renewal.

If such notice is so served, then this agreement shall terminate upon its expiration date or upon the ending of the automatic annual period involved, as the case may be.

Section 2

When no such termination notice is served and the parties desire to continue said agreement, but also desire to negotiate changes or revisions in the agreement, either party may serve upon the other a notice at least sixty (60) days prior to July 31, 2006, or July 31st of any subsequent contract year, advising that such party desires to continue this agreement but also desires to revise or change terms or conditions of such agreement. Such notice shall specify the respects in which change is desired.

Section 3

The respective parties shall be permitted all lawful economic recourse to support their request for revisions if the parties fail to agree thereon.

Section 4

Either party may, upon giving notice in writing to the other at least sixty (60) days prior to July 31, 2006, and/or July 31st of any subsequent year, reopen the contract with respect to all matters pertaining to wages. The respective parties shall be permitted all lawful economic recourse to support their request for wage revisions if the parties fail to agree thereto.

Article XIV - Termination

In the event the parties cannot agree upon the requested increase or adjustments, the Union shall have the right to strike in support of its demands with respect to each such reopening.

Section 5

Either party may upon giving notice in writing on or about April 1, 2005, but no later than April 1, 2005, to the other request that the other party join in good faith negotiations starting before June 1, 2005, for a successor contract. A final offer made by the Company shall be presented to the Union membership for a vote on or about August 1, 2005, but no later than August 1, 2005.

If the Company gives notice pursuant to this section, the Company will pay up to \$10,000 for time spent by Union representatives in negotiations between June 1, 2005, and August 1, 2005.

Executed at Milwaukee, Wisconsin this 8th day of July, 2001.

BRIGGS & STRATTON CORPORATION

By: (Signed) Jeffrey G. Mahloch
(Signed) Scott P. Langelin
(Signed) Mae D. Killebrew
(Signed) Frank R. Fischer
(Signed) Kenneth G. Dellemann

LOCAL 7-0232 PAPER, ALLIED-INDUSTRIAL, CHEMICAL AND ENERGY WORKERS INTERNATIONAL UNION, (AFL-CIO, CLC)

By: (Signed) Gregory H. Gorecki
(Signed) Scott E. Godshaw
(Signed) Jesse Edwards
(Signed) Barbara A. Schuller
(Signed) Michael P. Merrill
(Signed) John D. Nalepinski

PAPER, ALLIED-INDUSTRIAL, CHEMICAL AND ENERGY WORKERS INTERNATIONAL UNION, (AFL-CIO, CLC)

By: (Signed) Ernest L. Dex

Memorandum of Agreement

MEMORANDUM OF AGREEMENT

The Company and the Union agree to work mutually to solve problems caused by bumps occurring when either Article VIII, Sec. 7 (3) (c) or Article VIII, Sec. 7 (3) (e) of the Contract is invoked.

MEMORANDUM OF AGREEMENT

The Pilot Program is incorporated in the contract in its entirety. Should there be any conflict between the terms of this Memorandum of Agreement and any other provisions in the collective bargaining agreement, the terms of this Memorandum of Agreement will control and supersede any other agreement.

The Union and management team will revise the current Pilot Program booklet to reflect necessary changes based on new contract language.

MEMORANDUM OF AGREEMENT

Seven Day/Twelve Hour Shift

The Die Cast Components Division and Departments 242, 243, & 763 (Waste Treatment, Plating and Heat Treating) may place certain departments or operations on a seven day schedule. Such a schedule will not be used unless business conditions warrant and, when used, will be phased in as necessary. It will not be implemented across the entire Die Cast Components division at once. Unless another schedule is agreed to by the general manager and divisional grievance representative according to the Memorandum of Agreement on page 76, the Company shall have the right to implement the following schedule.

The Company will give affected employees thirty (30) days notice prior to implementing this schedule or reverting back to the eight (8) hour schedule. This memorandum replaces Article VI (Hours of Work) for employees so assigned. The Company will schedule and pay for work as follows:

(a) Schedule: Four - 12 hour work shifts.

| | Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|--------|-----|-----|-----|-----|-----|-----|-----|
| Week 1 | X | X | O | O | O | X | X |
| Week 2 | O | O | X | X | X | O | O |

(b) Hours

First shift will normally start between 6:00 a.m. and 8:00 a.m. and second shift between 6:00 p.m. and 8:00 p.m. Each shift will have three

Memorandum of Agreement

(3) ten (10) minute breaks. Lunch will be eighteen (18) minutes. These hours are not a guarantee of any minimum number of hours of work per day or per week.

(c) Overtime

One and one-half (1-1/2) times an employee's regular earnings shall be paid for all time worked in excess of forty (40) hours per week.

Two (2) times an employees regular earnings shall be paid for all time worked in excess of twelve (12) hours per day and on holidays listed in Article VI, Section 6 of the Agreement.

There shall be no pyramiding of overtime.

(d) Shift premium

Non-skilled trades employees who normally work the second shift shall receive \$.30 per hour in addition to their regular earnings. Skilled trades employees who work the second shift shall receive \$.50 per hour in addition to their regular earnings.

(e) Holidays

The two crews scheduled to work the day of the holiday will have that day off with twelve (12) hours of holiday pay. The other crews will receive twelve (12) hours of holiday pay only. Paid holidays and eligibility requirements are listed in Article VI, Section 6.

(f) Vacation

Employees who normally work a twelve (12) hour shift schedule and take a day of vacation will be considered to have used one (1) day of vacation. During a vacation shutdown when they are not scheduled to work, they will be considered to have used ten (10) days vacation.

(g) Bereavement

Employees who normally work a twelve (12) hour shift schedule who are absent from work for qualified bereavement will receive twelve (12) hours of straight time pay in accordance with Article IX, Section 7 of the Agreement.

(h) Jury Duty

Employees who normally work a twelve (12) hour shift schedule who are absent from work for jury duty will receive twelve (12) hours of straight time pay in accordance with Article IX, Section 6 of the Agreement.

Memorandum of Agreement

(i) Military Duty

Employees who normally work a twelve (12) hour shift schedule who are absent from work for military duty will receive twelve (12) hours of straight time pay in accordance with Article IX, Section 8 of the Agreement.

(j) Staffing

Openings will first be filled by volunteers from the department. If not enough employees volunteer, the Company may honor transfer requests, recall employees from layoff, or hire from the outside. This will not preclude the Company from forcing the least senior employees in the department with the skills necessary to keep the operation running. The Company will not hire from the outside if there are qualified employees with transfer requests on file or on layoff.

If an employee is forced onto this schedule and notifies the Company that he does not wish to remain on the schedule, the Company will replace the employee as soon as practical.

(k) Pay for employees transferring to or from the twelve (12) hour shift schedule will be determined by the pay schedule they were on at the beginning of the pay period which starts on Monday and ends on Sunday.

(l) Call in Procedures for Overtime

- (1) If an employee is called in for overtime, the most senior employee in the proper labor grade and job classification from the same shift on the off rotation will be called in.
- (2) If no employee is available as stated above, then the most senior employee in the proper labor grade and job classification from the opposite shift on the off rotation will be called in.
- (3) If no employee is available as stated above, then the most senior employee in the next three (3) labor grades up and down on the same shift on the off rotation will be called in.
- (4) If no employee is available as stated above, then the most senior employee in the next three (3) labor grades up and down on the opposite shift on the off rotation will be called in.
- (5) If no employee is available as stated above, then the most senior dayworker in the next best labor grade from the same shift on the off rotation will be called in.
- (6) If no employee is available as stated above, then the most senior dayworker in the next best labor grade from the opposite shift on the off rotation will be called in.

Memorandum of Agreement

- (7) If no employee is available as stated above, then the most senior employees in the proper labor grade and job classification working on the rotation will split the overtime equally between the shifts.

MEMORANDUM OF AGREEMENT

The Company continues to have the right to implement employee involvement, quality and/or productivity improvement programs. Any new pay-based incentive program that will be over and above the day rate wage rates provided in the Collective Bargaining Agreement must be mutually agreed to between the Company and the Union.

MEMORANDUM OF AGREEMENT

Division Specific Contract Language Changes

To maximize productivity and quality, and to improve the quality of work life for our employees, each general manager and the full Union Bargaining Committee can agree to mid-contract language changes for their division. The changes can be permanent or experimental as determined by the general manager and the full Union Bargaining Committee. All agreed upon changes, however, will be in effect for six (6) months unless both parties agree to end it earlier or extend it. Other than wage rates, insurance, pension, holidays, or vacation, all other changes, even if they impact or effect these sections, shall be permitted. Union representatives will be paid their average straight time wage for time spent in these meetings.

MEMORANDUM OF AGREEMENT

Dayworker's Wage Plan

The Company and Union agree to form joint committees on a divisional basis to study and recommend changes to the dayworker's wage plan. The goal of these committees is to recommend changes to the dayworker's wage plan so that the plan is equitable, and supports the Company's efforts to attract new business. Any recommended changes by the committees must be mutually agreed to between the Company and the Union and shall not be a violation of the memorandum of agreement on division specific contract language changes. These committees can recommend changes that utilize other memorandums of agreement (i.e. division specific contract language changes, new pay-based incentive programs, etc.) where appropriate. Nothing contained in this memorandum shall restrict the rights of the Company to make changes or exercise other rights as provided in the dayworker's wage plan set forth in Article IX, Section 3, or any past practice or arbitrator's award, where no mutual agreement has been reached.

Memorandum of Agreement

MEMORANDUM OF AGREEMENT

401(K) Retirement Savings & Investment Plan

Eligible employees will be allowed to contribute on a tax deferred basis up to 16% of their wages, subject to any government maximums on amounts contributed.

Plan expenses related to individual accounts will be charged to each employee account.

The Company will make a matching contribution of 50% up to the first 3% of eligible employee wages contributed.

The 401(k) program is not a replacement for the current pension plan. Rather, the 401(k) is in addition to such plan. The benefits of the principal pension plan will remain unchanged for the term of this agreement, and employees will continue to accumulate pension credits under that plan as dictated by its provisions.

In all cases the terms set forth in the 401(k) plan document will control over this summary.

MEMORANDUM OF AGREEMENT

The Company and Union agree that when job elimination occurs subject to Article VIII, Section 8 (k), and the magnitude of such elimination is such that direct transfers are not practical, employees may be laid off for a reasonable length of time before being brought back to jobs in their group.

MEMORANDUM OF AGREEMENT

The Company and Union agree that when layoffs occur as a direct result of job elimination, employees working on the effected jobs will not be allowed to take voluntary layoff.

MEMORANDUM OF AGREEMENT

Job Preference

It is agreed between the Union and the Company that the Engine and Carburetor Assembly lines with group rates shall have job preference in accordance with these provisions, with the understanding that the employees requesting job preference must be able to show satisfactory progress within five (5) working days with a suitable training period.

Memorandum of Agreement

- (1) Employees may prefer a job that is open with the understanding that they shall remain on such job. However, should there be a request by this employee for re-assignment such request may be denied only by mutual agreement between the Company and the Union.
- (2) When a job is shut down temporarily, changed or eliminated, or a line is temporarily shut down or eliminated including 2nd or 3rd shift, the employee shall have job preference of the department, according to seniority. This paragraph shall not apply to model changes. Further, this paragraph shall not apply to short block schedules that run three (3) weeks or less.
- (3) When an employee goes on sick leave, or takes a voluntary layoff (under the inverse seniority clause) that job is the same as an opening. When a job is vacated by an employee on sick leave, and the preferred job on the same line is taken by an employee with more seniority, the returning employee shall have job preference in the department. When the preferred job, on the same line, is held by an employee with less seniority, the returning employee must return to that job or float. If the employees return with limitations they may take an open job or float until the limitations are removed. When the limitations are removed, the employee shall have the right to return to the job vacated at the time of sick leave, if seniority permits.
- (4) Assemblers returning from voluntary layoff shall bump onto their former job seniority permitting. If the run rates have changed prior to being recalled, the assembler, if their job is eliminated, will have bumping rights in the department, seniority permitting. Assemblers who do not have enough seniority to bump onto their former jobs and assemblers being bumped due to the return of employees from voluntary shall, seniority permitting, take an open job or float. If their seniority does not so permit, they shall be placed on involuntary layoff.
- (5) A job shall not be considered open until an employee is absent due to illness, injury or layoff due to limitations for more than six (6) consecutive weeks. Each job opening shall be posted for two consecutive working days, forty-eight (48) hours, at the Facilitator's desk. The senior employee requesting the open job within the allotted time, shall be placed on the job.
- (6) In the event that an assembly department must send employees home for lack of work, the affected employees may volunteer to leave by seniority.
- (7) Due to the characteristics of the carburetor assembly departments, the following provisions shall apply:

When there is a reduction of operators on a line for two (2) weeks or less, the employees removed will have job preference on open jobs

Skilled Trades Departments

only and return to the job from which they were removed without re-posting. In the event the number of operators are reduced from a line for longer than two (2) weeks, employees will have job preference throughout the department.

Seniority shall determine who performs the work on the line.

MEMORANDUM OF AGREEMENT

Skilled Trades Departments

It is agreed between the Union and the Company that the employees of the skilled trades shall have job preference in the performance of work in accordance with these provisions:

When tool room employees have to go into the die cast department to remove drags, replace cores, push pins, etc. and polish certain gate runner areas including minor maintenance, the youngest qualified by seniority grade #5 man will be assigned to these duties as required and be reassigned, if available, before older seniority grade #5 employees are assigned. If not available, the next grade #5 man in line of seniority will be assigned.

Example: When the youngest seniority man is sent to the die cast department at 7:30 A.M., and returns to the Tool Room before another call is received from the die cast department, this same man will go back.

Seniority shall apply when the skill of a grade 5 or a grade 2 man is required after the die is acceptable for production.

Exceptions: When a correction is required on a die and further correction required as per original layout report of inspection sheet, the grade 5 or grade 2 man who worked on the die will be assigned. Any obvious correction shall be made by the grade 5 or grade 2 man who worked on the die.

If all grade 5 men are working in the die cast department, then grade 2 men will be assigned as required.

The Company recognizes its responsibility to provide on-the-job training opportunities to its skilled employees in their job classification with the understanding that production requirements must be met.

Group Insurance Plan

GROUP INSURANCE PLAN

Summary of Benefits

Section 1

The purpose of this summary is to present a simple explanation for every day use. For more detailed information, please refer to your Group Insurance Booklet or contact the Group Insurance Department.

The complete terms of your Group Insurance Coverage are set forth in master policies/plan descriptions issued by the current carrier(s). In case of any conflict between this summary and such policies and descriptions, the provisions of the policies will control. The terms for the pricing of medical services under the Company contract with the designated preferred provider program are incorporated herein by reference.

Section 2

LIFE AND ACCIDENTAL DEATH INSURANCE —

For employees only
(After 60 days of seniority)

| Basic Principal Amount | Basic Accidental Death and Personal Loss | |
|-----------------------------------|---------------------------------------------------------|----------|
| Effective | | |
| August 1, 2001 | \$22,000 | \$22,000 |
| January 1, 2002 | \$23,000 | \$23,000 |
| January 1, 2003 | \$24,000 | \$24,000 |
| January 1, 2004 | \$25,000 | \$25,000 |
| January 1, 2005 | \$26,000 | \$26,000 |
| January 1, 2006 | \$27,000 | \$27,000 |

Supplemental options for additional amounts of Life and AD&PL, both of the employee and dependent type, will be available at the employee's cost and will replace the Group Universal Life option previously offered.

Basic Company-paid Life Insurance will revert to \$8,000 upon retirement. Life Insurance premium will continue to be paid until age 65 for permanent and total disability commencing prior to age 60.

Group Insurance Plan

Section 3

WEEKLY DISABILITY BENEFIT —

For employees only
(After 6 months seniority)

| (a) Effective Date | Amount |
|--------------------|--------|
| August 1, 2001 | \$295 |
| August 1, 2002 | \$305 |
| August 1, 2003 | \$315 |
| August 1, 2004 | \$325 |
| August 1, 2005 | \$335 |

- (b) To be entitled to benefits, an employee must be totally disabled from performing work. For employees with less than 5 years of seniority, maximum period of benefits for a continuous disability is 13 weeks. For employees with 5 or more years of seniority, the maximum period is 26 weeks. (Employees who continue to be disabled after 26 weeks may qualify for social security disability income (SSI), and should contact Social Security Administration.)

Should an employee be capable of performing work, but with restrictions, he will be required to report for reinstatement. If work compatible with such restrictions is unavailable at the time, the employee will be laid off with limitations and should immediately file a claim for Unemployment Compensation. Should Unemployment Compensation deny the claim solely because of its "15% of labor market" rule, the employee will then be considered totally disabled from work.

Benefits are payable beginning with the 1st day of disability due to an accident, and beginning with the 8th day of disability due to disease. However, benefits are payable beginning with the 1st day on which you are confined in a hospital for a period of at least 24 hours.

Benefits will be payable beginning with the 1st day of any disability resulting from surgery.

No disability is payable for any day for which an employee receives Holiday Pay.

(Unless otherwise indicated, deductibles, co-pays, and co-insurance amounts shown in Section 4 reflect 1-1-2002 levels).

Group Insurance Plan

Section 4

MEDICAL BENEFITS ---

For employees and dependents (After 60 days of seniority)

There are three (3) programs of Medical Benefits available. (Any of the 3 program categories may have more than 1 plan option during the term of this agreement.)

(a) HMO (Health Maintenance Organization):

An HMO provides both extensive medical coverage and preventive health care. Covered services are received through the facility or physician group chosen by the employee upon enrollment. With limited exception as specified in the HMO Benefit Booklet(s), there are no bills, claim forms, or out-of-pocket expenses to the employee beyond certain per service deductibles.

The HMO carrier is responsible for the administration, benefits, providers, and other related aspects of the Plan(s) it offers.

It is intended by the parties that the prime program through calendar year 2001 will be Compcare. The Company will make its best effort with any subsequent HMO(s) to provide for the level of benefits and provider access currently available under the Compcare program. An EPO (Exclusive Provider Option) may be installed in place of an HMO or any of its options. An EPO is like an HMO, except that it is not insured by a carrier.

(b) PPO (Preferred Provider Organization) -- the Comprehensive Medical Expense Program.

(1) Medical services obtained within the Southeastern Wisconsin service area.

- (a) The Comprehensive Medical Plan will pay 90% of all covered medical expenses for services obtained from the physicians, hospitals, and other providers participating in the designated Preferred Provider Organization (PPO). The current designated PPO is the Health Care Network of Wisconsin (HCN), covering the area referenced in heading (1) above. For services obtained from these PPO providers, there is a \$100 deductible per person per year (\$200 maximum per family) to be met before the plan begins paying 90%. If by way of the employee's 10% co-insurance portion, the covered PPO expenses payable by the individual in a calendar year should reach \$1100 per person or \$2200 for a family (the employee's

Group Insurance Plan

"co-insurance limit"), the plan will pay 100% of further covered PPO charges for the rest of that year. Types of medical services available through the PPO may be added during the term of this agreement.

- (b) The Comprehensive Plan will pay 70% of all covered medical expenses for services obtained from non-PPO providers within the service area referenced in heading (1) above, after satisfaction of the deductible(s). For such non-PPO services, the annual deductible is \$275 per individual with a \$550 maximum per family. If by way of the employee's 30% co-insurance portion, the covered non-PPO expenses payable by the individual in a calendar year should reach \$3300 per person or \$6600 for a family (the employee's "co-insurance limit"), the plan will pay 100% of further covered non-PPO charges for the rest of that year.
 - (c) An additional copay for \$75 for emergency room services, and \$25 for urgent care facility services, will apply whether care is in-network or out, but will be waived if admitted within 24 hours.
- (2) For medical services obtained outside the service area, the same provisions as described in (1) (b) and (c) of this section apply, except that the Comprehensive Plan will pay 90% of covered expenses rather than 70%.
 - (3) Covered expenses include the reasonable and customary charge for semi-private hospital room and board and other necessary hospital services, surgical procedures, obstetrical services, physicians' and nurses' fees, x-ray and radioactive therapy, physical therapy, diagnostic x-ray and lab fees, ambulance service, prosthetic devices, and other services and supplies.
 - (4) For Behavioral Health (mental/nervous and drug/alcohol) conditions, the specified coverage will be limited to 30 days of inpatient/primary outpatient treatment and to 10 standard outpatient treatments per calendar year. All other covered expenses for such conditions will be payable at 50%. The maximum lifetime benefits payable for such conditions are included in the total lifetime maximum payable by the PPO program.

Effective 1-1-02, the Behavioral Health benefit will be administered by Innovative Resource Group (formerly CNR) using its own preferred provider network. It will include, and be integrated with, an employee assistance (EAP) component. Annual deductibles will not apply to behavioral health services.

Group Insurance Plan

- (5) Prescription drugs will be treated as a separate benefit under the Comprehensive Plan. Effective 1-1-02, after a \$70.00 per person calendar year deductible, the plan will pay the following toward the lesser of druggist charges or the maximum allowable schedule amount for covered prescriptions purchased at a pharmacy:

85% – Generic

75% – Preferred Brand (Formulary), \$10 min. copayment

65% – Non-preferred Brand (non-formulary), \$20 min. copayment

Supplies of a prescription purchased at a pharmacy will be limited to 30 days at a time.

Maintenance drugs (those for ongoing chronic conditions) will be available in 90 day supply increments through a mail order service as follows:

\$20 copayment – Generic

\$40 copayment – Preferred Brand (Formulary)

\$60 copayment – Non-preferred Brand (non-formulary)

The calendar year deductible will not apply to mail order prescriptions. Oral contraceptives and prescription pre-natal vitamins will be covered exclusively under the mail order service.

- (6) **For employees hired and subsequently covered under the Comprehensive Plan after 2-1-98**, the maximum benefits payable by the plan for pre-existing conditions will be limited to \$4,000 for the first 12 months following the initial enrollment date. For late enrollees, maximum benefits for pre-existing conditions will be limited to \$4000 for the first 12 months following the late enrollment date and to \$4000 for the next 6 months thereafter. Time satisfied under prior creditable coverage will be counted toward the waiting period for a pre-existing condition, unless there was a 63 day or more break in coverage.
- (7) Continuation of coverage provisions are as prescribed by law.
- (8) The benefits of the Comprehensive Plan will be coordinated with those available under other plans. The Normal Benefits payable under this plan (what this plan would pay in the absence of other coverage) is the maximum allowable expense.
- (9) The following services must be pre-approved by the designated utilization review (UR) agency in order to be considered for payment under the Comprehensive Plan:
- (a) All inpatient hospital admissions (emergencies within 24 hours of admission).

Group Insurance Plan

- (b) All surgeries (emergencies within 24 hours of the surgical procedures; second opinions are payable at 100% if the employee makes arrangements for the appointment through this UR agency).
- (c) All mental/nervous and drug/alcohol treatment, whether inpatient or outpatient (outpatient within the first 5 visits).
- (d) All home health care services.
- (e) All chiropractic treatment (within the first 5 sessions).
- (f) Hospice care

The employee must ensure that he or his doctor contacts the UR agency in advance of treatment, except as otherwise specified above. The current designated UR agent is the Innovative Resource Group (IRG) formerly known as CNR.

(10) Effective 1-1-02, preventative care (including routine exams, chest x-rays, stress testing, mammograms, and adult immunizations) will be covered as follows:

(a) In-network (must be performed by a network provider): 90% up to a maximum payment of \$200 per person per year. (FDA-approved immunizations for prevention of infectious disease are covered but not subject to the \$200 per year limit). The annual deductible will not apply to preventative care expenses.

(b) Out-of-network: Not Covered.

(c) Indemnity – Medpar Plus

(1) Covered services under the Medpar Plus plan are the same as those as in the Comprehensive Medical Expense program.

For such covered services, Medpar Plus will pay 100% of the amount allowable by Medicare according to its payment schedule(s) of procedures and treatment codes for the locale in which the services are rendered. If the bill should be higher than 100% of Medicare allowable under the relevant Medicare schedule, the plan and the covered member will each pay 50% of further charges.

For bills on which the services or diagnoses are ill-defined, a review will be conducted by IRG in order that the services/diagnoses can be properly categorized according to the relevant Medicare schedule.

(2) There is no medical network of preferred providers. Enrollees are *encouraged to choose a primary care physician (PCP) to guide their care and maintain their records, but referrals from a PCP to a specialist are not required.*

(3) The following copays apply:

(a) Hospital services – \$50 per day for

- Inpatient stays (Maximum of \$250 pre hospitalization)
- Observation Bed
- Day surgery
- Emergency Room
(Waived if admitted, then inpatient copay applies)

(b) Physician services:

- \$10 per PCP office visit
- \$20 per specialist office visit
- \$20 per x-ray/lab testing episode
(if done outside the doctor's office)

(4) For services referenced above, the out-of-pocket coinsurance maximum is \$10,000 per person per year, excluding copays. If such maximum should be reached, then the plan will pay 100% of the reasonable and customary charges for covered services for the remainder of the calendar year.

(5) Behavioral Health services and prescription drugs will be treated as separate benefits, and coverage will be the same as that for the Comprehensive plan (see Section 4 (b) (4) and (5)).

(6) All other provisions of the Comprehensive plan listed in Section 4 (b) (6) through (10) apply, except that referenced preventative care services do not need to be rendered through any network provider to be covered.

(d) The following provisions apply both to all Medical Programs and their options.

(1) Spousal Carveout – This provides that in order for a working spouse to be covered as a dependent of an employee under either of the medical plans, that spouse must enroll in available coverage through his or her own employer. The spouse does not need to enroll in family coverage at the other employer, only single coverage. This spousal carveout requirement will be waived if the

spouse's premium contribution for the other employer's single plan exceeds the monthly amounts shown below or upon presentation of satisfactory evidence that the coverage from that employer is no longer available to the spouse.

Group Insurance Plan

January 1, 2001 \$65.00

January 1, 2002 \$67.50

January 1, 2003 \$70.00

January 1, 2004 \$72.50

- (2) Each calendar year, the deductibles, co-pays and out-of-pocket coinsurance limits of each medical plan option will be indexed for increase to the General Medical Care component of the Consumer Price Index (CPI-W) Milwaukee, as available July 1st of each preceding year. However, no increase in these plan features will be triggered until the accumulation of CPI adjustments reach 10%, and any such increase will be rounded to the nearest whole dollar.
- (3) Premium rating periods will be on a calendar year basis (January 1 through December 31).
- (4) The Company will continue to have an independent third party make all decisions with regard to medical care under the terms of the Group Insurance Plan.
- (e) A joint Union/Management Health Education Committee will be established to promote the adoption of healthy lifestyles within the workforce, provide education on the appropriate and effective use of medical service and to permit a forum for discussion of health care topics of mutual concern.
- (f) A free health risk assessment through the designated agency will be available to covered employees once during the last half of each calendar year. Passage of critical risk factors as determined by the agency will result in a reduction of up to \$10 per month in the employee's contribution (if any) toward the premium cost of the plan for the following year.
- (g) Effective 1-1-02, the total combined lifetime maximum benefit payable by the Comprehensive plan (and any self-insured option(s) that may be subsequently added) is \$750,000 per person.
- (h) For a detailed listing of covered medical charges, see your Plan of Benefits booklet or contact the Group Insurance Department.

Group Insurance Plan

(i) SUBROGATION OF BENEFITS

This provision allows the Plan (or its administrator) to recover medical and disability payments it has made for injuries caused by a third party. Recovery is made from a lien to any damages collected through the third party, but only to the extent of benefits payable by the Plan.

Section 5

DENTAL EXPENSE BENEFITS —

For Employees and Dependents (After 6 Months of Seniority)

There are two (2) programs of dental benefits available.

- (a) It is intended by the parties that the prime program through calendar year 2001 will be Dentacare. The Company will make its best effort with any subsequent HMO to provide for the level of benefits and provider access currently available under the Dentacare program.

Dentacare is a Dental Health Maintenance Program which provides extensive dental coverage and preventive care. Covered services are received through the dental facility chosen by the employee upon enrollment. There are no deductibles or claim forms. Up to the limits specified in the Dentacare Benefit Booklet, there are no out-of-pocket expenses to the employee except for lab fees and a maximum of \$695.00 per patient for orthodontic services.

The same conditions as listed in Section 4 (b) with reference to HMO's and Section 4 (d) (1) (Spousal Carveout) will also apply to Dentacare.

- (b) The alternative program is the Dental Expense Plan, currently administered through Briggs & Stratton.

The Dental Expense Plan will pay for covered services according to a flat fee schedule at the twenty-three (23) factor level effective January 1, 2002. The factor will be increased thereafter as follows:

| <u>Effective Date</u> | <u>\$ Factor</u> |
|-----------------------|------------------|
| 1-1-04 | \$24 |
| 1-1-05 | \$25 |

Payment will be made toward covered dental expenses in a calendar year after satisfaction of a \$50 per person per year deductible with a \$7,000 lifetime maximum. There is no deductible for dental diagnostic and preventive expenses. The dental expenses benefit also pays for 50% of orthodontic treatments to a lifetime maximum of \$1,200. Effective 1-1-03, the orthodontic lifetime maximum will be increased to \$1,300.

Group Insurance Plan

The same conditions as listed in Section (4) (b) (7&8) in respect to the Comprehensive Medical Plan and Section 4 (d) (1) will also apply to the Dental Expense Plan.

Section 6

Choosing Your Group Insurance Carrier

- (a) For details on how to change from one insurance carrier to another after Hire, see page 69 of the Contract book.
- (b) For employees choosing any medical plan option, the Company will contribute to the premium cost but not beyond the following monthly amounts:

| Effective Date | Amount | |
|----------------|----------|-------------------|
| | Single | Employee & Spouse |
| 1-1-02 | \$175.64 | \$351.28 |
| 1-1-03 | \$191.45 | \$382.90 |
| 1-1-04 | \$206.76 | \$413.52 |
| 1-1-05 | \$223.30 | \$446.60 |
| 1-1-06 | \$241.17 | \$482.34 |

| Effective Date | Employee & Children | Family |
|----------------|---------------------|----------|
| 1-1-02 | \$351.28 | \$526.92 |
| 1-1-03 | \$382.90 | \$574.35 |
| 1-1-04 | \$413.52 | \$620.28 |
| 1-1-05 | \$446.60 | \$669.90 |
| 1-1-06 | \$482.34 | \$723.51 |

- (c) Any excess premium cost for the Medical Plan selected will be payable by the employee, if actively working, through payroll deduction from the first 4 paychecks of each month of coverage. If the employee is not actively working, but is still eligible for coverage, any such employee contribution must be received at the Group Insurance Department by the twenty-eighth calendar day of the coverage month.

Employee premium contributions paid through payroll deduction during a calendar year will be taken on a pre-tax basis subject to the requirements of Section 125 of the IRS code and any related regulations. Participation in either of the medical plans must be selected during the preceding open enrollment.

Group Insurance Plan

Section 7

VISION CARE BENEFITS —

For Employees and Dependents (After 6 Months of Seniority)

Effective August 1, 2001, a maximum of \$30 will be paid for eye examination by a physician or optometrist not more than once in a 12 month period. A maximum of \$50 will be paid for lenses and frames not more than once in each two year period. Dependent children under age 19 will not be subject to the normal requirement of a change in prescription in order to qualify for the lens and frame benefit. HMO participants who receive eye examinations without additional charge will be eligible only for the \$50 maximum payment for lenses and frames.

Section 8

INSURANCES FOR RETIREES

- (a) For employees who retire after 30 years of service, Company paid medical, dental and vision benefits will continue until age 65. For employees so retiring after 1-1-92, the premium cost for the coverage will be fully-paid by the Company for up to 10 years, but not beyond age 65. For any balance of time between the 10 year maximum and age 65, Company contributions will be limited to the extent as provided for non-retirees in Section 8 (b).
- (b) Employees with more than 10 but less than 30 years of service, who retire by reason of permanent and total disability, are eligible for Company paid medical benefits until age 65.
- (c) For employees hired after 1-1-02, there will be no Company payment toward the cost of medical, dental or vision coverage upon retirement of any type.
- (d) Retirees who are not covered by Company paid Group Medical Coverage may carry such coverage for themselves and their dependents provided they pay for such coverage at regular group rates of each Plan. Such coverage must be elected at retirement date.
- (e) With respect to employees retiring after 1-1-92, and their dependents, the Company will not provide any reimbursement for Part B premium of Medicare.

Retirement Plan

RETIREMENT PLAN

Summary of Benefits

The following summary outlines benefits available. For more detailed information, please refer to your Retirement Plan Booklet or call the Retirement Benefits Administrator, phone 259-5384.

The Plan consists of a legal document and trust agreement. In case of any conflict between this summary and the Plan, the terms of the Plan will control.

ELIGIBILITY FOR BENEFITS

- I. You may retire under the Briggs & Stratton Retirement Plan with full pension benefits if —
You are at least 65 years old and have at least 5 years of service,
You have 30 years of service,
— OR —
You have 10 years of service and are totally and permanently disabled.
- II. You may retire early with reduced benefits if —
You are at least 55 years old and have 10 years of service.
- III. You are entitled to a vested annuity at age 65 if you terminate employment after 5 years of service. A reduced annuity is available as early as age 55 with 10 or more years service.

FULL PENSION BENEFITS

The amount of your monthly pension is based on your final average monthly earnings, including profit sharing payments (described below), and your Credited Service.

The amount is based on 1.05% of your final average monthly earnings during the highest 5 of your last 10 completed calendar years of service, times your years of credited service and is subject to the following minimums:

| Effective — | Minimum Pension Per Month Per Year of Credited Service |
|----------------|--------------------------------------------------------------|
| August 1, 2001 | \$28 |
| August 1, 2002 | \$29 |
| August 1, 2003 | \$30 |
| August 1, 2004 | \$31 |
| August 1, 2005 | \$32 |

Retirement Plan

EXAMPLES

These examples show how the formula works based on single life pensions with no benefits provided for survivors:

| | |
|-----------------------------------------------|---------|
| i. Employee's final average monthly earnings: | \$2,500 |
| Employee's years of Credited Service | 30 |
| 1.05% of \$2,500= | \$26.25 |

If he retires, he receives the \$28.00 (8-1-01), \$29.00 (8-1-02), \$30.00 (8-1-03), \$31.00 (8-1-04), \$32.00 (8-1-05) minimum for each year of Credited Service (since this is more than the \$26.25 provided by the 1.05% formula).

If he retires on or after 8-1-02, then he receives \$29.00 x 30 years = \$870.00 monthly for life.

If he retires on or after 8-1-05, then he receives \$32.00 x 30 years = \$960.00 monthly for life.

| | |
|------------------------------------------------|---------|
| ii. Employee's final average monthly earnings: | \$3,300 |
| Employee's years of Credited Service | 30 |
| 1.05% of \$3,300= | \$34.65 |

If he retires, he receives \$34.65 x 30 years = \$1,039.50 monthly for life (since this exceeds the minimum of , \$28.00 (8-1-01), \$32.00 (8-1-05) per year of service).

REDUCED BENEFITS FOR EARLY RETIREMENT

If an employee retires after attaining age 55, but before age 60, his pension benefits will be reduced to the actuarial equivalent of the benefit payable at age 65.

If an employee retires on or after age 60, full pension benefits computed as shown above will be reduced by 4% per year (pro-rated to the number of months) from the date on which he reaches age 65 or attains 30 years of service, whichever is earlier.

Retirement Plan

Examples below show percentage reductions from full pension benefits for retirement on or after age 60:

Employees who will reach age 65 before 30 years of service —

| Retirement at | Reduction |
|---------------|-----------|
| Age 64 | 4% |
| Age 63 | 8% |
| Age 62 | 12% |
| Age 61 | 16% |
| Age 60 | 20% |

Employees who will reach 30 years of service before age 65

| Retirement at Age 60 with service of — | Reduction |
|-------------------------------------------|-----------|
| 29 Years | 4% |
| 28 Years | 8% |
| 27 Years | 12% |
| 26 Years | 16% |

| Retirement at Age 62 with service of — | Reduction |
|-------------------------------------------|-----------|
| 29 Years | 4% |
| 28 Years | 8% |

SERVICE AND EARNINGS USED IN DETERMINING PENSION BENEFITS

SERVICE

Service is used to determine eligibility for a pension. It consists of an employee's last period of continuous employment up to December 31, 1975, plus each calendar year beginning with 1976 and ending with the year in which the employee's normal retirement date occurs in which he has at least 1,000 hours of employment.

An employee with service before and after January 1, 1976, and who has between 9-10, 14-15, 19-20 or 29-30 years of service at the beginning of a calendar year, will receive credit for another year of service when he completes 1,000 hours of employment during that calendar year, or on the anniversary date of his employment, if earlier. Such anniversary date will be deferred to make up for any periods of strike or personal leave of absence.

Retirement Plan

CREDITED SERVICE

Credited Service is used to determine the amount of pension. Credited Service prior to December 31, 1975 consists of the last period of continuous employment up to that date. After January 1, 1976, a participant receives one year of Credited Service for each calendar year beginning with 1976 in which he has at least 2,000 hours of employment and a prorated portion of a year for fewer than 2,000 hours of employment. Credited Service shall accrue for employment after his normal retirement date.

HOURS OF EMPLOYMENT

Hours of Employment means all hours for which an employee is compensated including overtime hours (but no premium hours), vacation hours, plus periods of leave of absence for military service, disability, Union activity or layoffs, if the employee returns within the period authorized by such leave or layoff. Periods on strike or personal leaves of absence will not count as hours of employment.

FINAL AVERAGE MONTHLY EARNINGS

All wages including overtime at straight time rates paid to an employee during the period considered as Service are considered as earnings under the Plan. Final average monthly earnings are determined from the highest-paid five calendar years within the last 10 completed calendar years of considered service. When an employee is compensated for less than a calendar year, his compensation shall be annualized.

SURVIVOR BENEFITS

You may elect a lifetime monthly pension computed as shown on the previous page or you may elect certain survivor options which provide a reduced pension during your lifetime, so that payments may continue to your spouse or to other beneficiaries after your death.

Also, as an active employee who has met the requirements for regular or early retirement, you may elect certain survivor options which would provide a pension to your spouse or to the other beneficiaries if you die while actively employed.

These benefits will be explained in detail prior to your retirement. Active employees will be contacted about these benefits about 6 months prior to their eligibility for them and given a full explanation.

If you desire more information at any time consult your Retirement Plan Booklet or call the Retirement Benefits Administrator.

DAYWORK RATES EFFECTIVE AUGUST 1, 2002

| Labor Grade | Pos. 7 | Pos. 6 | Pos. 5 | Pos. 4 | Pos. 3 | Pos. 2 | Pos. 1 |
|-------------|--------|--------|--------|--------|--------|--------|--------|
| 1 | 26.37 | 25.77 | 25.44 | 25.01 | 22.81 | 21.51 | 20.23 |
| 2 | 25.85 | 25.45 | 25.01 | 24.56 | 22.47 | 21.20 | 19.91 |
| 3 | 25.45 | 25.09 | 24.56 | 24.10 | 22.14 | 20.87 | 19.60 |
| 4 | 25.09 | 24.56 | 24.10 | 23.80 | 21.82 | 20.55 | 19.28 |
| 5 | 24.78 | 24.10 | 23.79 | 23.46 | 21.51 | 20.23 | 18.95 |
| 6 | 24.10 | 23.80 | 23.37 | 22.92 | 21.20 | 19.91 | 18.62 |
| 7 | 23.80 | 23.37 | 22.92 | 22.61 | 20.87 | 19.60 | 18.30 |
| 8S | 23.46 | 22.92 | 22.61 | 22.23 | 20.55 | 19.28 | 17.98 |
| 8N | 19.82 | 19.27 | 18.96 | 18.58 | 16.95 | 15.70 | 14.43 |
| 9S | 22.93 | 22.61 | 22.23 | 21.76 | 20.23 | 18.95 | 17.68 |
| 9N | 19.28 | 18.96 | 18.58 | 18.14 | 16.63 | 15.38 | 14.13 |
| 10 | 18.96 | 18.58 | 18.09 | 17.78 | 16.33 | 15.06 | 13.80 |
| 11 | 18.58 | 18.09 | 17.75 | 17.46 | 16.00 | 14.76 | 13.50 |
| 12 | 18.09 | 17.75 | 17.42 | 17.04 | 15.70 | 14.43 | 13.19 |
| 13 | 17.75 | 17.42 | 16.96 | 16.73 | 15.38 | 14.13 | 12.87 |
| 14 | 17.40 | 16.96 | 16.47 | 16.40 | 15.06 | 13.80 | 12.55 |
| 15 | 16.90 | 16.47 | 16.30 | 15.83 | 14.76 | 13.50 | 12.24 |
| 16 | 16.47 | 16.30 | 15.71 | 15.46 | 14.43 | 13.19 | 11.92 |
| 17 | 16.30 | 15.71 | 15.44 | 15.18 | 14.13 | 12.87 | 11.62 |
| 18 | 15.62 | 15.40 | 14.99 | 14.76 | 13.80 | 12.55 | 11.28 |
| 19 | 15.40 | 14.98 | 14.72 | 14.44 | 13.19 | 11.92 | 10.67 |
| 20 | 14.81 | 14.57 | 14.20 | 13.93 | 12.55 | 11.28 | 10.04 |
| 21 | 14.55 | 14.20 | 13.79 | 13.66 | 11.92 | 10.67 | 9.40 |
| 22 | 14.10 | 13.76 | 13.63 | 13.34 | 11.28 | 10.04 | 8.78 |
| 23A | 13.76 | 13.63 | 13.35 | 13.19 | 10.67 | 9.40 | 8.15 |
| 23B | 13.76 | 13.63 | 13.35 | 12.87 | 10.67 | 9.40 | 8.15 |
| 24 | 13.21 | 12.99 | 12.69 | 12.37 | 10.04 | 8.78 | 7.54 |
| 25 | 12.92 | 12.68 | 12.24 | 12.10 | 9.40 | 8.15 | 6.91 |
| 26 | 12.38 | 12.20 | 12.07 | 11.81 | 8.78 | 7.54 | 6.59 |
| 27A | 12.20 | 12.10 | 11.93 | 11.75 | 8.15 | 6.91 | 6.27 |
| 27B | 12.20 | 12.10 | 11.93 | 11.28 | 8.15 | 6.91 | 6.27 |

| | CLASS 4 | CLASS 8 | PILOT PROGRAM | |
|--------------------|---------|---------|---------------|-------|
| NEW HIRE | 3.14 | 4.08 | ASSEMBLY | 15.45 |
| AFTER 13 WEEKS SEN | 3.47 | 4.71 | MACHINING | 15.74 |
| AFTER 26 WEEKS SEN | 4.08 | 5.33 | NEW HIRE | 11.00 |
| AFTER 78 WEEKS SEN | 5.55 | 6.09 | | |

DAYWORK RATES EFFECTIVE AUGUST 1, 2003

| Labor Grade | Pos. 7 | Pos. 6 | Pos. 5 | Pos. 4 | Pos. 3 | Pos. 2 | Pos. 1 |
|-------------|--------|--------|--------|--------|--------|--------|--------|
| 1 | 27.03 | 26.41 | 26.08 | 25.64 | 23.38 | 22.05 | 20.74 |
| 2 | 26.50 | 26.09 | 25.64 | 25.17 | 23.03 | 21.73 | 20.41 |
| 3 | 26.09 | 25.72 | 25.17 | 24.70 | 22.69 | 21.39 | 20.09 |
| 4 | 25.72 | 25.17 | 24.70 | 24.40 | 22.37 | 21.06 | 19.76 |
| 5 | 25.40 | 24.70 | 24.38 | 24.05 | 22.05 | 20.74 | 19.42 |
| 6 | 24.70 | 24.40 | 23.95 | 23.49 | 21.73 | 20.41 | 19.09 |
| 7 | 24.40 | 23.95 | 23.49 | 23.18 | 21.39 | 20.09 | 18.76 |
| 8S | 24.05 | 23.49 | 23.18 | 22.79 | 21.06 | 19.76 | 18.43 |
| 8N | 20.32 | 19.75 | 19.43 | 19.04 | 17.37 | 16.09 | 14.79 |
| 9S | 23.50 | 23.18 | 22.79 | 22.30 | 20.74 | 19.42 | 18.12 |
| 9N | 19.76 | 19.43 | 19.04 | 18.59 | 17.05 | 15.76 | 14.48 |
| 10 | 19.43 | 19.04 | 18.54 | 18.22 | 16.74 | 15.44 | 14.15 |
| 11 | 19.04 | 18.54 | 18.19 | 17.90 | 16.40 | 15.13 | 13.84 |
| 12 | 18.54 | 18.19 | 17.86 | 17.47 | 16.09 | 14.79 | 13.52 |
| 13 | 18.19 | 17.86 | 17.38 | 17.15 | 15.76 | 14.48 | 13.19 |
| 14 | 17.84 | 17.38 | 16.88 | 16.81 | 15.44 | 14.15 | 12.86 |
| 15 | 17.32 | 16.88 | 16.71 | 16.23 | 15.13 | 13.84 | 12.55 |
| 16 | 16.88 | 16.71 | 15.10 | 15.85 | 14.79 | 13.52 | 12.22 |
| 17 | 16.71 | 16.10 | 15.83 | 15.56 | 14.48 | 13.19 | 11.91 |
| 18 | 16.01 | 15.79 | 15.36 | 15.13 | 14.15 | 12.86 | 11.56 |
| 19 | 15.79 | 15.35 | 15.09 | 14.80 | 13.52 | 12.22 | 10.94 |
| 20 | 15.18 | 14.93 | 14.56 | 14.28 | 12.86 | 11.56 | 10.29 |
| 21 | 14.91 | 14.56 | 14.13 | 14.00 | 12.22 | 10.94 | 9.64 |
| 22 | 14.45 | 14.10 | 13.97 | 13.67 | 11.56 | 10.29 | 9.00 |
| 23A | 14.10 | 13.97 | 13.68 | 13.52 | 10.94 | 9.64 | 8.35 |
| 23B | 14.10 | 13.97 | 13.68 | 13.19 | 10.94 | 9.64 | 8.35 |
| 24 | 13.54 | 13.31 | 13.01 | 12.68 | 10.29 | 9.00 | 7.73 |
| 25 | 13.24 | 13.00 | 12.55 | 12.40 | 9.64 | 8.35 | 7.08 |
| 26 | 12.69 | 12.51 | 12.37 | 12.11 | 9.00 | 7.73 | 6.75 |
| 27A | 12.51 | 12.40 | 12.23 | 12.04 | 8.35 | 7.08 | 6.43 |
| 27B | 12.51 | 12.40 | 12.23 | 11.56 | 8.35 | 7.08 | 6.43 |

| | CLASS 4 | CLASS 8 | PILOT PROGRAM | |
|--------------------|---------|---------|---------------|-------|
| NEW HIRE | 3.22 | 4.18 | ASSEMBLY | 15.84 |
| AFTER 13 WEEKS SEN | 3.56 | 4.83 | MACHINING | 16.13 |
| AFTER 26 WEEKS SEN | 4.18 | 5.46 | NEW HIRE | 11.00 |
| AFTER 78 WEEKS SEN | 5.69 | 6.24 | | |

DAYWORK RATES EFFECTIVE AUGUST 1, 2004

| Labor Grade | Pos. 7 | Pos. 6 | Pos. 5 | Pos. 4 | Pos. 3 | Pos. 2 | Pos. 1 |
|-------------|--------|--------|--------|--------|--------|--------|--------|
| 1 | 27.84 | 27.20 | 26.86 | 26.41 | 24.08 | 22.71 | 21.36 |
| 2 | 27.30 | 26.87 | 26.41 | 25.93 | 23.72 | 22.38 | 21.02 |
| 3 | 26.87 | 26.49 | 25.93 | 25.44 | 23.37 | 22.03 | 20.69 |
| 4 | 26.49 | 25.93 | 25.44 | 25.13 | 23.04 | 21.69 | 20.35 |
| 5 | 26.16 | 25.44 | 25.11 | 24.77 | 22.71 | 21.36 | 20.00 |
| 6 | 25.44 | 25.13 | 24.67 | 24.19 | 22.38 | 21.02 | 19.66 |
| 7 | 25.13 | 24.67 | 24.19 | 23.88 | 22.03 | 20.69 | 19.32 |
| 8S | 24.77 | 24.19 | 23.88 | 23.47 | 21.69 | 20.35 | 18.98 |
| 8N | 20.93 | 20.34 | 20.01 | 19.61 | 17.89 | 16.57 | 15.23 |
| 9S | 24.21 | 23.88 | 23.47 | 22.97 | 21.36 | 20.00 | 18.66 |
| 9N | 20.35 | 20.01 | 19.61 | 19.15 | 17.56 | 16.23 | 14.91 |
| 10 | 20.01 | 19.61 | 19.10 | 18.77 | 17.24 | 15.90 | 14.57 |
| 11 | 19.61 | 19.10 | 18.74 | 18.44 | 16.89 | 15.58 | 14.26 |
| 12 | 19.10 | 18.74 | 18.40 | 17.99 | 16.57 | 15.23 | 13.93 |
| 13 | 18.74 | 18.40 | 17.90 | 17.66 | 16.23 | 14.91 | 13.59 |
| 14 | 18.38 | 17.90 | 17.39 | 17.31 | 15.90 | 14.57 | 13.25 |
| 15 | 17.84 | 17.39 | 17.21 | 16.72 | 15.58 | 14.26 | 12.93 |
| 16 | 17.39 | 17.21 | 16.58 | 16.33 | 15.23 | 13.93 | 12.59 |
| 17 | 17.21 | 16.58 | 16.30 | 16.03 | 14.91 | 13.59 | 12.27 |
| 18 | 16.49 | 16.26 | 15.82 | 15.58 | 14.57 | 13.25 | 11.91 |
| 19 | 16.26 | 15.81 | 15.54 | 15.24 | 13.93 | 12.59 | 11.27 |
| 20 | 15.64 | 15.38 | 15.00 | 14.71 | 13.25 | 11.91 | 10.60 |
| 21 | 15.36 | 15.00 | 14.55 | 14.42 | 12.59 | 11.27 | 9.93 |
| 22 | 14.88 | 14.52 | 14.39 | 14.08 | 11.91 | 10.60 | 9.27 |
| 23A | 14.52 | 14.39 | 14.09 | 13.93 | 11.27 | 9.93 | 8.60 |
| 23B | 14.52 | 14.39 | 14.09 | 13.59 | 11.27 | 9.93 | 8.60 |
| 24 | 13.95 | 13.71 | 13.40 | 13.06 | 10.60 | 9.27 | 7.96 |
| 25 | 13.64 | 13.39 | 12.93 | 12.77 | 9.93 | 8.60 | 7.29 |
| 26 | 13.07 | 12.89 | 12.74 | 12.47 | 9.27 | 7.96 | 6.95 |
| 27A | 12.89 | 12.77 | 12.60 | 12.40 | 8.60 | 7.29 | 6.62 |
| 27B | 12.89 | 12.77 | 12.60 | 11.91 | 8.60 | 7.29 | 6.62 |

PILOT PROGRAM
ASSEMBLY 16.32
MACHINING 16.61
NEW HIRE 11.00

DAYWORK RATES¹
EFFECTIVE AUGUST 1, 2005

| Labor Grade | Pos. 7 | Pos. 6 | Pos. 5 | Pos. 4 | Pos. 3 | Pos. 2 | Pos. 1 |
|-------------|--------|--------|--------|--------|--------|--------|--------|
| 1 | 28.68 | 28.02 | 27.67 | 27.20 | 24.80 | 23.39 | 22.00 |
| 2 | 28.12 | 27.68 | 27.20 | 26.71 | 24.43 | 23.05 | 21.65 |
| 3 | 27.68 | 27.28 | 26.71 | 26.20 | 24.07 | 22.69 | 21.31 |
| 4 | 27.28 | 26.71 | 26.20 | 25.88 | 23.73 | 22.34 | 20.96 |
| 5 | 26.94 | 26.20 | 25.86 | 25.51 | 23.39 | 22.00 | 20.60 |
| 6 | 26.20 | 25.88 | 25.41 | 24.92 | 23.05 | 21.65 | 20.25 |
| 7 | 25.88 | 25.41 | 24.92 | 24.60 | 22.69 | 21.31 | 19.90 |
| 8S | 25.51 | 24.92 | 24.60 | 24.17 | 22.34 | 20.96 | 19.55 |
| 8N | 21.56 | 20.95 | 20.61 | 20.20 | 18.43 | 17.07 | 15.69 |
| 9S | 24.94 | 24.60 | 24.17 | 23.66 | 22.00 | 20.60 | 19.22 |
| 9N | 20.96 | 20.61 | 20.20 | 19.72 | 18.09 | 16.72 | 15.36 |
| 10 | 20.61 | 20.20 | 19.67 | 19.33 | 17.76 | 16.38 | 15.01 |
| 11 | 20.20 | 19.67 | 19.30 | 18.99 | 17.40 | 16.05 | 14.69 |
| 12 | 19.67 | 19.30 | 18.95 | 18.53 | 17.07 | 15.69 | 14.35 |
| 13 | 19.30 | 18.95 | 18.44 | 18.19 | 16.72 | 15.36 | 14.00 |
| 14 | 18.93 | 18.44 | 17.91 | 17.83 | 16.38 | 15.01 | 13.65 |
| 15 | 18.38 | 17.91 | 17.73 | 17.22 | 16.05 | 14.69 | 13.32 |
| 16 | 17.91 | 17.73 | 17.08 | 16.82 | 15.69 | 14.35 | 12.97 |
| 17 | 17.73 | 17.08 | 16.79 | 16.51 | 15.36 | 14.00 | 12.64 |
| 18 | 16.98 | 16.75 | 16.29 | 16.05 | 15.01 | 13.65 | 12.27 |
| 19 | 16.75 | 16.28 | 16.01 | 15.70 | 14.35 | 12.97 | 11.61 |
| 20 | 16.11 | 15.84 | 15.45 | 15.15 | 13.65 | 12.27 | 10.92 |
| 21 | 15.82 | 15.45 | 14.99 | 14.85 | 12.97 | 11.61 | 10.23 |
| 22 | 15.33 | 14.96 | 14.82 | 14.50 | 12.27 | 10.92 | 9.55 |
| 23A | 14.96 | 14.82 | 14.51 | 14.35 | 11.61 | 10.23 | 8.86 |
| 23B | 14.96 | 14.82 | 14.51 | 14.00 | 11.61 | 10.23 | 8.86 |
| 24 | 14.37 | 14.12 | 13.80 | 13.45 | 10.92 | 9.55 | 8.20 |
| 25 | 14.05 | 13.79 | 13.32 | 13.15 | 10.23 | 8.86 | 7.51 |
| 26 | 13.46 | 13.28 | 13.12 | 12.84 | 9.55 | 8.20 | 7.16 |
| 27A | 13.28 | 13.15 | 12.98 | 12.77 | 8.86 | 7.51 | 6.82 |
| 27B | 13.28 | 13.15 | 12.98 | 12.27 | 8.86 | 7.51 | 6.82 |

PILOT PROGRAM
 ASSEMBLY 16.81
 MACHINING 17.11
 NEW HIRE 11.00

Letter of Intent

It is the intent of the Company that during the term of this agreement, if the vacation schedule of the non-exempt and exempt salaried work force would be upgraded beyond that of the hourly work force, that hourly employees would also be beneficiaries.

Letter of Intent

While the Company retains the traditional right to subcontract as outlined in Article XIII, Section 3, the Company agrees to limit its rights through August 1, 2005 as follows:

1. No in-plant subcontracting of traditional bargaining unit work will be performed when employees and equipment are available (*i.e.*, janitorial services, etc.) except for skilled trades maintenance work as outlined elsewhere in the contract, and retirees who may be utilized for start-ups, special projects and to fill employment needs when the Company is hiring or training employees.

If a new successor Contract is agreed to by both parties and ratified on or before July 31, 2005, this agreement shall continue in force through at least July 31, 2006.

Letter of Intent

Eligible employees retiring under any type of retirement (excluding disability) up to July 31, 2006, will be paid a lump sum supplemental benefit of \$1,000 upon commencement of their monthly pension benefit, providing that the required application for retirement under this provision is received at least sixty (60) days in advance of the effective date of retirement.

The supplemental benefit will not be considered in the calculation of benefits payable under any survivor option available under the retirement plan.

Letter of Intent

All employees who had a higher multiple of vacation and vacation pay based on seniority under a predecessor contract shall continue to receive such until they move to the next higher multiple or else retire.

Letter of Intent

All Tool Room employees who were grandfathered in their former higher labor grade on May 6, 1985, will continue to be grandfathered in their former higher labor grade for the duration of their employment for purposes of merit increases, pay raises in future years and progression.

Letter of Intent

The Company and Union agree that the Company will have one year to transition Layout Inspectors from hourly to salaried. All current Layout Inspectors will be offered salaried positions. Layout Inspectors staying in the bargaining unit will remain on their jobs until the Company can hire replacements.

Letter of Intent

It is the intent of the Company to implement mutually agreeable divisional EVA based incentive programs for daywork employees.

Letter of Intent

All employees with a seniority date of 12-31-79 or prior, will be provided a lump sum pension payment of \$21,000 upon retirement. The lump sum amount will be included in the calculation of the monthly pension benefit. To be eligible for this supplemental benefit, the application for retirement under this letter of intent must be received at least four (4) months in advance of the effective date of retirement, provided however, that the four (4) month requirement will be waived if the Company has found a suitable replacement for the employee's job before the four (4) month period expires. Normal provisions of the Retirement Plan will otherwise apply.

Letter of Intent

The Company shall provide the same medical coverage at the same employee contribution level depending on the option selected, as is provided to active employees to persons (limited to 3 in total) who leave the Company's employ to take extended leave for the purpose of holding a full time position with the Local Union (PACE Local 7-0232).