



AGREEMENT

BETWEEN

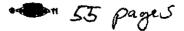
WHIRLPOOL CORPORATION

LaVergne Division

AND

INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS, BLACKSMITHS, FORGERS AND HELPERS, A.F.L.-C.LO. LOCAL S-272

2002 - 2007



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THIS AGREEMENT dated August 3, 2002, between WHIRLPOOL CORPORATION, acting herein only in respect to employees in its plant at Interchange City, Tennessee (hereinafter referred to as the "Company") and Local S-272 of the INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS, BLACKSMITHS, FORGERS AND HELPERS, A.F. OF L. and C.I.O. (hereinafter referred to as the "Union").

ARTICLE ONE

Section 1. It is the desire and intention of the parties to provide orderly collective bargaining relations and prompt and equitable disposition of grievances; to maintain fair wages, hours and other working conditions; to prevent strikes and lockouts; and to promote good relations between the Company and employees, and observance of reasonable Company rules for their mutual benefit. In order to accomplish this the Company and the Union recognize that progress at the division for all employees is interdependent among each other and we are, therefore, committed to building and maintaining an innovative and harmonious labor management relationship through mutual respect, understanding, cooperation and training.

Section 2. Recognition. The Company recognizes the Union as the exclusive bargaining agent for all production, maintenance and tooling employees and Process Technicians and Technical Process Technicians employed by the company at its Interchange City, Tennessee plant, excluding all office and clerical workers, laboratory technicians, guards, professional and supervisory employees and all other salaried employees within the meaning of the Labor-Management Relations Act.

Section 3. Management. The Company shall have the responsibility and authority for managing the business and directing the work force, including the right to hire, promote, suspend, transfer or discharge for just cause or layoff for lack of work subject to the terms of this agreement.

The Company shall have the responsibility and authority to decide the methods and processes of manufacture and types of machinery and equipment and to set standards of quality of production and personnel required.

The Company shall have the responsibility and authority for the formulation and enforcement of reasonable Company rules. However, no company rule(s) shall be put in effect that is in violation of this agreement.

Section 4. Interference. The Company recognizes and will not interfere with the rights of employees to become members of the Union. There shall be no discrimination, interference, restraint or coercion by the Company against any employee because of membership in the Union. The Union agrees not to intimidate or coerce employees into membership in the Union. No employee shall solicit Union membership on Company time, or engage in any Union activity during regular working hours except for the purpose of investigating grievances and attending 1st, 2nd, 3rd step grievance meetings.

All employees of the Company represented by the Union will be treated equally under the terms of this agreement and no distinctions will be made in compensation, opportunities for advancement, including upgrading, promotion and transfer because of the employee's race, color, religion, sex, age, national origin or disability as defined by the Americans with Disabilities Act.

Section 5. Cooperation. It is the intention of the Company and the Union to cooperate with each other in maintaining a high degree of quality in all products and processes through continuous improvement and employee involvement in order that the Company may be able to meet competition, expand its business and provide continuous employment.

Section 6. Bulletin Boards. Six (6) bulletin boards: one (1) at the rear employee entrance, one (1) at the main employee entrance, one (1) at the seniority list posting boards, one (1) at the warehouse, and one (1) at the Q.A. cafeteria, one (1) at the employee communication center, will be provided in the plant for the exclusive use of the Union for the purpose of posting notices of Union meetings or elections, results of elections, or appointment of officers, and notices of social, educational, or recreational activities of the Union and other related Union "Business". Such bulletin boards are not to be used for purposes other than those outlined above.

TO: Jim Romines, President, Local S-272

International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers, and Helpers, A.F. of L. & C.I.O.

SUBJECT: Article 1. Section 6. Letter of Understanding

DATE: August 3, 2002

The Company agrees to allow the Union to post notices of various membership meetings at each time clock located within the plant. These postings will be neat in appearance, and will not detract from good housekeeping standards. They shall not exceed one (1) 8.5" X 11" in dimension and shall be removed immediately by the day following the meeting. The Union will be responsible for ensuring each condition is met.

Local Union President

Director of H/R

Section 7. Dues Collection. During the term of this Agreement, the Company will deduct Union dues, initiation and such other uniform obligations as may be lawfully deducted from the wages of employees in the bargaining unit, provided that the Company has received from each employee with respect to whom such deductions are to be made a written checkoff

authorization form in a form, as provided by the Union, which conforms to applicable law. The Company will deduct Union dues weekly, from the first paycheck in each month, in the amounts specified in writing by the Union and will immediately remit said deductions for each week to the International Union, in accordance with the current practice. The company shall not be liable to the Union by reason of the requirements of this article for the remittance of payment of any sum, other than that constituting actual deductions made from employee wages earned.

The Union shall, initially, notify the Company as to the weekly sums to be deducted in accordance with the foregoing. Any subsequent change in amounts shall be certified to the Company in written form over the signatures of duly authorized officers of the Union and shall take effect on the first paycheck of the week following fifteen (15) days after such notification is given.

The Union shall indemnify, defend and save the Company harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken by the Company in reliance upon the written deduction authorization provided in this Section, or for the purpose of complying with any provision of this Section.

Section 8. "PARTNERSHOP" JOINT LETTER OF COM-MITMENT. Both the Company and Union recognize that the competitive and rapidly changing world marketplace will continue to affect U.S. industry in general, Whirlpool and the LaVergne Division in particular and that the only job security anyone will have depends on the complete dedication of employees at all levels of the organization to be competitive and produce value for the customer. Therefore, it is the intent and desire of the Whirlpool Corporation, LaVergne Division, and the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Local S-272, A.F.L.-C.I.O (hereafter called the "partners") to jointly establish and

administer a "partnershop" with common goals of employee awareness, understanding, acceptance and commitment to ensure our competitiveness in the marketplace and our continued security as "partners".

- 1. A joint Partnershop Steering Committee composed of leadership groups from production and management employees and co-chaired by the President of Local S-272 and LaVergne's Division Vice President or respective representative. These two ranking members will design and direct the Partnershop Steering Committee. The Partnershop Steering Committee will integrate the employee involvement processes throughout the division
- 2. Leaders of Local S-272 and management leaders will be directly involved as co-chairs and/or members in all committees in the Partnershop Steering Committee. The Partnershop Steering Committee will establish and charter sub-committees as it deems necessary.
- 3. The "Partners" recognize that the interest of all involved can best be served by the "Partners" providing the necessary resources to support improved competitiveness through employee involvement. Such resources may include: trips by Partnershop network members to other companies who currently utilize employee involvement, proper training for the involved in the Partnershop network and other resources that the Partnershop Steering Committee may deem appropriate to function effectively as a team.
- 4. Major priorities of the Partnershop Board Steering Committee will be 1) employee involvement 2) communications and 3)employee security and recognition.
- a. The Partnershop will continue communication channels and media to assure all Partnershop network activities and actions are constantly communicated to each employee in the division.

- b. Business Review Meetings will be held with all division employees at which the co-chairs of the Partnershop Steering Committee will report on the progress, business results and operation plans and problems of the Partnershop network.
- 5. Contingent upon the continuous success of the "Partnershop" the company may support the continuation of a sub-committee to study and research a Quality and Productivity Performance Sharing Plan to promote and enhance employee involvement and operational improvements in all areas of the Division.
- 6. An external facilitator, named by the Partnershop Steering Committee, will be retained to assist the process on an as needed basis. The structure of the Partnershop network includes the Partnershop Steering Committee and Sub-Committees and will direct the establishment of measurable goals for the Partnershop network and a vehicle to measure their progress.

This "Joint Letter of Commitment" will remain in effect for the life of current collective bargaining agreement.

ARTICLE TWO

Hours, Overtime and Holidays

- Section 1. Purpose. This article is intended to provide a basis for the proper calculation of overtime and is not to be construed as a guarantee of any number of hours of work per day or per week.
- Section 2. Hours and Workweek. The regular workweek shall consist of five days of eight hours each, Monday to Friday, both inclusive beginning on Monday morning. Regular plant or department hours are shown on a "Working Schedule" posted in the plant and will continue until

changed by written notice. The Company will give forty eight (48) hours notice before making any general changes in the established shift hours unless this is impractical due to adherence of sound business practice. This does not apply to changes affecting only individual employees.

Section 3. Overtime Pay. Overtime at the rate of one and onehalf times the regular rate of pay shall be paid for all hours worked in excess of forty hours in an employee's workweek. Lost time incurred by employees due to a temporary layoff, Union Time, Jury Duty, Death in Family as defined by Article 2. Section 8. Holidays, and Vacation(not to exceed 8 hours per day) in a given week will be considered as hours worked in determining whether such employees are eligible for overtime pay. Lost time incurred by employees (not to exceed 8 hours per day) due to employee absence will be considered as hours worked in determining when such employees will be charged overtime hours.

Section 4. Sunday or 7th Consecutive Day. Work performed by an employee on their 7th consecutive work day (normally Sunday) will be paid at double time. Employees whose regular work week includes Sunday will be paid double time on their 7th consecutive work day.

Section 5. Overtime Not Pyramided. Where work falls within two or more overtime classifications only the highest single rate shall be paid for such work.

Section 6. Holidays. The following twelve (12) days are hereby classified as holidays:

- 1. New Year's Day
- 2. Good Friday
- 3. Memorial Day
- 4. Fourth of July
- 5. Labor Day
- 6. Day following Labor Day

- 7. Thanksgiving
- 8. Day following Thanksgiving
- 9. Christmas Eve
- 10. Christmas Day
- 11. Floating Holiday
- 12. Floating Holiday(During Seasonal layoff)

Employees are not generally scheduled to work on the above designated holidays, and an employee who does not work on any of these days shall be paid under the following conditions:

- (1) The employee shall have served the probationary period.
- (2) The employee would otherwise have been scheduled to work on that day if it had not been observed as a holiday. In the case of employees whose workweek includes Saturday or Sunday, the sixth and seventh days of their workweek shall be considered to be Saturday and Sunday.
- (3) The employee shall have worked all the hours (including any overtime hours) on their last scheduled work day prior to, and the next scheduled workday after such holiday. Absence from work on such days will not disqualify an otherwise eligible employee when due to:
- (a) A layoff which occurs not more than twenty (20) calendar days prior to a holiday and the employee is recalled to work not later than twenty (20) calendar days after the holiday, or
- (b) An industrial or non industrial injury or illness of the employee, verified to the satisfaction of the company, if not more than twenty-six (26) weeks duration, (employees receiving holiday pay will not receive workman's compensation or sickness and accident benefits for the same period of time), or
- (c) Attending a funeral provided Company approval is given prior to absence, or
 - (d) Jury duty, or serving as an election official, or
 - (e) Absence due to being on regular approved vacation, or

- (f) Absence for which an employee received prior approval by their supervisor.
 - (g) Emergency absence/tardiness approved by their Supervisor
- (4) Following contract ratification, the Company and Union will designate the 12 holidays and provide calendars with these days noted in the back of the contract book for each contract year. All holidays falling during regular approved vacation will be taken the first work day following vacation.
- (5) The amount paid for any of the above holidays shall be eight hours straight time pay.
- (6) An employee scheduled to work on one of the above holidays shall be paid double the regular rate for all work performed on that day, in addition to his holiday pay. Double the regular rate is to be figured on the same basis as overtime. An employee who accepts an assignment to work on one of these holidays and who does not report for work without satisfactory notice to the Company shall not receive any pay for that day.
- Section 7. Jury Duty. Regular full time employees serving on a jury will be excused from work and will be paid the rate of their regular classification for the amount of time actually spent on jury duty (as determined by the court). If the time actually spent on jury duty exceeds three (3) hours in any day, the employee will be excused from work for the entire shift and will be paid for eight (8) hours. Employees will be paid in the same manner for the amount of time actually spent (as determined by the court) in the process of jury selection. Employees receiving such compensation will not be required to reimburse the Company for pay received from local, state or federal courts for jury service.

Time spent in the jury selection process or while on jury duty will not be charged against the employee on overtime records.

To be eligible for the above, the employee must notify the company in advance of their absence and present their summons to report for Jury duty.

Employees officially appointed to serve as election officials for local, state or national elections and who actually serve in that capacity will be compensated in the same manner and subject of the same notification requirements as employees serving on jury duty.

Section 8. Death in Family. Employees may be paid a maximum of twenty-four (24) hours of lost wages at their regular classification pay for absence from regular work (Monday through Friday) due to death in the immediate family of the employee or spouse (spouse, child, stepchild, brother, sister, parent, grandparent, grandchild, brother-in-law, sister-in-law, stepbrother, stepsister, stepmother, stepfather, son-in-law, daughter-in-law).

The three (3) day absence must be consecutive calendar days with the funeral being one of the three (3) days.

Section 9. Distribution of Overtime. When the Company determines that overtime work is to be worked, the supervisor shall distribute such overtime as equally as possible among the regular employees of the departments or practical division thereof who are qualified to perform the work. Overtime will not exceed sixteen (16) hours difference between employees of the department or practical division thereof during each three (3) calendar month period. In instances where overtime exceeds sixteen (16) hours difference between employees of a department or practical division thereof during each three (3) calendar month period as described in Section 9 of this article, the Company agrees to correct such differences by paying the employee or employees with the least credited overtime for a

number of hours equal to the difference in excess of sixteen (16) hours. Penalty pay shall be calculated by the overtime compensation formula established by the Company in 1969. Effective August 1 of each contract year overtime distribution among all employees throughout the bargaining unit will be considered to be equal. Employees who work overtime shall not be laid off during their regular work scheduled to equalize the overtime. The Company agrees to post a record of overtime in each department for employee observation quarterly. It is understood that employees will not be charged for overtime hours spent in training.

When employees are scheduled for overtime work and are so notified twenty-four (24) hours in advance of the time the overtime work is to be performed, such employees are required to report for work as a normal work day. All overtime scheduled on Sunday for employees whose regular work week is Monday through Friday and overtime scheduled on the seventh (7th) day for employees whose normal work week includes Sunday will be optional with the employees.

In case of an emergency where the twenty-four (24) hour notice is not given, if all employees in the department or practical division decline the overtime, the least senior qualified employees in the department or practical division will be required to perform the overtime.

Employees scheduled to work overtime will be provided with overtime work for which they were scheduled unless they were notified to the contrary not later than four (4) hours prior to the time the scheduled overtime begins.

Section 10. Voting. The Company agrees to adhere and be governed by the state law pertaining to time off for voting.

ARTICLE THREE

Report and Call-In Time

Section 1. Reporting Time. An employee who reports to work at the beginning of their regular shift without being notified to the contrary by their supervisor shall be given not less than four (4) hours work or four (4) hours pay at their regular classification. An employee who is absent from work when notice is given shall not be entitled to reporting time.

Instead of paying reporting time the Company may require the employee to perform work at the plant, in which case the employee shall be paid at their regular classification.

Section 2. Call-In-Time. Any employee called in to work at some time other than their regular shift shall receive at least four (4) hours pay at their regular classification. This does not apply when an employee reports early and continues into their regular shift.

Section 3. Company Excused. The company shall not be obligated to pay reporting time when all or substantially all of the normal operations in the department or plant are affected by major mechanical breakdown or conditions such as power failure, fire and tornadoes.

ARTICLE FOUR

Adjustment of Grievances

Section 1. Grievance Committee. The Union shall be represented in the adjustment of grievances at the Interchange City plant by a committee which shall consist of four committee person(s) and the local union president. The names of members of this committee shall be furnished to the Company in writing.

Section 2. Department Stewards. In the interest of prompt settlement of grievances, each department shall be represented by stewards on each shift. The number of stewards in each department will be one for each 30 employees or fraction thereof in said department. One steward on the second shift and third shift shall be designated chief steward by the Union and shall remain as long as the 2nd and 3rd shifts are operating. Names of all stewards, the chief stewards and committee person(s) shall be furnished to the Company in writing.

Section 3. Time Off. Members of the grievance committee, and department stewards and the chief stewards shall be allowed such reasonable time off their jobs without expense to the Company as may be necessary for investigation of grievances generated in the area they represent and for attendance at grievance meetings. When these duties require them to be absent from their jobs, they shall notify their supervisor, who will make arrangements as production schedules permit. Time spent by grievance committee person or department stewards in the investigation of grievances and for attendance at grievance meetings shall be considered as hours worked for the purpose of determining when such employees are eligible for overtime pay.

Union official(s) may be granted time off for the purpose of attending the International convention. This request should be made as far in advance as possible in order to allow the Company adequate time to schedule for any replacement(s).

Section 4. Grievance Procedure. A grievance for all the purposes of this agreement shall be defined as a claim by an employee or by the Union that the Company has violated an express provision of this agreement.

For the purpose of this Agreement, a grievance shall be defined as any dispute or difference between the Company and an employee or group of employees, or between the Company and Union with respect to the meaning, interpretation, or application of the terms and provisions of the Agreement. In order for the grievance to be a valid grievance and to be processed in accordance with the terms hereof, such grievance must allege a claim by an employee, group of employees, or the Union that the Company has violated the express terms of this Agreement.

If a grievance is not appealed to the next step within the specific time limit, or any agreed upon extension thereof, it shall be considered settled on the basis of the Company's last answer. If the Company does not answer a grievance within the specified time limit, the grievance shall automatically proceed to the next step.

- Step 1. If it is determined that a grievance does exist and the matter has been verbally discussed between the employee and supervisor, the grievance shall be reduced to writing within ten (10) working days after the date of occurrence and submitted by the aggrieved employee and the steward of his department to the supervisor of the department. The supervisor shall give their answer within two (2) working days. If the grievance is not resolved at that point, it may be appealed to Step 2 within two (2) working days.
- Step 2. A grievance referred to Step 2 shall be submitted in writing, along with a copy of the grievance, by the grievance committee chairperson and department steward to the designated manager. If no settlement is reached within five (5) working days from referral, the grievance may be referred in writing to step 3 provided that it is referred within three (3) days after the date on which the answer in Step 2 was received.
- Step 3. The grievance shall be referred by the grievance committee to the Director, Human Resources or a designee who shall give their decision within five (5) working days. An international representative of the Union may be present at this step of the procedure. Any monetary griev-

ance settlements made in steps 1, 2, or 3 shall be paid within 15 days following receipt of the settled grievance, signed off by the Union, and presented to the Labor Relations Manager. Any employee filing a grievance and a department steward may be present at any of the 1st, 2nd or 3rd step meetings under the above procedure. The number representing a group of grieved employees shall be limited to two, except when by agreement between the Company and the Union, additional employees are called in. The above mentioned two (2) employees shall be paid by the Company for the time so spent at their regular classification. If a satisfactory settlement is not reached, in the third step grievance, then

Step 4. The grievance may, at the option of either party, be referred to arbitration as provided for hereinafter, provided that it is submitted within thirty (30) working days after the date on which the answer of the H.R. director or their designee was received. If the grievance is not referred to arbitration within this specified period, the grievance shall be considered as abandoned. If a grievance is referred to arbitration, an impartial umpire will be appointed by mutual consent of the parties. If the parties cannot agree on the designation of an umpire, the matter shall be referred to the Federal Mediation and Conciliation Service which shall appoint an arbitrator under the then prevailing rules of that association. The decision of the umpire or arbitrator shall be final and binding upon both parties. All the expenses and salary incident to the services of the umpire or arbitrator shall be shared equally by the Company and the Union.

It is the Union's responsibility to follow through on arbitration referrals to insure speedy disposition of the grievance. In no case will a grievance stay in the referral category longer than sixty (60) working days without an arbitrator and arbitration date being selected unless mutually agreed upon by the company and the union. Beyond this sixty (60) day period the grievance will be considered as settled based on the company's 3rd step answer. A grievance will be considered as referred to arbitration when the following document is presented to the Manager, Labor Relations by the Union.

LETTER OF UNDERSTANDING

This letter is to clarify the meaning of the word "REFERRED" as used in Article Four, section 4, step 4 of the current labor contract.

A grievance will be considered "REFERRED" to arbitration when the Grievance Committee Chairperson presents a completed copy of this document to the Manger of Labor Relations within thirty (30) working days after the 3rd step answer is given.

This document will be the only document recognized as a referral to arbitration.

Grievance Number:	
Union Chairperson:	Date:
Manager, Labor Relations:	Date:

The power and authority of the arbitrator shall be strictly limited to determining the meaning and interpretation of the explicit terms of this agreement as herein set forth. They shall not have authority to add to, or subtract from, or modify any of the said terms, or to limit or impair any right that Article I, Section 3 reserves to Management; or to establish or change any wage, rates of pay for job classification; job classifications; or determine or change the general hours of work.

Section 5. Written Records. The disposition made of each grievance at each step of the grievance procedure shall be recorded in writing by the Company. The Union shall be furnished a copy within the time

limit of each step. Failure of the Company or the Union to act within time specified in Steps 1 and 2 of the grievance procedure shall automatically refer the grievance to the next succeeding step. The parties may, in any individual case, by mutual agreement extend the time limit in any step.

Section 6. Fair Hearing. An employee who has worked beyond their probationary period may not be discharged or suspended in any manner except for just cause. Should the Company discharge or suspend such employee, it may be the subject of a grievance, and the grievance must be filed within thirty (30) calendar days after the date of discharge or penalty.

The Company will provide the Union with a copy of all written reprimands and will immediately notify the Union President or the Grievance Committee Chairperson when an employee is discharged.

If it is found that any such employee has been unjustly discharged or suspended, they shall be immediately reinstated with seniority rights unimpaired and compensated in full for any wage loss resulting from the injustice.

ARTICLE FIVE

Seniority

Section 1. Probationary Period. All new employees shall be considered probationary for the first three (3) months of employment during which time they may be discharged by the Company and shall enjoy no seniority rights.

Section 2. Seniority Rating. Each employee after their probationary period shall have a seniority rating based on their length of service with the Company within the bargaining unit. With the exception of the

BIR Department and Skilled Trades Departments, this single Seniority rating will be used for both department and plantwide purposes where these designations are used throughout this agreement. When two or more employees have the same seniority date, their seniority rating will be determined by alphabetical order.

Within the BIR Department, an employees' department seniority rating will begin the day that employee starts in the BIR Department and shall continue to accumulate for a period of six (6) months.

This Department seniority rating will be used for internal BIR bids and for any departmental lay offs in BIR.

After the initial six (6) month period, the employees' department seniority will be considered equal to their plant wide seniority.

Section 3. Departments. Departments defined for seniority purposes shall be determined by the Company.

Temporary relocation of work areas to provide additional work space will not be considered as transferring work to other departments.

Dual work areas may be established in locations where work of several departments is being performed in the same physical location.

When a job in its entirety is transferred from one department to another, the job incumbent shall have the option of transferring with the job to the new department. Where more than one employee holds the classification of the job being transferred the option will be offered to such employees in their order of seniority.

Section 4. Plant Wide. When employees are laid off and there are open jobs in another department that would otherwise have to be filled

by hiring new persons from outside, the laid off employees shall be considered on a plant-wide seniority basis and offered the open jobs, in the order of their seniority, provided they are capable of performing the work.

Qualifications to fill warehouse jobs will adhere to the following letter of understanding dated 10-9-86:

LETTER OF UNDERSTANDING

"This letter is to clarify the meaning of the word 'qualified,' as used throughout article five of the current labor agreement in respect to the warehouse.

During a plant layoff, an employee must be qualified to roll into the warehouse operation to the extent that that employee must have previously held the job title of Warehouse Operator and physically worked within the warehouse as a warehouse operator."

Ed Hitner President Union 10-9-86 J. D. Hagewood Manager Labor Relations 10-9-86

Employees so placed on jobs in any department will be given proper training on the job by the department supervisor or designee.

Employees placed on jobs under the conditions outlined above or who acquire jobs through application of plant-wide seniority as described in Section 12(c) of this article shall continue to hold seniority in their regular department as well as in the department in which they are placed.

At the time of additional layoffs, such employees must designate their regular department from departments in which they currently hold seniority. At no time will an employee hold seniority in more than two (2) departments, their regular department and the department in which they are currently working. Employees will be recalled to their regular department in seniority order on open jobs. If such employees choose not to return to their regular department when recalled, they will loose their seniority rating in their regular department and have seniority only in the department in which they are currently working.

If a department or division is eliminated or production reduced requiring the permanent layoff of employees herein, no such employees shall be laid off so long as there are probationary or assigned employees working in the plant.

Section 5. Seniority Lists. Departmental seniority lists shall be prepared by the Company and posted in the department where they apply and shall be kept current.

Section 6. Union Officials. A list of all officers of the local Union grievance committee, department stewards and the chief stewards will be provided to the Company by the Union and kept current.

Grievance committee persons, chief stewards and stewards shall be given preference to have employment in their respective departments in case of any layoffs, recalls, shutdowns, or loans to other departments, provided they have the necessary capabilities to perform the available work.

They will be assigned to work in the following manner:

- They will displace the least senior employee departmentally performing the work that they are qualified to do.
- (2) If no work is available for the committee member in the department in which they work, they will displace the least senior employees on a plant-

wide basis performing the work that they are qualified to do.

- (3) Department stewards by shifts will be given preference to employment in their respective department in case of any layoff, provided they have the necessary qualifications to perform the work of the least senior employee that they replace.
- (4) In cases where there are a greater number of committe me bers and stewards to be placed at work than there are jobs available, they shall be placed in the following order:
 - (a) Local President
 - (b) Grievance committee members
 - (c) Chief stewards by shift
 - (d) Union stewards by shifts

Section 7. Seniority Not Lost. Seniority rights shall continue to accumulate in cases of sickness, or accident or other valid reasons beyond the control of the employee, or during layoff (subject to the provisions of Section 11 of this Article) or while on leave of absence granted under the provisions of this agreement.

Section 8. Loss of Seniority. (a) The seniority rating of any employee shall be lost if they quit which includes being discharged for just cause; or if after being on layoff fails to report for work after nonce of recall as specified in Section 12, Paragraph (a) of this Article; or if was on leave of absence and fails to return or secure a renewal before the leave terminates, or if working in the employment of another company while on leave

(sick or otherwise) from the Division without obtaining prior approval from the Human Resources Department, or if laid off and fails to return to work after being recalled from layoff; or is laid off or on leave for a period of two (2) years.

(b) The parties agree that in the event an employee looses their seniority by operation of the provision terminating seniority after 2 years of continuous lay off, such employee, if rehired by Whirlpool, Lavergne Division within 2 years of the date of the termination of their seniority shall upon successful completion of their probationary period be credited with their seniority back to the date of their original hire.

Section 9. Selection of Employees. (a) When a new job/s is created or a vacancy/s occurs which is expected to last more than forty five (45) calendar days, such job/s will be posted within the department in which the opening occurs for a period of forty eight (48) hours. Employees holding seniority in that department who are on the active payroll on the date the offer is made and who hold job titles other than the one being offered will be eligible to bid on such jobs. However, employees holding the same classification as the job being offered but who are working on a shift other than the shift which the job opening occurs will also be allowed to bid on the job along with all other employees of the department as outlined above.

Employees accepted for bid within a department under this procedure shall be restricted from any lower bidding on job openings for a period of three (3) months from the time they are placed on such job.

Employees absent during this posting period can be contacted, if possible to determine if they desire to bid. The most senior of those bidding will be given, and must accept the job(s) provided they have the qualifications to perform the work. Employee(s) shall be moved to job(s) within seven (7) working days after obtaining a bid in the above procedure except during production build-up periods. However, employees shall receive the

pay rate of the new job on the seventh (7th) day.

Should a vacancy occur due to an employee being on sick leave, the employee filling the vacancy shall be considered as temporarily assigned the job and must vacate the job when the original job holder returns to work from sick leave. The employee required to vacate such temporary assignment will be placed on a job in accordance with Article Five, Section 11 of the contract.

- (b) All job openings not filled as outlined in (a) above and/or Section 12 (b) of this article will be posted a minimum of twenty-four (24) hours on a plantwide basis. The employees with seniority other than employees of the department in which the openings exist will be eligible to bid on the openings. The most senior of those bidding will be given, and must accept, these jobs provided they have the qualifications to perform the work.
- (c) Employees who bid on plant-wide openings and are accepted on the job for which they bid will not be eligible to bid on plant-wide openings for a period of six (6) months from the date of their last successful bid. Newly hired employees will be restricted from any and all bidding on job openings until they have acquired six (6) months seniority in the plant.
- (d) In cases of promotion to supervisory positions, it shall be the policy of the Company to promote from the ranks of the employees whenever it is practical to do so.
- (e) Hourly employees promoted to salaried positions outside of Local S-272 bargaining unit, or appointed to office in their international union or any affiliated body, shall retain and continue to accumulate seniority and may return to the bargaining unit only if laid off from the management or union position. Employees promoted to these positions will

retain seniority in the department that they left and once laid off may exercise their departmental recall rights when returning to their hourly status.

(f) New job titles for Technical Group Leaders and Non-Technical Group Leaders will be Technical Process Technician (TPT), and Process Technicians (PT). The new job classifications for a TPT will be 08 and for the PT will be 09. These new classifications will appear in Schedule A and Schedule B in Article 12. Pay Grade for a TPT is \$.45 above a Class A and the Pay Grade for a PT is \$.30 above a Class A.

The selection process for both the TPT and the PT will be the same as the one that is being used for the old group leader positions.

- (g) Effective 8/1/97 a new apprentice employee's departmental seniority begins upon successful completion of the apprentice program. Seniority will be retroactive to the entry date of the apprenticeship program.
- (h) Maintenance departmental seniority and Tool & Die departmental seniority begin when an employee enters the respective department (department seniority will be kept separate for each department). Skilled Trades employees shall be allowed to use departmental seniority for bidding on (open) jobs within their respective departments subject to Article 5, Section 9. All current Skilled Trades employees will have department seniority the same as their plant wide seniority.

Section 10. Temporary Transfer. If an employee is required to take a temporary transfer, they shall receive their regular rate of pay or the pay of the temporary job, which ever is higher. This method of transfer will be based upon past practices determined, or subsequently modified, by Business Units and shall be continued for the term of this agreement.

Section 11. Layoff. In the event of a decrease in the work force resulting in a layoff of permanent full time employees, such layoff will be made in the following manner.

Temporary Layoff. A temporary layoff occurs when employees are temporarily out of work not to exceed three (3) working days and are not removed from the payroll. When a temporary layoff occurs in any department, the least senior employees in the classification of work being reduced will be laid off.

Permanent Layoff. A permanent layoff is a reduction in force for an indefinite period requiring employees to be removed from the payroll.

When a permanent layoff occurs in any department, the least senior employees in the department affected will be placed on layoff. Any vacancies created by this action will be offered to employees remaining in the department who were displaced from their jobs by the layoff activity in their order of seniority. Under the above article, it is understood that the senior people must be capable of performing the work of the employees whom they replace.

In a department layoff remaining TPT and PT positions are filled with the most senior TPT's/PT's in the department/area of responsibility/shift. TPT's and PT's displaced can roll least senior employees in the department(except TPT's/PT's) regardless of shift and will then be subject to plant wide roll procedures. Remaining PT's and TPT's are then protected from department/plant wide roll 8/1/97 for TPT's and 5/1/98 for PT's.

Plant shutdown. A plant shutdown occurs when all or a major portion of the plant is closed for a period of time necessitating a major reduction in the work force.

During a plant shut down, if work is to be performed by any Department(s) during the shut down, the work is mandatory for the employees of that Department. i.e. These employees will be required to work during the shut down.

If, however, the manager of the Department(s) wishes, for whatever reason, to allow the employees of that Department(s) to volunteer for the work in lieu of making it mandatory, the following procedure will be used.

- a) Employees of that department only will be poled to determine who wishes to work.
- b) The most senior of those volunteering will be allowed to do the work provided they have the necessary qualification to do the work.

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- c) If there are not enough volunteers to do the work then the manager may:
 - Require those qualified in the Department to accept the assignment, or
 - Go outside the Department for volunteers to fill the position available.

(It is understood that if the manager decides to go out side of the Department, they are at liberty to ask other qualified employees of any department as they choose and will not be bound by plant wide seniority in this decision. However, once an outside Department is chosen, the qualified employees of that Department will be selected based on their departmental seniority).

In the event of such a shutdown officials of the Union will be advised of the date of the shutdown, the period of shutdown, and the reasons for the shutdown. When such a plant shutdown is necessary, employees will be laid off from their existing jobs and will return directly to the same jobs at the termination of the period of the plant shutdown.

Employees with seniority who are to be laid off shall be individually notified as far in advance as possible, and when the layoff is expected to be for longer than three (3) working days, notice shall be given two (2) working days in advance, unless this is impossible for reasons beyond the control of the Company.

In all cases where the two (2) working days notice of layoff is given, the Company will notify the department steward of employees to be laid off.

If an employee thinks they have been improperly laid off, they may, within ten (10) calendar days of the date of the layoff file a written grievance to this effect giving the name of any employee they think should have been laid off in their place. If it is found that they have been improperly laid off, they shall be reinstated and compensated at the rate earned by the employee so designated.

Section 12. Notice of Recall. (a) Employees to be recalled after a layoff shall be notified by the Human Resources Department and must report to the Company within twenty-four (24) hours after notice whether they will be available for work. If the Company is unable to locate an employee, a notice in writing by certified mail, return receipt requested, shall be sent to the last address of the employee shown on the Company records. Employees are required to notify the Company promptly of every change of address. Employees who are absent from home or for some other valid reason are unable to receive the notice promptly, and employees who have secured other work during layoff, or who for valid reasons are unable to report for work promptly, shall be given reasonable time to report.

(b) Order of Recall. Employees laid off will be recalled by calling the employees with the most departmental seniority provided they have the capabilities to perform the work, subject to the provisions of Section 6 of

this article. When all employees holding department seniority have been recalled, remaining job openings, if any, will be filled in accordance with Section 9(b) & (c) of this Article. Remaining jobs, if any, will be filled by offering such jobs on a plant-wide seniority basis to employees on layoff.

Reestablished TPT/PT positions will be filled up to five (5) days prior to schedule increases by incumbents who held these positions during peak season using normal recall procedure. If returning PT and TPT jobs are being held by senior employees who choose not to return to their previous PT or TPT positions then they will be offered open PT or TPT jobs.

- (c) Plant-Wide Recall. When an employee has been laid off from their department for a time not to exceed five (5) working days and such employee was not offered work within their department, they shall have the following seniority rights:
- (1) Senior employees who are eligible to roll shall roll on a plant wide basis according to the following procedure and must accept a job for which they are eligible by seniority unless they previously signed the following voluntary lay-off slip.
 - (a) The names of the least senior employee plant-wide in a number equal to the number affected by departmental layoff will be listed in seniority order.
 - (b) Those jobs held by employees in (a) will be offered to employees eligible to roll in their order of seniority.
 - (c) The employee may not displace anyone in skilled trades jobs or the KABI Department, and must be qualified to perform the work of the employee being replaced.

VOLUNTEER LAYOFF

LAVERGNE DIVISION

When a permanent reduction of manpower occurs in any department that requires employees to be removed from the payroll, higher senior employees in that department who wish to take a volunteer layoff will be permitted to do so before any least senior employees are laid off.

Senior employees wishing to take a volunteer departmental layoff must complete Section 1 of this policy at least five (5) days prior to the announced lay off date.

Recall of volunteer layoff employees will be in highest senior first, after other "non-voluntary" employees are recalled. Any employee who declines recall from layoff will forfeit their seniority (per current labor contract).

Once all plant wide employees have been recalled, employees on Voluntary Layoff will be required to return on a plant wide basis as plant wide jobs become available.

Group Benefits w employees, both vi	ill continue, as one of the continue, as one of the continue, as o	outlined in Article Elev- volunteer.	ven, for laid off
subject to the prov	isions of the vol	request a lunteer layoff procedum	volunteer layoff e. I understand
HR Department	Date	Employee	Date

(d) The Company shall determine whether the employee is capable of performing the work.

An employee unable to exercise their seniority rights because the employee is not capable to perform the job held by the least senior employee shall by-pass the least senior employee and replace the first employee in reverse order of plant-wide seniority whose job they are capable to perform.

- (2) Employees who are replaced as outlined in (b) above shall have the right to replace the least senior employee plant wide, or take a layoff.
- (3) Employees who are unable to exercise their recall rights because there is no one with less seniority then working will be allowed to replace the first employee recalled plant-wide who has less seniority.
- (4) The number of employees who may go into a new department under this section in any one week shall not exceed such reasonable number as will not interfere with production schedules.

Section 13. Modification. To assure fair, equitable and flexible administration of the foregoing contractual provisions, the Company and the Union may, by mutual agreement, from time to time make variations in the application and departures from the strict requirements of these provisions.

Section 14. Leave of Absence. Any employee may, on request, be granted a leave of absence up to thirty (30) calendar days duration without loss of seniority rights upon recommendation of their supervisor, and approved by the labor relations manager and department supervisor. Written notice of any leave of absence shall be given to the chairperson of the grievance committee. The reasons for granting leaves of absence are

limited to personal illness, illness in their immediate family, or other personal or family reasons where hardship would result if leave of absence is refused. An employee who requests more than thirty (30) calendar days must report at the end of thirty (30) calendar days and have a renewal of their leave approved in the above manner. Leaves of absence not to exceed sixty (60) calendar days shall be granted to employees seeking public office (city, county, state or federal) provided such employee is able to supply proof that they have been qualified to appear on the official ballot. Employees who are elected to public office will be considered quit upon completion of their leave of absence.

Section 15. Military Service. The provisions of any law applicable to the re-employment rights of veterans shall govern during the term of this Agreement, when an employee with seniority, who is a member of a National Guard or Reserve Unit, is called for summer training, they will be reimbursed for the difference between an amount paid for such service and his regular classification for the hours they were scheduled to work, up to a maximum of two (2) calendar weeks in any one year.

When the National Guard or reserve summer training period coincide with the plant vacation shutdown, the employee required to report for guard or reserve summer duty shall have the option of taking their vacation at a later date or receiving vacation pay in addition to the reimbursement described in the above paragraph.

Section 16. Physical Fitness. Employees who have in the opinion of the Company become physically unable to perform their regular work properly shall be transferred to such other work as they may be able to perform provided such work is available at the established rate of pay for such work. Such physical condition must be permanent in nature and medically verified to the satisfaction of the Company and the Union. To accomplish the above, the Company may transfer the disabled employee to an open job without posting the open job. If no such job is available and the

disabled employee is on layoff, the Company may return the employee from layoff to active work on a job which becomes open without the necessity of posting such job, provided the disabled employee has more plant-wide seniority than other employees on layoff.

ARTICLE SIX

Vacation Plan

Section 1. Every employee who is on the active payroll of the Company on the first day of June and who prior to that date has been in the service of the Company for a period of one (1) year or more shall be eligible for vacation in accordance with the following schedule.

Length of Service	Hours Vacation Pay	Time Off
l Year	40	1 Week
3 Years	48	1 Week
5 Years	88	2 Weeks
10 Years	120	3 Weeks
20 Years	160	4 Weeks

- Section 2. Vacation pay will be determined at the employee's regular classified hourly rate as of June 1st of the year.
- Section 3. The Company shall pay for vacation pay due employees at the time vacation is taken.
- Section 4. The Company reserves the right to close the plant for a prescribed period of time between June 1 and December 31 of each year and to require employees to take their vacations during such period. The Company will give such notice of the dates of a vacation shutdown period as early as feasible, and in no case less than one (1) month in advance of the vacation shutdown.

If the Company does not elect to close the plant for vacations, employees will be permitted, as far as possible, to schedule vacation due at a time desired by the employee between June and May 31 of each vacation year.

The parties agree that an employee covered by this Agreement may use his vacation 1/2 day at a time.

ARTICLE SEVEN

Safety and Health

The Company and Union will cooperate in the continuing objective of eliminating accidental and health hazards.

In order to fulfill the mutual goal to maintain a drug free environment, the Company and the Union agree to continue to abide by the Comprehensive Substance Control program as dated 7/31/92.

The Company shall continue to make reasonable provisions for the safety and health of its employees at the plant during their hours of employment. The Union agrees to comply with the Company's safety rules and housekeeping policies.

Protective devices, wearing apparel, and other equipment necessary to protect employees from injury shall be provided by the Company in accordance with practices now prevailing in the plant. Goggles, face shields, respirators, work gloves and welding helmets for use during working hours will be provided by the Company without cost to the employees. Replacement of this equipment will be made only when unusable equipment is returned to a designated area. Proper equipment and facilities such as lockers, drinking fountains, fans, exhaust systems, heating, ventilating,

lighting, etc., within reason will be maintained by the Company. If safety shoes are required by a government agency cost of providing shoes will be negotiated.

The Company and Union agree to the following company policy concerning the providing of safety glasses for employees.

On jobs where it is deemed necessary by the Company for employees to wear safety glasses the Company will:

- Provide at Company expense a pair of plain lens safety glasses.
- If the employee involved wears prescription glasses, the Company will provide the first (1st) pair of prescription safety glasses provided the employee furnishes the Company with a prescription for the lens.
- 3. The Company will pay 50% of the cost of subsequent pairs of prescription safety glasses to replace the initial pair providing employee furnishes the Company with a prescription for the lens.

A statement of this policy will be placed on department bulletin boards throughout the plant and warehouse.

ARTICLE EIGHT

Wages

Section 1. The rates of pay for hourly rated jobs are set forth in Schedule "A" annexed to this agreement.

Section 2. The Company expects all hourly employees of the Interchange City plant to fulfill the following work responsibilities:

- To work from the prescribed starting time to the prescribed quitting time.
- (2) To work at a normal pace
- (3) To use the methods prescribed for the operation,
- (4) To use no more personal time than is reasonable and necessary,
- (5) To report any production or quality difficulties immediately to the supervisor.

Normal pace or normal effort is a work obtained through skill, responsibility and cooperative attitude, which will develop high quality and productivity.

Section 3. Shift Premium. All employees on the second or afternoon shift, starting at or after 2:00 p.m., shall be paid at a premium of ten (10) cents per hour; and all employees on the third shift, starting at or after 10:00 p.m. but prior to 4:00 a.m., shall be paid a premium of fifteen (15) cents per hour. A shift premium shall continue to apply to any additional consecutive hours worked after the end of the shift.

ARTICLE NINE

Supervisory Employees

Section 1. The duties of a supervisor, and the management of the Company shall be confined to supervision and instruction of employees. This section shall not prevent any supervisor from filling in during an emergency or to train.

ARTICLE TEN

Strikes and Lockouts

Section 1. During the life of this Agreement, the Union will not cause or permit its members to cause, nor will any member of the Union take part in a strike, sit-down, stay-in, or slow-down or any curtailment of work or restriction and interference with production of the Company, and the Company shall cause no lock-out.

The Local and the International of this Union agree that they will not be a party to any jurisdictional dispute with regard to any employee of this Company and in no case will there a work stoppage from this cause.

Section 2. Local No. S-272, the International, and its members, individually and collectively, agree that if there is any strike, interference, curtailment or interruption of work in violation of Section 1 above, the Company shall have the right to discharge any employee who may instigate, foment, actively support or give leadership to such strike.

Picket Lines

The Company will not require the employees to cross any legal and properly authorized picket line established on or in front of the premises or at any place where Company goods are stored. The individual or concerted refusal to pass such picket line shall not constitute grounds for discipline, discharge or layoff.

ARTICLE ELEVEN

Group Benefits Plan

Effective August 3, 2002 the Company will continue the "Whirlpool Corporation Group Benefit Plan for Hourly Employees", herein referred to as the "Plan". Such Plan, as annually modified provides medical, dental and life insurance benefits for employees and (upon the employee's election in accordance with the plan) the employee's spouse and dependents. A Summary of benefits and other provisions of the Plan are outlined in the Plan Document titled Summary of Coverage. The Summary of the coverage contains the principal benefits provided by the Plan, but is not intended as a complete listing of all coverage provided.

Coverage starts after three (3) months of employment. If the employee is not at work on that day, coverage starts on the first (1st) day of return to work.

Insurance terminates on the last day of work, except the coverage will continue during periods in which employees are laid off or absent, not to exceed three (3) months. The employee contributions for employee/dependent coverage will be deducted from the employee's first paycheck after return to work.

Sickness and Accident Benefits

A Weekly Sickness and Accident Benefit for up to twenty-six (26) weeks during each year beginning

August 3, 2002	\$ 260.00
August 1, 2003	\$ 260.00
August 1, 2004	\$ 265.00
August 1, 2005	\$ 270.00
August 1, 2006	\$ 275.00

The weekly sickness and accident insurance benefits program applicable to bargaining unit employees will be administered in the following manner:

- Each active employee will be credited with twenty-six (26) weeks of benefit time as of August 1 each year.
- (2) To be eligible for a weekly benefit, employees must have two years seniority. An employee must have been unable to work due to illness or injury substantiated by a doctor's certificate. Benefits payments will start on the eighth (8th) consecutive regular work day of being disabled. However, if an employee is admitted as an inpatient in a hospital, i.e. an overnight stay, benefits would start immediately.
- (3) The Certificate referred to in (2) above will be obtained from the Human Resources Department and is to be completed by your doctor. This will be the only official document acceptable in its completed form as proof of illness of an employee.
- (4) If an employee is receiving S&A benefits, and a layoff occurs which would necessitate the layoff of the employee

if the employee was on an active status, S&A benefits will be terminated.

Extended Coverage-Medical Benefit Plan

- (a) Medical benefit coverage will be continued for active employees and dependents of active employees who are eligible for and approved for Medicare coverage prior to attaining age 65. Dependents of employees, to be eligible for such coverage, must be enrolled under the medical benefit plan as a dependent at the time they become eligible for Medicare benefit coverage. Company medical benefit coverage will be coordinated with Medicare benefits payments, if applicable.
- (b) Employees who choose to continue medical benefit coverage as described above for themselves and their dependents will continue to contribute toward premium costs on the same basis as all other employees.

Coverage After Death

Medical benefit coverage will be continued for dependents of deceased employees for a period of six (6) months after the date of death of the employee provided that the deceased employee:

- was covered under the medical benefit plan at the time of death.
- (2) carried dependent coverage under the plan, and
- (3) the dependents being covered continue to make premium contributions in amounts in effect at the time of the employee's death.

The Company agrees to make payroll deductions of employee contributions for employee and dependent coverage where required under

the benefit "Plan".

No matter respecting the "Plan" after it is in effect or any difference arising thereunder shall be subject to the grievance procedure established in Article Four of this Agreement.

Retirement Plan

The Company agrees to continue a pension plan for hourly employees in accordance with provisions of the current plan document labeled, "Whirlpool Production Employees Retirement Plan at La Vergne as amended and restated effective as of August 7, 1992", and subject to terms of this document.

The plan provides the following basic benefit, the description of which is not intended to describe explicit terms and conditions of the "Plan", but rather provide general information of interest to hourly employees.

(a) The pension increment for each year of credited service will be:

8-3-02	8-1-03	8-1-04	8-1-05	8-1-06
\$23.00	\$24.00	\$25.00	\$26.00	\$27.00

- (b) Credited service under the plan will not exceed a maximum of thirty (30) years.
- (c) Employees must have acquired five (5) years of continuous service and attain age 65 to be eligible for normal retirement benefits at age 65.
- (d) At their option an employee with ten (10) or more years of continuous service may retire as early as age 55. In such event their month-40

ly benefits will be reduced by one half of 1% for each month between the date of this retirement and the date they attain age 65.

- (e) After acquiring five (5) years of continuous service, an employee is fully vested to receive a pension at normal retirement date even though they leave the service of the Company before attaining early retirement age.
- (f) In the event an employee with ten (10) or more years of continuous service is ruled to be permanently and totally disabled under the Whirlpool Employee Production Retirement Plan, they shall be eligible to receive retirement benefits with no reduction factor applied for age.
- (g) The Company will provide at no cost to the pensioner an incidental retiree death benefit as follows:

8-3-02	8-1-03	8-1-04	8-1-05	8-1-06
\$4000	\$4000	\$4000	\$4000	\$4000

(h) Employees retiring from the Company, in accordance with the normal, early and disability retirement provisions of the Whirlpool Production Employees Retirement Plan at LaVergne, herein referred to as the Plan, and dependents will be eligible for medical benefits under the Whirlpool Group Benefit Plan for Hourly Employees. Such plan, as annually modified provides these continuing benefits. The Summary of the coverage contains the principal benefits provided in the Plan, but is not intended as a complete listing of all coverage provided.

Retirement Equity Act (REA)

The Whirlpool Production Employees Retirement Plan at LaVergne provides automatic protection for your spouse if you die before actually collecting your pension. The Company will cover the cost of this protection.

Pre Retirement Option (PRO)

The Whirlpool Production Employees Retirement Plan at LaVergne will offer protection for a designated beneficiary if an employee should die after they are eligible to collect their pension but before they retire. The Company will cover the cost of this protection.

Active Employment After Age 65

Employees who elect to remain actively employed beyond age 65 will be entitled to:

- (a) Accrue credited service after age 65 (maximum thirty (30) years total credited service) while on active payroll status.
- (b) Continue the Whirlpool Corporation Group Benefit Plan for Hourly Employees while employed after age 65.
- (c) Company medical benefits will be coordinated with Medicare benefits, if applicable.

Tuition Refund

A tuition refund program will be made available to hourly employees who voluntarily choose to participate.

Requirements pertaining to qualifications, course content, eligibility for reimbursement and reimbursement procedures are set forth and will be governed by the Company's "Educational Reimbursement" Policy for all employees.

"Whirlpool 401(k) Performance Savings Plan"

Effective January 1, 1990, the Company will implement the "Whirlpool 401(k) Performance Savings Plan" for all hourly employees. The terms and conditions for participating in this plan are set forth and will be governed by the plan.

ARTICLE TWELVE

Terms of Agreement

Section 1. Scope Of Agreement. This agreement including the schedule annexed sets forth the entire agreement between the parties, and all prior agreements between the parties are hereby declared to be null and void.

Section 2. Modification. Any provisions of this agreement which are in conflict with any federal or state law or decree shall be and hereby are modified or waived to the extent necessary to conform such law or decree, provided, however, that such modification or waiver shall not affect any other provision of this agreement. When any such law or decree ceases to have force and effect, the provisions set forth herein shall apply from such date.

Section 3. Duration of Agreement. The provisions of this agreement shall be and remain in full force and effect until August 1, 2007, and shall be automatically renewed for successive one year periods unless at least sixty (60) calendar days prior to the expiration date either party shall serve upon the other written notice of the desire to change this agreement, in which event both parties agree to arrange a conference to be held forty-five (45) calendar days prior to expiration date.

Signed this 26th day of August, 2002

FOR THE COMPANY: FOR THE UNION: Doug Hutchiha In Roctines Division Vice President President Local S-272 Rep Billy White Fred Contreras Director Human Resources Grievance Committee Chairman Doug Ha Manager, Labor Relations Grievance Committee Member Negotiations Team Member Grievance Committee Member Negotiations Team Member Grievance Committee Member Paul Huttchins Negotiations Team Member

SCHEDULE "A"

To be annexed to the Agreement between Whirlpoot Corporation, Lavergne Division and Local S-272, International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, A.F.L. - C.I.O. dated August 3, 2002, and to apply to employees hired on or before August 3, 2002.

All hourly rated jobs are grouped in proper relation to each other according to their evaluation by a point rating system. If there is an error in the evaluation of the job or change in job content, the job will be reevaluated in order to maintain the proper relationship with other jobs. For each pay grade, there is a rate, which is the regular single hourly rate for jobs in that pay grade.

Pay Grades	<u>8-3-02</u>	<u>E-1-03</u>	F1-04	<u>8-1-05</u>	1 -1-06
IG I IIG II	\$16.75 \$16.45 \$16.36 \$16.06	\$16.75 \$16.45 \$16.36 \$16.06	Wage Opener	Based on 3nd year Waga Openex	Stand on 3rd year Wage Opener
Job Grades		<u>1-1-06</u>	8-3-02 8-1-0	3 8-1-04	8-1-05
08 Technical Process Technic 09 Process Technic 10 Class A/Ins Rep 11 Class B/Truck I 12 Brz/PlTruck/Pro 13 Assembler	sian Wha Opr	13.03 12.88 12.58 12.58 12.48 12.38 12.28	13.03 12.88 12.58 12.48 12.38 12.28		Based on 3rd year Wage Openser

Cash Payment

A cash payment of \$320 (less lawful deductions) will be made to employ-

ees who are on the payroll on August 1, 2002. Employees on approved leave of absence, or sickness and accident leave, or FMLA, or personal leave of absence and who return to work prior to October 1, 2002 will also qualify for this payment. This cash payment is contingent upon ratification of this contract prior to August 3, 2002.

A second cash payment of \$320 (less lawful deductions) will be made to employees who are on the active payroll on August 1, 2003. Active payroll is defined as any employee physically working in a seniority department on August 1, 2003.

Letter of Agreement between Whirlpool Corporation - LaVergne Division - and the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, A.F.L.-C.I.O. Local S-272

The Company and Union agree that the wage portion of the current contract (dated August 3, 2002 to August 1, 2007) may be re-opened by either party if written notice is given no more than 60 nor less than 30 calendar days prior to August 1, 2004. This re-opener for wages will cover bargaining for wages for the last 3 years of the Labor Contract i.e. 2004, 2005, and 2006. This written notice will only apply to the wage portion of the contract and any and all other areas will remain as written in its present negotiated form. During this re-opener period, Article Ten of this agreement will not be a bar, or restrict the right of the Union to strike, or the right of the company to lock out.

Dated and signed this 19th day of July 2002.

	
Fred Contreras	Jim Romines

SCHEDULE "R"

New Hire Progression Program

The following rates of pay and benefit levels will apply to all employees hired on or after September 9, 1989, and will remain in effect for the life of this agreement. These wage rates apply to all production employees except skilled trades (Pay Grades I & II & Apprentices).

*New Hires will be paid starting rate as listed below:

Job Grade 08 Job Grade 09

Job Grade 10

Job Grade 11

Job Grade 12 Job Grade 13 70% of contract rates

*Wages will increase as follows after 3 months of employment:

Job Grade 08

Job Grade 09

Job Grade 10

Job Grade 11

75% of contract rates

Job Grade 12

Job Grade 13

*Wages will increase as follows - FIRST anniversary of hire date:

Job Grade 08

Job Grade 09
Job Grade 10
Job Grade 11
Job Grade 12
Job Grade 12
Job Grade 13

*Wages will increase as follows - SECOND anniversary of hire date:

Job Grade 08
Job Grade 09
Job Grade 10
Job Grade 11
Job Grade 11
Job Grade 12
Job Grade 13

*Wages will increase as follows - THIRD anniversary of hire date:

Job Grade 08 Job Grade 09 Job Grade 10 Job Grade 11

90% of contract rates

Job Grade 12 Job Grade 13

*Wages will increase as follows - FOURTH anniversary of hire date:

Job Grade 08
Job Grade 09
Job Grade 10
Job Grade 11
Job Grade 12
Job Grade 12
Job Grade 13

*Wages will increase as follows - FIFTH anniversary of hire date:

Job Grade 08
Job Grade 09
Job Grade 10
Job Grade 11
Job Grade 12
Job Grade 13

The Company's Indemnity Plan for Medical, Dental & Life Insurance will be offered by the Company after three (3) months of employment as offered to all other employees in the plant.

Employees in the Progression Program eligible for the weekly sickness and accident benefits will receive an amount based upon their respective progressive rate as applied to the S&A base rate per week.

APPRENTICE PROGRAM

Effective August 1, 1997 the Company will continue the Apprenticeship and Training Standards for Lavergne Division, Whirlpool Corporation, Lavergne Tennessee; hereinafter, referred to as the Apprentice Program. Such program, modified as necessary, provides guidelines, procedures and state/federal requirements to administer a federally accepted certified program. A joint Skilled Trades Apprenticeship Board made up of management and hourly skilled trades representatives will direct the process of administration for the Division's Skilled Trades Apprenticeship program. It will be the responsibility of the Board to:

 adhere to all applicable state and federal apprenticeship standards. to review/evaluate the Division's Apprenticeship Program for purposes of modification/improvement.

LETTER OF UNDERSTANDING

During the collective bargaining negotiations which preceded the 1997 Collective Bargaining Agreement, the Union proposed that the term "necessary qualifications" be changed to the term "capable" wherever that term was used in applicable seniority provisions of the 1992 Collective Bargaining Agreement.

The parties have agreed to make the language in the Collective Bargaining uniform by substituting in applicable places "capable" wherever "necessary qualifications" or "qualified" had been used.

In doing so, the parties agree that the appropriate interpretation of the word "capable" shall be as follows:

- 1. With respect to selection of employees under Section 9 of Article Five (excepting those positions for which the Agreement sets forth other methods of selection), the term "capable shall be interpreted to mean that the employee has the appropriate physical fitness and agility to perform the work duties involved, and, after being placed on a job, demonstrates within a reasonable period of time that he or she has the capability to learn and perform the functions required of the job".
- 2. With respect to all provisions concerning layoff and recall from layoff, the term "capable" shall be interpreted to mean:
- (a) With respect to rolling into or being recalled to an equally rated or lower rated job classification that the employee has the appropriate physical fitness and agility to perform the work duties involved, and after being placed on the job, demonstrates during a trial period that he or she has the

capability to learn and perform the functions required of the job.

(b) With respect to rolling into or being recalled into a higher rated job classification, that the Company has determined that the employee has the necessary ability to perform the job functions.

It is understood that such determination by the Company shall not be made arbitrarily, and upon request, the Company shall explain all reasons for its determination that the employee is not capable to perform the job in question.

Local Union President	Director of HR

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