



TRANE



Agreement between

THE TRANE COMPANY
(Clarksville Manufacturing Plant)
CLARKSVILLE, TENNESSEE

and

SWOPE LODGE NO. 1296 OF
INTERNATIONAL ASSOCIATION
OF MACHINISTS AND
AEROSPACE WORKERS, AFL-CIO

and

DISTRICT 711 OF
INTERNATIONAL ASSOCIATION
OF MACHINISTS AND
AEROSPACE WORKERS, AFL-CIO

and

INTERNATIONAL ASSOCIATION
OF MACHINISTS AND
AEROSPACE WORKERS, AFL-CIO

Effective: February 8, 2003 12:00am

Termination: February 10, 2006 11:59pm

AGREEMENT

These are ^{3/04}
extra.

can be distri-
buted

free of

charge to
contract

copy order
requestors.

ACF

Article Number	Title	Page
I.	Recognition	2
II.	Management Rights	3
III.	Strikes and Lockouts	4
IV.	Entirety of Agreement	5
V.	Hours and Overtime	6
VI.	Seniority	22
VII.	Transfer, Farming and Upgrading	33
VIII.	Holidays	44
IX.	Vacation	47
X.	Insurance	51
XI.	Wages	52
XII.	Leaves of Absence	56
XIII.	Grievance Procedure	59
XIV.	Arbitration	62
XV.	Union Representation	64
XVI.	Discharge and Discipline	66
XVII.	Non-Bargaining Unit Employees	67
XVIII.	Safety and Health	68
XIX.	Access To Plant	70
XX.	Non-Discrimination	70
XXI.	Clauses Relating to Pension Plan	71
XXII.	Miscellaneous	73
XXIII.	Apprentices	77
XXIV.	Check Off	78
XXV.	Union or Agency Shop	82
XXVI.	Savings Clause	82
XXVII.	Effective Date and Termination Date	82

AGREEMENT

Agreement effective February 8, 2003 by and between THE TRANE COMPANY for its plants in the city of Clarksville, Tennessee, hereinafter referred to as the "Company"; and SWOPE LODGE NO. 1296 of INTERNATIONAL ASSOCIATION OF MACHINISTS and AEROSPACE WORKERS, AFL-CIO, DISTRICT LODGE 711 of INTERNATIONAL ASSOCIATION of MACHINISTS and AEROSPACE WORKERS, AFL-CIO, and INTERNATIONAL ASSOCIATION of MACHINISTS and AEROSPACE WORKERS, AFL-CIO hereinafter collectively referred to as the "Union".

ARTICLE I. RECOGNITION

Section 1.

1. Pursuant to and by virtue of a "Certification of Representative" of the National Labor Relations Board dated September 19, 1962, issued to the International Union, the Company recognizes the Union as the sole and exclusive bargaining representative for all production and maintenance employees at its Clarksville, Tennessee, plants including working leaders, shipping and receiving employees, storeroom employees, tool room employees, and janitors; but excluding all office clerical employees, professional and technical employees, inspectors, salesmen, guards and all supervisors as defined in the National Labor Relations Act as amended.

2. The term "plants" for all the purposes of this Agreement shall mean solely those facilities of the Company which are physically located on Wilma Rudolph Boulevard in Clarksville, Tennessee, as now so located, and any accretion thereto.

3. The term "employee", for all the purposes of this Agreement, except as otherwise expressly set forth herein, shall refer solely to

employees in classifications falling within the unit described in the first paragraph of this Section.

4. This Agreement shall be binding on any and all successors and assigns, who may by purchase, lease, transfer of stock or merger, or any other manner acquire control of the Company's manufacturing facilities in Clarksville, Tennessee.

ARTICLE II MANAGEMENT RIGHTS

Section I.

5. The Union recognizes and agrees that the Company has, and shall retain and exercise, the exclusive right to supervise, manage and conduct its business, operations and plant; that all rights, powers and authority possessed by the Company prior to the signing of this Agreement shall remain vested exclusively in the Company without limitation, except to the extent expressly modified by the provisions of this Agreement.

Without limiting the generality of the foregoing, such exclusive rights shall include:

- (a) The direction of the working force;
- (b) The hiring, re-hiring, assignment, transfer, promotion, laying off, recalling, suspension, discharge, and discipline of employees;
- (c) The determination of the number of employees in any department, shift or job classification; the determination of the number and size of departments;
- (d) The establishment, revision, suspension and enforcement of working schedules;

(e) The determination of the products to be manufactured, the location and quantity of such manufacture, and the market distribution of such products;

(f) The work to be sub-contracted;

(g) The activities to be conducted in the plant, including the scheduling, methods, processes and means of manufacturing and distributing all products; and

(h) The determination of reasonable levels of productivity and quality.

ARTICLE III STRIKES AND LOCKOUTS

Section I.

6. The Union agrees that during the term of this Agreement there shall be no sanctioned or condoned strike, stoppage, slowdown of work, picketing, or work interference of any form or kind for any reason whatsoever.

The Union further agrees that if employees engage or participate in an unsanctioned strike, stoppage, slowdown of work, picketing, or work interference of any form or kind for any reason whatsoever, then the Union, upon receiving notice thereof, will in a good faith effort to terminate such activity, immediately contact the employees involved, instruct them to return to work at once, and use all efforts at the Union's command and within its power to see that they do so. The failure of the Union to so act after due notice, will be construed to mean that the Union sanctioned or condoned the action of the employees. On the other hand, if the Union fulfills its obligations pursuant to this Section, such fulfillment shall be construed to mean that the Union did not sanction or condone the action of the employees, and in consequence the

Union shall not be held financially responsible for such unauthorized strike, stoppage, slowdown of work, picketing or work interference.

Section 2.

7. The Union and its members individually and collectively, agree that if there is any strike, stoppage, slowdown of work, picketing or work interference of any form or kind, for any reason whatsoever, the Company may discharge, or otherwise discipline, any employee or employees who may instigate, actively support, give leadership to, or participate in such activity.

Section 3.

8. The Company agrees that during the term of this Agreement there shall be no lockouts; provided, however, that neither this provision nor any other provision of this Agreement shall be construed as requiring the Company to stay in continuous operation, it being distinctly understood that the Company shall have the right at all times to reduce the number of hours of plant, shift or department operations, to close all or any parts of the plant or departments, in order to prevent an accumulation of inventory, or because of necessary repairs or the taking of inventory, or a shortage of raw materials or equipment necessary for the operation of the plant or departments, or any other cause in the discretion of the Company. The right thus reserved by the Company to shut down the plant or any department thereof, shall not be exercised for the purpose of discriminating against the Union or any employee represented by the Union.

ARTICLE IV ENTIRETY OF AGREEMENT

Section 1.

9. No subject or matter treated or referred to in this Agreement, or which is not specifically treated or referred to, or is omitted

hereby, shall be the subject of collective bargaining during the term of this Agreement, even though such subjects or matters may not have been within the knowledge or contemplation of either or both of the parties hereto at the time of negotiations, or at the time of the signing of this Agreement except by mutual agreement of the parties pursuant to Section 3 of this Article.

Section 2.

10. There shall be no alteration or waiver of any of the specific terms or conditions of this Agreement by any employee or group of employees and in no case shall it be binding upon the parties except as provided in Section 3 of this Article.

Section 3.

11. Should the parties mutually agree to supplement or modify any portion of this Agreement during its term, no such supplement or modification which varies, waives or modifies any of the terms or conditions contained in this Agreement shall be binding upon the parties hereto unless made and executed in writing between the parties.

ARTICLE V HOURS AND OVERTIME

Section 1.

12. The regular work week shall be forty (40) hours per week beginning on Monday and ending on Friday except for the second shift which may finish on Saturday. A regular work week for those employees on the Variable Output Schedule shall be:

- Forty (40) hours beginning on Monday and ending on Thursday for shifts V-1 and V-2, except that the V-2 "Thursday" shift finishes on Friday.

— Thirty-six (36) hours beginning on Friday and ending on Sunday for WE-1 & WE-2, except that the WE-2 "Sunday" shift finishes on Monday.

13. The regular work day shall be eight (8) consecutive hours exclusive of the lunch period. Such lunch period shall be without pay. If a department or overtime group is placed on a three (3) shift operation, Monday through Friday, the Company will consider placing the employees on a "Straight Eight (8) Work Schedule" that includes a fifteen (15) minute paid lunch. The Company will discuss the reason for such decision with the Union prior to implementation and will consider all suggestions the Union presents. For those employees on shifts V-1 and V-2 of the Variable Output Schedule, a regular work day shall consist of 10 consecutive hours exclusive of an unpaid lunch period. The regular work day for shifts WE-1 and WE-2 will consist of 12 consecutive hours exclusive of an unpaid lunch period.

14. The work week shall mean a period beginning four (4) hours prior to the established shift starting time of the 1st day of an employee's scheduled work week and continue for 168 consecutive hours there-after.

15. A work day will be a period beginning four (4) hours prior to the established starting time of an employee's shift and continue for 24 hours thereafter.

Section 2.

16. The existing work schedule starting times as of the date of this Agreement is as follows:

1st shift	—	5:00 a.m. to 7:00 a.m.
2nd shift	—	2:00 p.m. to 4:00 p.m.
3rd shift	—	10:00 p.m. to 12:00 a.m.

V-1 shift	—	6:00 a.m. to 7:00 a.m.
V-2 shift	—	4:30 p.m. to 5:30 p.m.
WE-1 shift	—	5:00 a.m. to 7:00 a.m.
WE-2 shift	—	5:00 p.m. to 7:00 p.m.

17. Excluding the Variable Output Schedule as described elsewhere in this Agreement, when production needs require, the Company may add to, subtract from or otherwise revise the existing work schedule, including individual schedules. A schedule change for an entire department or the plant as a whole will be made only after consultation with the Union, and in no event will any arbitrary changes be made, including changes for the specific purpose of avoiding payment of overtime. Lunch periods may be staggered among the various departments, groups of employees, or individuals. Lunch periods, once established, will be adhered to insofar as practicable. If it is necessary to change an employee's assigned lunch period, the employee and his union steward will be notified and given the reason therefore.

Section 3.

18. Sections 1 and 2 of this Article and any other provisions of this Agreement shall not be construed as either guaranteeing or limiting the days of work per week, or the hours of work per day.

Section 4.

19. Because of the nature of the Company's business, the Company shall have the right to schedule overtime and to require attendance thereat. However, an employee shall have the right to refuse to perform overtime work (a) where the Company can find another qualified employee in the department and on the shift to perform the required overtime work; or (b) where the overtime is so excessive as to endanger the employee's health; or (c) where the employee presents an excuse which is acceptable to the Company (the Company will not act in an arbitrary manner

in denying legitimate excuses); or (d) where the employee is scheduled to work a shift on the seventh day of the work week; or (e) where an employee has been required to work on an overtime basis for two (2) consecutive Saturdays and is scheduled to work a third consecutive Saturday shift; or (f) an employee on a full day vacation on Friday and/or Monday will not be required to work overtime on Saturday during this vacation period. Subsections (d), (e), and (f) of this Section are not applicable to employees assigned to a continuous seven day operating schedule, the Variable Output Schedule or Weekend Shift Schedule.

The Company will endeavor to notify employees of overtime prior to the following times:

For daily overtime:

By the end of the employee's regular work day immediately prior to the day the overtime is required.

For weekend overtime:

By the end of the shift on Thursday.

Monday overtime for WE-1 and WE-2:

By the end of the shift on Saturday.

For daily overtime including WE-1 and WE-2:

By the end of the employee's regular work day immediately prior to the day the overtime is required.

All overtime requested after the above times will be voluntary with the employees except where unforeseen circumstances arise necessitating emergency overtime work in which case the appropriate Union steward will be notified and given the reasons for the emergency overtime work and the employees may then be

required to work in accordance with the procedures set forth above.

Section 5.

20. Except for employees assigned to a shift of the Variable Output Schedule, all hours worked in excess of eight (8) in a work day, will be paid for at one and one-half (1-1/2) times the regular straight time hourly rate.

When an employee works outside his normal work schedule on any day, Monday through Friday inclusive, the employee shall be paid for those hours worked on that particular day at the applicable rate of pay for that overtime assignment; provided that any employee on the shift who does not work all hours scheduled for him on that particular day shall not be paid overtime pursuant to this paragraph unless he is expressly excused by the Company from such scheduled hours for reasons of personal urgency; and provided further, that such overtime pay shall not be paid when an employee so reporting for work cannot work all scheduled hours on that particular day if the conditions which curtailed the work were due to power failure or interruption, fire, flood, storm, strike or other condition which occurred without the fault of the Company.

For employees assigned to shift V-1 and V-2 of the Variable Output Schedule, all hours worked in excess of ten (10) on their scheduled work day will be paid at one and one half (1-1/2) times the regular straight time hourly rate.

In the event that employees on the Variable Output Schedule V-1 and V-2 are assigned to a thirty-two (32) hour work week as described in Paragraph 24, all hours worked in excess of their scheduled eight (8) will be paid at one and one half (1-1/2) times their regular straight time hourly rate.

All hours worked in excess of twelve (12) in a work day will be paid at two (2) times the regular straight time hourly rate.

Section 6.

21. Saturday work will be paid at one and one half (1-1/2) times the regular straight time hourly rate except for regular shifts finishing after midnight on Fridays and those employees on the WE-1 and WE-2 shift of the Variable Output Schedule.

In addition, Friday work will be paid at one and one half (1-1/2) times the regular straight time hourly rate for employees assigned to shifts V-1 and V-2 (Monday -Thursday) of the Variable Output Schedule except for the V-2 shift finishing their regular shift after midnight on Thursdays.

22. Sunday work will be paid at two (2) times the regular straight time hourly rate, except for second and third shift employees finishing a Saturday shift on Sunday and third shift employees starting a Monday shift on Sunday and those employees assigned to the WE-1 and WE-2 shift of the Variable Output Schedule.

23. There shall be no pyramiding of overtime.

24. Employees assigned to a continuous seven (7) day operating schedule will not receive overtime pay for Saturday and Sunday as such. These employees will receive one and one half (1-1/2) times the regular straight time hourly rate for a sixth day worked in the work week and two (2) times the regular straight time hourly rate for a seventh day worked in the work week. For all the purposes of this Agreement, only plant utility operator-repairmen shall be assigned to a continuous seven (7) day operating schedule.

In recognition of the requirements for flexible production capacity, the parties agree that the Company shall have the right to imple-

ment a Variable Output Schedule or Capacity Schedule. A Variable Output Schedule is defined as a combination of shifts and hours designed to accommodate variations in sales demand and better maintain work force stability. A Capacity Schedule is designed to improve capacity utilization but does not include the reduced work week option. Except for this option, the words Variable Output and Capacity are interchangeable throughout this Agreement. This schedule may consist of one, two, three, or four shifts as described below:

— Shift V-1 will normally be a regular work week of four (4) 10 hour days; Monday through Thursday. The daily work schedule, unless otherwise agreed upon by the parties, shall be from 6:00 a.m. to 7:00 a.m. exclusive of a 30 minute unpaid lunch period. There will be two (2) scheduled rest periods in each regular work day; one of ten (10) minutes duration and one of fifteen (15) minutes duration.

— Shift V-2 will normally be a regular work week of four (4) 10 hour days; Monday through Thursday. The daily work schedule, unless otherwise agreed upon by the parties, shall be from 4:30 p.m. to 5:30 p.m. exclusive of a 30 minute unpaid lunch period. There will be two (2) scheduled rest periods in each regular work day; one of ten (10) minutes duration and one of fifteen (15) minutes duration.

— Shift WE-1 will normally be a regular work week of three (3) 12 hour days; Friday through Sunday. The daily work schedule, unless otherwise agreed upon by the parties, shall be from 5:00 a.m. to 7:00 a.m. until 5:30 p.m. to 7:30 p.m. exclusive of a 30 minute unpaid lunch period. There will be two (2) scheduled fifteen (15) minute rest periods in each regular work day.

— Shift WE-2 will normally be a regular work week of three (3) 12 hour days: Friday through Sunday. The daily work schedule, unless otherwise agreed upon by the parties, shall be from 5:00 p.m. to 7:00 p.m. until 5:00 a.m. to 7:00 a.m. which will include a 25 minute paid lunch period. There will be two (2) scheduled fifteen (15) minute rest periods in each regular work day.

Employees assigned to the WE-1 and WE-2 shifts will be paid at two (2) times the regular straight time hourly rate for all hours worked on Thursday.

Notwithstanding any other circumstances or provision existing in this agreement that may reduce or limit the available work hours, it is agreed that for the sole purpose of responding to various production demands, the Company may reduce the scheduled work week to 32 hours (4 eight hour days) or 30 hours (3 ten hour days) if the parties mutually agree for shifts V-1 and V-2. Notification of such schedule change will be given no later than that shift's last scheduled work day of the preceding week.

"Employees on this schedule may be scheduled for a total of six (6) 32 hour work weeks in a 12 month period not offset by 48 hour work weeks in the same 12 month period. When this limit is reached, the Company is required to layoff in accordance with Article VI of this Agreement, unless otherwise agreed upon at the time between the Company and the Union."

Employees assigned to such schedules will be paid their straight time hourly rate for all hours worked except that employees working the WE-1 and WE-2 shift will be paid at a rate equivalent to 40 hours pay for 36 hours worked for all hours worked during their regular 36 hour work schedule.

Section 7.

25. The Company will endeavor to distribute overtime equally among the employees in the same job classification or other appropriate overtime group within a classification on each shift in each department. Those in the job classification or other appropriate overtime group within a classification with the least amount of overtime charged on their records who are capable of doing the work involved, will be asked to work overtime first. However nothing in this article shall restrict the ability of the Company to provide training to employees with seniority and probationary employees on an overtime basis. Training on overtime, in the Training Laboratory, will be done based on need and not necessarily the lowest person on the overtime record. If two or more employees in the same department and overtime group have the same training needs, the senior employee will be asked first. On-the-job training, on the line, will be done during regular work hours by a qualified trainer assigned to the department where the training is needed. Before training an employee, including a probationary employee, on an overtime basis, the Company will first discuss the training need with the Union committeeman before the training is conducted. Notwithstanding, the provisions of Section 4 of this article should additional employees be needed to perform work in this job classification, the Company will first offer work to the employee on the same shift and department with the least amount of overtime charged on their record who are capable of doing the work involved regardless of their job classification. An employee will not receive a further overtime assignment while he is more than 28 hours ahead of the employee with the lowest number of overtime hours to his credit in the same department, shift, and classification, or other appropriate overtime group within a classification, provided there is another employee readily available and fully qualified for the overtime assignment with less overtime hours credited to his record in the same

department, shift and classification or other appropriate overtime group within a classification. This will not apply when all available employees in the same department, shift and classification or other appropriate overtime group within a classification are being asked to work overtime or where the application of this principle would require any employee to perform more than eight (8) consecutive hours of weekend premium pay work or more than two (2) hours of daily overtime work. This 28 hour maximum spread refers to maintenance and tool room department employees and will not be applicable to production employees except in emergency situations. At the termination of this Agreement, all employees will be charged with zero (0) overtime and the previous record will then be null and void.

An employee working weekend overtime will not be assigned to work outside his job classification for more than one-fourth (1/4) of this scheduled overtime work period unless the Company is unable to promptly have such work performed by an employee who holds the classification of the work to be performed.

Probationary employees will not be asked to work overtime until all seniority employees who are capable of performing the work and who are working in the department and on the shift involved have been asked.

The Company will make a good faith effort to maintain as reasonable a balance of overtime among the shifts in a department as production necessities allow and may assign shifts of other than normal starting times and duration such as (but not limited to) five (5) or six (6) hour overtime shifts for first and second shifts.

The Staff Focused Management Team Leader or Production Leader will audit overtime balance between shifts on a monthly basis with the committeeman assigned to that area.

26. When it becomes necessary for an employee to work overtime, he shall not be required to take time out of his regularly scheduled work day for the purpose of avoiding the payment of overtime.

27. An employee who is farmed out will have any overtime available to him while farmed out charged against his record in his home department.

28. An employee entering a classification or other appropriate overtime group within a classification for the first time as a new employee or on a permanent transfer will be given a new overtime record and will be charged with the average number of overtime hours worked in his job classification or other appropriate overtime group within a classification in the department and shift to which he is assigned. If there is no employee already on that shift in the same department and classification or other appropriate overtime group within a classification, he will be charged with the average number of overtime hours worked on the other shift(s) in the same department and classification or other appropriate overtime group within a classification.

An employee transferred from one shift to another within the same department and classification or other appropriate overtime group within a classification will be charged, at the time of transfer, with the same number of overtime hours that had been charged to him on the shift from which he was transferred.

29. An employee will be charged with all overtime requested of him whether or not he worked in accordance with the following schedule.

Where the applicable rate of pay is time and one-half, the employee will be charged with one and one-half (1-1/2) hours overtime for each overtime hour.

Where the applicable rate of pay is double time, the employee will be charged with two (2) hours overtime for each overtime hour.

An absent employee will be charged with the number of overtime hours worked during his absence, including vacation and approved medical leave, if the overtime would have been available to him. The only exceptions to this is an employee on layoff will not be charged with any overtime during such absence. When such employee is returned to work, he will be charged the amount he had before the layoff or an amount equal to the lowest amount charged to an employee in his job classification or other appropriate overtime group within a classification in his department and shift whichever is the higher amount.

The overtime record of a working leader will be kept separate from other employees in his classification. However, if overtime is scheduled for which the Company does not require working leader functions, the working leader will be assigned such overtime in his classification (or other appropriate overtime group within his classification) only if his credited overtime hours are less than other qualified employees in such overtime distribution group or if no other qualified employees in such overtime distribution group with less credited hours are readily available to perform the work.

30. Overtime records will be kept by job classification overtime groups and shift within each department. Such records will be maintained in the Production Leader's electronic overtime record keeping system and will be brought up to date before further overtime assignments are made. Such records will be made avail-

able electronically to the steward or committeeman. A copy of these records will be provided to the President of Swope Lodge 1296 and/or grievance committeeman upon request. In addition, the Production Leader and Steward, if requested by either party, will agree upon a time each month to review these records.

Section 8.

31. There will be two scheduled ten (10) minute rest periods in each regular work day. The Company may vary the scheduling of the rest periods of one or more employees to satisfy production requirements.

32. If more than one (1) hour overtime is to be worked, the overtime period will start twelve (12) minutes after the end of any regular shift. If more than 60 minutes are worked, the employee will receive pay for one-half (1/2) this break time or six (6) minutes at the applicable rate. If two (2) hours or more of overtime are to be worked at the end of the shift, there will be a ten (10) minute Company-paid rest period at a time to be designated by the Production Leader in charge, and the twelve (12) minute period referred to above will not apply.

If an employee works two (2) or more hours of overtime prior to the start of his regular shift there will be a ten (10) minute Company-paid rest period at a time to be designated by the Production Leader in charge.

Section 9.

33. If an employee reports for work at the beginning of his regular scheduled work period and no work is available, he will receive four (4) hours pay at his regular straight time hourly rate plus applicable shift premium, for the first four (4) hours of such scheduled work period, unless he was previously instructed not to report.

34. If an employee reports for work for his scheduled work period and is sent home after working less than four (4) hours, he will receive up to four (4) hours pay at his regular straight time hourly rate plus applicable shift premium, for the time lost during the first half of his scheduled work period.

35. The provisions of this section shall not be applicable if the conditions which curtailed the work were due to power failure or interruption, fire, flood, storm, strike or other similar conditions which occurred without the fault of the Company.

Section 10.

36. An employee who is called back for emergency work after leaving the premises following his regular shift will be paid not less than four (4) hours pay at his applicable rate.

Section 11.

37. An employee who leaves the plant by Company authorization for treatment of a compensable injury sustained on that work day shall be paid at his regular straight time hourly rate plus applicable shift premium for the time lost during his regular work shift for receiving such treatment. If the doctor treating such employee instructs the employee not to return to work during his work shift on the day of the injury, because of the severity of the injury, the employee shall be paid for the balance of that work shift up to a total of eight (8) hours pay at his regular straight time hourly rate plus applicable shift premium. In the event that outside medical attention was not authorized by the Company on the date of a reported compensable injury, and the company determines on the next work day that an employee should be sent to seek initial outside medical treatment and so authorizes such visit in advance, this pay provision will also apply.

Where it is necessary, the Company will provide transportation to the doctor or hospital and return. In taking an employee from work to the doctor or hospital, the use of public taxicab service will be avoided wherever possible.

If an employee is authorized by the Company to receive subsequent outside treatment during his regular working hours because of his inability to continue work due to the original injury, he will be paid for time necessary to obtain such treatment at his regular straight time hourly rate plus applicable shift premium.

An employee who is otherwise eligible to receive pay for time lost from work due to a compensable injury, pursuant to Article V, Section II of the current Labor Agreement, will be paid for time lost on the day that the employee undergoes approved surgery, provided that the employee works the day immediately preceding and the work day immediately following the day of surgery, except, however, when an employee is determined to be unable to work the day immediately following the day of surgery by the surgeon, the employee will also be eligible to receive pay at his regular schedule, exclusive of overtime, provided that the employee has complied with all other provisions of this article.

In addition, if the physician required subsequent calls for follow-up medical attention or authorized therapy and it is not possible for such follow-up visits to be arranged outside the employee's regular working hours such employee will be excused from his or her job without loss of pay for such period as may be necessary for such calls but such period shall not exceed two (2) hours per call. However, if the required subsequent follow-up call must be scheduled at a location that is more than forty (40) miles from the plant, the two (2) hour limitation referred to above can be extended to four (4) hours per call. The employee may be

required to present a slip showing the time required for such treatment.

Section 12.

38. An employee with seniority, who is working at the time, will be granted up to three (3) consecutive regular working days off with pay during the period commencing with the date of death and ending with the third calendar day after the day of the funeral of a member of his immediate family provided he attends the funeral. "Immediate family" is defined as the employee's wife, husband, father, mother, son or daughter, brother or sister, mother-in-law or father-in-law. Where a grandparent or a step-parent has raised an employee as a parent, the provisions above referring to mother or father may apply. Employees assigned to the Variable Output Schedule will be granted up to three (3) consecutive work days off in accordance with the above. Employees will be paid for two (2) full days of pay or 24 hours at their regular straight time rate whichever is greater if two (2) or more work days are missed.

An employee with seniority will be granted up to one (1) regular work day off with pay to attend the funeral of the employee's grandparent, grandchildren, son-in-law, or daughter-in-law, brother-in-law or sister-in-law or his spouse's grandparent. Employees assigned to the Variable Output Schedule will be granted one (1) day off with pay equal to the straight-time hours for which he is scheduled on that day to attend the funeral of the employee's grandparent, grandchildren, son-in-law, or daughter-in-law, brother-in-law or sister-in-law or his spouse's grandparent.

Section 13.

39. An employee working on the second shift and those on V-2 or WE-2 shifts of the Variable Output Schedule will receive shift premium at the rate of twenty-five cents (\$.25) per hour in addition to his regular straight time hourly rate.

40. An employee working on the third shift will receive shift premium at the rate of thirty cents (\$.30) per hour in addition to his regular straight time hourly rate.

41. An employee working on a rotating shift schedule will receive shift premium at a rate of thirty cents (\$.30) per hour in addition to his straight time hourly rate regardless of the shift being worked.

ARTICLE VI SENIORITY

Section 1.

42. Seniority is the designation used to describe the relative status of employees based on the length of service in the plant. For employees hired prior to September 30, 1968, seniority is measured from the date following the day the employee completed the probationary period described and set forth in Section 2 hereof. For employees hired on or after September 30, 1968, seniority shall be measured from the employee's date of hire, but no employee shall be entitled to seniority until he successfully completes the probationary period described and set forth in Section 2 hereof.

Section 2.

43. An employee now or hereafter employed shall be considered a probationary employee until he has actually worked sixty (60) work days for the Company. During the probationary period an employee will not be paid higher than the minimum of a labor grade 5, excluding Maintenance and Tool Room classifications, even if he is classified in a higher labor grade. A probationary employee shall have no rights under Articles VI, VII, XIII, XIV, and XVI of this Agreement.

Section 3.

44. Any employee who has been transferred or is transferred to a position outside the bargaining unit described in Article I, Section 1 hereof, shall be credited with all seniority accumulated while in the bargaining unit and in addition will be credited with seniority thereafter accrued outside the bargaining unit under (1), (2), (3), or (4) below, as determined by the formula applicable to the date of his transfer from the bargaining unit.

(1) If transferred out of the bargaining unit prior to March 2, 1972, he will be credited with seniority accrued thereafter under (1) (a), (1) (b), or (1) (c) below, by whichever formula results in the greater amount:

(a) All seniority accrued outside the bargaining unit prior to March 2, 1972, or,

(b) Fifteen (15) months following the date of transfer from the bargaining unit, or,

(c) A period after transfer from the bargaining unit up to one-half (1/2) his seniority accumulated while in the bargaining unit but not to accrue beyond November 17, 1974.

(2) If transferred out of the bargaining unit between March 2, 1972, and November 17, 1974, he will be credited with seniority accrued thereafter under (2) (a) or (2) (b) below, by whichever formula results in the greater amount:

(a) Up to fifteen (15) months following the date of transfer from the bargaining unit, or twelve months following November 18, 1974, whichever is earlier, or,

(b) A period after transfer from the bargaining unit not to exceed one-half (1/2) his seniority accumulated while in the bargaining unit, but in no event to accrue beyond twelve (12) months following November 18, 1974.

(3) If transferred out of the bargaining unit on or after November 18, 1974, but prior to November 15, 1980, he will be credited with seniority accrued thereafter for twelve (12) months.

(4) If transferred out of the bargaining unit on or after November 15, 1980, he will be credited with seniority accrued thereafter for six (6) months.

Employees transferred from the bargaining unit will retain that amount of seniority accumulated while in the bargaining unit plus that accumulated under the provisions of (1), (2), (3), or (4) of this section, but thereafter will no longer accumulate seniority. If the Company subsequently transfers such an employee to a job falling within such bargaining unit, he shall be credited with that amount of seniority accumulated in accordance with this section and he will be assigned to the job classification he held immediately prior to his transfer from the bargaining unit, provided, he is still qualified to perform such job and that such assignment does not result in the displacement of another employee in the job classification at the time. If the employee cannot be so assigned to his former job classification, he will be assigned at Company discretion to a job classification in the labor grade immediately below the labor grade he held just prior to his promotion from the bargaining unit and at the rate of pay he will receive will be handled in accordance with Paragraph 74, Article VII. When such an employee is reassigned to the bargaining unit, it may be necessary to reduce the force by one person which, if necessary, will be accomplished in accordance with Article VI, Section 6 of this Agreement.

Section 4.

45. An employee shall lose his seniority and his employee status:

- (a)** If he voluntarily terminates employment.
- (b)** If he has been discharged in accordance with Article XVI.
- (c)** By failure or refusal to report for work while on layoff within seven (7) calendar days after the Company issues a notice of recall by certified mail or telegram to the last known address of the employee as shown by Company records. The seven (7) calendar days notice will begin the day the certified letter or telegram is signed or from the date the delivery service attempts to deliver such notice, whichever occurs first. However, no employee shall lose his seniority and employment status if his failure to so report for work is for reasons beyond his control and acceptable to the Company, in which case he shall furnish written proof as to that fact.
- (d)** **(1)** with less than six (6) years of service has twelve (12) consecutive months of unemployment with the Company,
 - (2)** with six (6) or more years of service will lose their seniority if they have a period of consecutive months unemployment with the Company that equals to one-half (1/2) of his seniority.
- (e)** By violations of conditions of a leave of absence.
- (f)** Upon retirement.

Section 5.

46. Layoffs up to and including five (5) consecutive working days are considered temporary. Employees within each department and shift affected by layoff shall be asked by seniority to volunteer

for layoff; provided the remaining employees can capably perform the remaining work and have attained seniority. Any additional layoffs will be made by inverse order of seniority within each department and shift, provided the remaining employees have the ability to perform the available work.

- (a)** Before laying off any employees under this section, the Company will endeavor to place such employees on available work they are qualified to perform in other departments.
- (b)** Employees laid off under this section may take day-at-a-time vacation in lieu of layoff provided notice is given to the Company at the time of layoff.

Section 6.

47. Layoffs in excess of five (5) consecutive working days will be made by inverse order of plant-wide seniority, except as follows:

48. (a) Each maintenance department employees (jobs listed in Schedule 8, labor grade 6 and above), refrigeration specialist, refrigeration technician, tool and die department employee, boiler room department and arc welder is exempted from layoff as long as he is needed on his exempted skill. During the monthly grievance meeting, the Company will advise the Union of each currently exempted employee, the reasons for such exemption, and a reasonable projection of how long the exemption is expected to continue. Employees assigned to the Maintenance "A", Electrician "A" and Tool and Die "A" job classifications will not be laid off provided employees are participating in the Craftsman-in-Training program. Except as noted above, no employee shall be exempted from layoff for more than 60 work days from the date he would have normally been laid off because of his relative seniority provided that during that time, another employee has become qualified and proficient to perform the job. If the

Company replaces an employee exempted in one of the above jobs/skills with a senior qualified employee, the exempted employee will be laid off.

49. (b) Deviations from layoff by inverse order of plant-wide seniority in addition to those listed in (a) above can be made by the Company where a seniority employee's abilities are needed on available work and no senior employee not subject to layoff has the necessary abilities and can be replaced on his job. No more than two such transfers will be made to replace one retained employee.

50. (c) In order to maintain production and quality at the time of a layoff, the Company shall have the right to lay off employees who have not reached job rate under Schedule A & B and who will be affected by the layoff by inverse order of seniority on a departmental basis for a period not to exceed sixty (60) working days from the date of layoff of the first employee or group of employees affected. After the said sixty (60) working day period, the procedures of this section 6 and 6(a) and 6(b) shall apply. For the purposes of this Paragraph and Paragraph 54(c) the Job Rate shall be defined as follows:

Employees Assigned To Labor Grade/s	Job Rate Is Employees'
1-3	34th month of employment
4	31st month of employment
5	30th month of employment
6	10th month of employment
7	13th month of employment
8	19th month of employment
TD&A	19th month of employment

Electronic Specialist
Multi- Craft

19th month of employment
19th month of employment

Section 7.

51. Employees will be recalled to work in order of seniority except as follows:

52. (a) Each maintenance department employee (jobs listed in Schedule B, labor grade 6 and above) refrigeration specialist, refrigeration technician, tool and die department employee, boiler room department and arc welder may be recalled out of line of seniority if he is needed in the skill.

53. (b) Deviations from recall by seniority can be made by the Company where a laid off employee's abilities are needed on available work and no senior employee on layoff has the necessary abilities.

54. (c) In order to maintain production and quality at the time of a recall, the Company shall have the right to recall employees who have not reached job rate under Schedule A & B and who will be affected by the recall by order of seniority on a departmental basis to departments from which they were laid off for a period not to exceed sixty (60) working days from the date of recall of the first employee or group of employees affected. After the said sixty (60) day working period, the procedures of this Section 7 and 7(a) and 7(b) shall apply. Refer to Paragraph 50(c) for definition of Job Rate.

55. When an employee is to be laid off for a period of more than two (2) weeks, the Company will give as much advance notice as possible. However in any case, he will receive three (3) working days' notice of layoff or eight (8) hours pay in lieu thereof. In case of material shortages resulting without the fault of the Company,

the three (3) days' notice shall not apply, nor shall the pay in lieu thereof.

Section 8.

56. Provided that there is no interference with the proper staffing of each shift with qualified employees, an employee with seniority may replace a junior employee on a different shift in the same department and job classification subject to the following:

- (a) That both employees involved are qualified to perform each other's work.
- (b) That both employees involved have had at least 30 days experience in the classification involved and are both permanently assigned to the department and to the job classification involved.

Such request for shift preference must be made in writing. A copy of each written request will be placed in plant mail to the committeeman of the area of the classification involved, within three (3) regular work days following its receipt in the Human Resources office. Shift preference changes by eligible employees will be made effective at the beginning of a work week but no later than the start of the second work week following the week in which the written request is received by the Company. No more than one (1) shift preference transfer shall be granted to any employee in any one (1) four (4) month period except where an employee has exercised his shift preference and is reassigned to a different shift within the four (4) month period.

A member of the Union Grievance Committee working on a night shift will be permitted to replace the least senior employee on the day shift in the same department and classification provided both employees involved are qualified to perform each

other's work and have attained seniority. A Union Grievance Committeeman will not be subject to displacement from the day shift under the provisions of this Section as long as he continues to hold that office.

In determining whether employees are qualified to perform each other's work under this section, Working Leader duties will not be considered as a factor. However, if the Working Leader duties continue to be needed, a reasonable period of time (not to exceed 30 days) will be provided prior to the actual exchange of shifts so that the Company will be able to select and train an employee to replace the Working Leader.

Section 9.

57. *When a day shift worker is transferred to a night shift, the most junior classified employee in the job classification and department involved shall be transferred to the night shift provided he has the ability to perform the work to be required of him on the night shift. A qualified employee transferred instead of a junior unqualified employee will not be held on such shift to allow for training of a junior employee for more than thirty (30) calendar days where the assigned job classification is labor grade five (5) or below nor more than sixty (60) calendar days if the job classification involved is above labor grade 5.*

Section 10.

58. *Without implication as to any other rights possessed by the Company, it is understood that the provisions of Article VI, Section 5 and 6 shall not apply when there is a reduction in force for the taking of inventory. Certain departments or employees may be required to perform their regular functions during such period, and if so, employees will be selected on the basis of seniority within the classification in the department where the work is to be performed provided the employees so selected are qualified to*

perform the work involved. The Company will ask employees by seniority in each department to conduct the physical inventory, provided, however, that any employee to be selected must have the demonstrated ability to perform the work accurately and efficiently. Should there not be enough volunteers, the Company will schedule the least senior employees in the department to work the inventory. For pay purposes, should the least senior employees be required to change shifts and work hours that would normally entitle them to over time pay, in order to conduct the inventory, these employees will be paid at their regular straight time pay rate for the hours required to conduct the inventory. Any Saturday work necessary to complete the inventory will be paid pursuant to the provisions of the Labor Agreement. The initial physical counting and the movement of materials during inventory will be performed by employees in the bargaining unit as defined in Article I, Section 1 of this Agreement.

When overtime is necessary to complete an inventory commenced under this section, employees who have been assigned to the particular inventory work being performed will be assigned the overtime based on their relative seniority. When inventory is to be taken on Saturday or Sunday instead of commencing under this section, employees will be selected for the inventory in accordance with Sections 4, 6 and 7 of Article V.

Section 11.

59. The seniority list will be posted on the main bulletin board and on any bulletin board supplied by the Company for use by the Union. Such list shall be revised, and the revision posted, within two weeks immediately before or after the following dates of each year: December 1, April 1 and August 1. A copy of each revision will be given to each grievance committeeman. The Union will be given weekly reports of employment and terminations.

Section 12.

60. The posted seniority list will determine relative seniority status of employees with the same seniority date. The employees whose names appear first on the list have the greatest relative seniority. As new employees gain seniority on the same date, a determination of their position on the seniority list will be made by the drawing of names at the next regular monthly grievance meeting. The first name drawn will be placed first on the seniority list and so forth.

Section 13.

61. For layoff and recall purposes and during a reduction in force for the taking of inventory, the Grievance Committee of Swope Lodge No. 1296 shall have top seniority so long as there is work available which they can capably perform.

Section 14.

62. A list of employees with seniority who are to be laid off will be given to the Union before the effective date of the layoff. When employees are recalled, the Union will be notified as soon as practicable after such recall.

Section 15.

63. When machinery or other equipment is to be installed or dismantled in the plant, the Company, in making its decisions as to how such work should be performed under the rights reserved under Article II hereof, will give full consideration to any Union suggestion to having such work performed by qualified bargaining unit employees; provided that performance by such employees is economically sound, the Company has the required tools and equipment in the plant, and maintenance personnel have the necessary hours reasonably available.

64. Before subcontracting work performed previously by bargaining unit employees, the Company will consult with the Union and discuss the work to be subcontracted and the reasons therefore. Consideration will be given to Union suggested alternatives before making a final decision.

ARTICLE VII

TRANSFER, FARMING AND UPGRADING

Section I.

65. Each employee shall have the right to file written request(s) for transfer or bid(s) to the same or a different job classification in any department(s). The employee shall retain one copy of each request(s) or bid and submit the remaining copies to the Human Resources Department.

Each such request for transfers will remain active a maximum of 30 calendar days from receipt. A bid shall remain active only for the period of time required to fill the posted job(s). An employee may withdraw his request for transfer or bid prior to the end of their shift on Wednesday of each week without being required to accept the requested or bid opening. An employee granted a request for transfer or bid will be required to transfer to the position and will become permanent in the department on the effective date of the transfer. Information on job posting will include department, job classification, labor grade, shift and overtime group. A permanent job opening for the posting procedure is an increase in number of employees in a department or replacing an employee assigned to a department who has subsequently left the department.

To be eligible for request or bid for transfer offering under this section, an employee must have held his current job classification in department assignment for a period of six (6) months. However, this limitation does not apply if an employee was trans-

ferred to his department by the Company because of a reduction in force or lack of work. An employee who is granted his request for transfer or bid may not submit either for a period of one (1) year from such action. This does not apply to an employee who is granted a request or bid for transfer but is forced out of his new department by Company transfer within the one (1) year period.

While the granting of requests for transfer or bid remains the decision of the Company, the Company recognizes the desirability of providing the employees the opportunity for improvement consistent with production necessities and proper manning of the various shop functions.

When a request for transfer or bid is to be granted, and consideration is being given to similar requests from two (2) or more employees, the senior employee will be given preferred consideration provided he is as qualified as the other employees whose requests or bids are being considered, and that he can be released from his department. In deciding whether such employee can be released from his department, the Company will not act in an arbitrary and unreasonable manner. The fact that an employee is competent in his present job will not be the sole reason that such employee will be denied a request for transfer or bid to a higher graded job.

When requests for transfer and bids are granted, they will be reported to the Union at the next regularly scheduled grievance meeting.

If a request for transfer or bid is granted, a transfer will be made as soon as practicable; but in no case later than one (1) work week for production jobs and sixty (60) calendar days for Maintenance and Tool Room jobs following the date the transfer should have

occurred except by agreement with the Union committeeman and the rate to be received shall be determined as follows:

(a) If the employee transfers to the same or a different job in the same labor grade, he will continue on the same wage progression schedule which was followed on his previous job.

(b) If the employee transfers to a different job in a lower labor grade, he will continue to receive his present rate, or will be given on the date of transfer, the job rate maximum for the new job in the lower labor grade, whichever is lower. However, if the employee held the job classification for the lower rated job within the previous one-year period, he will be positioned within the wage schedule for the lower rated job at the same relative position he previously occupied. It is understood that such requests will be given the same consideration as other requests or bids for transfer under this section.

(c) If the employee transfers to a different job in a higher labor grade, the pay procedure of Paragraph 75 will apply.

(d) Employees hired during the term of this agreement into labor grade (6) or (7) jobs cannot request or bid a downgrade for one (1) year after date of hire. This restriction does not apply to Maintenance, CIT and Tool Room positions.

(e) In the event that work and/or equipment is moved by the Company from one department to another and such movement creates excess employees in the department involved; employees performing the transferred job(s) will be asked if they wish to transfer with the work. The most senior employee desiring to do so will be so transferred.

When there is a job opening the Company will first consider transferring an employee with a permanent disability from a workers compensation injury and the affected employee cannot perform his current job assignment due to the severity of the disability. The employee must have reached Maximum Medical Improvement (MMI) to be eligible for such transfer. This review and/or transfer will take place prior to any home department rights, rate protection and job postings. The Company will review all permanent disability employee transfer(s) under this paragraph with the Union prior to making such transfer(s).

Section 2.

66. The Company shall have the right to make transfers of employees for the following reasons:

- (a)** Reduction in force or lack of work.
- (b)** Upgrading.
- (c)** Requirements for certain skills.
- (d)** Unsatisfactory job performance.
- (e)** Physical or mental disability.
- (f)** Employees with a permanent disability from a Workers Compensation injury and has reached MMI (Maximum Medical Improvement)

67. In making transfers pursuant to Section 2, Sub (a) of this Article, the Company will transfer permanent employees out of their departments by inverse order of seniority within each department so long as the employees remaining in the department can capably perform the remaining work. Those employees assigned to the department by the Company with less than 30

consecutive days in the department will be transferred out prior to permanent employees.

A member of the Grievance Committee or a department steward will not be transferred or farmed from his department and shift provided there is work available which he can capably perform. However, if it is necessary to assign such employee who has been retained in his department and shift out of seniority to a lower graded job because no work is available in his current job classification, he will be classified and paid in such lower graded job at the time of such assignment notwithstanding the rate protection provisions of Paragraph 74. In the event of conflicts requiring a seniority priority among such employees in the same department and shift, the following priority will apply. Highest seniority priority will be given to Grievance Committeemen, and then to Departmental Stewards. This provision shall not give extra seniority to any department steward in the event of layoffs occurring under Article VI.

68. After first giving preferred consideration to employees within a department for open permanent positions, the Company will then give consideration to employee in the same classification in another department or a different classification in the same labor grade who has satisfactorily performed the job in question within the previous thirty (30) day period and has an active request for transfer or bid on file to such job, as well as, an employee who has satisfactorily performed the job in question within the previous one year period but who has been since transferred to a lower rated job. If there is one or more employees in either or both of these categories, preference will be given to the senior of such employees. An employee must be fully qualified to perform the job in question in order to be assigned to a job under these provisions.

In making transfers from lower rated jobs to openings in higher rated jobs, the Company will attempt to return employees to the department where they were assigned immediately prior to their transfer to the lower rated job. Such consideration will be limited to instances where two or more job openings in the same job classification but in different departments are being filled simultaneously.

69. The Company will first give preferred consideration to upgrading/downgrading/lateral reassignment to employees with request for transfer or bid on file to such job from within the department where the opening exists. Provided that employee has one year of seniority or more and has not been granted such upgrade/downgrade/lateral transfer or reassignment within the department in the previous one (1) year period. If two or more employees in the department are qualified for the opening, the most senior of these qualified employees will be reassigned to the job and receive pay in accordance with the provisions in Paragraph 75.

70. For initial job openings created by the Company, should there be no employee placed in the open job pursuant to Section 1, Paragraph 65 (Maximum Medical Improvement (MMI)), the Company will post the job opening in accordance with paragraph 77 of this article and will fill the permanent job opening according to paragraphs 69, 68, or 65.

71. For job openings not filled pursuant to paragraph 68, 69 or Paragraph 70, the Company will first give preference to an employee in the same classification and labor grade in another department who has been declared excess by the Company in accordance with Paragraph 66 of the article. If there are no employees in this category, preference will then be given to

employees in other classifications who have been declared excess by the Company in accordance with Paragraph 66 of this article.

Section 3.

72. In determining the qualifications of employees, for all purposes of this Agreement, the Company's judgement as to differences of qualifications shall be based upon the employees demonstrated skills and abilities in their work, as well as, their training and experience, including evidence of training and experience gained outside the Company, and their reliability. In exercising this judgement, the Company will act fairly and not in an arbitrary and unreasonable manner.

Section 4.

73. *If an employee is transferred by the Company to a different job in the same labor grade, he will continue on the same wage progression schedule which was followed on his previous job.*

74. *If an employee is transferred by the Company to a different job in a lower labor grade (other than as provided in the last paragraph of this Section), such employee will continue to receive the same regular straight time hourly rate for a period of up to six (6) calendar months, but he will be positioned within and will progress according to the wage schedule for the lower rated job if such wage schedule provides wage progression beyond the straight time hourly rate he held at the time of transfer. If, after such six (6) month period, the employee is not returned to his previous job, and the rate he is then receiving is higher than the job rate maximum for the new lower graded job, he will then be given the job rate maximum for the lower graded job.*

If after the six (6) month period, but prior to one (1) year from his transfer to a lower graded job, the employee is returned to his previous higher graded job, he will be placed in the same position

within the higher graded job he held at the time of his transfer from the higher graded job, or will receive the regular straight time hourly rate applicable under the provisions of Paragraph 75 whichever yields the higher regular straight time hourly rate.

An employee who has been transferred from the higher graded job for a period of more than six (6) months but prior to one (1) year may decline to return to such higher graded job, provided there is another employee available who has the necessary skills to perform the higher graded job.

75. If an employee is transferred by the Company to a higher graded job, he will be transferred temporarily to such higher graded job and will be positioned within the wage schedule for such classification. If, within thirty (30) days on the new job, the employee is found to be qualified and there is a permanent opening, he will be permanently transferred and will progress according to Schedule A & B for such classification. If the employee cannot qualify or if there is not a permanent opening, the employee will return to his former job and will be placed in the same relative wage position on that job he held at the time of transfer. In the event the employee does not wish to remain in the higher graded job, he may elect to return to his previous job, if such job still exists, by notifying the Company of this intention not later than thirty (30) days following the date of transfer to the higher graded job. In that event, he will be returned to his previous job no later than thirty (30) days from such notification. Effective on the date he returns to his previous job, he will be placed in the same relative wage position on that job which he held at the time of transfer.

A temporary job opening shall be defined as a job opening which will exist for five (5) or more consecutive regular working days but

not more than sixty (60) consecutive calendar days. Such openings may be filled for one of the following reasons:

- (a)** Absences due to vacations, sickness, approved leaves of absence, etc.
- (b)** A temporary increase in a department, shift and/or job classification because of a short term production requirement.

An employee who is temporarily assigned to a higher graded job for five (5) or more consecutive regular working days will be paid a premium of ten cents (\$.10) per hour effective with the first day of assignment for work performed in the higher graded job provided he is qualified.

If the employee temporarily transferred is found not to be qualified, he will be returned to his regular job or will remain on the higher graded job and at such time as he is found to be qualified, he will be paid the ten (\$.10) cents per hour premium. When the period of temporary transfer ends, the provisions of Paragraph, 74 Article VII, Section 4 will not apply and the ten (\$.10) cents per hour premium will no longer be paid. During the period of the temporary transfer, the employee will continue to be classified in his regular job classification, and will continue to progress according to Schedule A & B for his regular lower labor grade.

If within the sixty (60) day period it is determined by the Company that the opening is permanent or if at the end of sixty (60) days the temporary openings still exists, the opening will be considered permanent and the provisions of this section will apply. This 60 day period does not apply to a temporary job opening for VAMT (vacation, absence, medical leave or training) positions that

are required for replacement of vacation, absences, medical leave and training.

76. If an employee is transferred by the Company to a lower graded job because he is not performing his present job in a satisfactory manner, or because of physical or mental disability, he will continue to receive the same regular straight time hourly rate or will be paid the job rate maximum for the new job, whichever is lower. He will then be positioned within, and will progress according to the wage schedule for the lower rated job. Before any transfer is made under this paragraph, the Company will inform the local Union president of the transfer and the reasons therefor.

Section 5.

77. Before hiring an employee for any job listed in Schedule A & B or before granting an employee's request for transfer or bid to a job classification in labor grade 5 or above or any maintenance department classification regardless of labor grade, which has not been filled through the operation of Paragraphs 65 and/or 68 and/or 69, the Company will post the job classification, department, labor grade, shift and overtime group for two (2) regular working days. Bids or request for transfers will not be accepted if the employee making the bid or request for transfer has been granted a transfer request or bid within the previous one (1) year period or has less than one year of seniority, except, however, an employee with not less than one (1) year seniority may request transfer or bid to a higher graded job if no other employee who is otherwise eligible requests transfer or bids on the open job. The senior bidder among those bidders qualified to perform the work involved will be selected. However, nothing in this paragraph shall be construed as prohibiting the Company to hire employees into posted jobs where it has no qualified employee who has

submitted a bid for the opening. A bid shall remain active only for the period of time required to fill the posted job(s) and shall not be considered a request for transfer as provided in Paragraph 65. The disposition of job postings will be reported to the Union at regular monthly grievance meetings.

Bids for posted Craftsman In Training (CIT) positions will not be subject to any time limit restrictions so provided in this section.

Section 6.

78. The Company will occasionally farm employees to different departments on a temporary basis to utilize the work force efficiently. An employee may be farmed out because of a reduction of work in his home department, because of the production needs of another department or because his specific skills are needed in another department. When farming employees out of their department because of lack of work available, the Company will farm by inverse order of seniority within the department and shift as long as the remaining employees are capable of performing the work remaining in the department. If an employee is farmed to a department for two (2) consecutive months, excluding employees assigned from a VAMT (vacation, absence, leave or training) replacement department a transfer will be made in accordance with Section 2 and 4 of this Article.

A farmed employee will retain his current pay status while farmed out as in the case of transferred employees under Section 2 of this Article, and will remain on the permanent department roster of the department from which he was farmed. Except where production needs reasonably require otherwise, employees shall not be placed in a department where regular employees are farmed out and in no case shall this exist for a period of more than five (5) consecutive work days where the reason for being farmed out was because of a reduction in work in his home department.

Section 7.

79. All promotions or transfers to positions outside the bargaining unit shall be within the sole discretion of the Company. Such employee's seniority status shall be governed by Section 3 of Article VI.

Section 8.

80. It is recognized that the Maintenance and Toolroom Craftsman-in-Training Program, signed by the parties on June 7, 1991 and the Refrigeration Craftsman-in-Training Program, signed by the parties February 5, 1997 shall remain in effect during the term of this agreement.

ARTICLE VIII HOLIDAYS

Section 1.

81. The following days shall be holidays for all the purposes of this Agreement: New Year's Day, Good Friday, Memorial Day, July 4th, Labor Day, Thanksgiving Day, day after Thanksgiving, December 24th, Christmas Day, December 31st, and the employee's birthday.

The Company will designate one (1) day each year to be observed as a holiday in addition to those listed above. Such holiday shall be designated no later than April 15th of each year, and only after consultation with the Union. If the employee's birthday is taken as a holiday within the week that it occurs, Paragraph 82 and 85 of this article shall not apply. Birthday holidays taken at any other time must be approved in advance by the department Team Manager and will be subject to the provisions of Paragraph 85 of this article.

Section 2.

82. An employee who has completed his probationary period and who works at least the major portion of the last regular scheduled

work day prior to and at least the major portion of the next regular scheduled work day subsequent to a holiday, but does not work during his work day on such holiday, shall receive as holiday pay eight (8) hours pay at his straight time hourly rate plus shift premium, where applicable. An employee shall not be disqualified from receiving holiday pay in accordance with the provisions of this Section:

- (a)** If the employee is on vacation.
- (b)** If the employee is on layoff or is excused by the Company for absence on legitimate Union business; provided that the employee has worked at least one (1) day in the week in which the holiday occurs.
- (c)** If the absence of the employee is due to a disabling compensable injury or is due to severe and confining personal illness of the employee supported by the certificate of a licensed practicing physician after personal examination of the employee; provided that the employee has worked one (1) day in the week prior to the holiday or at least one (1) day in the week in which the holiday occurs.
- (d)** If the employee is absent to arrange for and/or attend a funeral of a member of his "immediate family" as such phrase is defined in Section 12 of Article V; provided that the employee has worked one (1) day in the week in which the holiday occurs.
- (e)** If the employee is absent in the performance of jury duty pursuant to a regular court summons thereat.

(f) If the employee is absent for any other reason acceptable to the Company and by reason of which he has been specifically excused in writing by the Company.

Section 3.

83. If an eligible employee works during his work day on a holiday listed in Section 1 of this Article, he will receive eight (8) hours holiday pay plus shift premium, where applicable, in addition to twice his regular straight time hourly rate of pay for all time worked on the holiday work day.

Section 4.

84. Should any of the foregoing holidays occur on Saturday or Sunday, the previous Friday or the following Monday, instead of such Saturday or Sunday, shall be recognized and observed as the holiday in question.

Employees assigned to any shift of the Variable Output Schedule will observe holidays on the same day as prescribed heretofore in this article, and be paid in accordance with Section 2 and Section 3 of this article. When such designated day is not a scheduled work day for the employee, he shall receive as holiday pay eight (8) hours pay at his straight time hourly rate plus shift premium, where applicable.

85. If a holiday falls within an employee's scheduled vacation, holiday pay for such day shall be added to the employee's vacation pay. However, at the time he schedules his vacation, an employee may schedule the day preceding or the day following such scheduled vacation as an additional day off without pay provided such scheduling does not exceed established quotas or displace another employee from a vacation time already awarded.

If a filled quota prevents him from having the day off preceding or following his scheduled vacation, he may schedule such unpaid day off at some other time with advance Company approval.

ARTICLE IX VACATION

Section 1.

86. Each employee who (a) has at least one (1) year of service at the commencement of the current vacation period; (b) has worked at least six (6) months during the preceding vacation period; and (c) has actually been at work at some time during the current vacation period, shall have vacation entitlement in accordance with the following table, beginning in 2003.

Full Years of Service as of January 1:

Vacation Entitlement

1 but less than 2	40 hours off with pay
2 but less than 3	56 hours off with pay
3 but less than 5	80 hours off with pay
5 but less than 7	88 hours off with pay
7 but less than 8	96 hours off with pay
8 but less than 10	104 hours off with pay
10 but less than 13	120 hours off with pay
13 but less than 15	128 hours off with pay
15 but less than 18	144 hours off with pay
18 but less than 22	160 hours off with pay
22 but less than 25	184 hours off with pay
25 or more	200 hours off with pay

When an employee's anniversary date makes his eligible for a higher vacation entitlement, he may schedule such incremental entitlement following such anniversary date and prior to the next vacation period.

87. For all the purposes of this Agreement, the "vacation period" shall mean the period beginning January 1 and ending December 31 of each year. "Service" for the purpose of this Article shall be measured from the employee's most recent date of hire.

Section 2.

88. Each employee who does not qualify for vacation entitlement in accordance with Section 1 hereof, but who has actually been at work at some time during the current vacation period, shall have vacation entitlement (either in the form of pay or time off with pay at his option) in accordance with the following table beginning in 2003.

Full Years of Service as of January 1	% of Str. Time Earnings Jan. 1 - Dec. 15 (Preceding vac. Period)	No. of Hours Off with pay per Mo. worked in preceding vacation period
Less than 2	2.0%	3.34 hours
2 but less than 3	3.0%	5.02 hours
3 but less than 5	4.0%	6.68 hours
5 but less than 7	4.4%	7.34 hours
7 but less than 8	4.8%	8.01 hours
8 but less than 10	5.2%	8.68 hours
10 but less than 13	6.0%	10.02 hours
13 but less than 15	6.4%	10.69 hours
15 but less than 18	7.0%	11.73 hours
18 but less than 22	8.0%	13.40 hours
22 but less than 25	9.0%	15.05 hours
25 or more	10.0%	16.70 hours

Section 3.

89. For all the purposes of this Article, an employee's regular straight time hourly rate will be such rate as in effect during the

week prior to the start of his vacation including shift premium, where applicable.

Section 4.

90. Vacations are not cumulative, and must be taken in the appropriate vacation period. However, an employee with two (2) or more weeks of vacation eligibility may carry over a maximum of 40 hours of vacation in eight (8) hour increments from one (1) year to be taken in the following vacation year provided notice is given to the Company prior to October 1. All employee scheduled vacations may be taken in full week increments or one day at a time or half day at a time (for half-day vacation only-not to exceed 40 total hours during vacation periods), provided that in all instances, such vacation is scheduled within the quotas and scheduled in advance of the day taken. If the company schedules a half day temporary layoff, employees affected may take half day vacation in addition to the 40 total hour maximum mentioned above. There is no limit to the number of half-day vacation days an employee may take for company scheduled temporary layoffs. Half-day vacation cannot be pre-scheduled during annual pre-scheduling period.

Employees on a full day vacation on Friday and/or Monday will not be required to work mandatory overtime on Saturday.

Section 5.

91. Upon termination for any reason, an employee who is entitled to vacation benefits which were earned in the preceding vacation period will receive payment for such benefit. No employee who terminates will be paid vacation benefits for any time worked during the vacation period in which he terminates except in the case of retirement or death. Such entitlement will be pro-rated based on full months worked in the current vacation period.

92. If an employee is entitled to vacation benefits (earned the previous vacation period) at the time of layoff, he will receive (if requested) his vacation check at the time he receives his final payroll check.

93. An employee electing percentage payments under the provisions outlined in Section 2 of this Article will receive his vacation check upon request at any time after January 1. No other payments in lieu of vacation will be made without the approval of the Company.

Section 6.

94. The Company shall have the right to schedule annual vacation shutdown(s) not to exceed a total of seven (7) working days. Any such shutdown(s) shall be scheduled during the week in which the July 4 holiday falls and/or in conjunction with the Christmas and New Year's holidays. Should the Company schedule such a shutdown, a notice thereof will be given to the employees no later than April 15 of the year in which the shutdown is to be scheduled. The procedures used in the scheduling of vacations will be established and issued by the Company no later than February 1 of each calendar year. The Company will maintain a formula for calculating vacation quotas, i.e. (total vacation hours per department/shift divided by 720 hours times 75%). If the vacation quota reflects a number over a whole person, the Company will round the quota to the next higher whole number. The Company will also establish the number of employees that can schedule vacation at one time in each overtime group and/or job classification within each department. Vacation quotas will be waived on Martin Luther Kings birthday provided employees give proper notice by the end of their shift on Friday of the first full week in January. In scheduling vacations, the Company will ask by seniority within the various job classifications in each department and shift and will

schedule vacations by job classification except where the Company determines that manpower needs require additional department and/or shift limitations.

However, in no case will seniority entitle an employee to displace a junior employee from a vacation time already awarded to the junior employee.

ARTICLE X INSURANCE

Section 1.

95. The group insurance program maintained pursuant to the provisions of Article X of the immediately preceding Agreement between the parties, as modified during the bargaining negotiations leading to this Agreement, shall be continued in effect during the life of this Agreement, it being understood that the agreed modifications shall take effect on February 8, 2003. Should the Company substitute an insurance carrier for the self insured plan or non-self insured plan, the benefits shall be equivalent to those provided, as amended by the agreed modifications thereof.

Section 2.

96. The eligibility of employees and their rights to benefits are fixed and/or summarized by the Employee Benefit Plan and/or the Hourly Employee Benefit Book. Covered employees shall look to such plan and to the Summary Plan Description issued to each covered employee regarding payments and appeals to claims and questions regarding claims or the administration of the plan shall not be subject to the provisions of Articles XIII and XIV.

ARTICLE XI WAGES

Section 1.

97. Regular straight time hourly rates of pay shall be determined in accordance with Schedule A & B attached hereto and made a part hereof. For all the purposes of this Agreement, "regular straight time hourly rate" shall mean the rates set forth in Schedule A & B.

First shift employees will receive their weekly pay checks by noon on Thursday of each week provided this is a scheduled work day and not a holiday.

Section 2.

98. The job classifications and the placing of such classifications in the various labor grades as in effect on the date of this Agreement shall remain in effect throughout the term of this Agreement unless changed by the Company as provided in the succeeding Section of this Article. The Union and Company agree that remaining competitive and having continuous improvement are mutual goals of the parties, and agree to use the principles and techniques of Demand Flow Manufacturing, (DFM), to achieve these goals.

Employees assigned to Demand Flow Manufacturing (DFM) departments, where additional job training opportunities exists; are required to become qualified to perform these additional job opportunities, rotate and flex to jobs that involve additional workstations (in addition to their established job classification). For employees hired prior to February 8, 2003, these additional requirements including rotating and flexing in their department seniority employees will receive the Demand flow Manufacturing (DFM) premium of forty-five cents (\$.45) per hour above their current straight time hourly rate. Any changes to a rotating/flexing

pattern will be discussed with the union in order to get their input on such changes. Employees hired after February 8, 2003 will also be required to perform additional requirements including rotating and flexing but will not receive the Demand Flow Manufacturing (DFM) premium until they have progressed to the maximum of a Labor Grade 5 or above.

Section 3.

99. The Company shall have the right to establish a new job classification or to change existing job classifications and to place such classifications within the various labor grades; provided that it does not act in an arbitrary manner or in bad faith. When evaluating a new job, the Company will consider all factors, as well as, relevant information presented by the employee on the job, the supervisor of the area, and the Union.

Section 4.

100. Where a new job classification is established or there is a major change in an existing job classification requiring a new classification or where the Company introduces a new type of machinery which incorporates a new production process or technique not previously utilized in the plant, the Company will notify the Union Committee and the International Union at its Nashville office in writing of such new or changed job classification and the Union shall have the right to challenge placement of such classification within the various labor grades by resort to the grievance procedures for a period of thirty (30) calendar days after such notification.

Section 5.

101. If the Union does not present a grievance within thirty (30) calendar days after such notification (unless such time limit is extended in writing by mutual agreement), the new or changed job classification will become effective.

Section 6.

102. An employee will receive automatic wage increases in accordance with Schedules A & B up to the job rate maximum.

Section 7.

103. The parties hereto have agreed to the wage rates set forth in Schedule A & B which is divided into three parts. Part I lists the rates effective as of February 8, 2003; Part II, those effective; February 8, 2004; and Part III lists those effective February 6, 2005.

Section 8.

104. 1. All employees covered by this Agreement shall be eligible to receive wage protection allowances on February 9, 2004, February 7, 2005. The amount of allowances, if any, shall be determined as provided below on the basis of changes in the "Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics, U.S. Department of Labor (CPI-W; Base 1967-100), hereinafter referred to as CPI.

(a) The first CPI is that for December, 2003, published January, 2004.

(b) The second CPI is that for December 2004, published January, 2005.

(c) Effective February 9, 2004, the hourly rate of the employees will be increased in the amount of one-cent (\$.01) per hour for each full two-tenths of one percent (0.2%) by which the first CPI exceeds 553.6. Any such increase shall be in addition to the general increase of forty cents (\$.40) per hour effective February 9, 2004.

(d) Effective February 7, 2005, the hourly rate of the employees will be increased in an amount equal to the sum of one-cent (\$.01) per hour for each full two-tenths of one percent (0.2%) by which the second CPI exceeds 581.3 minus the increase paid under Paragraph (c) above, if any. Any such increase shall be in addition to the general increase of thirty cents (\$.30) per hour effective February 7, 2005.

2. In no event will the application of this wage protection plan result in a decrease in hourly rates otherwise payable under this Agreement. The amount of any wage protection allowance shall be included in computing overtime premium, holiday payments, call-in pay and vacation payments.

3. No adjustment, retroactive or otherwise, shall be made in pay or benefits as a result of any revision which later may be made in the first or second CPI on the basis of which the wage protection allowance calculation shall have been determined.

4. In the event that the Bureau of Labor Statistics (BLS) issues a new or revised CPI with either a conversion table, converted CPI or a conversion procedure by which the present formula can be made applicable to any changes in said CPI, the Union and the Company agree to accept such conversion method. If no such conversion method is provided by the BLS following the revision of the CPI, the parties will promptly undertake negotiations solely with respect to agreeing upon a substitute formula for determining a comparable cost-of-living adjustment.

ARTICLE XII LEAVES OF ABSENCE

Section 1.

105. An employee must receive advance permission through his Production Leader for time off of up to one (1) week. Any time off in excess of one (1) week must be supported by a written authorized leave of absence.

Section 2.

106. The privilege of a leave of absence may be granted to employees if the application for such leave of absence is approved by the Company prior to the time off requested. Leaves of absence for reasons other than medical, military service or leaves pursuant to Section 9 of this Article are not to exceed sixty (60) days in any one (1) year period but may be extended by the Company for good cause shown.

Section 3.

107. Prior approval is not necessary in the case of leaves of absence for medical reasons. An employee will be required to submit an attending physician's statement supporting the leave of absence and medical evidence of physical ability before returning to work.

Section 4.

108. No employee will be granted leave of absence for gainful employment elsewhere except as provided in Section 9 of this Article.

Section 5.

109. All leaves of absence shall be without pay.

Section 6.

110. Should it be determined by medical authority acceptable to the Company that an employee can no longer perform his work effectively due to physical or mental incapacity and if it is not possible to place such employee on available work which the employee can perform effectively and which needs to be performed, the employee will be placed on a medical leave of absence.

Section 7.

111. An employee who enters the armed services of the United States shall be granted a leave of absence without pay during the period of such service. Upon the termination of his military service, he shall be entitled to re-employment under the conditions and circumstances and to the extent that his re-employment may be required under the applicable laws of the United States.

Leave of absence up to one (1) year will be granted upon request to a military service veteran for the purpose of furthering his education, provided he is eligible for such educational benefits under applicable law and has submitted proof of enrollment in an institution authorized to conduct such training.

Section 8.

112. Employees who are active members of any of the branches of the Military Reserve of the United States or of the National Guard, and who are required by such membership to participate in active training at a recognized military establishment during the annual encampment shall, upon showing the Human Resource Team Leader their military orders, be granted a leave of absence without pay during the period of such active training.

Section 9.

113. A leave of absence for the term of the elected office will be granted upon the written request of an employee who has been elected to public office. Such leave will be subject to renewal of like duration if re-elected.

A leave of absence for the term of office will be granted upon the written request of an employee of the Union if such employee is elected to hold full time office with the International Union. Upon written notice of the employee and of the Union, such leave will be renewed for the term of the office if the employee is re-elected.

A leave of absence for up to four (4) calendar years will be granted upon the written request of the employee and the Union if such employee is appointed to a full time job with the International Union. Such leave will be renewed every two (2) years for the same purpose upon written notice of the employee and the Union.

A leave of absence for up to three (3) calendar years will be granted upon the written request of the employee if such employee is appointed to a full time public office. Such leave will be subject to one renewal of like duration.

An employee elected or appointed to hold office in the International Union or elected to hold public office shall continue to accumulate seniority so long as he remains in such office.

Section 10.

114. During an approved leave of absence, an employee's seniority shall accumulate subject to the provisions of Section 9 above.

An employee who returns to work within the leave of absence shall be reinstated according to his position on the seniority list at his former rate of pay plus increases or minus decreases that may have become effective during his absence, provided he gives at least three (3) days notice of his intention to return. In addition; an employee who goes on an approved medical leave of absence shall be given any pay progression that may have occurred during the first (90) calendar days of the leave of absence. Any such returning employee, who is able and qualified to perform the job, but cannot be placed in his previous classification or classification in an equal labor grade due to seniority will then be placed in a lower labor grade and paid in accordance with Paragraph 74, Article VII.

ARTICLE XIII GRIEVANCE PROCEDURE

Section I.

115. A "grievance" for all the purposes of this Agreement shall be defined as a claim by an employee or by the Union that the Company has violated an express provision of this Agreement. It is the mutual desire of the parties to handle grievances promptly and not to delay disposition or processing. In order to provide an orderly method for handling and disposing of a grievance, a grievance must be instituted by the affected employee or employees or by the Union within ten (10) calendar days after the occurrence of the event(s) being grieved (unless such time limit is extended by mutual agreement), and the following procedure will apply:

116. Step I - The employee will discuss his grievance or complaint with his Production Leader, with or without his steward being present. If the steward was involved in Step I and grievance or complaint was not settled, the steward may process the grievance

or complaint directly to Step III. If the steward was not involved in Step I, Step II will be followed.

117. Step II - If discussion in Step I does not settle the grievance or complaint and the steward was not involved in the discussion in Step I, there shall be a discussion between the Production Leader and steward. If after such discussion, the steward determines he needs advice from the area committeeman, he may call such committeeman by phone to seek such advice. The Production Leader will give his answer by the end of the work day which follows the day the matter was discussed in Step II.

118. Step III - If the Production Leader's answer in Step I or Step II does not settle the grievance or complaint, the committeeman will within two (2) regular work days, request a discussion with the next level of management (i.e. Operation Manager). Such discussion will take place within two (2) regular work days of the request. The grievance may be reduced to writing at this Step prior to such discussion. This Leader will answer the grievance within three (3) regular work days following this discussion. Such answer will be in writing if a written grievance was submitted.

In emergency situations of major importance, the chairman of the Grievance Committee may be called in by the committeeman at Step III. It is agreed that the Union will not abuse this privilege and that the Human Resources Department will be notified in advance.

119. Step IV - If the Step III answer does not settle the grievance, it will be reduced to writing if this was not done at Step III, and presented to the Human Resources Team Leader within five (5) regular work days of this answer. The grievance will be discussed at the next regular monthly grievance meeting. Such meeting will be held on the Wednesday before the second Sunday of each

month at 1:00 p.m. A representative of the International Union may be present at any regular monthly grievance meeting. The Company will answer the grievance in writing within five (5) regular work days from the date of the regular monthly grievance meeting at which it was discussed.

120. In the event a grievance is not filed for processing or is not processed to the next step of the grievance procedure within the specified time, the grievance will be considered settled and shall not be subject to further appeal. Management agrees to answer all grievances in each step within the specified times; however, if management should inadvertently fail to make the required answer within the time limit prescribed in any step, then the grievance will automatically proceed to the next step.

121. Step V - If the grievance is not satisfactorily settled after being processed through the steps listed above, and the Union decides to submit the matter to arbitration, then notice that such submission will be made must be postmarked to the Company by the Union within twenty (20) calendar days after the meeting in Step IV. If no such notice is given, the grievance shall be considered settled and shall not be subject to further action of any kind.

122. It is understood that the time limits in the above procedures may be extended by mutual agreement. It is also understood that additional meetings between the parties may be held as agreed to by the Company and the Union.

Section 2.

123. It is recognized that in unusual circumstances, an employee may be unaware of the event that gave rise to an alleged grievance. If such fact is affirmatively demonstrated, then the ten (10) calendar day limitation for the submission of grievances as prescribed in Section 1 of this Article will be waived as to such

alleged grievance and such time limit will be extended by mutual consent. If the Company should take the position that the fact of unawareness is not affirmatively demonstrated, then such question will be submitted to Step IV of the grievance procedure.

Section 3.

124. A grievance shall have no retroactive application beyond ten (10) calendar days prior to the submission of the grievance. This limitation shall not apply to payroll errors of a clerical nature.

ARTICLE XIV ARBITRATION

Section 1.

125. The notice of submission to arbitration at Step V of the Grievance Procedure of Article XIII hereof must be in writing.

126. The parties will meet to determine an arbitrator for the grievance. If an arbitrator cannot be mutually agreed upon within ten (10) calendar days of the request for arbitration in Step V of Article XIII, a panel of seven (7) arbitrators will be requested from the Federal Mediation and Conciliation Service. If either party rejects such a panel in its entirety, the parties will request an additional panel. No more than two (2) panels need to be furnished by the Federal Mediation and Conciliation Service under this Paragraph. The selection of an arbitrator, absent the mutual agreement of the parties, shall be made from the second such panel in the event the other panel has been rejected in its entirety. Following the selection of a panel, the parties will either select an arbitrator from the panel by mutual agreement or if this is not possible, the parties will alternately cross out the names singly not later than ten (10) regular working days of receipt of such panel. The person whose name remains shall be the arbitrator and notification will be sent to the Federal Mediation and Conciliation Service not later than ten (10) regular working days of the selec-

tion, requesting them to notify the arbitrator to respond to the parties with suggested hearing dates. The Union shall first cross out a name on the first arbitration and thereafter on the odd numbered arbitration. The Company shall first cross out a name on the second arbitration and thereafter on the even numbered arbitration.

127. Not more than one grievance shall be heard by an arbitrator at one time except by mutual agreement in writing between the parties.

Section 2.

128. The arbitrator shall have no authority to modify, amend, revise, add to or subtract from any terms of this Agreement and shall be strictly limited to interpretation or application of the express provisions of this Agreement. If the matter submitted involves back pay, the arbitrator shall have no power to award such pay beyond ten (10) days prior to the date on which the written grievance was submitted at Step IV of Article XIII. However, in the event it has been affirmatively demonstrated that an employee was unaware of the event that gave rise to a grievance in accordance with the provisions of Section 2 of Article XIII, such ten (10) day retroactive limit will be extended to thirty (30) days. In no event shall the arbitrator have the authority to award back pay except as compensation for demonstrated monetary injury.

Section 3.

129. The decision and award of the arbitrator shall be in writing and shall be final and binding upon the parties of this Agreement subject to any remedies at law. The fees and expenses of the arbitrator shall be borne and divided equally between the Company and the Union. Any expenses connected with the calling of any witness shall be borne by the party calling such witness, except that the Company will pay one (1) member of the

Grievance Committee eight (8) hours at his regular straight time hourly rate for time lost from work who attends an arbitration hearing pursuant to this article and who assists in the presentation of the case. Hearings will be held at a location mutually agreeable to the parties. If held away from the plant, any such facility rental expenses will be borne and divided equally between the Company and the Union.

ARTICLE XV UNION REPRESENTATION

Section 1.

130. The Union will supply the Company with a list of stewards and the names of the members of the Union Grievance Committee. There shall be one steward for all the employees supervised by each Production Leader provided this number of employees does not exceed twenty-five (25). In that event, the Union may designate one (1) additional steward from this group of employees.

Section 2.

131. The Union Grievance Committee will consist of the Chairman and not more than three committee members, all of whom shall be designated by the Union. However, the Union may designate one employee on the third shift to cover the whole bargaining unit and one employee for second shift to act for the Union in the capacity of Committeeman at Step III of the grievance procedure. The Union may appoint one additional employee on the second shift to act in the capacity of Committeeman at Step III of the grievance procedure when the active hourly employment for that shift exceeds 400. Such employee(s) will not participate in the regular meetings held between Company representatives and the Grievance Committee.

Section 3.

132. In investigating employees' grievances or complaints and in discussing them with the Company, Union representatives shall take only such time as is reasonably necessary for the particular problems and they shall not absent themselves from their work assignment when production requirements demand their immediate attention thereto.

Section 4.

133. The Company will not pay for any time spent by employees at arbitration hearings or contract negotiations except as provided in Section 3 of Article XIV.

Section 5.

134. When it is necessary for a Union Committeeman to leave his department to represent an employee after the Production Leader's answer in Step II or in Step III of the grievance procedure of Article XIII, he shall obtain a pass from his Production Leader. He shall present this pass to the Production Leader of the department where the grievance exists before contacting any employee. The issuing of such pass will not be arbitrarily withheld.

Section 6.

135. Regular members of the Union Executive Board and Grievance Committeemen who are to be absent on legitimate business of the Union will be excused for such absence, providing notification is given to their Production Leader or the Human Resources Department one day in advance of the absence. However, upon special request to the Company by an International Union Representative where an emergency exists, the one day notice requirement will be waived.

ARTICLE XVI DISCHARGE AND DISCIPLINE

Section 1.

136. The Company may suspend, discipline or discharge an employee for just cause.

137. The Company shall have the right to establish, revise, suspend and enforce reasonable rules and regulations, policies and/or procedures not inconsistent with the provisions of this Agreement and subject to the right of the Union to challenge any new rule, regulation, policy and/or procedure by filing a grievance at Step IV of the grievance procedure. Rules and regulations, policies and/or procedures will be posted providing the normal discipline for violations. However, no set disciplinary action will be invariably levied for similar offenses.

Section 2.

138. With the exception of disciplinary action taken regarding attendance matters, the Union, and the employee who is to be suspended, discharged, or given a written warning, will be notified of such disciplinary action within seven (7) working days from the time the Operation Manager and/or a Production Leader has knowledge of the offense for which that discipline is to be taken, unless special investigation is required and the Union is so notified.

If an employee is aggrieved by his suspension, discipline or discharge, the Union shall have the right to challenge such action under the grievance procedure starting at Step III, provided that the grievance is presented in writing within five (5) working days after the date of the action. Disciplinary action taken by the Company for a violation of Section 1 and Section 2 of Article III of this Agreement shall be subject to the grievance and arbitration procedure only to the extent of a determination of the facts as to whether the employer or employees involved actually violated the

provisions of Section 1 and Section 2 of Article III. If violated, then the discipline imposed shall not be subject to further review of any kind.

Section 3.

139. An employee who has been discharged may request consultation with a member of the Grievance Committee in a place designated by the Human Resources Leader or other authorized Management representative before the employee is required to leave the plant, unless in the Company's judgement circumstances necessitate his immediate removal from the premises in which case the Union will be notified promptly.

Section 4.

140. When an employee receives a written warning, he will initial the copy to be included in his personnel record acknowledging receipt of the warning. Such acknowledgement will not be construed as admission of guilt. Written warnings shall be factual and to the point. After one year, the warning will have no further force and effect.

ARTICLE XVII NON-BARGAINING UNIT EMPLOYEES

Section 1.

141. While employees outside the bargaining unit are not subject to the provisions of this Agreement, it is agreed that the Company may assign them to such work as the efficient operations of the plant may require; provided, that such employee shall not be used to displace an employee in the bargaining unit.

As illustrative, an employee outside the bargaining unit may perform any type of work involving the following situations:

- (1) Unforeseen circumstances which call for immediate action when regular employees are not readily available.
- (2) The instruction or training of employees. Self training will be permitted only if the employee who normally performs that function is present.
- (3) The performance of the necessary work when production difficulties are encountered on a job and when such work is done, a member of the bargaining unit will stand by for his instructional purposes.
- (4) The performance of research work, or work of an experimental nature, or work involving special mechanical training.
- (5) The development of new processes.

ARTICLE XVIII SAFETY AND HEALTH

Section 1.

142. The Company will make reasonable efforts to provide for the safety and health of its employees during the hours of their employment in the plant. Suggestions as to protection against injuries will be welcomed by the Company from its employees or their Union representatives. The Union agrees to cooperate with the Company in promoting and supporting safety, accident prevention, and health education for all employees covered by this Agreement.

Section 2.

143. A Safety Committee shall be established consisting of a minimum of four (4) representatives of management and a minimum of four (4) employee representatives of the Union. Should the union request additional employee representatives in excess of 12, (the maximum 4 on each shift), the company has the

right to deny such request. The company will not act in an arbitrary and unreasonable manner in considering the unions request for additional Safety Committee members. The Union will appoint its representatives to serve terms of one (1) year each. The Safety Committee shall meet on the Wednesday preceding the third Sunday each month for the purpose of discussing conditions of safety and health. Minutes will be kept of each meeting and copies distributed to the members of the Committee as soon as practical. The Safety Committee will conduct a minimum of six (6) plant safety inspections in a 12 month period up to one (1) hour on the day of the monthly safety meeting and will be accompanied by designated members of management. Safety Committee members will be paid for the time involved in such inspection not to exceed one (1) hour at their regular straight time hourly rate.

Section 3.

144. In the event an employee believes that an unsafe condition exists on his job beyond the normal hazards of the job, he will immediately report such condition to his Production Leader. The Production Leader will immediately investigate the condition and if he agrees that the job should not be performed due to the condition, the employee will be assigned to other work until the condition is corrected.

If the Production Leader believes the condition is not unsafe, he will instruct the employee in a safe method of operation of the job. Should the employee still believe the job unsafe beyond the normal job hazards, he may request an immediate investigation by the appropriate Department Manager or the Safety & Health Manager and a Safety Committeeman, and will be assigned other work pending such investigation.

After discussion, the decision as to any necessary corrective action will be made by the Safety & Health Manager or appropriate Department Manager.

Section 4.

145. Personnel trained to provide necessary first aid service will be made available on all regular shifts during the regular work week. If hourly employment on any shift exceeds 400 for three consecutive months, the Company will provide a nurse on such shift.

ARTICLE XIX ACCESS TO PLANT

146. The Company agrees to allow a representative of the International Union to arrange meetings at the plant with the Business Leader and/or Human Resources Leader at mutually convenient times. Should such representative need to enter the production facilities or to contact any employee, necessary arrangements will be made by the Company.

In exercising judgement under this article, the Company will act in good faith and not in an arbitrary and unreasonable manner.

ARTICLE XX NON-DISCRIMINATION

Section 1.

147. There shall be no discrimination against an employee because of membership in or activity on behalf of the Union. Likewise, there shall be no discrimination against an employee who fails or refuses to join the Union, or refrains from taking part in Union activities. Every employee within the Unit for which the Union is the collective bargaining representative shall be free to join or to refrain from joining the Union, and in the exercise of such freedom, as well as in the exercise of his right to work, each

employee shall be free from interference by force, coercion, threats, intimidation, or otherwise by the Company or the Union.

Section 2.

148. The Company or the Union shall not discriminate against employees because of color, race, sex, religious affiliation, nationality, age or status as Vietnam - era veteran or against qualified employees with disabilities as prescribed by applicable state or federal law. Whenever the pronoun "he" is used in this agreement, it is deemed to include the pronoun "she".

ARTICLE XXI CLAUSES RELATING TO PENSION PLAN

Section 1.

149. Duration of Pension Plan

(1) The "Pension Plan for Hourly-Rated Clarksville Employees of The Trane Company" (the "Pension Plan") which was effective January 1, 1970, shall continue in full force and effect until February 10, 2006 and on a year to year basis thereafter unless either the Company or the Union serves upon the other a written notice of desire to negotiate with respect to a modification of the Plan; provided, however, that the Company may make such changes in the Pension Plan as, in the opinion of the Company, are required for compliance with the Employee Retirement Income Security Act of 1974, as amended from time to time, and any rules and regulations promulgated thereunder (collectively called the "Act"), provided that if any such changes diminish benefits under the Pension Plan, the Company shall attempt to minimize such effect. No such notice shall be given earlier than one hundred and twenty (120) days prior to February 10, 2006, or later than the expiration of the aforesaid yearly period thereafter. Any modification or change in the Pension Plan, except such

as may be required to conform with the "Act" or Section 401 (a) of the Internal Revenue Code of 1954, shall be prospective in its application and shall be made effective as of the January 1 next following the date on which agreement with respect to such modification or change is reached by the Company and the Union. At any time during the negotiations resulting from any such notice, either party may serve upon the other a written ninety (90) day notice of desire to terminate, in which event this Pension Plan shall terminate ninety (90) days after such termination notice shall have been served.

(2) Neither the Company nor the Union, except under the conditions specified in Paragraph 1 of this Section, shall demand any change in the Pension Plan, nor shall either be requested to bargain with respect to any change in the Plan nor shall any modification, alteration, or amendment of said Pension Plan be an objective of, or reason for, any strike or lockout, or other exercise of economic force or threat by either the Union or the Company.

Section 2.

150. Funding of Benefits

(1) With respect to each calendar year during which this Pension Plan shall be in effect commencing with calendar year 2003 and ending with calendar year 2005, the Company will pay to the Trustee, an amount which in the opinion of the actuary then acting under the Pension Plan shall be sufficient to fund past service under said Plan on an actuarially sound basis; provided, however, that the amount of contribution to be made with respect to any such year shall be an amount not greater than the net profit for such year determined as if

no contribution were to be made under the Plan with respect to such year.

(2) Notwithstanding the provisions of Paragraph 1 of this section, the Company will accrue and pay into the Trust Fund the amount needed to satisfy the funding standards under the "Act" as determined by the actuary.

Section 3.

151. Agreement Retirement Date

The normal retirement date of each employee will be the first day of the month coincident with or next following the date on which he has attained his 65th birthday. An employee may continue in service with the Company beyond this normal retirement date. An employee who retires after his normal retirement shall receive a retirement pension, payable commencing at his actual retirement date, consisting of an amount determined by using the monthly benefit in effect at the time of actual retirement.

Section 4.

152. Effective Date

The effective date of the amended Pension Plan shall be February 8, 2003, and the Plan shall continue without modification until February 10, 2006. Any modification agreed upon between the parties under Section 1, Paragraph 1, resulting from negotiations commenced as a result of a notice given no later than one-hundred twenty (120) days prior to February 10, 2006.

ARTICLE XXII MISCELLANEOUS

Section 1.

153. An employee with seniority shall be excused from work on a work day on which he is called to perform jury service in a court

of record, or on the grand jury, provided he gives prior notice to the Company.

For the purpose of this section, jury pay will be defined as the per diem rate paid by the court exclusive of expenses (meal and mileage) when clearly indicated.

An employee with seniority who is excused from work for jury service and who furnishes the Company with a statement from the court with regard to jury pay received and time spent on jury service will be reimbursed by the Company as follows:

(1) A first or third shift employee will receive eight (8) hours pay at his regular straight time hourly rate less the amount received as jury pay for each day he is called to serve as a juror. However, a first shift employee who reports for jury duty but is released before 11:00 a.m. will receive an amount equal to his regular wages for such time lost on his regular shift, provided he returns to his job promptly.

(2) A third shift employee who is excused from working his regular shift immediately prior to the day he is instructed to report for jury service will receive eight (8) hours pay at his regular straight time hourly rate less the amount received for jury service provided he responds to the call.

(3) A second shift employee will receive eight (8) hours pay at his regular straight time hourly rate less the amount received as jury pay for each day he is called to serve as juror, provided he is not excused from further service before noon on the day for which he claims reimbursement.

(4) An employee on V-1, V-2, WE-1, or WE-2 shift will receive an amount of pay equal to their scheduled hours less the

amount received as jury pay for each regular scheduled work day he is called to serve as a juror. However, such employee who reports for jury duty but is released before 11:00 a.m. will receive an amount equal to his regular wages for such time lost provided he returns to his job promptly.

(5) An employee on the V-2 or WE-2 shift who is excused from working his regular shift immediately prior to the day he is instructed to report for jury service will receive an amount of pay equal to his scheduled hours less the amount received as jury pay provided he responds to the call.

Pay for jury duty in accordance with (4) or (5) above will not be duplicated nor pyramided.

In no event shall an employee be reimbursed for more than twenty-one (21) days jury service in any period of one (1) year commencing with the first day for which claim for reimbursement is made.

An employee with seniority who is called for jury service, responds to the call and loses time from work, but is not accepted for jury service, will receive an amount equal to his regular wages for such time lost on his regular shift, provided he returns to his job promptly.

Time paid for jury duty under this Section will count as time worked for the purposes of overtime payment in the event an employee performs assigned overtime work following his regular work shift during which he was on jury duty.

Section 2.

154. A working leader will receive fifteen cents (\$.15) per hour plus applicable shift premium over the job rate maximum for the

highest job grade in his working group. If an employee is made working leader during the time they are in wage progression (Schedule A & B) and subsequently loses working leader status, he will be placed in the appropriate wage progression step he would have attained had he not been selected working leader. Selection of working leaders will be on the basis of qualifications, and seniority will also be considered as a factor.

Section 3.

155. The Company shall supply places near its main bulletin boards for the posting of Union notices. One Union bulletin board will be of the enclosed type. Notices shall be signed by the Union, and shall be confined to notices of Union social or recreational functions, of Union meetings, of Union nominations, of Union appointments, of Union elections and the results thereof. Any other Union notice must be approved by the Company's Human Resources Manager before it is posted.

Section 4.

156. The Company agrees that when new employees attain seniority, they shall be given a copy of the Agreement and that every employee with seniority will be furnished one copy of the Agreement.

Section 5.

157. If an employee is injured while working in the plant and such injury arises out of and in the course of his employment and the injury is of such nature as to prevent the employee's return to work for a period of seven (7) or more consecutive calendar days immediately following the day of injury, then the Company will pay such employee an amount equal to the current sickness and accident weekly benefit rate; provided, however, that such payment shall not be made if the Workmen's Compensation carrier of the Company is required to pay the employee Workmen's

Compensation for the seven (7) day period following the day of injury. Employee will receive the appropriate A & S daily pay rate for a maximum of seven (7) days lost time due to a job related Workers Compensation injury if those days are not paid by the Workers Compensation Benefit. Employee must cooperate in returning to work or benefit will be stopped.

Section 6.

158. The Company will continue its present practice of replacing worn tools or tools which are broken through normal use, without cost to the employee. Furthermore, the Company will continue its present practice of providing certain items of personal protective equipment for use by employees.

Section 7.

159. Where applicable, the Company will comply with the established Tennessee State Law on voting time.

**ARTICLE XXIII
APPRENTICES**

Section 1.

160. It is agreed that if both parties to this Agreement should in the future seek to institute an apprenticeship plan, the parties will negotiate an apprenticeship agreement acceptable to both parties which if agreed to by the parties shall be attached hereto and made a part of the Agreement.

After a CIT position is posted, the CIT candidate screening and selection procedure, as defined in Section 6 of the CIT Apprenticeship Agreement, will be completed and candidates notified of the results within sixty (60) days following the closing of self nominations.

ARTICLE XXIV CHECK OFF

Section 1.

161. For each employee who signs a dues deduction authorization in the form shown below, the Company shall deduct his periodic membership dues to the local Union from his paycheck for the first full pay period in each month commencing with the calendar month following the month in which the authorization is received by the Company; and shall also deduct the Local Union initiation fee from his paycheck for the first full pay period of the calendar month following the month in which the authorization is received. The deduction authorization shall be as follows:

"AUTHORIZATION FOR DEDUCTION OF UNION DUES OF MEMBERS OF SWOPE LODGE 1296 OF THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, AFL-CIO."

"By sole virtue of, and in accordance with the terms of an Agreement between the Union and the Company, I hereby authorize the Trane Company, Clarksville, Tennessee, to deduct the local Union initiation fee and the current regular monthly local Union dues or service fee from my paycheck for the first full pay period of the calendar month following the month in which the authorization is received, and to deduct the current regular monthly local Union dues from my paycheck for the first full pay period in each calendar month thereafter."

"This authorization shall be effective and cannot be canceled for a period of one (1) year from the effective date hereof or until the termination date of the current collective bargaining agreement between the Company and the Union, whichever occurs sooner."

"In addition, I hereby voluntarily authorize you to continue the above authorization in effect for successive periods of one (1) year from the effective date hereof; provided that I shall have the right to cancel such authorization at the end of each such annual periods by giving individual written notice of cancellation by registered or certified mail to Swope Lodge 1296 International Association of Machinists and Aerospace Workers (AFL-CIO), with a copy to the Company, at any time within a period of five (5) days prior to the end of the annual period. Further, I shall also have the right to cancel such authorization by giving individual written notice as aforesaid at any time within a period of five (5) days prior to the termination date of the current and any subsequent collective bargaining agreement between the Company and the Union if such a termination date shall occur within one of the aforementioned annual periods. My notice of cancellation shall become effective only if a copy is received by the Company within the applicable five (5) day period."

Contributions or gifts to Local Lodge 1296 or District Lodge 711 International Association of Machinists and Aerospace Workers are not tax deductible as charitable contributions for federal income tax purposes. However, they may be tax deductible under other provisions of the Internal Revenue Code.

Effective Date _____

Name: _____
(Please Print)

Department: _____ Clock No.: _____

Employee Signature: _____

Witness: _____

Section 2.

162. The Company agrees to forward the amount of Union dues deducted each month to the Financial Secretary of the Local Union within a reasonable time after each deduction. A list of those from whom deductions were made and the amounts of such deductions will be furnished the Union at the same time.

(f) Upon receipt of a Union supplied and Management agreed to authorization for assignment and check off of contributions to the Machinist Non-Partisan Political League (MNPL), Federal Election Commission regulatory number C0002469, which is properly executed by an employee of the Company who is a member of the bargaining unit, the Company shall deduct the sum so designated by the employee from his/her paycheck for each pay period beginning with the first pay period in the month following the month in which the authorization is received, provided:

(a) The employee maintains his/her authorization for assignment and check off to MNPL in effect during that month; and

(b) The employee receives a paycheck for earned wages from the Company for the week (s) designated to have MNPL contributions withheld. Such paycheck must be of a sufficient amount minimum amount of 25 cents per week to allow for the full amount of such MNPL deduction after other required deductions have been made.

The Company shall within thirty (30) days after the last deduction of each month transmit monies withheld on behalf of the MNPL to an address designated by the Union as the office of the MNPL, authorized to review contributions withheld on behalf of the

MNPL, as well as a list of the names and addresses of the employees for which deductions have been made and the total amount of the deduction for each such employee.

(2) An employee's participation in the Machinists Non-Partisan Political League shall terminate if:

(a) The employee terminates employment, or

(b) The employee transfers out of the Bargaining Unit, or

(c) The employee revokes in writing his/her authorization for assignment and check off of contributions to MNPL, provided the revocation to the Company is received by the Company at least twenty (20) days prior to the beginning of the month when revocation is requested to be made effective.

(3) The Union agrees that it will hold the Company harmless and indemnify the Company for any and all claims made with respect to the provisions.

(4) The Company's obligation shall remain in effect as long as the Company has an obligation to provide such a procedure under the Federal Election Campaign Act.

163. The Union agrees to indemnify and save the Company harmless against any and all claims, demands, suits, or other forms of liability that may arise, out of, or by reason of, action taken or not taken by the Company in complying with the provisions of this Article, in reliance upon the Dues Deduction Authorizations which have been furnished it.

ARTICLE XXV UNION OR AGENCY SHOP

Section 1.

164. In the event the following provisions shall become lawful under the laws of the State of Tennessee during the term of this Agreement, it shall become a part of this Agreement effective thirty (30) days following the effective date of the legislation making such provision lawful.

Each employee shall, as a condition of employment, be required at the expiration of his probationary period to become and to remain a member of the Union to the extent of paying the initiation fee and his periodic membership dues uniformly required of all Union members or, agree to tender to the Union an amount equivalent to the Local Lodge's monthly administrative or service charge.

ARTICLE XXVI SAVINGS CLAUSE

Section 1.

165. Should any provisions of this Agreement, including amendments, if any, be declared invalid by any competent court or governmental agency because of existing or subsequent legislation, such invalidation shall not affect the remaining provisions of this Agreement which shall remain in full force and effect.

ARTICLE XXVII EFFECTIVE DATE AND TERMINATION DATE

Section 1.

166. This Agreement shall take effect as of Saturday, February 8, 2003 and shall remain in full force and effect until 11:59 p.m. on Friday, February 10, 2006. It shall continue in force from year to year thereafter, unless written notice of termination or of a desire to amend is given not less than sixty (60) days prior to the expira-

tion date of any extended term of this Agreement. If any such notice is given, this Agreement shall terminate on February 10, 2006 or on the termination date of the extended term as the case may be. Notice given under this Section shall also be considered effective notice of desire to negotiate with respect to a modification of the pension plan under Paragraph 149 notwithstanding any restrictive notification provisions within said Paragraph 149.

167. In witness thereof, the Company and the Union, acting by and through their duly authorized representatives, have executed this Agreement at Clarksville, Montgomery County, Tennessee, this 8th day of February, 2003.

THE TRANE COMPANY

- Mel VanHooser
- Adrian Barnhill
 - John Carl
- Bobby E. Moore
- Howard Wiles

INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS, DISTRICT LODGE 711, AFL-CIO

- Chuck Killebrew

SWOPE LODGE 1296 OF INTERNATIONAL ASSOCIATION
OF MACHINISTS AND AEROSPACE WORKERS, AFL-CIO

- Robert Lewis
- Pete Harris
 - Mike Lee
- Orman Gray

PRODUCTION SCHEDULE A - PART I

Effective February 8, 2003, the following are the agreed upon wage rates for Labor Grade 5-7:

Month	LG 5	LG 6	LG 7
Minimum Rate	\$7.70	\$9.75	\$9.87
4		\$10.10	\$10.22
6	\$8.05		
7		\$10.45	\$10.57
10		\$10.80	\$10.92
12	\$8.40		
13		\$14.30	\$14.42
16		\$14.65	\$14.77
18	\$8.75		
19		\$15.00	\$15.12
22		\$15.35	\$15.47
Maximum (24-LG 6/7)	\$9.65	\$15.53	\$15.87
30	\$10.05		
36	\$10.45		
42	\$10.85		
48	\$11.30		
54	\$11.75		
57	\$12.20		
60	\$12.80		
63	\$13.40		
66	\$14.00		
69	\$14.60		
Maximum Rate (72)	\$15.27		

PRODUCTION SCHEDULE A - PART II

Effective February 8, 2004, the following are the agreed upon wage rates for Labor Grade 5-7:

Month	LG 5	LG 6	LG 7
Minimum Rate	\$7.70	\$9.75	\$9.87
4		\$10.10	\$10.22
6	\$8.05		
7		\$10.45	\$10.57
10		\$10.80	\$10.92
12	\$8.40		
13		\$14.70	\$14.82
16		\$15.05	\$15.27
18	\$8.75		
19		\$15.40	\$15.52
22		\$15.75	\$15.87
Maximum (24 -LG. 6/7)	\$10.05	\$15.93	\$16.27
30	\$10.45		
36	\$10.85		
42	\$11.25		
48	\$11.70		
54	\$12.15		
57	\$12.60		
60	\$13.20		
63	\$13.80		
66	\$14.40		
69	\$15.00		
Maximum Rate (72)	\$15.67		

PRODUCTION SCHEDULE A - PART III

Effective February 6, 2005, the following are the agreed upon wage rates for Labor Grade 5-7:

Month	LG 5	LG 6	LG 7
Minimum Rate	\$7.70	\$9.75	\$9.87
4		\$10.10	\$10.22
6	\$8.05		
7		\$10.45	\$10.57
10		\$10.80	\$10.92
12	\$8.40		
13		\$15.00	\$15.12
16		\$15.35	\$15.57
18	\$8.75		
19		\$15.70	\$15.82
22		\$16.05	\$16.17
Maximum (24 - LG. 6/7)	\$10.35	\$16.23	\$16.57
30	\$10.75		
36	\$11.15		
42	\$11.55		
48	\$12.00		
54	\$12.45		
57	\$12.90		
60	\$13.50		
63	\$14.10		
66	\$14.70		
69	\$15.30		
Maximum	\$15.97		
Rate (72)			

MAINTENANCE AND TOOL ROOM SCHEDULE B - PART I

Effective February 8, 2003, the following are the agreed upon wage rates for Maintenance and Toolroom:

Month	Facilities Custodian LG 1	General Maint. I LG 2	General Maint. II LG 4	General Maint. III LG 5	Maint. Specialist LG 6	Maint./TR Craft I LG 7	Maint./TR Craft II LG 8	T & D Specialist T & D 'A'	Electronic Specialist LG 9	Multi-Craft LG 10
Minimum Rate	\$7.31	\$7.70	\$7.70	\$13.02	\$13.38	\$13.97	\$14.49	\$15.39	\$16.46	\$18.18
4	\$7.66	\$8.05	\$8.05	\$13.27	\$13.63	\$14.22	\$14.74	\$15.64	\$16.71	\$18.43
7	\$8.01	\$8.40	\$8.40	\$13.52	\$13.88	\$14.47	\$14.99	\$15.89	\$16.96	\$18.68
10	\$8.36	\$8.75	\$8.75	\$13.77	\$14.13	\$14.72	\$15.24	\$16.14	\$17.21	\$18.93
13	\$11.86	\$12.25	\$12.25	\$14.52	\$14.88	\$15.47	\$15.99	\$16.89	\$17.96	\$19.68
16	\$12.21	\$12.60	\$12.60	\$14.77	\$15.13	\$15.72	\$16.24	\$17.14	\$18.21	\$19.93
19	\$12.56	\$12.95	\$12.95	\$15.02	\$15.38	\$15.97	\$16.49	\$17.39	\$18.46	\$20.18
22	\$12.91	\$13.30	\$13.30	\$15.27	\$15.63	\$16.22	\$16.74	\$17.64	\$18.71	\$20.43
Max. Rate 24				\$15.52	\$15.88	\$16.47	\$16.99	\$17.89	\$18.96	\$20.68
25	\$13.26	\$13.65	\$13.65							
28	\$13.61	\$14.00	\$14.00							
31	\$13.96	\$14.35	\$14.35							
34	\$14.31	\$14.70	\$14.70							
Max. Rate 36	\$14.56	\$14.94	\$15.08							

MAINTENANCE AND TOOL ROOM SCHEDULE B - PART II

Effective February 8, 2004, the following are the agreed upon wage rates for Maintenance and Toolroom:

Month	Facilities Custodian LG 1	General Maint. I LG 3	General Maint. II LG 4	General Maint. III LG 5	Maint. Specialist LG 6	Maint./TR. Craft I LG 7	Maint./TR. Craft II LG 8	T & D Specialist T & D'A'	Electronic Specialist LG 9	Multi-Craft LG 10
Minimum Rate	\$7.31	\$7.70	\$7.70	\$13.02	\$13.38	\$13.97	\$14.49	\$15.39	\$16.46	\$18.18
4	\$7.66	\$8.05	\$8.05	\$13.27	\$13.63	\$14.22	\$14.74	\$15.64	\$16.71	\$18.43
7	\$8.01	\$8.40	\$8.40	\$13.52	\$13.88	\$14.47	\$14.99	\$15.89	\$16.96	\$18.68
10	\$8.36	\$8.75	\$8.75	\$13.77	\$14.13	\$14.72	\$15.24	\$16.14	\$17.21	\$18.93
13	\$12.26	\$12.65	\$12.65	\$14.92	\$15.28	\$15.87	\$16.39	\$17.29	\$18.36	\$20.08
16	\$12.61	\$13.00	\$13.00	\$15.17	\$15.53	\$16.12	\$16.64	\$17.54	\$18.61	\$20.33
19	\$12.96	\$13.35	\$13.35	\$15.42	\$15.78	\$16.37	\$16.89	\$17.79	\$18.86	\$20.58
22	\$13.31	\$13.70	\$13.70	\$15.67	\$16.03	\$16.62	\$17.14	\$18.04	\$19.11	\$20.83
Max. Rate 24				\$15.92	\$16.28	\$16.87	\$17.39	\$18.29	\$19.36	\$21.08
25	\$13.66	\$14.05	\$14.05							
28	\$14.01	\$14.40	\$14.40							
31	\$14.36	\$14.75	\$14.75							
34	\$14.71	\$15.10	\$15.10							
Max. Rate 36	\$14.96	\$15.34	\$15.34							

MAINTENANCE AND TOOL ROOM SCHEDULE B - PART III

Effective February 6, 2005, the following are the agreed upon wage rates for Maintenance and Toolroom:

Month	Facilities Custodian LG 1	General Maint. I LG 3	General Maint. II LG 4	General Maint. III LG 5	Maint. Specialist LG 6	Maint./TR Craft I LG 7	Maint./TR Craft II LG 8	T & D Specialist T & D 'A'	Electronic Specialist LG 9	Multi-Craft LG 10
Minimum Rate	\$7.31	\$7.70	\$7.70	\$13.02	\$13.38	\$13.97	\$14.49	\$15.39	\$16.46	\$18.18
4	\$7.66	\$8.05	\$8.05	\$13.27	\$13.63	\$14.22	\$14.74	\$15.64	\$16.71	\$18.43
7	\$8.01	\$8.40	\$8.40	\$13.51	\$13.88	\$14.47	\$14.99	\$15.89	\$16.96	\$18.68
10	\$8.36	\$8.75	\$8.75	\$13.77	\$14.13	\$14.72	\$15.24	\$16.14	\$17.21	\$18.93
13	\$12.56	\$12.95	\$12.95	\$15.22	\$15.58	\$16.17	\$16.69	\$17.59	\$18.66	\$20.38
16	\$12.91	\$13.30	\$13.30	\$15.47	\$15.83	\$16.42	\$16.94	\$17.84	\$18.91	\$20.63
19	\$13.26	\$13.65	\$13.65	\$15.72	\$16.08	\$16.67	\$17.19	\$18.09	\$19.16	\$20.88
22	\$13.61	\$14.00	\$14.00	\$15.97	\$16.33	\$16.92	\$17.44	\$18.34	\$19.41	\$21.13
Max. Rate 24				\$16.22	\$16.58	\$17.17	\$17.69	\$18.59	\$19.66	\$21.38
25	\$13.96	\$14.35	\$14.35							
28	\$14.31	\$14.70	\$14.70							
31	\$14.66	\$15.05	\$15.05							
34	\$15.01	\$15.40	\$15.40							
Max. Rate 36	\$15.26	\$15.64	\$15.78							

SCHEDULE "A"
Production Job Classifications & Labor Grades

1. DEMAND FLOW SPECIALIST	L/G 5
2. DEMAND FLOW REFRIGERATION CRAFTSMAN-IN-TRAINING	L/G 5
3. DEMAND FLOW TECHNICIAN	L/G 6
4. DEMAND FLOW POWER BRAKE TECHNICIAN	L/G 6
5. DEMAND FLOW REFRIGERATION SPECIALIST	L/G 6
6. DEMAND FLOW REFRIGERATION SPECIALIST CRAFTS- MAN-IN-TRAINING	L/G 6
7. DEMAND FLOW ARC WELDER TECHNICIAN	L/G 7
8. DEMAND FLOW WORK GROUP COORDINATOR	L/G 7
9. DEMAND FLOW REFRIGERATION TECHNICIAN	L/G 7
10. DEMAND FLOW REFRIGERATION TECHNICIAN CRAFTSMAN-IN-TRAINING	L/G 7

SCHEDULE "B"
Maintenance/Tool Room Job Classifications
& Labor Grades

- 1) Facilities Custodian (L/G 1)
 - Demand Flow Custodian

- 2) General Maintenance I (L/G 3)
 - Demand Flow Maintenance "C"
 - Demand Flow Paint Equipment Custodian

- 3) General Maintenance II (L/G 4)
 - Demand Flow Maintenance "B"

- 4) General Maintenance III (L/G 5)
 - Demand Flow Tool Crib Attendant
 - Demand Flow Electrician "B"
 - Demand Flow Mechanic Craftsman-In-Training (CIT)
 - Demand Flow Electrician Craftsman-In-Training (CIT)

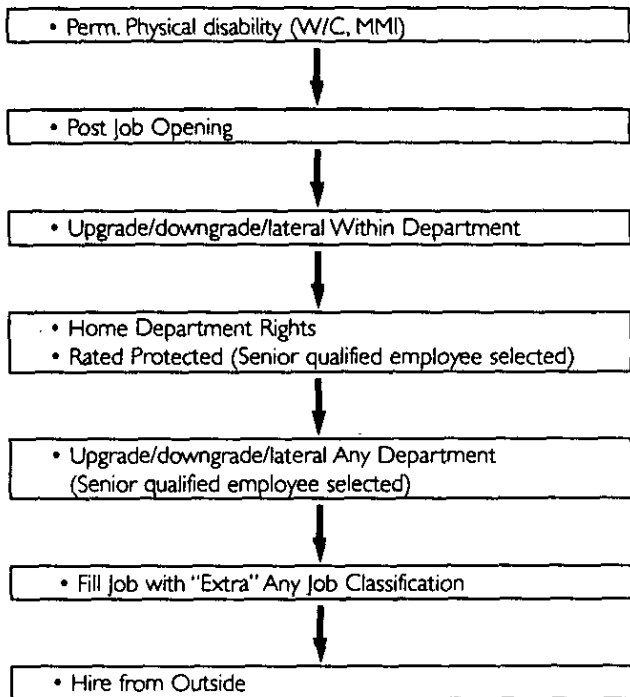
- 5) Maintenance Specialist (L/G 6)
 - Demand Flow Facilities/Environmental Mechanic
 - Demand Flow Maintenance Welder
 - Demand Flow Plant Utility Operator-Repair
 - Demand Flow Mechanic Craftsman-In-Training (CIT)

- Maintenance/Tool Room Craft I (L/G 7)
 - Demand Flow Specialty Welder
 - Demand Flow Maintenance "A"
 - Demand Flow Tool Room Machinist
 - Demand Flow Powered Vehicle Mechanic
 - Demand Flow Electrician Craftsman-In-Training (CIT)
 - Demand Flow T & D Craftsman-In-Training (CIT)

- 7) Maintenance/Tool Room Craft II (LG 8)
- Demand Flow Tool & Die "B"
 - Demand Flow Electrician
 - Demand Flow Tool & Cutter Grinder "A"
 - Demand Flow Heating, Ventilation and Air Conditioning Mechanic
 - Demand Flow T&D Craftsman-In-Training (CIT)
- 8) Tool & Die Specialist (T&D "A") (LG 8A)
- Tool & Die "A"
- 9) Electronic Specialist (LG9)
- 10) Multi-Craft (LG 10)

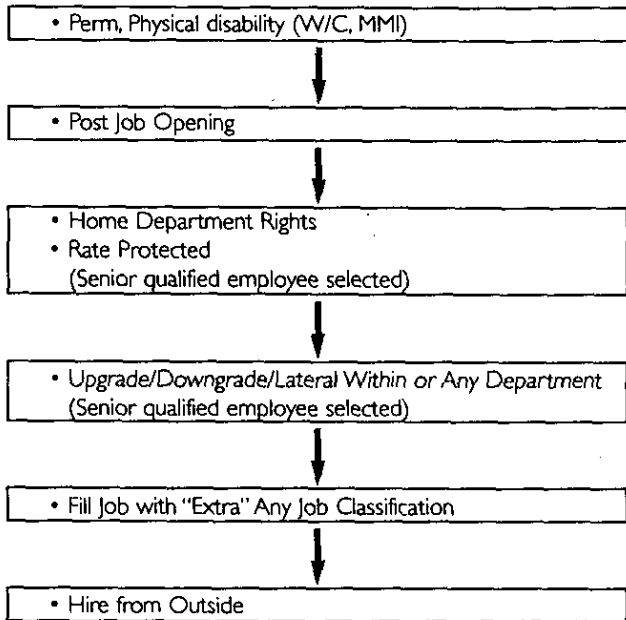
INITIAL J B OPENING J B FILLING PROCEDURE

CHART



SUBSEQUENT JOB OPENING JOB FILLING PROCEDURE

CHART



SUBJECT INDEX

Paragraph

A

Absence, Union Business	135
Apprentices	160
Arbitration	125- 129
Arbitration, Arrangements	126
Arbitration, Notice of Submission to	121
Arbitration, Pay for	129
Arbitrator, Limitations	128
Arbitrator, Selection of	126

B

Bargaining Unit, Leaving or Returning to	44
Bereavement Pay	38
Break Periods, Overtime	32
Break Periods, Regular Shift	31
Bulletin Boards, Union Notices	155

C

Call Back Pay	36
Capacity Schedule	24
Charging, Overtime	29
Check Off	161
Committee, Grievance	131
Committee, Safety	143
Compensation, Not Covered by	157
Workmen's Compensation	

D

Disability, Transfer due to	76
Discharge & Discipline	5, 136
Duration of Agreement	166
Duration of Pension Plan	149

E

Educational Leave-Veteran	111
---------------------------------	-----

Effective Date, Agreement	166
Effective Date, Pension Plan	152
Entirety of Agreement	9, 10, 11
Exceptions & Deviation from Layoff	48, 49

F

Farming	78
Farmed Employee, Overtime	27
First Aid, Personnel Trained to Provide	145
Team Manager, Doing Bargaining	
Unit Work	141
Funding Benefits, Pension Plan	150

G

Grievance Committee	131
Grievance, Defined	115
Grievance Meetings	119
Grievance Procedure	115 - 124
Grievance, Unaware of Event	123

H

Holiday, Defined	81
Holiday, Eligibility for Pay	82
Holiday, Pay if Worked	83
Holiday, Saturday or Sunday	84
Holiday, Vacation	85
Holiday, While on Layoff or Medical Leave	82
Hours of Work	12 - 18
Hours of Work, Deviation	17

I

Incapability, Transfer due to	76
Injuries, Time lost due to	37
Insurance	95, 96
Inventory	58

J

Job Classifications	Schedule A
---------------------------	------------

Job Classifications, Placement of	98
Job Filling Procedure	Appendix B
Jury Duty	153

L

Labor Grade Structure	Schedule A & B
Labor Grade Wage Rates	Schedule A & B
Layoff	46 - 50
Layoff, Excess of 5 days	47 - 50
Layoff, Exemptions & Deviations	48 - 49
Layoff, 5 days or less	46
Layoff, Holidays while on	82
Layoff, Notice	55
Layoff, Union Officers	61
Leave of Absence, Education, Veteran	111
Leave of Absence, Elected Union or	113
Public Office	
Leave of Absence, General	105 - 114
Leave of Absence, Medical	107, 110
Leave of Absence, Personal	106
Leaving Bargaining Unit	44
Lockout & Strikes	6 - 8
Lunch Periods	13, 17

M

Management Rights	5
Medical Leave	107, 110
Meetings, Grievance	119
Meetings, Safety Committee	143
Military Service, Return from	111

N

New Job Classifications	99
Night Shift, Transfer to	57
No Strike Clause	6 - 8
Non Bargaining Unit Employees doing	141

Unit Work	
Non-Discrimination	147, 148
Notice, Layoff	55
Notice, Union Posting	155

O

Other Employment, Leave of Absence	108
Overtime	19 - 30
Overtime, Audit	25
Overtime, Charging	29
Overtime, Continuous Shifts	24
Overtime, Distribution	25
Overtime, Farmed Employee	27
Overtime, New Employee in Department	28
Overtime, Notification	19
Overtime, Premium	20 - 22
Overtime, Probationary Employee	25
Overtime, Records	30
Overtime, Rest Period	32
Overtime, Shift Transfer	28
Overtime, Working Leader	29

P

Pass Procedure, Union Business	134
Pay in lieu of Vacation	88, 93
Pension Plan	149 - 152
Pension Plan, Duration of	149
Pension Plan, Effective	152
Pension Plan, Funding of Benefits	150
Pension Plan, Retirement Date Under	151
Personal Leave of Absence	106
Plant Visits, Union Representatives	146
Posted Union Notices	155
Posted Vacancies	77
Premium, Overtime	20 - 22

Premium, Shift	39 - 41
Probationary Period	43
Public Office, Leave of Absence	113

Q

Qualifications, Determination of when	72
Upgrading	
Qualifications, Working Leaders	154

R

Recall, Procedure	51 - 54
Recognition Clause	1 - 3
Reporting Pay	33 - 35
Representatives, Union	130 - 135
Representatives, Second & Third Shift	131
Requests for Transfer	65
Rest Period, Overtime	32
Rest Period, Regular Shift	31
Retirement Date, Pension Plan	151
Return from Leave of Absence	114
Return to Bargaining Unit	44
Rules & Regulations	136

S

Safety Committee	143
Safety Cooperation	142
Safety & Health	142 - 145
Safety Inspections	143
Safety Problems	145
Safety, First Aid, Personnel Trained	145
to Provide Saturday Pay	21
Scheduling, Overtime	19
Scheduling Procedure, Vacations	94
Seniority	42 - 64
Seniority, Common Date	60
Seniority, Defined	42

Seniority, Employee Transferred from Unit	44
Seniority List	59
Seniority, Loss of	45
Seniority, Top	61
Shift Hours	16 - 17
Shift Preference	56
Shift Premium	39 - 41
Shift Transfer	56
Sick Leave	107, 110
Stewards, List of	130
Stewards, Transfer Exception	67
Strikes and Lockouts	6 - 8
Successor	4

T

Temporary Job Opening	75
Temporary Transfer	75
Transfer	65 - 80
Transfer, By Company	66 - 74
Transfer Exception, Union Representatives	67
Transfer, Physical or Mental Disability	76
Transfer, Request for	65
Transfer, Seniority Principle In	67
Transfer, Temporary to Permanent Job Opening	75
Transfer, Temporary to Temporary Job Opening	75
Transfer to Night Shift	57
Transfer, Rate Protected	74
Transfer, Wage Rate Handling	73 - 75

U

Union Business, Absence for	135
Union Business, Pass Procedure	134
Union, Discrimination Against	147

Union Notices, Posted	155
Union Representation	130 - 135
Union Representatives, Transfer Exception	67
Union Shop	164
Upgrading	69

V

Vacancies, Posted	77
Vacation	86 - 94
Vacation, Carryover	90
Vacation, Day-at-a-Time in lieu of	90
Temporary Layoff	
Vacation Entitlement	86 - 88
Vacation Pay, Defined	89
Vacation, Pay in Lieu of	88, 93
Vacation Period	87
Vacation, Scheduling Procedure	94
Vacation, Shutdown	94
Variable Output Schedule	24

W

Wages	97 - 104
Wages, Rate Schedule	Schedule A
Wages, Straight Time Hourly Rate, Defined	97
Work Day, Defined	15
Work Schedule	16, 17
Work Week, Defined	14
Working Leader, Premium Pay	154
Working Leader, Selection of	154

2003

JANUARY							FEBRUARY							MARCH							APRIL						
S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S
			1	2	3	4							1							1			1	2	3	4	5
5	6	7	8	9	10	11	2	3	4	5	6	7	8	2	3	4	5	6	7	8	6	7	8	9	10	11	12
12	13	14	15	16	17	18	9	10	11	12	13	14	15	9	10	11	12	13	14	15	13	14	15	16	17	18	19
19	20	21	22	23	24	25	16	17	18	19	20	21	22	16	17	18	19	20	21	22	20	21	22	23	24	25	26
26	27	28	29	30	31		23	24	25	26	27	28		23 _o	24 _o	25	26	27	28	29	27	28	29	30			
MAY							JUNE							JULY							AUGUST						
S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S
				1	2	3	1	2	3	4	5	6	7			1	2	3	4	5						1	2
4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9
11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16
18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23
25	26	27	28	29	30	31	29	30						27	28	29	30	31			24 _o	25	26	27	28	29	30
SEPTEMBER							OCTOBER							NOVEMBER							DECEMBER						
S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S
	1	2	3	4	5	6				1	2	3	4							1		1	2	3	4	5	6
7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8	7	8	9	10	11	12	13
14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15	14	15	16	17	18	19	20
21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22	21	22	23	24	25	26	27
28	29	30					26	27	28	29	30	31		23 _o	24	25	26	27	28	29	28	29	30	31			