

✓ # 1927

**Multiple Plant
UNION SHOP CONTRACT
AND WORKING RULES**

made by

**OWENS-BROCKWAY
PLASTICS PRODUCTS**



and the



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

Located At:

**Baltimore, MD
Chicago, IL
Cincinnati, OH
Edison, NJ
North Kansas City, MO
St. Louis, MO**

**Local #113
Local #138
Local #170
Local #227
Local #20
Local #171**

**EFFECTIVE - May 1, 2002
EXPIRES - April 30, 2005**

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PLEDGE ALLEGIANCE TO THE FLAG

"I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands - one nation under God, indivisible, with liberty and justice for all."

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PREAMBLE

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

ARTICLE 1

Union Recognition and Jurisdiction

Section 1. The Company recognizes the Union as the sole and exclusive collective bargaining agent for all hourly rated production and maintenance employees, including warehousemen, except supervisors, office clerical workers, professional employees, guards, watchman and employees excluded by law. The Company agrees that, subject to the provisions of this Contract, the Union shall at all times be free to exercise its rights to advance the best interests of and fully protect its members in the exercise of their full freedom to engage in activities on behalf of the Union and that no member of the Union shall be restrained or coerced or discriminated against, in any manner, because of his membership in and for activities on behalf of the Union or its constituent Local Unions. Where the pronoun he, his or him appears in this Contract, such word shall include both male and female employees unless the meaning is clearly and specifically to the contrary.

Section 2. It shall be a condition of employment that all employees covered by this Contract who are members of the Union in good standing on the effective date or the execution

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

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

Section 4. The first thirty (30) calendar days of employment shall be probationary. An additional fifteen (15) calendar day probationary period will be granted when requested by the Company if the Local Union involved agrees to an

extension. No probationary employee will be advised that his probationary period will be extended until it has been discussed and agreed to by the Local Union. Discharge of an employee during the probationary period shall not be a matter of grievance.

Any such new employee severed by the Company before the conclusion of his probationary period shall, upon rehire, be credited with all of the days worked in his prior probationary periods within a ninety (90) day period prior to such rehire toward the completion of his probationary period.

Section 5. The Local Union, when notifying the plant management that an employee is not in good standing, shall do so in writing, stating that the name or names appearing in the notice are not in good standing by reason of their failure or refusal to tender the initiation fees and/or membership dues required by the Union.

This notice is to be dated and signed by the proper Local Union officials. The Management shall be given seven (7) calendar days from receipt of notice before action is taken on the employees. Unless reinstated by the Union within this time or unless otherwise entitled to employment under the provisions of existing State or Federal statutes, the employees shall be terminated.

ARTICLE 2

Duration and Changes

Section 1. This Contract shall become effective May 1, 2002 and shall continue in effect through April 30, 2005, and as long thereafter as regular negotiations for the making of a new Contract are in progress, except that all initial wage increases granted herein shall become effective on the date of agreement.

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

Section 3. No changes may be made in this Contract unless mutually approved by the Company, the International Officers of the Glass, Molders, Pottery, Plastics & Allied Workers International Union and Representatives of the Locals involved.

ARTICLE 3 Overtime

Section 1. All overtime shall be voluntary with the individual employee, except where the employer has exhausted the plant voluntary overtime list to secure help. No employee, who is working 8 hour shifts shall be required to work more than 8 hours mandatory overtime in a given week and no employee who is working 12 hour shifts, shall be required to work more than 12 hours mandatory overtime in a given work week.

In no instance will any employee be required to work mandatory overtime for housekeeping duties exclusively unless it is needed to address Safety and Health issues.

It is understood that in no instance will members of the bargaining unit solicit for overtime assignments unless mutually agreed between the Local Union and Local Plant Management.

No employee shall be forced to work on any scheduled day off unless mutually agreed between the Local Union and Local Plant Management. The Union will cooperate with the Company to ensure no customer requirements are missed.

Section 2. It is recognized that plant requirements may necessitate the Company to schedule weekend overtime. In such cases, the Company will accept reasonable excuses if such vacancies can be filled by employees who have the ability to perform the work and who have indicated such interest to work such overtime except as provided in Section 1.

Section 3. The Company will post **scheduled** weekend overtime requirements for production employees no later than 3:00 p.m. on Wednesday of each week **or as agreed to by the Local Union and Local Management. The Union will cooperate with the Company to ensure no customer requirements are missed.**

Section 4. The Company agrees that all overtime will be distributed among the employees as fairly as possible. Each Plant Manager, in conjunction with the Local Union, will be responsible for establishing a proper program for the distribution of overtime that will ensure fairness to all qualified employees interested in overtime work.

However, where overtime is now distributed on a seniority basis, that will be continued unless changed by mutual agreement between the Local Union and Plant Manager.

In the event there are not enough volunteers, the least senior employee by shift, with ability, will cover the overtime. The least senior employee will be determined by ascending up the seniority list or in accordance with respect to the Local Overtime agreement.

ARTICLE 4 Union Rights

Section 1. The Company agrees that, subject to the provisions of this Contract, the Union shall at all times be free to exercise its rights to advance the best interest of and fully protect its members in the exercise of their full freedom to engage in activities on behalf of the Union and that no member of the Union shall be restrained or coerced or discriminated against, in any manner, because of his membership in and for activities on behalf of the Union or its constituent Local Unions.

Section 2. The Business Committee and/or Shop Steward and/or officers during working hours shall be permitted to conduct legitimate business dealing with Union-Management matters, after first notifying management. Supervision shall, as promptly as possible, grant permission to leave their work for such purpose. This privilege shall be exercised reasonably. Local Unions shall submit a list of the names of shop stewards and members of the Business Committee to the Company. During any transferring of personnel whenever it is necessary to move a Union Steward or Union Official off his or her shift, the Company and the Union will meet to discuss the retaining of the Union Steward or Union Official on his or her respective shift.

Section 3. The accredited International Representative of the Union shall, after first advising plant management of such visit and its purpose, be granted the right to visit the plants in matters pertaining to complaints and/or grievances arising out of questions concerning the application or interpretation of this Contract.

Section 4. The Company shall provide and maintain an appropriate number, including one (1) glass enclosed, bulletin boards for the exclusive use of the Union or its Local Union.

Only items of Union business signed by an officer of the Union or its Local Union may be posted. When requested, each plant will provide secured space for a file cabinet to be used by the Local Union's officers.

Section 5. When an employee is called to full-time duty by the Local Union or International Union, he shall be granted a leave of absence up to five (5) years, and must renew his leave of absence each of these five (5) years with the plant manager. Upon termination of such Union duties, he may return to work covered by this Contract, taking the position on the seniority list indicated by his years of service including time spent on such duties for which leave was granted.

Section 6. Any employee who is publicly elected to a full-time civic, county, municipal or higher office shall be granted a leave of absence to serve in that office for the duration of that term. Such employee must take a withdrawal card from the Union. Seniority shall not be accumulated during any such period of absence.

ARTICLE 5

Hiring, Releasing, Quitting and Discharging

Section 1. The right of the Company to hire and to discipline/discharge employees for just cause is hereby acknowledged. Discharges shall be in accordance with the provisions of Section 4 of this Article. In the event the Company is unable to secure employees for the jobs covered by this Contract, the Company shall request the International Union's Research and Education Department to recommend employees in the classification needed.

Section 2. Any employee under the jurisdiction of this Contract who desires to quit work shall give five (5) working days' prior notice to his employer and shall continue working

in accordance with the factory schedule during said notice period.

Section 3. If a foreman decides to release an employee, the foreman must give the same notice in writing or pay the employee five (5) days' wages, except in cases of disaster, fire, explosion, etc. This does not apply to layoffs or furloughs beyond the control of the Company.

Section 4. No employee shall be summarily discharged. In all cases in which the Company concludes that an employee's conduct may justify discharge, he shall be suspended initially for not more than three (3) working days. The shop steward or Local Union shall be notified within twenty-four (24) hours of such suspension. During such suspension period, the Company will meet with the Union and review the facts of the case. At the end of the suspension period, the Company shall notify the Local Union of its final action and the grievance procedure can be invoked immediately.

Section 5. Upon any discharge under this Article, the shop steward or Local Union shall be notified within twenty-four (24) hours.

Section 6. If an employee cannot report for work, the Company must be informed one (1) day in advance, or, in an emergency, as soon as possible.

Section 7. When a meeting is held at which disciplinary action is going to be given to an employee and a written record of that action is going to be placed in his personnel file as formal discipline, he shall, if he so requests, have a shop steward present at the meeting. An employee may decline representation of a shop steward if such request is in writing.

Section 8. There will be no working suspension and no employee shall lose holiday pay as a result of a suspension.

Section 9. Circumstances, which could have a mitigating effect on discipline, will be considered in assessing discipline.

ARTICLE 6

Check-Off

Section 1. The Company shall check off initiation fees and Union dues on presentation of check-off authority by the employees in accordance with the law. The Company will then deduct such dues in the amounts certified to the Company by the Secretary-Treasurer of the International Union and once each month send to the International Union and to the Local Union their respective shares as certified by the Secretary-Treasurer of the International Union and will supply the International Secretary-Treasurer of the International Union and the Financial Secretary of each Local Union a list of all members with their addresses and Social Security numbers who have had their dues deducted in the regular dues deduction period. The International Union will indemnify the Company against all claims made against it by reason of compliance with this Article. **The check-off list shall also be made available in an electronic format. The International Union and the Company will determine the proper format for such submissions. The payment of dues shall be by electronic transfer. Each local union covered by this Agreement will have the option of receiving the check-off list and/or payment of dues in the same electronic format.**

Section 2. New employees may sign check-off authorization and application blanks upon receiving employment. After thirty (30) calendar days, the Company shall then

process each new employee in accordance with the first Section of this Article. The International Union shall supply the Company with all necessary forms.

ARTICLE 7

Membership List

Each employee shall be responsible for furnishing to the Personnel Office of his employer and the Recording Secretary of the Local Union, his mailing address and a telephone number at which he can be reached and shall likewise furnish changes in his mailing address and telephone number. Such mailing address and telephone number may be used by his employer in giving any notice to the employee which may be required under any of the Articles of this Contract. The Company shall not later than July 1, of each year, furnish the Secretary-Treasurer of the International Union and the Secretary of the Local Union with a list of the names and addresses of employees coming under the jurisdiction of this Contract and shall furnish him with a quarterly list of any changes thereto. **Such list shall also be made available in an electronic format. The International Union and the Company will determine the proper format for such electronic list. Each local union covered by this agreement will have the option of receiving the list in the same electronic format.**

ARTICLE 8

Seniority

Section 1.

- (a) Seniority of an employee shall be defined to be the date of hire and shall be referred to as the plant seniority date. The seniority position of an employee will not be adjusted once it is established, except by quit or termination.

- (b) In the event of a reduction of the working forces for any reason, the reduction will be made within the job classifications affected on the basis of plant seniority. Employees reduced from a job classification will be transferred to his last former job provided his plant seniority entitles him to do so; otherwise, he will be transferred to other former jobs in the order (moving down from the highest to the lowest) that he previously held provided his plant seniority entitles him to do so; otherwise, he will replace the employee with the least plant seniority in the plant provided he has the ability to perform the job.

In the reduction of the working force, out of the plant, plant seniority shall govern, providing the remaining employees have the ability to perform the available work. Recall will be on the basis of plant seniority.

- (c) Any employee who is laid off due to the reduction of working force shall leave his or her address with the Plant Personnel Department and this information will be available to the Local Union officers.
- (d) A copy of the Weekly Turnover Report will be furnished to the Local Union officers at each plant.

Section 2. The seniority of an employee shall accumulate during the course of his employment as prescribed in the following regulations:

- (a) Each new employee shall have a thirty (30) day probationary period. The discharge of a probationary employee during this thirty (30) day probationary period is not a matter for grievance. This

Section is subject to the conditions outlined in Article 1, Section 4.

- (b) Seniority of an employee who is discharged or quits for any reason shall cease as of the last day worked.
- (c) A layoff of five (5) years or less will not be considered as termination and will not cancel Company service or re-employment rights. A layoff of longer than five (5) years will be considered as termination and will cancel such Company service and re-employment rights. This does not apply to plant shutdown.
- (d) An employee on layoff who fails to report for work within seven (7) calendar days after being notified by registered mail or by telegram, sent to the last address supplied by the employee to the Company, will be considered as a voluntary quit and his Company service and re-employment rights will be canceled unless the Management has been notified and has agreed to an extension of time.
- (e) An employee absent from work for five (5) consecutive calendar days without notifying the Company will be considered a voluntary quit and will cancel all previous Company service except in case of extreme personal emergency, such case to be reviewed by Management and the Local Union officers.
- (f) Company service accumulates while employee is absent for sickness or injury provided he returns to his job as soon as he is able to work.

- (g) Leave of absence may be granted at the judgment of Management not to exceed one (1) year. The Local shall be notified, in writing, when such leave is granted or denied.
- (h) In the event of a layoff in the plant affecting an employee who is on sick leave or on leave of absence, his sick leave or leave of absence is canceled as of the date of his layoff, and his Company service will be figured just as though he has not been on leave.

The only exception to this rule is with respect to an employee on leave due to an occupational injury for which the employee is drawing compensation. Such leave is not canceled if a layoff occurs in the plant and employee will continue to accumulate Company service until compensation payments are discontinued, at which time his layoff will be effective.

- (i) A woman's absence from work for the birth of her child shall be considered as all other non-occupational medical disability leaves of absence. Hospital and medical benefits shall be the same as for any other disability including weekly accident and sickness benefits.

Section 3. Effective May 1, 1999, any employee accepting a job outside the bargaining unit will have no seniority and shall have no right to return to the bargaining unit.

Temporary / Back-up Supervisors

It is understood and agreed that no employee will serve as a Temporary or Back Up Supervisor for more than forty-five (45) calendar days per calendar year. The Company will notify the Local Union, in writing, as to whom is filling the Temporary or Back Up position, the number of days that they will be used and the accrued number of days for that particular year. This period may be extended by mutual agreement between the Company and the Local Union.

Section 4.

- (a) When an employee is transferred to another plant covered by this Multiple Plant Agreement, the following conditions will prevail:

The employee's Company service will continue.

The employee will not retain any previous plant seniority.

- (b) If an employee is transferred back to a plant he has previously worked in, the following conditions will prevail:

(1) The employee's Company service will continue.

(2) The employee will be credited with any seniority accumulated previously in the plant to which he is transferred providing that there has been no quit or termination.

Section 5. Seniority plus ability shall govern in cases of promotions. Ability will be applied per the James Healy arbitration award.

Section 6. Any dispute arising over the application of this Article shall be handled in accordance with the grievance procedure.

Section 7. No work will be offered to part-time **temporary** employees while full-time employees with the ability to perform the work are on layoff and available to promptly return to the plant to perform the work unless mutually agreed upon by the respective Company and Local Union.

Section 8. Seniority for job preference among Y-20, Y-70 and Y-92 series employees shall be recognized but exercised in a reasonable and orderly manner. Day to day changes will not be allowed.

Section 9. Any pre-determined projects that exceed five (5) days shall be filled by the senior person who normally performs this work. This provision shall not apply to vacation or illness.

Section 10. When other temporary vacancies of ten (10) days or more occur in any classification, such vacancies not caused by valid reasons as defined in this Contract (Termination, Promotion, Transfer or Expansion) will be filled by the senior person, if desired, who normally performs this work. This provision shall not apply to vacations.

Section 11. Temporary job vacancies are not to be used to train junior employees for permanent job vacancies.

ARTICLE 9 Job Posting

The following jobs will be posted in accordance with Section 1 of this Article:

- (a) All jobs above Group 2.
- (b) All straight day or straight shift jobs.
- (c) All newly created jobs as qualified by (a) and (b) above.

Section 1. When a vacancy occurs in the plant in the above-described jobs, the Company shall post a notice thereof on the bulletin board for a minimum of five (5) calendar days and a maximum of seven (7) calendar days. All vacancies which are expected to last longer than thirty (30) days shall be posted. There will be no temporary postings allowed unless it is mutually agreed upon between the Local Union & Local Plant Management. The Union agrees that they will exercise this privilege reasonably.

Section 2. All job postings shall contain a description of the job to be filled.

Section 3. The Local Union President will be supplied with a copy of the job posting notice.

Section 4. Within five (5) days after the job posting period, the Company will notify the Local Union President which of the employees to bid on the job has been awarded the job, or whether none of the bidders has been selected. The Company will fill the vacancy by Seniority plus Ability in accordance with Article 8, Section 5, of this Contract. An employee who is awarded a job shall be given a reasonable

trial period to include familiarization training, evaluation, and counseling for up to thirty (30) days (up to forty-five (45) days for jobs in the Y-125 and above classifications) in order to demonstrate his ability to perform the work required by the job. **The Company will notify the Local Union prior to disqualifying an employee under this section.** If the Company fills the vacancy, the person who is awarded the job will be placed on the job or will be paid the rate of the job not later than twenty (20) days after the expiration of the posting. Should no one have the ability to fill said vacancy, the Company may fill the vacancy from any source.

Section 5. The Company agrees that it will cross-train those employees who hold Y-125 jobs. If senior employees in the classification are reduced before they are cross-trained, their rate will be maintained until they can be cross-trained.

Section 6. Employees may bid down or laterally for health reasons or to a day job or for experience and training necessary for eventual advancement to a job paying a higher base hourly wage rate, or fixed shifts, or upon agreement between the Company and the Union. An employee who asks to be removed from his job will be precluded from bidding on that job for a period of twelve (12) months.

ARTICLE 10

Hours of Work and Premium Time

Section 1. Eight (8) hours shall constitute a normal work day. Forty (40) hours shall constitute a normal work week. However, time and one-half shall be paid after eight (8) hours in any day or forty (40) hours in any one (1) week or, in the event more than eight (8) hours are worked consecutively, for all hours worked after the first eight (8), even though some hours may fall in the next twenty-four (24) hour period or work

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

For premium pay purposes, the employee's starting time shall be the hour of the start of his first shift of the work week and shall continue thereafter for each twenty four (24) hour period throughout the work week. This policy shall not apply to unusual or special call-ins or start-ups and in those instances the starting time shall revert to the next day's regular starting time. For purposes of this article, the work week will extend from 7 a.m. Monday to 7 a.m. the following Monday.

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

Section 3. No employee, unless released for the day, shall be penalized in pay for any period of time after starting time, exclusive of the lunch period on non-continuous operating jobs.

Section 4. Any employee reporting for work at his usual time will be guaranteed at least four (4) hours' work or four (4) hours' pay at his regular base rate or applicable premium rate for those employees reporting to work on their scheduled day off, unless he has been instructed not to report for work on that day, except in case of emergencies or circumstances such as strikes, floods, fires, tornadoes and other disasters beyond Company control.

All workers called or scheduled to work less than four (4) hours before their regular starting time will be guaranteed four (4) hours of pay exclusive of their regular hours unless they have been notified at least twenty-four (24) hours in advance of their regular starting time.

Section 5. When an employee is transferred from his regular job to a job paying a higher rate, he is to receive the established rate of the new job immediately upon fully qualifying to perform the duties of the job.

An employee who is transferred to a higher classified job (a beginner rate or fully qualifying rate, depending upon the employee's qualification but in no event less than his regular rate of pay) if so placed for less than one (1) hour, shall be paid his regular rate. If continued on this placement for over an hour but less than three (3) hours, he will receive the actual hours, more than three (3) hours, that employee will receive the higher rate for all hours worked in that day.

An employee transferred to a lower rated job for a day or less will continue to receive his regular rate of pay for his shift.

An employee who, as a result of an emergency, is transferred to a lower rated job shall continue to receive his regular rate of pay for the duration of the temporary emergency.

A temporary emergency, for the purpose of this policy shall be considered to be circumstances which require a lower rated job to be done by a higher rated employee even though work at the higher rate is available but can be postponed while the necessary lower rate job is performed by the employee.

When a higher rated employee is transferred to a lower rated job because work at this higher rate is not available, this transfer cannot be considered as an emergency.

The temporary Emergency Transfer Policy is not to be considered as conflicting with the usual policies relating to demotions, the redistribution of work in periods of low activity, the routine handling of two (2) or more jobs paying different rates, permanent transfers or the application of established job rates.

Section 6. Time and one-half for Sunday work.

Section 7. The Company recognizes that when an employee has worked his regular day off, such employee shall not be required to take time off during such work week solely to avoid payment of overtime. An employee who works on his regular scheduled day or days off shall be paid time and one-half for all hours worked on such day or days off provided he has worked his preceding five (5) days. In the event an employee's schedule is changed, he shall be paid any premium or holiday pay that would have applied to his regular schedule that work week.

Section 8. Unless specifically provided otherwise in this Contract, there shall be no duplicating or pyramiding in computing premium pay and/or overtime pay, and the same hours shall not be used twice in computing premium pay and/or overtime pay under any provisions of this Contract.

ARTICLE 11

Shift Differentials

Section 1. Shift differentials on an eight-hour shift schedule, shall be as follows:

- (a) Second shift normally starting between 2:00 p.m. and 4:00 p.m. - twenty-five cents (25¢) per hour.
- (b) Third shift normally starting between 10:00 p.m. and 12:00 midnight — thirty cents (30¢) per hour.

Section 2. Shift differential payments shall be considered as payments additional to all other hourly compensation and will not be included in the computation of vacation pay, holiday pay, (unless worked), premium pay for Sunday work, reporting time (4-hour guarantee) or other similar payments.

Section 3. Employees working on shifts set forth in (a) or (b) above will be paid the respective differential when they are required to attend meetings for which they are compensated.

ARTICLE 12

Rates of Pay

Section 1. Effective May 1, 2002, base hourly wage rates shall be **increased by 36¢. Additionally, all journey-men rates (Y-170 and above) will be increased by 55¢.**

Section 2. Effective May 1, 2003, base hourly wage rates shall be **increased by 32¢.**

Section 3. Effective May 1, 2004, base hourly wage rates shall be **increased by 35¢.**

ARTICLE 13

Disabled and Handicapped Employees

Section 1. Qualified individuals with a disability and handicapped employees, by reason of physical handicaps or infirmities, may, upon agreement between the proper Business Committee and the Management receive a special rate so as to provide work for them.

Section 2. In case an employee has received injuries or contracted an occupational disease as a result of work for the Company, and is unable to work his regular job, he shall be placed on a job which he is physically able to perform in line with his seniority and qualifications and retain the rate of pay at the time of injury for a period of ninety (90) days.

Section 3. The Company and the Union agree to cooperate in efforts to comply with the AMERICANS WITH DISABILITIES ACT of 1992 (ADA). Toward this end, the parties will use good faith efforts to help place qualified employees with disabilities on jobs they can perform safely and effectively. Determinations will be handled on an individual case-by-case basis and will be non-precedent setting.

ARTICLE 14

Holidays

Section 1. The following holidays shall be observed on the day they fall:

New Year's Day
Decoration Day
July Fourth
Labor Day
Thanksgiving Day
Day after Thanksgiving

December 24
Christmas Day
December 26
December 31
Easter Sunday
Good Friday

Decoration Day will be celebrated on the Monday designated by the Government.

The Company agrees that those employees who wish to take the day off to observe Dr. Martin Luther King Jr. Day will be allowed the opportunity to do so, and the day will be excused. Such employee must, however, give the Company a five (5) working day notice of his/her intentions.

Section 2. Three (3) shifts of eight (8) hours shall constitute the holiday period for all holidays listed above, and will be a period of twenty-four (24) hours each, beginning with the start of the first shift on the morning of the legally recognized holiday.

Section 3. Double time will be paid for all hours worked on the above-named holidays in addition to the holiday pay agreed to in the succeeding paragraph of this Article.

Section 4. All employees who have been on the Company's payroll continuously for thirty (30) days shall be paid for each of the above-named holidays, even though no work is performed. The employees shall be paid their regular hourly base rate of pay for the hours normally scheduled, not to exceed one (1) regular shift. There will be no production on Christmas Day, Labor Day, Thanksgiving Day, Easter Sunday, or on one of the other holidays listed, such holiday to be designated by the local plant management. When the Company desires to work on a mandatory shutdown holiday,

it will be within the sole authority of the Local Union to authorize any and all work for that holiday period.

The above provisions are subject to the following conditions:

- (a) That such employee must work, or be available for work on his regularly scheduled working day next preceding and next following the holiday unless excused by a written slip from a physician or for a contractually recognized absence or by his supervisor. Such excuses shall not be unreasonably withheld. However, no employee shall lose more than one (1) day of holiday pay for any unexcused absence on each of these days.
- (b) No payment will be made for holidays not worked to employees on sick leave, leave of absence for any reason, or layoff, except employees who are laid off not more than thirty (30) days or employees on sick leave not more than thirty (30) days prior to the holiday and who meet the requirements set forth in Subsection 4(a) hereof. Employees laid off not more than thirty (30) days prior to Christmas will be also entitled to holiday pay for New Year's Day, provided they meet the requirements set forth in Subsection 4(a) hereof.

Section 5. It is agreed that those people who are absolutely necessary for plant maintenance and protection or to handle any emergency situation in any department in the plant will work on holidays at double time plus holiday pay, as provided, when scheduled to do so. Reasonable excuses will be accepted by the Company for employees who do not wish to work.

Section 6. Work on the above-named holidays shall be voluntary with the individual employee.

Section 7. Scheduled holiday hours paid for and not worked will be considered as hours worked for the purpose of computing overtime.

Section 8. Any employee absent because of an occupational injury or occupational illness who reports back to work when able to do so, shall receive holiday pay for any holiday which occurred during the first twelve (12) months of such absence.

ARTICLE 15

Vacations

The vacation plan will be as follows effective with the employee's anniversary date after May 1, 2002.

Section 1. Service requirements (1,200 hours worked between the anniversary date of his employment and the next anniversary date of his employment to those on the payroll after such first year of employment and on the anniversary date of his employment in any subsequent year):

- (a) Less than two (2) full years' service — six (6) days (forty-eight (48) hours).
- (b) More than two (2) full years' service, but less than five (5) full years service — 10 (10) days (eighty (80) hours).
- (c) More than five (5) full years' service, but less than eight (8) full years' service — thirteen (13) days (one-hundred four (104) hours).

- (d) More than eight (8) full years' service, but less than twelve (12) full years' service — sixteen (16) days (one hundred thirty (130) hours).
- (e) More than twelve (12) full years' service, but less than fifteen (15) full years' service — seventeen (17) days (one hundred and forty (140) hours).
- (f) More than fifteen (15) full years' service, but less than eighteen (18) full years' service — eighteen (18) days (one hundred fifty-two (152) hours).
- (g) More than eighteen (18) full years' service, but less than twenty (20) full years' service — eighteen (18) days (one hundred sixty (160) hours).
- (h) More than twenty (20) full years' service but less than twenty-five (25) full years' service — four (4) weeks (one hundred sixty eight (168) hours).
- (i) More than twenty-five (25) full years' service but less than thirty (30) full years' service — four (4) weeks (one hundred seventy-six (176) hours).
- (j) More than thirty (30) full years' service — five (5) weeks (two-hundred sixteen (216) hours).
- (k) After thirty (30) years, the employee will receive an additional eight (8) hours' pay each year for each five (5) years of service thereafter.

No employee will be required to work more than 1,200 hours during any qualifying year in order to be entitled to vacation with pay. Any employee who has worked 1,200 hours during any qualifying year and is on the Company's payroll at the end of the qualifying year will be entitled to a vacation with pay.

Any employee who quits or is terminated shall be paid any vacation pay for which he has qualified during the previous qualifying year but which he has not received.

Section 2.

- (a) Any employee who is on the Company's payroll at the end of a qualifying year and who has worked more than 400 hours but less than 1,200 hours during such qualifying year shall receive vacation with pay on the basis of 2% of the total hours worked during such qualifying year times the base hourly wage rate.
- (b) Any employee who has been on the Company's payroll for five (5) years but less than eight (8) years and who is on the payroll at the end of the qualifying year and who has worked more than 400 hours but less than 1,200 hours during such qualifying year shall receive vacation with pay on the basis of 4% of the total hours worked during such qualifying year times the base hourly wage rate.
- (c) Any employee who has been on the Company's payroll for eight (8) years but less than twelve (12) years and who is on the payroll at the end of a qualifying year and who has worked more than 400 hours but less than 1,200 hours during such qualifying year shall receive vacation with pay on the basis of 6% of the total hours worked during such qualifying year times the base hourly wage rate.
- (d) Any employee who has been on the Company's payroll for twelve (12) years but less than fifteen (15) years and who is on the payroll at the end of a qualifying year and who has worked more than 400 hours but less than 1,200 hours during such

qualifying year shall receive vacation with pay on the basis of 8% of the total hours worked during such qualifying year times the base hourly wage rate.

- (e) Any employee who has been on the Company's payroll for fifteen (15) years but less than twenty (20) years and who is on the payroll at the end of a qualifying year and who has worked more than 400 hours but less than 1,200 hours during such qualifying year shall receive vacation with pay on the basis of 10% of the total hours worked during such qualifying year times the base hourly wage rate.
- (f) Any employee who has been on the Company's payroll for twenty (20) years or more and who is on such payroll at the end of a qualifying year and who has worked more than 400 hours but less than 1,200 hours during such qualifying year shall receive vacation with pay on the basis of 12% of the total hours worked during such qualifying year times the base hourly wage rate.

Section 3. In the event employment has been interrupted by a voluntary quit or a discharge during the year, the employee must have worked 1,200 hours since the date of re-employment in order to qualify for vacation pay as outlined in Section 1, or 400 hours since the date of re-employment in order to qualify for vacation pay as outlined in Section 2.

Section 4. Any employee who is laid off for any reason or who is on sick leave and who has otherwise qualified for vacation pay as specified shall be given his vacation pay on request after his anniversary date of the following year.

Section 5. Hours lost due to compensable industrial accident or in attendance as an official delegate to the convention of the Union or as an official conferee at the joint wage negotiating conference between the Union and the Company will be computed as hours worked (not to exceed forty (40) hours per week) for the purpose of vacation hours qualification.

Section 6. If any employee's service is terminated by quit, retirement or death, he or his personal representative shall be paid vacation pay earned at the time of the termination, quit, retirement, or death, the amount of vacation pay earned but unpaid.

Section 7. An employee who is rehired by the Company and who works at least three (3) years from the date of such rehire shall be given credit toward vacation rights for prior service with the Company provided such service with the Company was at least two (2) years.

Section 8. All hours taken off work as vacation hours shall be included in future vacation hour qualification.

Section 9. Credit as hours worked toward vacation eligibility at the rate of forty (40) hours per week will be computed for hours lost due to sickness or illness.

An employee on sick leave past one (1) year qualifies for vacation pay if he or she works at least one (1) day during the qualifying year.

Section 10. The cut-off for getting vacation requests in will be April 1 of each year. The requests made prior to April 1 will be granted by seniority. After April 1, the vacation spots will be given on a first-come basis.

Section 11. Employees will not be required to take vacation time during lay-offs or sick leaves and leaves of absence.

Section 12. Vacation pay will be paid, at the request of the employee, in full week increments.

ARTICLE 16

Insurance

Section 1. The Company shall establish and maintain a comprehensive Program providing for comprehensive medical benefits, dental coverages, and other coverages (life benefits, accidental death and dismemberment benefits, non-occupational sickness and accident benefits, and occupational sickness and accident benefits) for all covered employees.

Section 2. The Company shall be responsible for the administration of the Program.

Section 3. The Program under the 1999 Contract shall remain in effect in its entirety through April 30, 2002. Benefits and other revisions changed as a result of this Article shall be effective May 1, 2002, unless otherwise indicated. Such benefits shall become effective only for new claims which arise on or after the effective date. Claims for benefits that arise prior to the effective date shall be payable under the provisions of the Program as it existed prior to the effective date.

Section 4. Details of the Company's Program shall be worked out between the Company and the President of the International Union or his designated representative and a copy together with the Summary Plan Description to provide for the benefits set forth herein which has been agreed to

between the Company and the carrier shall be placed on file with the International President and the Local Union.

Section 5. This Program shall be integrated with any such program required by any Federal or State law involving non-occupational sickness and accident benefits or health benefits which now exist or may become effective during the lifetime of this Contract. There will be no additional cost to the employee nor for his dependents for additional coverages that may be required by a National Health Program that may be enacted during the term of this Contract, except for employee contributions which may be a part of such National Health Program.

Section 6. The comprehensive medical benefits and dental benefits are coordinated according to standard procedures with benefits from other group plans and governmental health plans under which an employee (and eligible dependents) may also be covered.

Reimbursement (Subrogation). In the event a covered individual is to receive payment or reimbursement from any other person or organization (including insurance companies) as a result of a legal action or claim with respect to any expenses paid or reimbursed under the Program, the Company (or the third party administrator on behalf of the Company) has the right to recover from the covered individual or such other person or organization the total amount of any duplicate payments.

Section 7. To assure the greatest benefit for the money expended, it is a mutual responsibility of the Company and the Union to police all coverage usage.

Section 8. The following standard provisions are included in the Program:

- (a) All hourly employees under this Contract become eligible for coverage under the Program upon completion of thirty (30) calendar days from their date of employment, subject to the provisions of State Disability Benefit Laws as they apply to disability benefits.
- (b) Definition of Dependents. The term "dependents" includes the employee's spouse and unmarried children from birth to the 20th birthday, including legally adopted children and stepchildren and children under legal guardianship upon presentation of proof that the child or children is under legal guardianship of the employee and residing in the employee's household. Dependent children also includes:
- (1) Unmarried children 20 years of age and over solely dependent upon the employee for support and regularly attending school on a full-time basis until their 24th birthday. Eligible dependents (as of December 31, 1986) of enrolled employees (as of December 31, 1986) of former Owens will be "grandfathered" under the former limiting ages of either 21 or 25, respectively. Eligible dependents (as of December 31, 1989) of enrolled employees (as of December 31, 1989) of former Brockway will be "grandfathered" under the former limiting ages of either 21 or 25, respectively.
 - (2) An unmarried child mentally or physically incapable of earning his own living, and who otherwise ceases to be eligible for medical expenses due to the attainment of the limiting age may continue to be eligible for benefits

coverage under the Program for the duration of the incapacity, provided the coverage does not terminate for any other reason. Proof of incapacity must be furnished to the Company within the thirty-one (31) days after the child attains the limiting age.

- (3) A newborn child who, from date of birth, incurs charges for routine nursery care or special hospital services rendered because of disease, injury, congenital abnormality or hereditary complications, is eligible for coverage from birth under the plan of medical expenses.
- (c) If husband and wife are both eligible to enroll for employee benefits, either spouse but not both may enroll for coverage of dependent children.
- (d) Continuation of Coverage During a Period of Absence from Work Due to Accident or Sickness.
 - (1) Non-Occupational Accident or Sickness

If an employee is absent from work because of non-occupational disability, his life, accidental death and dismemberment, weekly sickness and accident, medical benefits and dental coverages will be continued up to six (6) months from the end of the month in which the disability occurs without contributions. Dependent coverages will also be continued for the same period without contributions. Life and accidental death and dismemberment coverages will also be continued for the balance of the temporary disability period

without contributions. In the event an employee qualifies as a total and permanent disability under the group life insurance, all other coverages under the Program will cease including dependent coverages. In the event dependent coverage is to be discontinued, the employee and the Local Union must be given prior notice.

However, if there is a dispute regarding the employee's P.T.D. status between the employee's attending physician and the examining physician representing the Insurance Company, then a physician mutually agreed upon between the International Union and the Company will examine the claimant and this physician's decision regarding P.T.D. shall be binding on both parties. However, if the employee has applied for and is later approved for Social Security disability, the Company will qualify the employee for P.T.D. In this case the retirement disability benefit (Article 17, Section 7) will be effective on the date the Social Security disability is determined to have commenced, but no earlier than the last date the employee received weekly disability benefits. In the event the disability is the result of an occupational injury or illness, the retirement disability benefit would be effective on the date the Social Security disability is determined to have commenced, but no earlier than the last date the employee received temporary total disability benefits under any workers' compensation statute.

An employee applying for permanent and total disability must apply for the P.T.D. benefit and Social Security disability within twelve (12) months from the day last worked. If the employee is either on workers' compensation or his condition could dramatically change, the employee would be required to document his medical condition with the Company before the expiration of the one (1) year, but he could then apply for P.T.D. within five (5) years from the last day worked. The Company will notify such employees on or about ninety (90) days prior to the end of the above one (1) year application period by registered mail.

(2) Occupational Accident or Sickness

If an employee is absent from work because of occupational disability, all his coverages under the Program will be continued for the period of temporary disability without contributions. Dependent coverages will also be continued for the period of temporary disability without contributions. In the event an employee qualifies as a permanent and total disability under the group life insurance, all other coverages under the Program will cease including dependent coverages.

(3) Continuation of Coverage During Layoff

If an employee is laid off, all his coverage will be continued up to six (6) months following the end of the month in which the layoff occurs without contributions. Dependent coverages will also be continued for the same period

without contributions. If, at the end of the six (6) month period, the temporary layoff continues, the life and accidental death and dismemberment coverages will be continued for the duration of the layoff without contributions. Employees returning from layoff shall be reinstated immediately.

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

(e) Termination of Employment

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

(f) Conversion Privilege

Upon termination of coverage, the option of converting the life insurance and medical benefits coverage to individual policies may be exercised by the individual according to the provisions of individual policies made available by the insurance carrier.

- (g) Effective April 1, 1983, an employee whose employment is terminated as a result of a permanent plant closing on or after April 1, 1983, will have his coverage continued for six (6) months from the date of such closing without contributions. Dependent coverages will also be continued for the same period without contributions. An employee who is

on layoff at the date of such closing will have his coverage continued for the remainder of the six (6) month period under Section 8(d)(3) without contributions.

- (h) This Article will be administered in accordance with the Tax Equity and Fiscal Responsibility Act of 1982, as amended, and other applicable laws as to medical and related programs as to working employees age 65 or over and eligible dependent spouses age 65 or over. Payments for Part B of Medicare for such a working employee and such an eligible dependent spouse are borne by the Company only when the primary coverage is provided by Medicare, and such payments will not exceed those payments made by the Company under the Company's Program.

(i) Pre-existing Condition

If an employee or eligible dependents have received treatment for a disabling condition from a health care professional in the three (3) months prior to the effective date of coverage, the Program provides no coverage for the condition treated until the employee or eligible dependents are free of treatment for this condition for three (3) consecutive months. If this requirement cannot be met, there will be no coverage for the treated condition for twelve (12) months from the date that coverage becomes effective.

These provisions do not apply to employees hired before January 1, 1987, and their eligible dependents.

These provisions also do not apply to an *employee* when he is recalled to work following either a layoff or an authorized absence.

Section 9. Covered employees shall have the opportunity to participate in an Internal Revenue Code Section 125 pre-tax spending account plan, subject to its provisions, for purposes of setting aside moneys for medical goods and service not covered under the Program and for expenses such as deductibles, co-payments, and weekly contributions under the Program.

Section 10. Coverage continuations, as required by the Consolidated Omnibus Budget Reconciliation Act of 1985 (as approved in 1986), as amended, will be made available in accordance with the applicable provisions of said Act.

Section 11. The conditions of this entire group insurance Program are the same as those in effect immediately preceding this Contract except where the benefit and other features described herein would indicate changes.

Section 12. The Program, subject to its provisions, will include the features outlined herein.

Comprehensive Medical Benefits

Section 1. The lifetime maximum per covered member is one million dollars (\$1,000,000.00) for medically necessary comprehensive medical benefits.

Section 2. There is a calendar year deductible per covered member. There is a maximum calendar year deductible per covered family. These calendar year deductibles are as follows:

	Eff.
	<u>5-1-02</u>
Employee	\$100.00
Family	\$300.00

Section 3. Managed Care Benefits. Managed Care involves a network of arrangements with suppliers of medical services and/or supplies. Employees and eligible dependents will be enrolled in Managed Care programs where available as soon as possible after April 1, 1993. Participation by employees and eligible dependents in such a program will be voluntary.

In locations where the Company has no network, benefits under the Program will be paid on the same basis as in network benefits.

Section 4. Co-payment is ninety percent/ten percent (90%/10%) in network (or **seventy percent/thirty percent (70%/30%)** out of network subject to reasonable and customary) for all covered comprehensive medical benefit expenses, except where otherwise indicated.

There is a co-payment stop-loss limit of one thousand dollars (\$1,000.00) per covered member per calendar year and three thousand dollars (\$3,000.00) per covered family per calendar year. Only the following out-of-pocket expenses count towards the one thousand dollars (\$1,000.00) individual stop-loss limit or, as applicable, the three thousand dollars (\$3,000.00) family stop-loss limit:

the then applicable calendar year deductible;

all comprehensive medical benefit ten percent (10%) in network (or **thirty percent (30%)** out of network) co-payments, except co-payment penalties.

Section 5. After receipt of ten thousand dollars (\$10,000.00) of benefits or more, individual can have full maximum benefit of one million dollars (\$1,000,000.00) restored if he can prove he has returned to good health.

Section 6. There is an automatic yearly restoration of four thousand dollars (\$4,000.00) towards the maximum benefit of one million dollars (\$1,000,000.00).

Section 7. There is extended coverage when disabled and coverage canceled, up to eighteen (18) months following cancellation date if disability continues that long.

Section 8. Covered expenses for comprehensive medical benefits subject to 90%/10% in network (or 70%/30% out of network subject to reasonable and customary) co-payment, except where otherwise indicated, and the then applicable calendar year deductible are as follows:

- (a) Daily Hospital Benefits. Coverage is at the applicable semi-private charge. Private room limit is hospital's average semi-private charge.
- (b) Miscellaneous Hospital Benefits. There is coverage for other necessary incidental hospital charges.
- (c) Surgical Benefits. There is coverage for surgeon's and assistant surgeon's fees (out of network subject to reasonable and customary) for necessary surgical procedures performed on employees and their covered dependents. This also includes pre-operative and post-operative care by surgeon.

Second Opinion-Surgical Consultation Benefits. The Program will pay one hundred percent (100%) (out of network subject to reasonable and custom-

ary) of the charges of a consulting physician for a covered surgical consultation and of the charges (out of network subject to reasonable and customary) for laboratory or x-ray diagnostic tests made in connection with the consultation. A 'consulting physician' must be certified by the American Board of Surgery or other specialty board and must not be in practice with the patient's referring physician. Consultations provided before and after the employee or eligible dependent enters the hospital for the proposed surgery are covered under this benefit.

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

A second opinion is required for certain procedures to receive the maximum surgical, hospital, etc. benefits. Such expenses will be covered at seventy percent (70%) subject to reasonable and customary if a second opinion is not obtained for such procedures. Other second opinions are voluntary. When a second opinion is obtained voluntarily and without requirement by the designated program administrator, the expense of such a second opinion will be covered at ninety percent (90%) in network (or **seventy** percent (70%) out of network subject to reasonable and customary).

The required second opinion will be arranged upon the pre-certification by the employee or eligible

dependent with the designated program administrator. A third opinion will be covered on the same basis as the second opinion in those situations where the second opinion does not confirm the recommendation of the operating physician.

The second opinion program is maintained for the health and safety of employees and their eligible dependents.

A second opinion may be waived by the designated program administrator if the second opinion is not medically indicated.

Out-Patient Surgical Benefits. Out-patient surgery is covered in the same manner as in-patient surgery. When non-emergency surgery can be performed on an out-patient basis and the physical and mental condition of the employee or covered dependent permits, the unnecessary in-patient room and board charges will not be covered.

- (d) **Medical Benefits.** Visits by the attending physicians to the employee or covered dependent while confined in the hospital are covered.
- (e) **Charges of a Licensed Physician.** This includes physician office visits. In network, when the physician office visit is for a typical sick call, the deductibles do not apply to such a sick call, and there is a co-payment of ten dollars (\$10.00) rather than the co-payment at ninety percent/ten percent (90%/10%) for each such sick call; the foregoing does not apply to expenses for such services and supplies as surgery, allergy shots, laboratory fees

billed by the physician but performed outside the physician's office, global maternity fees, and take-home medications. Out of network payments for the covered charges are at **seventy percent (70%)** subject to reasonable and customary.

- (f) **Maternity Benefits.** Hospital and surgical expenses for maternity will be paid in the same manner as expenses for other covered non-occupational medical illnesses.
- (g) **Diagnostic X-Ray and Laboratory Benefits.** There is coverage for diagnostic x-ray and laboratory expenses (out of network subject to reasonable and customary). Routine PAP (two (2) per year) and routine annual mammogram are covered on the same basis as charges of a licensed physician under subsection (e) of this section 8. The PAP tests and/or mammogram in a year will not be subject to the deductible.
- (h) **X-Ray and Radioactive Therapy Benefits.** There is coverage for x-ray and radioactive therapy expenses (out of network subject to reasonable and customary).
- (i) **Alcoholism and Drug Treatment Benefits.** Reasonable and customary in-patient treatments of alcoholism and other chemical dependencies are covered for confinement in either a hospital or a recognized free-standing treatment facility. Such reimbursements are limited to two (2) confinements in a lifetime. Reasonable and customary out-patient treatments are covered. The lifetime dollar maximum for this benefit is fifty thousand dollars (\$50,000.00).

- (j) **Mental and Nervous Disorder Benefits.** There is coverage for reasonable and customary expenses for mental and nervous non-hospital disorders and hospital disorders.

- (k) **Charges for the following procedures, care, and benefits will be covered at ninety percent (90%) in network (or seventy percent (70%) out of network subject to reasonable and customary) subject to the then applicable deductible:** ambulance services; birthing centers; hospice care; home health care.

Section 9. Mandatory Pre-Certification Benefits. The following Program benefits are available under this Section 9:

- . Hospital admissions
- . Second opinion*
- . Individual case management
- . Out-patient surgery*
- . Major out-patient diagnostic procedures
- . Length of stay and discharge planning
- . Birthing centers
- . Convalescent centers
- . Home health care
- . Hospices

- * Certain operations require either that a board certified second opinion be obtained or that they be performed on an out-patient basis.

Standards of medical necessity will be applied whether either in network or out of network.

- (a) In network, the provisions of this subsection (a) will apply.

The network providers will be responsible for the fulfillment of the pre-certification procedures on behalf of the employee or eligible dependent. (If a network provider would fail to fulfill pre-certification procedures, employees and eligible dependents will not be penalized.)

- (1) Employees and eligible dependents will receive the maximum reimbursement allowable in network under comprehensive medical benefits for the designated number of days that are certified. Should an employee or eligible dependent elect to stay beyond those days that are certified, the in-patient room and board charges in excess of the designated number of days that are certified will not be covered.
- (2) Certain operations require that a board certified second opinion be obtained. Should an employee or eligible dependent elect not to follow these requirements, even after the pre-certification required under this subsection (a), coverage will be limited to seventy percent (70%). In-patient room and board charges that are not medically necessary will not be covered.
- (3) Certain operations require that they be performed on an out-patient basis. Should an employee or eligible dependent elect not to follow these requirements, even after the pre-certification required under this subsection

(a), in-patient room and board charges will not be covered.

- (b) Out of network, the provisions of this subsection (b) will apply.

An employee or eligible dependent considering an operation or entering an out of network hospital or treatment facility for medical care is required to alert the designated program administrator by telephone of this possibility at least one (1) week prior to, or within two (2) days' notification by a doctor of the need for surgery or hospitalization (except in the case of a life-threatening emergency, where certification is required within seventy-two (72) hours after admittance).

- (1) Employees and eligible dependents who comply with the above requirements will receive the maximum reimbursement allowable out of network subject to reasonable and customary under comprehensive medical benefits for the designated number of days that are certified. Should an employee or eligible dependent elect to stay beyond those days that are certified, in-patient room and board charges in excess of the designated number of days that are certified will not be covered.
- (2) Certain operations require that a board certified second opinion be obtained. Should an employee or eligible dependent elect not to follow these requirements, even after the pre-certification required under this subsection (b), coverage will be limited to seventy percent (70%) subject to reasonable and cus-

tomary . In-patient room and board charges that are not medically necessary will not be covered.

- (3) Certain operations require that they be performed on an out-patient basis. Should an employee or eligible dependent elect not to follow these requirements, even after the pre-certification required under this subsection (b), in-patient room and board charges will not be covered.
- (4) If an employee or eligible dependent fails to alert the designated program administrator within the time limits specified under this subsection (b), such covered expenses will be reimbursed at seventy percent (70%) subject to reasonable and customary. In-patient room and board charges that are not medically necessary will not be covered.

Section 10. Pre-Admission Testing Benefits. Pre-admission testing is covered at one hundred percent (100%) in network (out of network subject to reasonable and customary) without the deductible. Charges for hospital admission for diagnostic purposes will be reimbursed if the admission is medically necessary, or if the tests cannot be performed on an out-patient basis.

Section 11. Prescription Drug Benefits. Employees and their eligible dependents will be eligible for the Company's local retail pharmacy network prescription drug program. These benefits, subject to the provisions under which they are provided, are outlined herein.

- (a) These benefits are applicable to drugs (and also medicines) which require either a physician's or a dentist's prescription. These benefits are also applicable to both non-maintenance prescription drugs and maintenance prescription drugs.
- (b) Non-maintenance prescription drugs are filled for a maximum of thirty (30) days. Maintenance prescription drugs are filled for a maximum of sixty (60) days.
- (c) If purchases are made within the network, there are no claim forms. If purchases are not made within the network, there are claim forms.
- (d) If prescription drugs (whether non-maintenance or maintenance) are purchased within the network, the co-payments are as follows: ten dollars (\$10.00) per order for generic; **fifteen dollars (\$15.00)** for **discounted** brand-name; and **twenty dollars (\$20.00)** for **non-discounted** brand-name.
- (e) If prescription drugs (whether non-maintenance or maintenance) are not purchased within the network, the reimbursement will be at seventy-five percent (75%) of the retail price less the co-payment of ten dollars (\$10.00), **fifteen dollars (\$15.00)**, or **twenty dollars (\$20.00)**, as applicable per order.

The calendar year deductibles and co-payments do not apply to these benefits (i.e., the \$100.00 or \$300.00 deductibles and the 10% or 30% co-payments do not apply).

Section 12. Eye Care Benefits. An employee and his eligible dependents will be reimbursed for the cost of a properly licensed doctor performing a complete eye examination once every twenty-four (24) months, up to a maximum of thirty-five dollars (\$35.00). If the Company requires an examination more frequently for issuance of safety glasses, such examination will also be covered up to the same maximum. An employee and his eligible dependents will also be reimbursed once every twenty-four (24) months, for the costs either of a pair of lenses (single - \$20.00; bifocal - \$25.00; trifocal - \$35.00; lenticular - \$55.00) and of frames (\$25.00) or of a pair of contact lenses (\$55.00). The calendar year deductibles and co-payments do not apply to these benefits (i.e., the \$100.00 or \$300.00 deductibles and the 10% or 20% co-payments do not apply). (Effective April 1, 1993, the Company will institute a vision care preferred provider option.)

Section 13. Hearing Aid Benefits. The reasonable and customary costs for the purchase of hearing aids, including expenses for examination and fitting, will be covered expenses for the covered member. However, this benefit is limited to the purchase of one (1) hearing aid per impaired ear per covered person once every thirty-six (36) months, and excludes the replacement and repair of any part or parts of such hearing aid following such purchase. The prescription recommending a hearing evaluation must be obtained from a doctor specializing in hearing problems. The hearing evaluation must be performed by a doctor or a qualified audiologist, who will prescribe a specific type or brand of hearing aid. The hearing aid dealer fills the prescription and fits the hearing aid. The calendar year deductibles and co-payments do not apply to these benefits (i.e., the \$100.00 or \$300.00 deductibles and the 10% or 20% co-payments do not apply).

Section 14. Weekly Contributions. For these comprehensive medical benefits under the Program, the weekly contributions will be as follows:

	Eff. <u>5-1-02</u>	Eff. <u>5-1-03</u>	Eff. <u>5-1-04</u>
Employee	\$ 7.00	\$ 8.00	\$ 9.00
Employee and one (1) dependent	\$11.00	\$12.00	\$13.00
Employee and two (2) or more dependents	\$14.00	\$15.00	\$16.00

The Company's costs for benefits through an HMO will not exceed its costs as required for providing the comprehensive medical benefits under the Program.

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

Section 15. All benefits shall be administered in accordance with the Health Insurance Portability and Access Act, and all other government regulations.

Dental Coverages

Section 1. The dental coverages are provided separately from the other coverages provided by the Program.

Section 2. To be enrolled for the dental benefits, an enrollee (whether employee or eligible dependent) must also be a participant for the other benefits provided by the Program or of a health maintenance organization. A new employee and eligible dependents may enroll only after the employee has been employed for thirty (30) calendar days. For orthodontic coverage, a new employee and eligible dependents may enroll only after the employee has been employed for one (1) year.

Section 3. A separate twenty-five dollar (\$25.00) calendar year deductible for covered dental expenses will apply to each covered member, with a maximum family deductible of seventy-five dollars (\$75.00).

Section 4. The following preventive dental procedure will be covered on a reasonable and customary basis without deductibles at the indicated rates: two (2) checkups per calendar year (100%), including cleaning (100%), scaling (100%), and fluoridizing (100%); x-rays (bitewing) once per calendar year (100%).

Section 5. Minor restorative covered dental expenses are covered at eighty percent (80%) on a reasonable and customary basis. Major restorative covered dental expenses (including inlays, gold fillings, crowns, and fixed bridgework, etc.) are covered at fifty percent (50%) on a reasonable and customary basis. Orthodontic covered dental expenses are covered at fifty percent (50%) on a reasonable and customary basis, with a lifetime maximum of one thousand dollars (\$1,000.00). The deductible is applicable in each instance.

Section 6. Maximum dental benefits are one thousand dollars (\$1,000.00) per covered individual per calendar year. Any dental benefits provided at one hundred percent (100%) are excluded from the yearly maximum. Any orthodontic benefits are excluded from the yearly maximum.

Section 7. Standard group insurance exclusions and limitations will apply. There will be no coverage for cosmetic treatment. There will also be no coverage for the replacement of a tooth or teeth pulled prior to the effective date of coverage. Neither dentures nor any other prosthetic appliances will be replaced, except in situations involving replacement of dentures or bridgework that cannot be made serviceable and were installed at least five (5) years prior to replacement.

Section 8. The coordination of benefits provisions are the same as those provided for medical coverages under the Program.

Section 9. The termination of coverage provisions are the same as those provided for medical coverages under the Program.

Other Coverages

Section 1. Life and Accidental Death and Dismemberment Benefits.

Rate Group	Life Ins. *	A.D.&D. Ins. **
1-5	\$25,000.00	\$25,000.00
6-10	\$26,000.00	\$26,000.00
11 and over	\$27,000.00	\$27,000.00

- * Includes a \$7,000.00 cash PTD benefit, in lieu of death benefit, up to age sixty-five (65); the remainder of the life benefit (\$18,000.00, \$19,000.00, or \$20,000.00, according to class) will be a premium waiver benefit and will be paid to the beneficiary at death.
- ** There is twenty-four (24) hour coverage including on-the-job accidents.

Section 2. Non-Occupational Sickness and Accident Benefits.

Rate Group	Amount *
1-5	\$260.00
6-10	\$270.00
11 and over	\$280.00

- * First (1st) day accident; fourth (4th) day sickness; twenty-six (26) weeks' payment limit. Payments for sickness will be retroactive to first (1st) day if hospitalized within the first (1st) twenty-eight (28) days of disability. Integrated with any Federal or State law sickness and accident benefit requirements.

Section 3. Occupational Sickness and Accident Benefits.

Rate Group	First Weekly Amount *
1-5	\$260.00
6-10	\$270.00
11 and over	\$280.00

- The occupational disability supplemental benefit will be an amount, if necessary, so that when added to the Worker's Compensation benefits the payments will produce an amount equal to the non-occupational benefit (**\$260.00, \$270.00, or \$280.00**, according to class); twenty-six (26) weeks' payment limit.

Weekly disability benefits will be provided by the Company through the California, New York, or New Jersey, as applicable, unemployment compensation disability benefit laws. If because of lack of qualifying wages, an employee is not eligible for a state plan benefit or if the state plan benefit is less than the employee's earnings class would otherwise require, the additional weekly payment from this Program will provide an amount which together with any state plan benefits will equal the full weekly amount.

Outline of Separate Dependent Life Insurance Program

Section 1. The Company will make available a Dependent Life Insurance Program. Eligible employees will have the opportunity to purchase six thousand dollars (\$6,000.00) of dependent term life insurance on their spouse and two thousand dollars (\$2,000.00) for each dependent child.

Section 2. The eligibility is the same as set forth in Section 8(a) in the introductory sections of this Article.

Section 3. Definition of Dependents. The definition is the same as set forth in Section 8(b) in the introductory sections of this Article, with the following exception: if both the employee and the spouse work for the Company, each may enroll as an employee and cover the other as a dependent.

Section 4. The weekly contribution for these dependent life coverages is fifty cents (50¢).

Section 5. The termination of coverage is the same as set forth in Section 8(e) in the introductory sections of this Article.

ARTICLE 17

Pensions

Section 1. Effective May 1, 2002, all present retirees receiving the \$13.00 pension benefit will have their benefit increased to \$14.00 per month per year of credited service, subject to actuarial reductions where applicable and subject to approval by the Internal Revenue Service.

Section 2. Pension benefits and the provisions relating thereto under the 1999 Contract shall remain in effect in their entirety through April 30, 2002. Pension benefits and other revisions changed as a result of this Contract shall be effective as of May 1, 2002, unless otherwise indicated, and shall remain in effect in their entirety under this Contract through April 30, 2005.

Effective May 1, 2002, the amount of pension benefit to which an employee who retires on or after said date is entitled will be based on the following schedule subject to provisions set forth in this Article:

Labor Grade	Amount per Month For Each Year of Credited Service
1 - 10	\$35.00
11 - 15	\$36.00
16 and above	\$37.00

Effective May 1, 2003, the amount of pension benefit to which an employee who retires on or after said date is entitled will be based on the following schedule subject to provisions set forth in this Article:

Labor Grade	Amount per Month For Each Year of Credited Service
1 - 10	\$36.00
11 - 15	\$37.00
16 and above	\$38.00

Effective May 1, 2003, the amount of pension benefit to which an employee who retires between May 1, 2002, and May 1, 2003, is entitled will be recalculated. Such recalculation will be made, subject to actuarial reductions where applicable, at the appropriate level of \$36.00, \$37.00, and \$38.00.

Effective May 1, 2004, the amount of pension benefit to which an employee who retires on or after said date is entitled will be based on the following schedule subject to provisions set forth in this Article:

Labor Grade	Amount per Month For Each Year of Credited Service
1 - 10	\$37.00
1 - 15	\$38.00
16 and above	\$39.00

Effective May 1, 2004, the amount of pension benefit to which an employee who retires between May 1, 2002, and May 1, 2004, is entitled will be recalculated. Such recalculation will be made, subject to actuarial reductions where applicable, at the appropriate level of \$37.00, \$38.00, and \$39.00.

Section 3. Employees under this Contract who are covered by the Wage Structure Plan are assigned to a labor grade. The labor grades referred to in Section 2 apply to all employees covered by the Wage Structure Plan; for purposes of this Article only, all employees who are not covered by the Wage Structure Plan will be considered to be in the labor grade whose hourly wage rate most nearly approximates the hourly wage rate of the Production and Maintenance unit employee who is assigned to a labor grade.

The labor grade assigned to an employee immediately preceding his retirement shall be used in determining his pension benefit except that, for an employee whose primary labor grade in one (twelve (12) consecutive months) of the ten (10) years preceding retirement was higher than his labor grade at retirement, such higher labor grade shall be used in determining his pension benefit.

Section 4. Normal Retirement Date - The last day of the month in which an employee reaches age 65 (or age 60 for employees who were participants prior to January 1, 1954). In accordance with applicable law, however, an employee will not be required to retire solely because of reaching age 65, and he will be permitted to continue to work in accordance with applicable law. Credited service will be granted for time worked after age 65 on the same basis as time worked prior to age 65.

Early Retirement Date - An employee may retire early between ages 60 and 65 and receive full benefits based on his years and months of credited service prior to early retirement date. An employee may retire early before age 60 if he is within ten (10) years of his normal retirement date, provided he has ten (10) or more full years of credited service with the Company.

Section 5. Normal Retirement Income - An employee who retires on or after the effective date of this Contract, and after his 60th birthday will receive a monthly life income from the Pension Plan provided for in this Contract equal to the applicable amount as set forth in Section 2 multiplied by his years of credited service.

Early Retirement Income Prior to Age 60 - An employee who retires early prior to age 60 will receive monthly retirement income in an amount equal to his monthly retirement benefit figured on credited service to early retirement date with such amount reduced 1/2 of 1% for each month from age 60 to the date of early retirement. However, an employee credited with thirty (30) years of credited service and having reached age 55 may retire without any loss of benefits.

Section 6. There shall be no duplication of benefits among any qualified retirement plans of the Company, including those of the Company's predecessors, successors, and affiliates. The Pension Plan provided for in this Contract would be responsible for any subsequent increases in any pension benefits earned for years of credited service with any predecessor employer.

Section 7. Disability Retirement Income - If an employee who had ten (10) or more years of credited service becomes permanently and totally disabled on or after the effective date of this Contract, he may be retired on a monthly disability income figured as if he were age 65 on the date of such disability and such date shall be determined as the last date the employee worked because of such disability, and the disability date will be determined as defined in Article 17, Section 8(d)(1).

Section 8. Death Benefits after Retirement - Upon the death of an employee who retires on or after the effective

date of this Contract, and who dies before having received seventy-two (72) monthly benefit payments, his beneficiary shall receive the same monthly benefit until a total of seventy-two (72) monthly payments have been made. If an optional form of retirement income is in effect for such an employee and both he and his contingent annuitant die before seventy-two (72) monthly payments have been made, then the beneficiary shall receive monthly payments equal to the last payment made to either the employee or his contingent annuitant until a total of seventy-two (72) monthly payments have been made.

Section 9. Survivor's Pension - In the event of the death of an employee on or after the effective date of this Contract, who had ten (10) years or more of service and was age 45 or more at the time of death, the surviving spouse shall receive a survivor's pension beginning on the first day of the month following death in the amount of one-half of the pension credited to the employee at the time of death. This pension shall be paid monthly until the death of the survivor.

Section 10. Optional Forms of Retirement Income - An employee may choose to take a smaller retirement income upon early or normal retirement and have all or a portion of it continue to another person after his death following retirement, in accordance with rules and regulations set up by the Employee Benefits Committee.

An employee retiring before being eligible to receive Social Security monthly income benefits and who is age 55 or more with ten (10) years or more of credited service, or who is age 60, may elect a Level Income Option which provides a higher monthly income from the Pension Plan provided for in this Contract from retirement until Social Security benefits are payable and a lower monthly income from the Pension Plan provided for in this Contract thereafter.

In determining the amount of monthly income, the rules and regulations set up by the Employee Benefits Committee shall apply and the primary Social Security benefits estimated to be payable at age 62 (or at the appropriate age if Social Security is amended) shall be actuarially reduced as follows:

<u>Retirement Age</u>	<u>Percentage of Estimated Age 62 Primary Social Security Payable to Age 62</u>
62	100.0%
61	91.1
60	83.1
59	76.0
58	69.6
57	63.8
56	58.7
55	54.0

Upon reaching age 62, it shall be the retired employee's responsibility to apply for Social Security benefits, because at that time, the Company's portion of the lifetime pension will be reduced by the amount of Social Security benefits that was used in the calculation at time of retirement.

Section 11. Vested Rights - If an employee is terminated or quits on or after January 1, 1989, after completion of five (5) years of credited service, such employee shall have vested rights.

An employee who is terminated or quits on or after the effective date of this Contract, and who is entitled to vested rights will be entitled to receive, beginning with the month after he attains age 65, monthly retirement income as set forth in Section 2, figured on his years of credited service at date of

termination. Upon written request of the employee, payment of the vested rights will commence as early as age 55 in an amount equal to the vested rights amount at age 65 reduced 1/2 of 1% for each month from age 65 to the date of commencement of the payment of vested rights.

Section 12. Accumulation of Credited Service - Credited service shall accumulate toward retirement income while an employee is absent for occupational injury or disease until he becomes permanently and totally disabled. Credited service shall accumulate toward retirement income for non-occupational illness or injury for a period of up to two (2) years. In order to receive the above credits, the employee must return to work as soon as he is able.

Section 13. Restoration of Service - An employee who is rehired by the Company and who then works at least three (3) years from the date of such rehiring shall be given credit toward pension rights for prior service with the Company provided such prior service with the Company was at least two (2) years, or as provided by the Employee Retirement Income Security Act of 1974, as amended.

Section 14. Effective with the effective date of this Contract, when the Company elects to close a plant permanently, an employee under age 60 whose employment is terminated as a result of such closing on or after the effective date of this Contract, may retire and receive a pension benefit figured as if he were age 60 based on his years and months of credited service at the date of such closing, provided he has thirty (30) or more full years of credited service at the date of such closing or is at least age 55 with at least ten (10) or more full years of credited service at the date of such closing.

Section 15. The Pension Plan provided for in this Contract cannot be terminated without the express approval

of the International President of the Union, and, except where the features described above, subject to appropriate governmental approvals, would indicate changes, the Pension Plan provided by this Contract will be continued. A copy of the approved Pension Plan provided for in this Contract, together with all the rules and regulations relating thereto established by the Employee Benefits Committee, shall be placed on file with the International President of the Union.

Section 16. This Article will also be administered in accordance with the requirements for qualified employee pension plans under applicable laws and governmental regulations, except as to those situations in which the provisions of this Article exceed the standards set forth in the provisions of those laws and regulations.

ARTICLE 18

Retiree Benefits

Section 1. The Company agrees to the principle of a jointly-administered fund into which the Company will contribute, as provided herein, seventy-five cents (75¢) per actual man hour worked by each of its bargaining unit employees, excluding hours paid for but not worked, for the purpose of providing retiree benefits. Such jointly-administered fund shall be administered in accordance with the provisions of the present Retiree Benefits Trust Agreement.

ARTICLE 19

Relief, Rest and Lunch Periods

Section 1. All hourly employees working regularly scheduled rotating or alternating shifts are entitled to and shall receive, relief time as follows:

8-hour shift - fifty (50) minutes of lunch and relief periods during each shift.

Section 2. All hourly employees working schedules other than rotating or alternating shifts are entitled to, and shall receive, relief time as follows:

8-hour work day - fifty (50) minutes of lunch and relief periods of which twenty (20) minutes shall be paid.

Section 3. The Company will endeavor to schedule the first relief periods after the first hour and the last relief periods before the last hour.

Section 4. When employees are called in to work two (2) or more hours prior to their regular shift, a relief period of ten (10) minutes will be allowed as soon as practical following the start of their regular shift.

When employees are assigned to work overtime immediately following their regular shift and that overtime is expected to extend two (2) hours or more, a relief period of ten (10) minutes will be allowed as soon as practical following the end of the regular shift.

ARTICLE 20

Supervisors

Supervisors, Temporary Supervisors and Back-up Supervisors will not work on any jobs for which rates are established by the agreement except for purpose of instruction, experimenting, or in emergencies or instances where regular employees are not available. The basic responsibility of supervisory employees is the effective direction of the work force.

All alleged violations will be discussed immediately as they occur with the Shift Steward and Supervisor and if there is a disagreement, a grievance may be filed per standard grievance procedure. If the Company agrees at any step of the Grievance Procedure that there has been a violation of this Section by management or supervisory personnel or if the arbitrator so determines, the grievant will receive a reasonable monetary award.

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

ARTICLE 21

Equipment Supplied

Section 1. Where the job requires them, the Company shall determine the need and shall supply special tools and equipment such as rain gear, boots, safety goggles, gloves, and other protective devices. The employee shall be responsible for same. This does not include personal tools or gauges. Craftsmen will supply their own set of standard tools and such standard tools will be replaced if damaged during normal use while at work provided it is reported to supervision immediately. The Company will continue the practice of supplying tool boxes at the Company's expense.

Section 2. The Company shall replace at its expense all tools and tool boxes owned by employees which are destroyed by fire, flood, or other disasters on the Company premises, up to a maximum liability of three thousand dollars (\$3,000.00) for any employee.

ARTICLE 22

Military Service

Section 1. Be it hereby resolved that if, during the life of this Contract, any employees should be called to the Military Service of our Country, they shall not lose their seniority rating during their absence and upon their return, if such employees are physically and mentally fit for employment, the Company will offer them work of a like kind that they were engaged in before entering the Service.

Section 2. The above is effective providing the employee returns and makes application for work within three (3) months after his honorable discharge from the Service.

Section 3. In addition to crediting time spent in Military Service for vacation and seniority purposes, such time shall be credited for all retirement benefits under the pension plan.

Section 4. People entering Military Service receive going-away pay according to length of Company service, as follows:

Less than 6 months - no going-away pay.

6 months but less than 2 years - 1 week

2 years but less than 5 years - 2 weeks

5 years and over - 4 weeks

Company service is figured from the adjusted employment date to the date of entering the Armed Forces.

Section 5. All employees who are members of the Armed Forces shall be paid for all time lost while in attendance at the

Armed Forces two-week summer camp. The pay shall be at the employee's regular base rate for all hours lost during the two (2) weeks.

ARTICLE 23

Death in Family

Section 1. An employee shall be compensated at his regular base rate of pay for a period not to exceed three (3) regularly scheduled working days for absence due to the death of a wife, husband, child, step-child, mother, step-mother, mother-in-law, father, stepfather, father-in-law, brother, sister, half-brother/sister, step-brother/sister, grandchild or grandparent. Requests for additional time off without pay to attend the funeral will be honored. Legal guardian may be used in place of mother and/or father.

Section 2. In the event of a death of a spouse, parent and step-parent, son or daughter of any employee who has been in the employ of the Company for at least thirty (30) days, the employee shall receive an additional two (2) days off with pay.

Section 3. If an employee's vacation or holiday(s) is interrupted by such death and he so notifies the Company promptly, the number of days he normally would have been paid if working shall be added to his vacation or holiday(s) with pay.

ARTICLE 24

Jury Duty

The Company agrees that any worker covered by this contract who is called for jury duty will receive eight (8) hours' pay at his regular base rate for each scheduled work day spent on such jury duty. It is understood that such hours paid

for and not worked will be considered as hours worked for the purpose of figuring overtime. If an employee is scheduled to work the midnight shift on the day of jury duty, he shall not be required to work said midnight shift or the midnight shift immediately following the day of jury duty and shall be paid for both days.

ARTICLE 25

Grievance Procedure

Section 1. The purpose of this Article is to provide an effective method of the settlement of all grievances.

Step 1.

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

Step 2.

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

In reducing the grievance to writing, the Business Committee shall set forth with reasonable clearness the nature of the act or acts on which the grievance is based, the time when such acts

occurred, the identity of the jobs and employees covered by the grievance, the provisions of the Contract which have been violated and the remedy requested.

The employee's department head shall answer within seven (7) days after the grievance has been presented to him and his answer shall set forth in written detail and with reasonable clearness the facts and provisions of the Contract on which his decision is based.

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

Step 3.

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

Step 4.

If the grievance is not settled, the International Representative shall, within seven (7) days after receiving the decision by the plant manager, or his

designated representative, refer the matter to the International President of the Union, or his designated representative, and the divisional Director of Industrial Relations, or his designated representative, for discussion and settlement. This step shall be concluded fifteen (15) days after the date on which the grievance is referred to the International President of the Union, or his designated representative, and the divisional Director of Industrial Relations, or his designated representative, except that this step may be extended for not more than fifteen (15) days by written notice by one party to the other. If the grievance is not satisfactorily settled, it may be referred to arbitration.

Section 2. Grievances involving discharge, if not settled within five (5) days, may, at the request of the Local Union or Company, be referred directly to the Area Director. If he is unable to resolve the grievance within ten (10) days it will be forwarded to the Vice President for resolution.

ARTICLE 26

Arbitration

Section 1. All disputes not settled pursuant to the procedure set forth in Article 25, Grievance Procedure, may be referred to arbitration by a notice given to the Company or the Union by the other within ten (10) days after the conclusion of Step 4 of the grievance procedure.

Section 2. The notice shall also be sent to the appropriate Contract Arbitrator for scheduling a hearing applying the American Arbitration Association's expedited rules.

Section 3. Contract arbitrators shall be selected by agreement between the Company and the International Union and shall serve for the term of this Contract.

Section 4. In the conduct of an arbitration hearing, the applicable provision of the Voluntary Labor Arbitration Rules of the American Arbitration Association shall control.

Section 5. The arbitrator shall have no power to add to, subtract from or modify the terms of this Contract or set standards of production. Wage rate and job evaluation disputes shall be processed in accordance with Article 28. The arbitrator's decisions shall be final and binding upon both parties.

Section 6. Regardless of the outcome of any matter submitted to arbitration, the costs of such matter shall be borne equally by the Company and Union. Such costs shall be limited to the arbitrator's fees and expenses. Charges for stenographic fees and expenses shall be borne by the parties ordering such service.

ARTICLE 27

Safety and Health

Section 1. The Company recognizes the importance of an effective safety program, proper instruction to address language barriers, and will provide adequate first-aid facilities.

Section 2. The Company agrees that there will be at least an equal number of Union members as there are Company members on the Plant Safety Committee.

Section 3. The Safety Committee shall meet at least once each month to make a complete inspection of the plant and plant facilities to determine whether or not machines and equipment are in safe working condition and whether safe working practices are being followed. A written report of this inspection shall be submitted to the Plant Manager and the

Local Union. Upon investigation, the Plant Manager will inform the Safety Committee promptly of his findings and intended action.

Section 4. At the request of an employee, he may receive one (1) free chest x-ray each year. At the request of an employee who is at least thirty-five (35) years of age and has at least five (5) years of service, an employee may receive a physical examination at a maximum cost to the Company of one-hundred dollars (\$100.00), by a doctor of his choice. He may have such a physical examination once every year.

ARTICLE 28

Negotiated Rates

Section 1. Effective May 1, 2002, the formal job evaluation system is eliminated and replaced by negotiated rates. If during the term of this Agreement, a new job is created or significant changes are made in an existing job, the Company shall meet with the Local Union to negotiate a new rate. If the parties do not agree, the Company may place the rate it feels is appropriate on the job. In setting the new rate, the Company shall fairly take into consideration all factors normally involved in plastic container collective bargaining negotiations, including, but not limited to, job content and responsibility, the existing wage structure, and past collective bargaining history.

Section 2. In the event that the Union disagrees with the rate set by the Company under Section 1, above, the matter will be referred to the Company/Union Negotiated Rates Board for resolution. The Company/Union Negotiated Rates Board shall be comprised of two representatives from the Company and two representatives from the International Union.

Section 3. Any disputes with respect to this Article that are not resolved by the Company/Union Negotiated Rates Board shall be referred to a mutually agreeable Interest Arbitrator who shall decide the dispute.

**ARTICLE 29
Fair Employment Practices and
Equal Opportunities**

There shall be no discrimination by either the Company or the Union against any employee because of race, religion, color, sex, national origin, age or disability in the administration and application of the Contract.

This Contract will also be administered in accordance with applicable laws governing the Family Medical Leave Act, laws preventing discrimination against qualified individuals with a disability, qualified handicapped individuals and qualified disabled veterans or veterans of the Vietnam era.

**ARTICLE 30
Transfer of Employee**

Section 1. The Company shall notify the International Union ninety (90) days in advance, or as soon thereafter as possible, of any plant closing or the elimination of a department. The Industrial Relations Director of the Division shall notify the other plants of the Company of such permanent reduction affecting the size of the work force.

Section 2. Upon the request of the International Union, a representative of the Company shall meet with a representative of the International Union and Local Union involved to advise them of the jobs and employees to be eliminated. The Company will advise the International Union and the Local

Union at such meeting of job vacancies which may then exist at any of the Company's other plants under the jurisdiction of this Contract.

Section 3. An employee with one (1) year or more of seniority who is terminated because of a permanent reduction in the working forces shall, within thirty (30) days after the date of his termination, make application to the Personnel Department of the plant where he was formerly employed specifying the other plants of the Company at which he wishes to be considered for employment.

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

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

Section 4. The International Union shall from time to time send to the Company a list of employees who have been terminated by reason of permanent reductions in the working forces and who are still available for employment, setting forth their job training and qualifications.

ARTICLE 31

Permanent Plant Closings And Related Matters

Section 1. Permanent Closings.

The Company shall notify the International Union and the Local Union ninety (90) days in advance or as soon thereafter as possible of any plant closing. If notification is less than ninety (90) days, an employee shall be paid for each day less than the ninety (90) day notification. Such pay will be at his regular base rate of pay for an eight (8) hour/twelve (12) hour day for each working day of his regular schedule.

Section 2. Severance Pay.

- (a) If the Company elects to close a plant permanently, the Company shall negotiate severance pay with the Union for terminated employees.
- (b) (1) In applications of the Section 2, the Company will apply a severance pay formula providing for forty (40) hours per year of credited service at the regular base wage rate with a one thousand (1000) hour maximum at any plant closing during the terms of this Contract.
- (2) In addition to the severance pay in subparagraph (b) (1), above, the Company will also provide employees who have twenty-six (26) or more years of credited service a special lump sum benefit as follows: 26 through 35 years of credited service — \$1000.00; 36 through 39 years of credited service — \$2000.00; and 40 or more years of credited service — \$3000.00.

- (c) The labor grade assigned to an employee *immediately preceding such closing* shall be used as a basis in determining the severance pay except that, for an employee whose primary labor grade is one (twelve (12) consecutive months) of the ten (10) years *preceding the closing* was higher than his labor grade at the closing, such higher labor grade shall be used in determining the severance pay. The corresponding rate of pay to such labor grade will also be used.
- (d) An employee who leaves the Company's employment without the Company's consent prior to the closing shall not be eligible for severance pay. However, if such an employee has been able to secure employment with another employer, such consent shall not be unreasonably withheld.
- (e) An employee who is on a leave of absence covered by the terms of this Contract at the time of the closing shall also be entitled to severance pay.
- (f) An employee who is on sick leave and has either applied or qualified for a permanent and total disability pension shall not be eligible for severance pay. Employees who do not qualify for a permanent and total disability pension shall receive severance pay.

Section 3. Health Care.

Health care coverage in a closing situation is governed by Article 16 (Insurance Program), and Section 8(g) of its introductory provisions provides:

Effective April 1, 1983, an employee whose employment is terminated as a result of a permanent plant closing on or after April 1, 1983, will have his coverage continued for six (6) months from the date of such closing without contributions. Dependent coverages will also be continued for the same period without contributions. An employee who is on layoff at the date of such closing will have his coverage continued for the remainder of the six (6) month period under Section 8(d)(3) without contributions.

Section 4. Pensions.

Pensions in a closing situation are governed by Article 17 (Pensions), and its Section 14 provides:

Section 14. Effective with the effective date of this Contract, when the Company elects to close a plant permanently, an employee under age 60 whose employment is terminated as a result of such closing on or after the effective date of this Contract, may retire and receive a pension benefit figured as if he were age 60 based on his years and months of credited service at the date of such closing, provided he has thirty (30) or more full years of credited service at the date of such closing or is at least age 55 with at least ten (10) or more full years of credited service at the date of such closing.

Section 5. Vacation Pay.

Vacation pay in a closing situation is governed by Section 6 of Article 15 (Vacations), which provides:

If any employee's service is terminated by quit, retirement or death, he or his personal representative shall be paid vacation pay earned at the time of the termination, quit, retirement, or death, the amount of vacation pay earned but unpaid.

Section 6. Resumed Operations.

If the Company should resume manufacturing plastic containers at a plant covered by this Contract within five (5) years of the closing, the effective collective bargaining agreement will then be reactivated, and the employees who were terminated as a result of the closing would have recall rights to that plant.

Section 7.

Any disputes with respect to this Article shall be subject to the Grievance Procedure, Article 25, including Arbitration, Article 26.

ARTICLE 32 No Strike or Lockout

There shall be no strike, sympathetic or otherwise, walkout, slowdown, or work stoppage of any nature by the Union or any Local Union or its members during the term of this Contract. There shall be no lockout by the Company during the term of this Contract.

ARTICLE 33 Subcontracting

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

The Company will continue its practice, when needed, of training Production and Maintenance employees who shall do all maintenance and repair work normally performed by them when time, requirements, skills and equipment are available, in the judgment of the Company, to accomplish the work economically.

Section 2. The Company recognizes the Union's desire to retain all work that can be performed by its members. No journeyman/apprentice will be displaced or on layoff during any time that outside contractors are performing work at the Company's facility. When bargaining unit personnel are not trained in the skills needed to perform the work which would be subcontracted, then in such cases employees would be recalled from layoff on a one-for-one basis. In all other cases, there would be no one displaced or remaining on layoff prior to said subcontracting.

As a condition of contracting work, weekly or as necessary, the Department Head and the Local Union or designee will meet and review the contemplated plans for contracting out of work with the intent of giving primary consideration to fully utilizing the available services of Bargaining Unit employees. During this review, the Company shall furnish a description in writing of the work to be performed, the special equipment to be utilized and explain to the Local Union or designee the extent and available cost information for the job or jobs, the necessity for letting out the job or jobs and the time the job or jobs are to be done. If at the end of this review, the Company decides to contract out the job or jobs, they will advise in writing the Local Union or designee of the contractor to do the job. If the Company contracts out any work, then the Company will review with the Local Union or designee the details of the final contract. In the event the Department Head fails to comply with this Section, the Union shall have the right to file a grievance beginning with Step 3.

Contracting Out For Non-Maintenance Work

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

The Company will give primary consideration to the full utilization of services of bargaining unit employees and will not contract out work that can reasonably be performed by the department employees involved, subject to the provisions of Section 1 of this Article.

If the Company, after meeting with the Local Union or designee, decides to contract out the work, the Union will have the right to file a grievance, beginning with Step 3 of the grievance procedure.

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

ARTICLE 34 Management Rights

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

ARTICLE 35

Conclusion

It is understood that the mutually agreed upon changes enacted by this Conference and the established wages, rules and regulations not changed by it will constitute the Contract between the parties hereto from May 1, 2002, through April 30, 2005, (subject to the provisions of Article 2) and as long thereafter as regular negotiations for the making of a new Contract shall continue.

ARTICLE 36

Separability

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

ARTICLE 37

Local Agreements

There shall be no agreements, local, departmental, or otherwise, in effect during the term of this Contract except those specifically agreed to, reduced to writing and signed by the Union and the Plant Industrial Relations Director. A copy of all local agreements agreed to under this Article shall be sent to the International President's office at Media, Pennsylvania, and the appropriate International Union Area Office.

ARTICLE 38

Apprenticeship Programs

The federally approved apprenticeship programs currently in effect shall remain in effect throughout the term of this Contract along with its rules, regulations and apprenticeship committees.

The Company will establish an Apprenticeship Committee in each plant that meets on a regular basis and/or at the request of either party. Minutes will be kept and signed by each party. The Company agrees to meet on a regular basis at the National Apprenticeship Committee level and will work with the Co-Chairman from the Union and the Union Members on the Committee to oversee the Apprenticeship Program.

All Journeymen hired from outside the plant must have completed a federally approved apprenticeship program.

During a curtailment of the work force in the Maintenance Department, apprentices shall be laid off first before journeymen. However, when an apprentice obtains six-thousand (6000) OJT hours within the Apprenticeship Program, he shall be able to exercise seniority to displace a journeyman hired after the commencement of the apprentice's training, if the journeyman was hired from outside the plant.

ARTICLE 39 Cost-of-Living

Section 1. During the term of this Contract, annual cost-of-living increases will be made on May 1, 2003, and on May 1, 2004, in accordance with the provisions of this Article.

Section 2. Cost-of-living increases, if any, will be added by using the Consumer's Price Index (1967=100, Urban Wage Earners and Clerical Workers (revised CPI-W). After the percentage limitations for increases set forth below have been met, the amount of any cost-of-living increase will be a one cent (1¢) per hour increase for each .5 of a point rise in the Consumer's Price Index by using the dates as set forth in this Article.

- (a) For the cost-of-living increase on May 1, 2003, the base for the twelve (12) month period (April 2002, through March 2003) will be the index for March 2002, as reported in April 2002. There will be no increase on May 1, 2003, unless there has been a six percent (6%) rise in the Consumer's Price Index on such base, and any increase on this date will be computed by excluding initially said six percent (6%).

- (b) For the cost-of-living increase on May 1, 2004, the base for the second twelve (12) month period (April 2003 through March 2004) will be the index for March 2003, as reported in April 2003. There will be no increase on May 1, 2004, unless there has been a six percent (6%) rise in the Consumer's Price Index on such base, and any increase on this date will be computed by excluding initially said six percent (6%).

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

ARTICLE 40

Successors, Transferees and Assignees

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

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

On behalf of itself as the International Union and as agent
for and on behalf of its Local Unions hereinafter listed:

By:

Ralph Sidebottom

International Vice President

John P. Ryan

Director of Research & Education

Jerry Crawford, President

Local Union #20

North Kansas City, Missouri

John Schaff, President

Local Union #113

Baltimore, Maryland

Martin Upshaw, President

Local Union #138

Chicago, Illinois

Joyce Spears, President

Local Union #170

Cincinnati, Ohio

Joseph Holliman, President

Local Union #171

St. Louis, Missouri

Pearl Chapman, President

Local Union #227

Edison, New Jersey

**OWENS-BROCKWAY
PLASTICSPRODUCTS**

Agreed this 19th day of April, 2002 at Longboat Key, Florida. On behalf of the Owens-Brockway Plastics Products.

Alfred A. Baker
Vice President, Director of Human Resources
Owens-Brockway Plastics Products

Robert W. Doyle
Plant Manager
St. Louis, Missouri

Timothy S. Fletcher
Plant Manager
Edison, New Jersey

Jeffrey B. Frazier
VP, Area Manufacturing Manager
BC-3/Wheel

Chris J. Hackman
Plant Manager
Chicago, Illinois

Donald M. Johnson
Plant Manager
Cincinnati, Ohio

Joseph H. LaMore
Plant Manager
Baltimore, Maryland

John C. Shank
Manager, Labor & Employee Relations
Owens-Brockway Plastics Products

Laura B. Startup
Human Resource
Specialist

James Whitehead
Plant Manager
North Kansas City, Missouri

UNION-MANAGEMENT MISSION STATEMENT

It is our mission, and desire, to work with one another in a cohesive, productive and worthwhile endeavor, to provide the best service and products in the market for our customer. Competition notwithstanding, we have the talent and abilities to provide the superior service that is necessary and required to be the top producers in our field. It is our belief that we can all be winners.

**Jerry Crawford,
President, Local 20
Plant Manager**

**James Whitehead,
Kansas City, Missouri**

**John Schaff, President,
Local #113**

**Joseph H. LaMore,
Plant Manager
Baltimore, Maryland**

**Martin Upshaw,
President, Local #138**

**Chris J. Hackman,
Plant Manager
Chicago, Illinois**

**Joyce Spears, President,
Local #170**

**Donald M. Johnson,
Plant Manager
Cincinnati, Ohio**

**Joseph Holliman, President,
Local #171**

**Robert W. Doyle,
Plant Manager
St. Louis, Missouri**

**Pearl Chapman, President,
Local #227**

**Timothy S. Fletcher,
Plant Manager
Edison, New Jersey**

Ralph Sidebottom,
Int'l Vice President

Alfred A. Baker,
Vice President
Director of Human Resources

John Ryan, Director,
Research & Education

John C. Shank
Manager, Labor &
Employee Relations

Jeffrey B. Frazier, VP Area
Mfg Manager

Signed this 19th day of April, 2002

**APPENDIX "A" - Hourly Job Rate Progression Summary
Owens-Brockway Plastics Products - Effective May 1, 2002**

	Rate Group	Mm.	....Progression Rate....				Max Rate
		Beg Rate	12 Wks	12 Wks	12 Wks	12 Wks	
Y-20	Blown Plastics Attendant	2	9.22	9.52	9.82	10.12	10.41
(a)	Selector-Packer						
(b)	Miscellaneous Machine Attendant						
(c)	Canton Assembler						
(d)	Hand Trimmer						
(e)	Offbearer						
(f)	Loader-Selector (Denniston Printing Machine)						
Y-22	Utility Worker	2	9.22	9.52	9.82	10.12	10.41
Y-31	Chief Canton Assembler	3	12.05				12.13
Y-54	Finishing Crew Leader	5	12.13	12.23			12.35
Y-63	BPC Inspector-Tester	6	12.25	12.32			12.56
Y-70	Production Stockperson	7	12.43	12.57			12.67
Y-71	Handyperson	7	12.43	12.57			12.67
Y-73	SeniorQC Inspector	7	12.43	12.57			12.67
Y-74	Plastic Material Reclaim Attendant	7	12.43	12.57			12.67
Y-92	Shipping Servicer	9	12.72	12.91			13.05
Y-94	Material Mixing, Blending & Salvage Worker	9	12.72	12.91			13.05
Y-101	PalletizerOperator	10	12.76	12.93	13.07		13.17
Y-105	Service-Inspector	10	12.76	12.93	13.07		13.17
Y-106	Preventive Maintenance Worker	10	12.76	12.93	13.07		13.17

		Rate Group	Mm. Beg Rate 24 Wks	....Progression Rate....			Max Rate
				24 Wks	24 Wks	24 Wks	
Y-112	Shipping Servicer- Trailer Driver	11	13.35	13.50	13.60		13.81
Y-113	Pants&StoresAttendant	11	13.35	13.50	13.60		13.81
Y-121	Warehouse, Shipping & Receiving Shift Leader	12	13.85	13.96	14.15		14.33
Y-122	Materials Handling & Processing Crew Leader	12	13.85	13.96	14.15		14.33
Y-125	Plastic Machine Operator	12	13.35	13.85	13.96	14.15	14.33
Y-132	Warehouse, Shipping & Receiving Crew Leader	13	14.02	14.24	14.33		14.59
Y-151	Mechanic-General	15	15.45	15.61	15.82	15.99	16.17
	Repairman-Specialist	16	16.96	17.20	17.32	17.52	17.67
Y-170	Process Technician	16					16.88
	1st Year Apprentice						17.37
	2nd Year Apprentice						17.86
	3rd Year Apprentice						18.34
	4th Year Apprentice						19.09
	Journeyman Process Technician						
	Machinist-Mold Repairman and Electrician						
	1st Year Apprentice						17.86

	Rate Group	Mm. Beg Rate 24 Wks	....Progression Rate....			Max Rate
			24 Wks	24 Wks	24 Wks	
2nd Year Apprentice						
3rd Year Apprentice						18.41
4th Year Apprentice						18.97
Journeyman Machinist-Mold Repairman & Journeyman Electrician						19.52
Chief Electrician/Mechanic	19	19.55	19.70	19.91	20.01	20.42 20.65

The above times are maximums. Progress from Beginner Rates to Maximum Rates is at the discretion of supervision. An individual may be considered eligible to receive the maximum rate when he demonstrates his ability to perform the job satisfactorily. The jobs listed are not necessarily authorized for use in all plants.

**APPENDIX "B" — Hourly Job Rate Progression Summary
Owens-Brockway Plastics Products — Effective May 1, 2003**

	Rate Group	Mm. Beg Rate	....Progression Rate....			Max Rate	
			12 Wks	12 Wks	12 Wks		
Y-20	Blown Plastics Attendant	2	9.54	9.84	10.14	10.44	10.73
(g)	Selector-Packer						
(h)	Miscellaneous Machine Attendant						
(i)	Canton Assembler						
(j)	Hand Trimmer						
(k)	Offbearer						
(l)	Loader-Selector (Denniston Printing Machine)						
Y-22	Utility Worker	2	9.54	9.84	10.14	10.44	10.73
Y-31	Chief Canton Assembler	3	12.37				12.45
Y-54	Finishing Crew Leader	5	12.45	12.55			12.67
Y-63	BPC Inspector-Tester	6	12.57	12.64			12.88
Y-70	Production Stockperson	7	12.75	12.89			12.99
Y-71	Handyperson	7	12.75	12.89			12.99
Y-73	Senior QC Inspector	7	12.75	12.89			12.99
Y-74	Plastic Material Reclaim Attendant	7	12.75	12.89			12.99
Y-92	Shipping Servicer	9	13.04	13.23			13.37
Y-94	Material Mixing, Blending & Salvage Worker	9	13.04	13.23			13.37

	Rate Group	Mm. Beg Rate	....Progression Rate....				Max Rate
			12 Wks	12 Wks	12 Wks	12 Wks	
Y-101	PalletizerOperator	10	13.08	13.25	13.39		13.49
Y-105	Service-Inspector	10	13.08	13.25	13.39		13.49
Y-106	Preventive Maintenance Worker	10	13.08	13.25	13.39		13.49
	Rate Group	Mm. Beg Rate	....Progression Rate....				Max Rate
			24 Wks	24 Wks	24 Wks	24 Wks	
Y-112	Shipping Servicer-Tractor Trailer Driver	11	13.67	13.82	13.92		14.13
Y-113	Pants&StoresAttendant	11	13.67	13.82	13.92		14.13
Y-121	Warehouse, Shipping & Receiving Shift Leader	12	14.17	14.28	14.47		14.65
Y-122	Materials Handling & Processing Crew Leader	12	14.17	14.28	14.47		14.65
Y-125	Plastic Machine Operator	12	13.67	14.17	14.28	14.47	14.65
Y-132	Warehouse, Shipping & Receiving Crew Leader	13	14.34	14.56	14.65	14.91	
Y-151	Mechanic-General	15	15.77	15.93	16.14	16.31	16.49
	Repairman-Specialist	16	17.28	17.52	17.64	17.84	17.99
Y-170	ProcessTechnician	16					17.20
	1st Year Apprentice						17.69
	2nd Year Apprentice						

	Rate Group	Mm. Beg Rate	....Progression Rate....		Max Rate
		24 Wks	24 Wks	24 Wks		
3rd Year Apprentice					18.18	
4th Year Apprentice					18.66	
Journeyman Process Technician					19.41	
Machinist-Mold Repairman and Electrician						
1st Year Apprentice					18.18	
2nd Year Apprentice					18.73	
3rd Year Apprentice					19.29	
4th Year Apprentice					19.84	
Journeyman Machinist-Mold Repairman & Journeyman Electrician					20.74	
Chief Electrician/Mechanic	19	19.87	20.02	20.23	20.33	20.97

The above times are maximums. Progress from Beginner Rates to Maximum Rates is at the discretion of supervision. An individual may be considered eligible to receive the maximum rate when he demonstrates his ability to perform the job satisfactorily. The jobs listed are not necessarily authorized for use in all plants.

**APPENDIX "C" — Hourly Job Rate Progression Summary
Owens-Brockway Plastics Products — Effective May 1, 2004**

	Rate Group	Mm.	....Progression Rate....				Max Rate
		Beg Rate	12 Wks	12 Wks	12 Wks	12 Wks	
Y-20	Blown Plastics Attendant	2	9.89	10.19	10.49	10.79	11.08
(m)	Selector-Packer						
(n)	Miscellaneous Machine Attendant						
(o)	Canton Assembler						
(p)	Hand Trimmer						
(q)	Offbearer						
(r)	Loader-Selector (Denniston Printing Machine)						
Y-22	Utility Worker	2	9.89	10.19	10.49	10.79	11.08
Y-31	Chief Canton Assembler	3	12.72				12.80
Y-54	Finishing Crew Leader	5	12.80	12.90			13.02
Y-63	BPC Inspector-Tester	6	12.92	12.99			13.23
Y-70	Production Stockperson	7	13.10	13.24			13.34
Y-71	Handyperson	7	13.10	13.24			13.34
Y-73	Senior QC Inspector	7	13.10	13.24			13.34
Y-74	Plastic Material Reclaim Attendant	7	13.10	13.24			13.34
Y-92	Shipping Servicer	9	13.39	13.58			13.72
Y-94	Material Mixing, Blending & Salvage Worker	9	13.39	13.58			13.72
Y-101	Palletizer Operator	10	13.43	13.60	13.74		13.84
Y-105	Service-Inspector	10	13.43	13.60	13.74		13.84
Y-106	Preventive Maintenance Worker	10	13.43	13.60	13.74		13.84

		Rate Group	Mm. Beg Rate 24 Wks	....Progression Rate....			Max Rate
				24 Wks	24 Wks	24 Wks	
Y-112	Shipping Servicer-TractorT railer Driver	11	14.02	14.17	14.27		14.48
Y-113	Pants & Stores Attendant	11	14.02	14.17	14.27		14.48
Y-121	Warehouse, Shipping & Receiving Shift Leader	12	14.52	14.63	14.82		15.00
Y-122	Materials Handling & Processing Crew Leader	12	14.52	14.63	14.82		15.00
Y-125	Plastic Machine Operator	12	14.02	14.52	14.63	14.82	15.00
Y-132	Warehouse, Shipping & Receiving Crew Leader	13	14.69	14.91	15.00		15.26
Y-151	Mechanic-General	15	16.12	16.28	16.49	16.66	16.84
	Repairman-Specialist	16	17.63	17.87	17.99	18.19	18.34
Y-170	Process Technician	16					
	1st Year Apprentice						17.55
	2nd Year Apprentice						18.04
	3rd Year Apprentice						18.53
	4th Year Apprentice						19.01
	Journeyman Process Technician						19.76
—	Machinist-Mold Repairman and Electrician						

	Rate Group	Mm. Beg Rate 24 Wks	....Progression Rate....				Max Rate
			24 Wks	24 Wks	24 Wks	24 Wks	
1st Year Apprentice							18.53
2nd Year Apprentice							19.08
3rd Year Apprentice							19.64
4th Year Apprentice							20.19
Journeyman Machinist-Mold Repairman & Journeyman Electrician							21.09
— Chief Electrician/Mechanic	19	20.22	20.37	20.58	20.68		21.32

The above times are maximums. Progress from Beginner Rates to Maximum Rates is at the discretion of supervision. An individual may be considered eligible to receive the maximum rate when he demonstrates his ability to perform the job satisfactorily.

The jobs listed are not necessarily authorized for use in all plants.

APPENDIX "D"

12 Hour Shift Schedule Provisions

The following provisions shall apply to those plants operating on the 12 hour shift schedule:

- Hours of work and Premium Time:** Twelve (12) hours shall constitute a normal work day. The normal work week shall begin on Monday and run through Sunday, and shall consist of thirty-six (36), or forty-eight (48) hours depending on the employee's schedule. Time and one-half shall not be paid after eight (8) hours in any day for employees assigned to a 12 hour shift schedule. Time and one-half shall be paid after forty (40) hours in any week, or thirty-six (36) hours in any one week provided the employee works all of his scheduled work hours during that week. All hours worked on Sunday will be paid at time and one-half.

Any employee reporting for work at his usual time will be guaranteed at least six (6) hours' work or six (6) hours' pay at his regular base rate or applicable premium rate for those employees reporting to work on their scheduled day off, unless he has been instructed not to report for work on that day, except in case of emergencies or circumstances such as strikes, floods, fires, tornadoes and other disasters beyond Company control.

All workers called or scheduled to work less than six (6) hours before their regular starting time will be guaranteed six (6) hours of pay exclusive of their regular hours unless they have been notified at least twenty-four (24) hours in advance of their regular starting time.

2. **Shift Differential:** A shift differential of thirty-six (36¢) per hour for the second shift normally starting between 5:00 p.m. and 9:00 p.m. shall be paid.
3. **Relief, Rest and Lunch Periods:** Employees working on a regularly scheduled twelve (12) hour shift twenty-four (24) hour continuous machine operating basis will receive a thirty (30) minute paid lunch and two (2) twenty (20) minute paid rest periods or four (4) ten (10) minutes paid rest periods per shift. Which form of relief (2-20's or 4-10's) will be decided by the Local Union and Plant Manager at each plant.
4. **Holiday Pay:**
 - a. If an employee is scheduled to work his regular twelve (12) hour shift on a holiday, and does not work because the plant is shut down, he will receive twelve (12) hours of holiday pay at his base pay provided he meets all other qualifications of Article 14.
 - b. When the plant operates on a holiday, an employee who works shall be paid one shift (not to exceed 12 hours) base pay at straight time provided he meets all other qualifications of Article 14.
 - c. When a holiday falls on an employee's regular day off, he shall be paid eight (8) hours base pay at straight time provided he meets all other qualifications of Article 14.
5. **Jury Duty:** Employees will be paid 12 hours pay at their regular base rate for scheduled work days missed due to jury duty.
6. **Vacations:** Vacation eligibility and pay shall be deter-

mined per Article 15, Vacations, except that 12 hours shift schedule vacation days will be calculated by dividing the number of hours of vacation eligibility by 12 and rounding that number up to the next nearest day.

The following table illustrates the number of vacation days that employee will be entitled:

<u>Hours Vacation Pay</u>	<u>8 Hour Days</u>	<u>12 Hour Days</u>
48	6	4
80	10	7
104	13	9
130	16	11
140	17	12
152	18	13
160	18	14
168	4 weeks	14
176	4 weeks	15
216	5 weeks	18
224	5 weeks	18
232	5 weeks	18

Section 7. Death in Family - All days listed in Article 23 will be paid at twelve (12) hours per day.

