

DEMATIC CORP

2009 – 2010 – 2011 – 2012 – 2013 – 2014 – 2015 - 2016

SIGNED AGREEMENT

BETWEEN

DEMATIC CORP

And

**UAW LOCAL 1485 INTERNATIONAL UNION
UNITED AUTOMOBILE, AEROSPACE &
AGRICULTURAL IMPLEMENT WORKERS OF AMERICA**

Effective Date November 28, 2009

Reporting Absences

You must report your absence from work to the Company as soon as possible and no later than prior to the start of the assigned shift.

To report such absences call: **(616) 913-6559**

When reporting your absence, you are required to “identify the reason causing your absence.”

If you are absent as a result of an FMLA leave you must state that is your reason.

If you desire to use a sick day you must state you are requesting to use a sick day.

Inclement Weather

During inclement weather the plants may be closed. You can call (616) 913-6333 to determine if the plants have been closed because of weather.

Employee Assistance – (616) 459-9180

Group, family, marital and individual sessions are available. You are assured complete confidentiality every step of the way. No information is released without your consent.

TABLE OF CONTENTS

AGREEMENT	1
RECOGNITION	1
MANAGEMENT RIGHTS	1
WAIVER	1
UNION SECURITY	2
CHECK OFF	2
UNION REPRESENTATION	3
GRIEVANCE PROCEDURE	5
PRODUCTION STANDARDS	9
PRODUCTION STANDARD GRIEVANCE PROCEDURE	9
WAGES	10
COST-OF-LIVING	11
HOURS OF WORK	12
CALL-IN PAY	14
OVERTIME PAY	15
JOB CLASSIFICATIONS	16
SENIORITY	17
LAYOFF AND RECALL	18
LEAVES OF ABSENCE	21
BEREAVEMENT PAY	23
JURY DUTY	24
HOLIDAYS	24
VACATIONS	25

PLANT SHUTDOWN	28
HEALTH AND SAFETY	28
CONTRACTING.....	30
401(k) PLAN	34
BARGAINING UNIT PENSION PLAN.....	34
DURATION AND RENEWAL OF AGREEMENT	39
EXHIBIT A Labor Grade & Pay Grade Schedule.....	42
EXHIBIT B (Wage Rates).....	44
EXHIBIT C (BUYOUTS/BUYDOWNS).....	45
LETTER OF UNDERSTANDING NO. 1.....	Error! Bookmark not defined.
LETTER OF UNDERSTANDING NO. 3.....	51
LETTER OF UNDERSTANDING NO. 4.....	51
LETTER OF UNDERSTANDING NO. 5.....	52
LETTER OF UNDERSTANDING NO. 6.....	52
LETTER OF UNDERSTANDING NO. 7.....	52
LETTER OF UNDERSTANDING NO. 9.....	53
LETTER OF UNDERSTANDING NO. 10.....	53
LETTER OF UNDERSTANDING NO. 13.....	53
LETTER OF UNDERSTANDING NO. 14.....	54
LETTER OF UNDERSTANDING NO. 20.....	55
LETTER OF UNDERSTANDING NO. 23.....	55
LETTER OF UNDERSTANDING NO. 24.....	55
LETTER OF UNDERSTANDING NO. 25.....	56
LETTER OF UNDERSTANDING NO. 26.....	56

SHOP RULES..... 57
PERFORMANCE REVIEW..... 57
PROCEDURE..... 57
SAFETY..... 61
ABSENTEEISM/DISCIPLINARY PROCEDURES..... 63
DRUG SCREEN POLICY..... 64

-

AGREEMENT

This agreement was made and entered into this **28th day of November 2009**, between Dematic Corp, Grand Rapids, Michigan, hereinafter referred to as the “Company” and International Union, United Automobile, Aerospace and Agricultural Workers of America (U.A.W.) and its Local 1485, hereinafter referred to as the “Union” who hereby agree to a collective bargaining agreement as follows:

RECOGNITION

1. The Company recognizes the Union as the sole and exclusive bargaining agent for all regular, hourly rated production, maintenance, experimental and development employees, except plant protection personnel for the purpose of collective bargaining in respect to rates of pay, wages, hours, and other conditions of employment at its Grand Rapids manufacturing plant.
2. For the purpose of this Agreement, the term “employee” shall not include any personnel of the plant protection department, or those classified as watchmen, or supervisory, or other personnel with authority to hire, discharge, promote, or discipline employees, or office and clerical employees, or Schoolhouse personnel.

MANAGEMENT RIGHTS

3. The Company has the sole right to manage its business and plant(s) and to direct the working force. The Company, in the exercise of its rights, shall observe the provisions of this Agreement. All the functions and responsibilities which Management had prior to the signing of this Contract shall be the sole and exclusive responsibility of the Company except as specifically limited, restricted, or modified by the written provisions of this Contract. The right to manage the business and plant(s) and to direct the working force shall include, but not be limited to, the right to select, hire, layoff, assign, transfer and promote employees; to adopt such reasonable rules and regulations as the Company may, from time to time, consider necessary and proper, to discipline, suspend and discharge employees for cause; to establish and enforce production standards and requirements, and to maintain efficiency and discipline of employees, and to control and determine the products to be manufactured, the location and relocation and number of plants, manufacturing and other business activities and operations, the right to terminate, merge, consolidate, sell or otherwise transfer its business, plant, departments, sections, units, equipment or any part thereof, and schedules and the methods, means and procedures of manufacture.

WAIVER

4. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the parties after the exercise of that right and opportunity are set forth in this

Agreement. Therefore, the Company and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right and each agrees, that the other shall not be obliged to bargain collectively with respect to any subject or matter referred to, or covered in this Agreement, or with respect to any subject or matter not specifically referred to or covered in this Agreement even though such subject or matter may not have been within the knowledge or contemplation of either or both parties at that time that they negotiated or signed this Agreement.

5. It is understood and agreed that this Article will not supersede or nullify any other clause of this Agreement.

UNION SECURITY

6. The Company and the Union agree that all hourly employees of the Company shall become members of the Union after they have been in the employment of the Company for a period of ninety (90) days, it being understood and agreed that the Company may employ whosoever it desires. All new employees hired after the signing of this Agreement shall become members of the Union on or before the ninety-first (91st) calendar day after hiring, and shall remain members of the Union during the life of this Agreement, as a condition of employment to the extent of paying the initiation fee and dues uniformly required of all members.
7. In the event an employee ceases to be a member of the Union because of non-payment of initiation fees or dues uniformly required of all members, the Union shall notify the Company in writing and the Company will discharge said employee within five (5) days after receipt of said notice. If, in accordance with this paragraph, an employee is discharged by the Company upon written request of the Union and it is subsequently determined that such discharge was improper, the Union will indemnify the Company for any amount it is required to pay the employee for any work time lost because of the discharge.

CHECK OFF

8. During the life of this Agreement, the Company agrees to deduct Union membership dues levied by the International Union or the Local Union, in accordance with the constitution and bylaws of the Union, from the pay of each employee who signs, or has signed, the agreed upon "Authorization for Check-Off of Dues" form, provided such form has been presented to the Company at least one (1) week prior to the pay day upon which the first deduction is to be made.
 - a. During the life of this agreement, the Company agrees to deduct voluntary cap donations from the pay of each employee or provide a mechanism for any retiree who signs, or has signed, the agreed upon "authorization for voluntary cap donations" form, provided such form has been presented to the Company at least one week prior to the pay day upon which the first deduction is to be made.

9. Deductions shall be made regularly on the first payday of each month and the Company shall, within ten (10) days, deliver the sum, so deducted, to the Financial Secretary of the Union, with a list showing the employees for whom deductions have been taken and the amount deducted from the employee's pay. The Company shall not be liable to the Union, by reason of the requirements of this section of the Agreement, for the remittance or payment of any sums other than those constituting actual deductions made from employee wages earned.
10. The Union agrees to indemnify and hold the Company harmless against any and all claims, suits, or other forms of liability arising out of its deduction from an employee's pay of amounts to cover obligations to the Union, and the Union shall intervene and defend the Company in any forum against such claims. The Union assumes full responsibility for the disposition of the deductions so made, once they have been sent to the Union.

UNION REPRESENTATION

11. Employees covered by this Agreement shall be represented as follows:
 - a. By stewards who represent an area [Department(s) by shift] mutually agreed to by the Company and the Union.
 - b. By two (2) Committee persons who represent an area [Department(s) by shift] mutually agreed to by the Company and the Union. Either party to this agreement may wish to change the size of the Committee and may do so with the approval of the other party. Should the number of active bargaining unit employees exceed 200, the Union may request an increase in the number of Committee persons to represent an area [Department(s) by shift] mutually agreed to by the Company and the Union. The Union's request shall not be unreasonably denied. The Bargaining Committee shall be composed of the President, Vice President and the two (2) Committee persons. The Bargaining Committee shall represent the employees in all negotiating meetings with the Company and, in addition, shall represent the employees in the grievance procedure as provided in this Agreement.
 - c. In the event the membership elects several delegates and/or election officials who work on jobs in the same department or plant, the Company and the Union will meet to discuss practical and reasonable solutions to provide for uninterrupted production scheduling, exhausting all means to accommodate.
 - d. The Bargaining Committee will promptly submit to the Human Resources department the names of all areas or regions of representation, and of any changes made in the personnel of these groups after these persons have been elected or appointed.
12. Any grievance that is arbitrable under the provisions of the grievance procedure, involving the employees covered by this Agreement as a whole, may be instituted by the Bargaining Committee or the Company at the third step of the grievance procedure.

13. Employees temporarily assigned to a different department will be represented by the appropriate Union steward and committeeman of the area or region to which the employee is temporarily assigned.
14. Stewards and committeemen, during their term of office, shall have top seniority within the departments or areas they represent providing they are presently able to perform the available work. This provision is intended to provide protection in both layoff and bumping situations, including shift preference moves. Such top seniority shall remain in effect only during their term of office. At the expiration of their term or if their entire area of representation is eliminated, they shall receive their regular position on the Company-wide seniority list. If a shift or a department is reinstated, the steward and/or committeeman shall be the first to return to his department or area of representation providing his term has not expired and he has the ability to do the available work. Committeemen will remain on the Bargaining Committee until their term of office expires.
15. The Bargaining Committee, during their term of office, shall have top seniority Company-wide providing they are presently able to perform the available work.
16. The Company and the Union recognize that there are necessary matters of business, such as grievances, that are authorized to be transacted during regular working hours by this contract. Subject to the provisions of this Agreement, an elected Union official shall not be penalized for engaging in such authorized activity. However, Union officials will only be paid by the Company for time spent engaging in such activity when released for joint Company Union meetings. This privilege is with the understanding that the time will be devoted to the prompt handling of legitimate representation matters. This privilege is to be used with discretion and shall not be abused. There will be a minimum of interference with production, and the Union officials will continue to work at their jobs at all times except when permitted to leave as outlined in paragraph 17.
17. All other matters of Union business will be carried on outside of regular working hours. Union officials will only be paid for scheduled working time lost for time spent in joint Company Union meetings (including joint grievance meetings, joint arbitration hearings, joint negotiation meetings and joint bumping/recall meetings) when released by the Company, and a maximum of thirty (30) minutes per week (per Committee person/Steward) of joint Company Union email, when released by the Company and provided that the Vice President of Supply Chain, or designee, is carbon copied on the email. The Company shall not pay for the performance of Union functions that do not jointly include management, such as grievance investigation, negotiations preparation and arbitration preparation.
18. An elected Union Official (President, Vice President, Financial Secretary, Committeeman, Steward, Recording Secretary) will not leave his work until he has informed his Supervisor as to the reason to absent himself from work and a proper replacement (if necessary) has been obtained.

The Company shall not exceed thirty (30) minutes to obtain such replacement. In no event will the employee leave his/her job without the permission of his/her Supervisor. Failure by the Company to obtain a replacement within thirty (30) minutes will result in use of the grievance procedure. Upon approval, he/she will punch (on a card provided by the Company) the time that he/she leaves his/her work area. He/she will notify the Supervisor of the department he/she is going into and his/her purpose for being there. When he/she returns to his/her own department, the time will again be punched. If the Supervisor is out of the plant or not readily available, the Superintendent will arrange for a replacement.

- a. The local Union insurance representative will be entitled to leave work in accordance with Paragraph 17 to answer questions or complaints regarding insurance. The time spent on such business shall not exceed four (4) hours per week and shall be unpaid.
 - b. All standing committees, after sufficient notice to the Company, will be allowed to meet once a month at the cost of the Union. Abuses of this privilege and/or unresolved requests that might result in a loss of production shall be resolved by the Company and the International Union.
19. The Company, represented by a Manager from Human Resources and such representatives as he may designate for the purpose, will meet with the Bargaining Committee of the Union on the second Wednesday of each month to discuss matters of mutual interest. Additional meetings may be scheduled upon the request of either party. Minutes of all Agenda Meetings will be kept and acknowledged by both parties no later than the next Agenda Meeting.
 20. In the event an employee is discharged or suspended subject to discharge, the affected employee will be represented by a steward and committeemen if the employee so desires. When an employee refuses representation, he shall sign a waiver to that effect.¹
 21. The Company will notify the either the steward or committee person before any disciplinary action is taken against an employee.

GRIEVANCE PROCEDURE

22. Should any difference arise between the Company and the Union or between the Company and the employees, there shall be no strike, stoppage, slowdown, or suspension of work on the part of the Union or its members; nor shall there be a lock-out on the part of the Company, (a) with respect to any matter which can be submitted to arbitration under the provisions of this Agreement, or on which the arbitrator shall have ruled or (b) with respect to any matter listed in Paragraph 32, until all the grievance procedure short of arbitration provided for in this Agreement has been completely exhausted.

¹ See Letter of Understanding No. 3.

23. Time Limits

It is mutually agreed that the prompt and orderly adjustment of grievances is in the interest of both the employee and the Company and that the time limits set forth herein are strictly enforced. Accordingly, complaints and grievances shall be settled through the following grievance procedure, except that should the management representative fail at any step in the grievance procedure to reply to a grievance within the prescribed time limit, and time limits for answer were not mutually extended, the Union may immediately progress the grievance to the next step in the grievance procedure.

24. Time Computation

Saturdays, Sundays and holidays recognized under this Agreement shall not be counted as working days under the time procedures established in the grievance procedure. All other days shall be considered to be working days, even if a particular employee does not actually work on that day.

25. FIRST STEP --- Any employee having a complaint or one designated employee of a group having a complaint, will first present the issue orally to the Supervisor who shall have reasonable time [in no event more than one (1) working day] to make an oral answer to dispose of the issue. If the issue is not satisfactorily adjusted, the employee may request his steward. The Supervisor will send for the steward without undue delay and without further discussion of the grievance. If the issue is not satisfactorily settled in this oral discussion, the issue shall become a grievance. The employee and steward will reduce the matter to writing on a form provided by the Company. The grievance will be signed by both the employee and the steward. The written grievance must state the date of the oral discussions, the issue involved, the provisions of the Agreement, if any, that are alleged to have been violated, the manner in which the provision is purported to have been violated, and the specific relief desired. Within two (2) working days from the date of the oral discussion and answer, the written grievance must be presented to and signed by the Supervisor. The Supervisor will note on the grievance form the results of the oral discussion and forward the grievance to the appropriate Superintendent.

26. SECOND STEP --- Within three (3) days of receipt by the Supervisor of the written grievance, the appropriate Plant Manager or his representative shall attempt to resolve the grievance in the presence of the steward and the proper grievance committeeman. If the grievance is not satisfactorily resolved in this oral discussion, the Plant Manager will give a written answer or reply to the grievance within three (3) working days after the second step oral discussion. If the grievance was satisfactorily resolved, the Plant Manager will give a written answer which will be signed by the steward and the committeeman to designate the grievance was satisfactorily resolved.

27. THIRD STEP --- If the grievance was not satisfactorily resolved in the second step, the Bargaining committee may appeal the decision in that step by notifying the Human Resources Department in writing that the disposition of the grievance in the second step was not satisfactory. The written grievance, along with the Company's and the Union's

evidence and arguments will be presented at the next regularly scheduled Agenda Meeting provided the written appeal was presented within one (1) working day of the Agenda Meeting. An attempt will be made to satisfactorily resolve the grievance at the Agenda Meeting. If the grievance is not resolved at that time, a Manager from Human Resources will furnish the Bargaining Committee with a final decision in writing within not more than five (5) working days after the meeting at which such grievance is discussed.

28. FOURTH STEP --- If the grievance is not satisfactorily resolved in the third step, either party may within ten (10) working days following the receipt of the third step answer request that a Fourth Step Meeting be scheduled between the Union and the Company. The Union will be represented by the International Representative, the Local President, and the Committeeman representing the region in which the grievance arose. The Company will be represented by a Manager from Human Resources and other members of management if he so chooses. A final decision will be rendered in writing by the party the grievance was filed against within five (5) working days of this meeting or that party's position will be forfeited and the grievance will be considered settled.
29. If, at any time after the use of the previous grievance steps, either party desires to submit to arbitration a grievance involving a matter on which the arbitrator is empowered to rule, it shall give the other party notice in writing to that effect within thirty (30) calendar days after a decision has been given in the fourth step of the grievance procedure provided for in paragraph 28 of this Agreement. The parties may mutually agree to use a "fast track" arbitration procedure.
30. Within five (5) working days after receipt of the notice requesting arbitration; the Company shall request the Federal Mediation and Conciliation Service to furnish both parties with a list of the names of five (5) persons from which the name of one (1) person shall be chosen who will be the arbitrator. This shall be done within five (5) working days of the receipt of the list of arbitrators. Either party may strike the entire panel submitted by the Federal Mediation and Conciliation Service one time.
31. The arbitrator shall have power to receive testimony and evidence from the parties to the dispute as outlined in the grievance and to hear such witnesses, as the parties shall desire to present. Both parties shall discuss all facts to be introduced into evidence and shall mutually agree that such facts have been discussed prior to the arbitration hearing. Facts that have not been discussed (excluding facts of research such as previous arbitration decisions) shall not be introduced into evidence at the arbitration hearing. The Union shall be represented by the International Representative, the President, and one (1) other member of the Committee. The Company shall be represented by a Manager from Human Resources and other representatives of management if he so chooses. The arbitrator shall render his decision and such decision shall be final and binding upon the Union, the members, and the Company.
32. The powers of the arbitrator shall be limited to the application and interpretation of this Contract as written, and he shall at all times be governed wholly by the terms of this Contract and shall have no power or authority to change this Contract in any respect, or to

add to or take away any of its terms. Paragraph 29 providing for arbitration shall not apply to the determination of wages, inequities, occupational rates, job classification, or to arbitrate production standards. On these issues, and on these issues only, shall the Union have the right to strike if not resolved. Such a right to strike may be exercised, however, only if the strike is properly authorized in accordance with the rules, Constitution and Bylaws of the Union. If the Union determines that it will strike pursuant to the procedure hereinafter outlined, it shall, before beginning of said strike, but after the strike has been properly authorized in accordance with the rules, Constitution and Bylaws of the Union, give the Company not less than five (5) days notice, in writing, of the date of its intention to strike, during which time the Company may make a "last ditch" attempt to settle the dispute or may prepare for a shut-down. Representatives of the International Union, U.A.W., may be present at any such meetings between the Union representatives and the Company.

33. The fees and approved expenses of the arbitrator shall be paid one-half by the Company and one-half by the Union, and all other expenses shall be borne by the party incurring them.
34. The arbitrator may make such investigation as he may deem proper and may at his option or at the request of either party, hold a hearing at which he will examine the witnesses of each party. Each party shall have the right to cross-examine the witnesses testifying for the other party and to make a record of such proceedings. Either party shall have the right to submit to the arbitrator a written brief, setting forth its position on the issues.
35. No claim against the Company, including claims for back wages by an employee covered by this Agreement or by the Union, shall be valid for any period prior to the date when the grievance out of which such claim arises was first filed in writing with the Company, unless the circumstances of the case made it impossible for the employee, or for the Union, as the case may be to know that he, or the Union had grounds for such claim prior to that date, in which case, retroactivity shall be limited to a period of thirty (30) work days prior to the date when the grievance was first filed in writing.
36. No claim for back wages shall exceed the amount of wages the employee would otherwise have earned at his regular rate, less any unemployment compensation received or compensation earned while not being employed by the Company during his layoff.
37. No decision of the arbitrator or of the Company in any case shall create a basis for retroactive adjustment in any other case. There shall be no appeal from a decision of the arbitrator during the term of the Agreement and not then unless the provisions upon which the decision was based are changed. Each such decision shall be final and binding upon the Union and its members, the employee or employees involved and the Company.
38. Except as otherwise provided in this Article, any grievance not appealed or answered within the time limits may be extended by mutual agreement.

| ~~38.39.~~ The Company shall not be obligated to consider or discuss any difference of opinion between it and the employees unless the matter is brought to the employee's supervisor's attention within three (3) working days after the occurrence or the employee or the Union had knowledge of the occurrence.

| ~~39.40.~~ Any grievance involving a discharge shall be set forth in writing within three (3) working days and appealed directly to the third step of the grievance procedure, or a special meeting within seven (7) working days of the date the discharge occurred, whichever is first. The special meeting will be composed of the President of Local 1485 and the Committeeman representing the discharged employee plus a Manager from Human Resources and the Plant Superintendent or his representative.

| ~~40.41.~~ Either party to this Agreement desiring to file a grievance that has broad application may do so by setting it forth in writing and appealing it directly to the third step.

PRODUCTION STANDARDS

| ~~41.42.~~ Production standards shall be of two (2) types: "estimated standards" and "engineered standards". Each job card will contain the expected requirements of the operation and will indicate whether the standards involved are estimated or engineered.

| ~~42.43.~~ A production standard is the time required for an average, experienced operator working with normal skill and effort, and under standard working conditions to perform a specified amount of work according to a prescribed method, and specified quality, and with allowance made for personal time and allowance for miscellaneous delays normally occurring during the performance of the specified operation.

| ~~43.44.~~ Production standards shall be established by the Company. Standards for any operation may be reviewed by the Company at any time, and they will be changed where conditions warrant a change, but only those work elements clearly affected will be changed and then only to reflect the degree of change in the work elements. The Company will notify the Union before the changes take effect.

| ~~44.45.~~ The employee and his steward will be notified when he is going to be studied. The Union agrees that its members will cooperate while being studied and will follow the standard method of operation as prescribed by the Company.

PRODUCTION STANDARD GRIEVANCE PROCEDURE

| ~~45.46.~~ If, at any time, an employee wishes to protest a production standard, he shall present it orally to his immediate Supervisor. If the grievance is not settled in this discussion, the employee may request that the immediate Supervisor notify the employee's steward and request his presence.

| ~~46.47.~~ If the grievance is not settled during this oral discussion with the employee, the steward, and the immediate Supervisor, it shall be put in writing on forms provided by the

Company and signed by the Grievant and the employee's steward, and presented to the immediate Supervisor.

47.48. If the grievance is not settled in the first step, the steward may appeal the decision to the Human Resources Department within two (2) working days. The Human Resources Department will notify the Union of an appropriate date and time for the International Union to bring into the plant an expert of its choosing for the purpose of examining the operation in question. The Grievant shall continue to work at a normal pace while the disputed standard is reviewed. An effort between the designated International Union expert and a representative of the Industrial Engineering Department will be made to mutually resolve the grievance.

48.49. If the grievance is not settled in the preceding procedure, a meeting between the International Representative and the Human Resources Department (or other necessary Union or Company representatives as may be required) shall be held, and an effort made to settle the dispute.

WAGES

WAGE RATES--The Company agrees to pay hourly wages as set forth and contained in the schedule of wages and labor grade schedule in Exhibits A and B attached. The Company may issue payroll checks on a weekly or bi-weekly basis. Payroll checks will be mailed if an employee does not elect direct deposit.

49.50. TRANSFER TO CLASSIFICATION HAVING HIGHER RATE OF PAY

Employees permanently transferred to a job classification having a higher rate of pay shall have their rate of pay adjusted to the higher job classification.

50.51. TRANSFER TO CLASSIFICATION HAVING LOWER RATE OF PAY

- a. A seniority employee transferred to a job classification having a lower rate of pay will receive either his current rate of pay or the rate of pay of the job classification to which transferred, whichever is lower.
- b. A probationary employee transferred to a job classification having a lower rate of pay will receive the rate of pay of the job classification he is transferred to.

51.52. TRANSFER TO CLASSIFICATION HAVING SAME RATE OF PAY

An employee transferred to a job classification having the same rate of pay will be given the same rate of pay.

52.53. SHIFT DIFFERENTIALS

Shift workers shall be paid, in addition to the regular hourly base rate specified in Exhibit B attached hereto, a shift differential of eight percent (8%) for all work performed on the

second shift and a shift differential of four percent (4%) for all work performed on the third shift.

53-54. TEMPORARY ASSIGNMENTS

Employees may be temporarily transferred from their regular classification to another classification in order to meet production requirements and/or because work is not available in their classification. Such transfer will be based on an employee's ability to perform the available work and seniority. The transfer will be offered to the most senior person in the classification and department the transfer will be from. Failure to get a volunteer will result in the lowest senior employee in the department and classification who has the ability to perform the available work being transferred. If transferred to a classification in the same wage rate or lower, the employee will continue to receive his/her regular rate of pay.²

54-55. If transferred to a higher classification for two (2) hours or more, employees will receive pay rate of the higher classification.

55-56. Temporary assignments shall not exceed thirty (30) work days in a calendar year between July 1 and July 1 except by mutual consent between the employee and the Company. Any fraction of a day worked out of one's classification will be counted as one full day. Records of temporary assignments shall be kept by the transferee.

56-57. The least senior employees, who exceeded the thirty (30) work day limit and do not desire to be temporarily transferred (when work is not available in their classification), will be sent home for the balance of the shift. Such a reduction will not be considered as a short work week.

COST-OF-LIVING

The wage rates set forth in this 2009 – 2016 Agreement include all cost-of-living allowance increases prior to the effective date of this Agreement. Cost-of-living allowance wage adjustments are suspended for the term of this Agreement and until otherwise negotiated and agreed upon.

57-58. The cost-of-living allowance shall be added to each employee's hourly wage and will be adjusted up or down as provided in paragraph 60. The cost-of- living allowance will be determined in accordance with changes in the official Consumer Price Index for Urban Wage Earners and Clerical Workers (revised, CPW) (United States City Average), published by the Bureau of Labor Statistics, U.S. Department of Labor (1982-84=100) and hereinafter referred to as the BLS Consumer Price Index.

58-59. Effective October 4, 2004, the Cost-Of-Living will be adjusted based on the average of the June, July, and August, 2004, BLS Index and at quarterly intervals thereafter. In no

² See Letter of Understanding No. 4.

event will a decline in the BLS Consumer Price Index below the base established by using the BLS Index average for March, April, and May, 2004 specified in paragraph 60 below provide the basis for a reduction in the wage scale by job classification. Adjustments in the Cost-Of-Living allowance shall be as shown in Exhibit G.

~~59.60.~~ The amount of the Cost-Of-Living that shall be effective for any quarterly period between October 2004 and June 2009 shall be determined as follows:

- Step 1) Determine the amount of cents based on 1 cent for each 0.3 change in the average Index for the appropriate months as indicated in Exhibit E using the BLS Index average for March, April and May as a base and equal to 0 cents.
- Step 2) Subtract 10 cents from the calculation in Step 1 which determines the cost-of-living allowance payable.
- Step 3) The Cost-Of-Living adjustment will be capped at 25 cents (35-10) per hour in each year of the contract. If in any quarter there is no adjustment, the Cost-Of-Living allowance in effect at the time will not be reduced.

~~60.61.~~ The amount of the cost-of-living allowance in effect at the time shall be included in computing overtime premium, night shift premium, holiday payments, call-in pay, vacation payments, bereavement pay, and jury duty pay.

~~61.62.~~ In the event the Bureau of Labor Statistics does not issue a Consumer Price Index on or before the effective date of the adjustment referred to in Paragraph 59, any adjustment in the allowance required by the Index shall be effective at the beginning of the first pay period after receipt of the Index.

~~62.63.~~ No adjustments, retroactive or otherwise, shall be made due to any revision that may later be made in the published figures for the BLS Consumer Price Index for any month on the basis of which the allowance has been determined.

~~63.64.~~ The continuance of the cost-of-living allowance shall be contingent upon the availability of the official monthly BLS Consumer Price Index in its present form and calculated on the same basis as the Index for June, July, and August, 2004 unless otherwise agreed upon by the parties.

~~64.65.~~ If the Bureau of Labor Statistics changes the form of the basis of calculating the BLS Consumer Price List Index, the parties agree to request the Bureau to make available, for the life of the agreement, a monthly Consumer Price Index in its present form and calculated on the same basis as the Index for June, July, and August, 2004.

HOURS OF WORK

~~65.66.~~ WORK DAY, WORK WEEK, AND WORK SCHEDULE

The regular work week shall consist of a total of forty (40) hours, with the regular work schedule determined in the Company's sole discretion, with a thirty (30) minute lunch period on the employee's own time.

- a. The Company may schedule a two (2) or three (3) shift operation in its sole discretion. When shifts are butted, employees will receive a 30 minute paid lunch with one (1) ten (10) minute break. When shifts are overlapped, employees will have a thirty (30) minute lunch period on their own time with two (2) ten (10) minute breaks.

66-67. Overtime shall only be paid for time actually worked over forty (40) hours in a single work week. Paid time off not actually worked, including but not limited to vacation and holiday time, shall not be counted as time actually worked for the purposes of computing overtime.

67-68. SHIFT IDENTIFICATION

The determination of shift identification will be in accordance with the following:

- a. Shifts starting at or after 5:00 a.m. and before 3:00 p.m. are considered the day shift with pay at regular rates.
- b. Shifts starting at or after 3:00 p.m. and before 1:00 a.m. are considered the second shift with second shift premium paid as established.
- c. Shifts starting at or after 1:00 a.m. and before 5:00 a.m. are considered the third shift with third shift premium paid as established.

68-69. The work schedule and hours may be adjusted by the Company in its sole discretion. Thus, the parties recognized that irregular shift hours are necessary for certain individuals or groups.

- a. When it is necessary to schedule first shift employees prior to 4:42 a.m., such employees will receive third (3rd) shift premium for all hours worked prior to 5:00 a.m.

69-70. PERMISSION TO LEAVE WORK AREA AND/OR PLANT

Employees are not to leave their work area during working hours, except during a rest period, without permission of their Supervisor. Reasonable time to go to the rest room will be permitted. There shall be two (2) ten (10) minute, paid rest periods in each shift, one before lunch and one after the lunch period. (See Paragraph 65a for three shift operations.) The Company will allow five (5) minutes wash-up time at the end of the shift for spray painters, machine repairman, millwrights, electricians, and preventative maintenance mechanics. Wash up time will not be allowed in any other case.

70-71. NO GUARANTEE OF HOURS OF WORK

Nothing in this article shall be construed as a guarantee that any particular number of hours of work will be available to any employees.

71-72. SHIFT PREFERENCE

A more senior employee will have the right to displace a junior employee (provided both have gained seniority) on another shift in the same classification not more than once in any nine (9) month period. Such displaced employee will be transferred to the vacancy resulting from the exercise of this right by the senior employee. Employees notifying their supervisor of their desire to exercise shift preference prior to the end of their shift on Tuesday will be transferred the following Monday.

72-73. By mutual agreement, with the approval of the Supervisor, an employee may trade with an employee on another shift in the same classification for an agreed period of time not to exceed six (6) months. Seniority will be considered if a more senior employee would rather trade.

73-74. Due to temporary production requirements, it may be necessary to transfer employees to another shift. Such transfer will be based on an employee's ability to perform the required work and seniority. The transfer will be offered to the most senior person in the classification and department the transfer will be from. Failure to get a volunteer will result in the lowest senior employee in the classification and department who has the ability to perform the required work being transferred. Transfers will not exceed ten (10) working days. Employees will not be required to accept such temporary transfers more than twice within any twelve (12) month period. The Company and the employee may, by mutual consent, extend the time periods above. The Company will notify those employees to be transferred prior to the end of their shift on Tuesday in order for the transfer to be effective the following Monday.

74-75. Day shift employees who work into night shift hours are considered day shift employees and will not be entitled to the premium for night shift work.

75-76. Night shift employees transferred to the day shift (in accordance with paragraph 73) for the convenience of the Company shall continue to receive the shift premium unless third shift operations in the department from where transferred was terminated.

CALL-IN PAY

76-77. A minimum of four (4) hours work shall be assigned to employees reporting for work unless such employees are notified during the previous day or before not to report. If work is not available, they will receive four (4) hours pay. The provision shall not apply should work be interfered with, due to conditions beyond the Company's control in any part of the plant(s), such as power failure, floods, fire, labor disputes, civil disturbances or acts of God.

~~77.~~78. Any employee who is called back to work outside of his regular working hours will be assigned a minimum of two (2) hours work at the applicable rate. If such work is not available, he will receive two (2) hours pay at the applicable regular rate. This work will normally be within the employee's regular classification.

~~78.~~79. The provisions of paragraph 77 above shall not apply under the following conditions:

- a. An employee who has been called back to work is not available for two (2) hours of work. In such case, the employee will be paid for the actual time worked.
- b. An employee called back to work during the normal work day will be paid on the basis of actual hours worked.

OVERTIME PAY

~~79.~~80. TIME AND ONE-HALF

Time and one-half the regular hourly rate shall be paid for all hours actually worked over forty (40) during the regular work week.

~~80.~~81. NO PYRAMIDING

Wage payments at premium rates shall not be pyramided for the same hours worked. Hours for which compensation is paid at premium rates under one provision hereof shall not be construed as hours worked for making payments under any other provisions hereof, except as herein specifically provided.

~~81.~~82. EARLY STARTING

An employee who reports for work on Monday morning or on a day following a paid holiday at a time earlier than the beginning of his regular shift, at the request of the Company, shall be paid for the hours worked prior to the beginning of his regular shift at the regular rate.

~~82.~~83. SHIFT SCHEDULING REQUIREMENTS

Employees will be required to work a shift schedule of up to 10 hours per day when given advance notice prior to the start of their currently scheduled shift. If not given advance notice, work beyond the currently scheduled shift shall be voluntary.

- a. The Company may require that an employee work up to two (2) full "weekend shifts" per calendar month. One "weekend shift" is defined as follows: working the full scheduled hours on either a Saturday or a Sunday, or both Saturday and Sunday, on any single weekend that the Company requires to be worked. Otherwise, work on Saturday and Sunday will be voluntary. Employees must notify their supervisors by the end of the shift on Wednesday if they do not want to

work the following weekend. The Company, in its discretion, will consider employee preference regarding weekend work.

- b. After the required two (2) “weekend shifts” per calendar month, work on Saturday and Sunday will be assigned in accordance with paragraph 83.
- c. Work over ten (10) hours in a day will be assigned in accordance with paragraph 83.

83-84. WORK HOURS OUTSIDE SHIFT SCHEDULE

The following method of selection will be used when work after the required two (2) “weekend shifts” on Saturdays, Sundays or beyond ten (10) hours per day:

- a. Such work will first be offered on a voluntary basis. The most senior employee within the classification and department volunteering for the work shall be assigned the work.
- b. In all the above, the employee(s) must presently be able to perform the work.
- c. Whenever more than one (1) of the employees in an area represented by a steward is working, a steward working in the job classification and department shall be offered the available work, providing the steward is presently able to perform the available work and is available. If a steward in the job classification and department is not available, cannot accept the assignment or is unable to perform the available work, a committeeman working in the job classification and department shall be offered the available work, providing he is presently able to perform the available work and is available.

JOB CLASSIFICATIONS

84-85. Job classifications in effect at the time of the execution of this Agreement are agreed upon and accepted by the Union and the Company as the basis for payment of wages as provided, herein said job classifications as identified in Exhibit A, being hereby expressly incorporated and made a part of this Agreement.

85-86. The Company reserves the right to establish new jobs, contents of such jobs, and the rate of pay for such new jobs. However, before new jobs and contents of such jobs become effective, they will be discussed with the Union when it is necessary to establish additional job classifications, or due to changes in production operations, or any individual job duties are changed substantially. The Company will submit a job description with the rate of pay to the Union within fifteen (15) days.

Management representatives are expected to afford the local union representative an opportunity to comment on the new jobs and job description changes. The Company shall give appropriate weight to these comments in light of all attendant circumstances.

SENIORITY

86.87. There will be a probationary period of ninety (90) calendar days for new employees. During this period, the Company may discharge a probationary employee without regard to the provisions of this Agreement. Probationers shall not have seniority rights and shall not be eligible to participate in job bidding or to hold any Union office, which is granted top seniority under this Agreement, unless otherwise mutually agreed. In all other respects, the provisions of the Contract shall apply to the probationers. By mutual agreement between the Company and the Union, the probationary period may be extended thirty (30) days. Employees hired on the same day will have their seniority determined on the basis of the last four digits of their Social Security Number (lowest number = highest seniority) or as otherwise mutually agreed upon by the parties.

87.88. Persons employed as temporary summer help shall be subject to the provisions of Paragraphs 6 and 7 and shall receive all benefits of the Agreement except they shall not be included in group insurance or retirement-related programs nor be eligible for paid sick days while working in the plant as temporary summer help. Temporary summer help will be employed between periods of May 1 and September 30, unless otherwise agreed to by the parties, and shall be given a specific termination date at which time they shall be considered as a voluntary resignation. Temporary summer employees will be paid at the Starting Rate in accordance with Exhibit B for the duration of their temporary summer employment.³

88.89. LOSS OF SENIORITY

Employees are considered terminated and seniority is lost if:

- a. Employee is discharged.
- b. When an employee voluntarily quits. The term “voluntary quit” is understood to include unreported absence of three (3) consecutive shifts, unless the employee can show just cause why it was impossible for him to notify the Company within said three (3) days.
- c. Employee fails to report within five (5) working days after being notified to return to work. A registered letter, sent to the employee’s last known address, shall constitute proper notice within the meaning of the paragraph. This is considered a voluntary quit.
- d. Employee fails to return to work on the next working day following expiration of a leave of absence, unless additional absence is excused or unless due to conditions beyond their control. This is considered a voluntary quit.

³ See Letter of Understanding No. 6.

- e. Employee is laid off for a continuous period equal to the seniority he had acquired up to the time of such a layoff. Seniority will accumulate on a “time for time” basis.

For employees hired on or after November 28, 2009 - Employee is laid off for a continuous period of twelve (12) months or a continuous period equal to the seniority he had acquired up to the time of such a layoff, whichever is less.

- f. Retirement as follows:
 - 1. An employee who retires, or who is retired under the terms of the Dematic Corp Bargaining Unit Pension Plan, shall cease to be an employee and shall have his seniority cancelled.
 - 2. An employee retired on total and permanent disability as designated in the Dematic Corp Bargaining Unit Pension Plan, who thereby has broken his seniority in accordance with subsection (1) above, but who recovers and has his Trust benefits discontinued, shall have his seniority reinstated as though he had been on a sick leave of absence during the period of his disability retirement provided, however, if the period of his disability retirement was for a period longer than he had at the time of retirement, his seniority shall not be reinstated.

89.90. Whenever an employee is transferred out of the bargaining unit, such employee's right to return to the bargaining unit and all seniority rights will be severed.

LAYOFF AND RECALL

90.91. PLANT SENIORITY

The most senior qualified employees within the classifications and departments within which work is available will perform such work.

91.92. QUALIFICATION

Where the Company requires a pre-qualifying test for a job classification, an employee must take and pass the pre-qualifying test to be qualified for the job classification. Pre-qualifying tests will be provided when instituted by the Company, when the Company sees a lack of qualified manpower in a position and in its discretion, but no less than once per year.

When a pre-qualification test is offered, the twenty-five (25) most senior employees expressing a desire to take the pre-qualification test will be permitted to take the test.

An employee who is performance disqualified from a job classification will not be considered for that job classification for a period of twelve (12) months after the date of disqualification.

An employee may self-disqualify from a job classification within five (5) days of being placed in the job classification, but shall not be permitted to self-disqualify for a period of twelve (12) months after the date of the prior self-disqualification.

The Company will provide recalled employees not active at a time when a pre-qualification test was available with an opportunity to take the pre-qualification test and qualify for a position when recalled.

The Company will allow a one-time opportunity after Labor Contract ratification for individuals to bump into desired positions based on plant seniority and the above. Employees exercising bump rights under this one-time opportunity must do so on or before March 31, 2010. Employees who pre-qualify will be provided with a 30-day period for training and qualification for the position. Employees will be permitted to remain in desired position if they are qualified and capable of performing the work as determined by the Company.

92-93. JOB PREFERENCE AND BUMP LISTS

The Union is responsible for accurately maintaining updated job preference and bump lists, which shall be shared with the Company upon request. All job preference and bump list moves, placement, layoff and recall are subject to pre-qualification, where required.

Employees must provide the Union with up to five (5) positions for potential bumps and up to five (5) positions for potential preference placement. Where pre-qualification is required, the employee must be pre-qualified for a valid bump/preference. Employees are responsible for updating and providing the Union with accurate information for its maintenance of the job preference and bump lists. Improper job placement based on inaccurate or out-of-date information provided by an employee or the Union shall not be the basis for a grievance against the Company.

93-94. LAYOFF

When a layoff occurs, the Company will notify the Union of the positions eliminated and required timing. The least senior qualified employees will be laid off first. Vacancies created from the reduction will be filled by temporary transfer until such vacancies are filled through the job bump process.

Within twenty-four (24) hours, unless otherwise mutually agreed, the Union will notify the Company in writing of the most senior qualified employees based on the bump list. From that list, the Company shall enact the bumps/moves. Bumps shall occur by plant seniority, subject to qualification, regardless of shift chosen. Employees must have passed any required pre-qualification test and have greater seniority than the employee bumped. In all cases where pre-qualification is required, qualified employees must remain in the available

positions. If the Union fails to respond to the Company within the above timeline, the Company has the right to implement the bumps/layoff in its discretion.

Employees must have the ability and qualifications required to perform the job bumped into and have passed any required pre-qualification tests. These employees will be given complete operating instructions and must perform at 100% of the standard rate, if any, for a normal, qualified operator after thirty (30) working days. On jobs for which no standards are available, the employee must perform satisfactorily in the judgment of the Supervisor after thirty (30) working days. Such judgment will be based on the performance of a normal, qualified operator. If there is a question of fact concerning the disqualification of a bumper, such question may become the subject of a grievance by the affected employee. The employee shall be informed of the reasons in the presence of the steward.

Employees who are displaced as a result of the above procedures will, in turn, bump in accordance with the same procedure.

94.95. JOB OPPORTUNITY/RECALL/VACANCIES

If additional manpower is required, the work force will be increased in accordance with the following procedure:

The Company will notify the Union of the positions required and required timing. Within twenty-four (24) hours, unless otherwise mutually agreed, the Union will notify the Company in writing of the most senior qualified employees based on the preference list. From that list, the Company will place employees in the open positions by plant seniority, subject to qualification, regardless of shift chosen. Placed employees must have passed any required pre-qualification test. In all cases where pre-qualification is required, qualified employees must remain in the available positions. If the Union fails to respond to the Company within the above timeline, the Company has the right to implement the placement or hire externally in its discretion.

In the event that no qualified active employees are available to fill a vacancy there shall be a recall from layoff. Recalled employees must meet the same pre-qualification requirements as active employees. The most senior qualified employee will be recalled.

If the most senior qualified employee is not available for work when recalled, the next most senior qualified employee shall be recalled. If an employee cannot be reached promptly, the Company shall send a registered letter or certified letter (return receipt from addressee only required) to the employee's latest known address. If such a letter is returned, undeliverable, or if the employee does not report for work or give a satisfactory explanation for not reporting within three (3) days of receipt of such notice, he will be considered to have voluntarily quit without notice.

It shall be the obligation of each employee to keep the Company informed of any change of address or telephone number. The Company shall not be held responsible for not

contacting an employee if reason for such failure is due to a wrong address or telephone number being furnished. If an employee has no telephone, he shall be obligated to advise the Company on how he may be reached. A form for the employee to complete, notifying the Company of a change in the employee's address and/or telephone number will be given to the employee on request. The Union will receive a copy of letters sent to employees under this provision.

When there are individuals on layoff and there is work of a temporary nature to be performed, those individuals will be recalled most senior qualified first.

In the Company's sole discretion, employees placed in accordance with the above procedure will be given 30 days of job instruction and training.

95.96. EXTERNAL HIRE

The secondary and subsequent vacancies resulting from the filling of a primary vacancy will be filled in the same manner as described above. No new employees shall be hired while there are qualified employees on layoff. If no qualified employees are available, the Company shall, in its discretion, hire externally.

96.97. The Company maintains sole discretion to utilize job skills testing to qualify applicants and employees for new jobs and or vacancies in existing jobs.

97.98. Probationary employees shall not qualify for placement in the Job Opportunity/Recall/Vacancies program.

98.99. When an employee is transferred from one classification to another, there shall be no loss of plant seniority.

99.100. Subject to plant seniority and qualification, employee placement is a management responsibility and within the sole discretion of the Company. However, Committeemen may request management to explain the basis for its judgment. If there is a question of fact or judgment concerning the selection of any bidder that is not subject to the Company's sole discretion, such question may become the subject of a grievance by the affected employee.

LEAVES OF ABSENCE

100.101. If the Company decides to replace an employee out on a leave of absence (excluding military leaves of absence) during the first twelve (12) months of that employee's leave, it will do so by temporary transfer. If such a position is filled by temporary transfer, and the leave (excluding military leave) continues beyond twelve (12) months, the Company and the Union will meet to determine if the position should be filled.

101.102. PERSONAL LEAVE OF ABSENCE

An employee may request a thirty (30) calendar day leave of absence for important personal reasons. The request must be in writing one week in advance and may be granted by the Supervisor with the approval of the Superintendent. Length of service credits will accumulate during such leave of absence. If the requested leave is denied, management will meet with the Union steward and committeeman in an effort to resolve the matter. Requests for Family Medical Leave under the Family Medical Leave Act will be in allowance with U.S. Government rules regarding the Family Medical Leave Act. Employees using Family Medical Leave will not be forced to use vacation days that have been scheduled or sick days.

~~102~~.103. _____ ILLNESS OR INJURY LEAVE OF ABSENCE

(Arising out of the employee's employment with the Company)

In compensable injury and legal occupational disease cases, leave of absence will be granted automatically and length of service credits will accumulate for the full period of legal temporary disability.

~~103~~.104. _____ ILLNESS OR INJURY LEAVE OF ABSENCE

(Not arising out of an employee's employment with the Company)

An employee absent due to an injury, illness or pregnancy, shall be granted a leave of absence and shall continue to accumulate seniority for a period not to exceed the seniority the employee had acquired at the time of the commencement of the absence due to such illness or accident. To retain or accumulate seniority, the employee must document his illness at the Company's request not more than once every six (6) months. Such documentation shall be accompanied by a doctor's statement certifying continuation of the illness.

~~104~~.105. _____ MILITARY LEAVE OF ABSENCE

The Company shall follow the applicable law in effect. Any employee who has reemployment rights under such law, shall have his seniority accumulated during the period.

~~105~~.106. _____ PUBLIC OFFICE

Employees elected or appointed to public office will be granted a personal leave of absence for a period equal to their term of office. Seniority will accumulate during this period. Requests for leaves for any other purpose (such as the Peace Corps or any other government sponsored program) beyond the period of time specified in paragraph 101 will be considered individually and permission may be granted in accordance with production requirements.

~~106~~.107. _____ UNION LEAVE

Any employee elected or appointed to engage in activities of the Union requiring a leave of absence shall accumulate seniority while on such leave, and shall be granted a leave of

absence equal to the term of his Union service. The number of employees to be absent at any one time shall be a matter of mutual agreement between the parties. Upon their return to work, they shall return to their former classification or to such other classification as their accumulated seniority allows.

~~107.108.~~ The record of leaves of absence granted shall be available to the Union.

~~108.109.~~ LEAVES OF ABSENCE PROCEDURES

Available to all employees are leave of absence forms upon which written request must be made.

- a. All leaves of absence and requests for extensions must be made in writing, except as indicated elsewhere, and presented to the Supervisor in advance of the leave, or in the case of a request for extension, prior to the expiration of the authorized leave of absence.
- b. An employee on an authorized leave of absence, who is gainfully employed during the period of his leave, automatically terminates his leave of absence unless otherwise mutually agreed to between the Company and the Union.
- c. Upon completion of the leave of absence, an employee will return to his former classification in accordance with his seniority provided that he is qualified to perform the work. If the employee's seniority will not allow him to return to his former classification, he will be placed into another classification in accordance with his seniority, subject to qualification.
- d. Whenever the leave is for more than thirty (30) days, the returning employee must notify the Company in writing of his intention to return at least five (5) working days prior to the date of his return.

BEREAVEMENT PAY

~~109.110.~~ When a death occurs in an employee's immediate family, i.e., spouse, parent, stepparent, parent or stepparent of current spouse, child, stepchild, grandchild, brother, stepbrother or half-brother, sister, step-sister or half-sister, or the employee's or spouse's original grandparents, the employee, on request, will be excused for any three (3) normally scheduled working days (excluding Saturdays, Sundays, and holidays) within seven (7) days of the date of death, provided he attends the funeral. In case of death of a brother-in-law or sister-in-law, an employee will be excused for one (1) day within seven (7) days of the date of death to attend the funeral. An employee excused from work under this paragraph shall, after making written application, receive the amount of wages he would have earned by working during straight time hours on such scheduled days of work for which he is excused (excluding Saturdays, Sundays, and holidays).

~~110.111.~~ Payment shall be made at the employee's regular rate of pay as of their last day worked. Time thus paid will not be counted as hours worked for purposes of computing overtime.

JURY DUTY⁴

~~111.112.~~ An employee with one or more years' seniority, who is summoned and reports for jury duty prescribed by applicable law, shall be paid by the Company an amount equal to the difference between the amount of wages the employee otherwise would have earned by working during straight time hours for the Company on that day, and the daily jury duty fee paid by the court (not including travel allowances or reimbursements of expense) for each day on which he reports for or performs jury duty and on which he otherwise would have been scheduled to work for the Company. Time thus paid will not be counted as hours worked for purposes of computing overtime.

~~112.113.~~ The Company's obligation to pay an employee for jury duty is limited to a maximum of ninety (90) days in any calendar year.

~~113.114.~~ In order to receive payment, an employee must give his Supervisor prior notice that he has been summoned for jury duty and must furnish satisfactory evidence that he reported for or performed jury duty on the days for which he claims such payment. The provisions of this paragraph are not applicable to an employee who, without being summoned, volunteers for jury duty. Vacation credits will be given employees on jury duty. In addition, dental insurance and hospital-surgical-medical premiums will be paid by the Company. Moreover, if a holiday occurs while a worker is on jury duty, he will be given holiday pay.

HOLIDAYS

⁴ See Letter of Understanding No. 7.

115. Each eligible employee shall be paid for 11 holidays per contract year in accordance with the following schedule: [Future schedule to be determined by the Parties by December 15 for the subsequent contract year.]

~~115.116.~~ An employee who does not work on a holiday will be paid for eight (8) hours at his regular straight time hourly rate, including shift premiums. Employees who work on holidays will be paid one and one-half times (1.5X) the applicable rate of pay for such hours worked in addition to holiday pay. Maintenance employees who are required to work on any holiday will be paid one and one-half times (1.5X) the applicable rate of pay for such hours worked and be given the choice of holiday pay or banking the holiday for later use. Holiday work will be offered to the most senior person in the classification and department. The least senior employee in the classification and department must work if more senior employees refuse. Employees who voluntarily work on contractual holidays will be paid for such hours worked and be given the choice of holiday pay or banking the holiday for later use.

~~116.117.~~ In order to receive holiday pay as provided in the above paragraph, an employee must meet the following eligibility requirements:

- a. Ninety (90) days of continuous employment with the Company.
- b. Work on the regular working day preceding and following the holiday, unless absence has been excused. Employees excused prior to a holiday will be given a written receipt of such excuse by the Company if the employee so requests.

~~117.118.~~ If a holiday occurs on a Sunday, said holiday will be observed the following Monday, and if a holiday occurs on a Saturday, the holiday will be observed on the previous Friday.

~~118.119.~~ Employees with the necessary seniority, who have been laid off in a reduction of force, who have gone on sick leave or on a leave of absence for military service during the work week prior to or during the week in which the holiday falls, shall receive pay for such holiday.

~~119.120.~~ A seniority employee, who has been laid off or on sick leave and returns to work, shall be eligible for holiday pay provided he returns to work during the work week in which the holiday falls or during the work week immediately following the work week in which the holiday falls.

~~120.121.~~ If a holiday falls within the vacation shutdown period or an employee's other approved vacation, he will either receive pay for the holiday or be given an additional day of paid vacation at the discretion of the employee.

VACATIONS

~~121.122.~~ Employees meeting the eligibility requirements as set forth in the following paragraphs shall be entitled to the following vacation pay allowances or fraction of

allowances, as the case may be, in accordance with their Company service status as of July 1st for each year during this Agreement.

Service Status	Prorated
Less than 6 Years	40 Hours
6 Years but Less than 11 Years	80 Hours
11 Years but Less than 20 Years	120 Hours
20 Years and Over	160 Hours

122.123. ELIGIBILITY

Employees with three (3) months but less than eleven (11) months of continuous service as of July 1st in each contract year will receive prorated vacation with pay on the basis of three and one third (3-1/3) hours vacation pay for each complete month worked. In the event a newly hired employee begins work on or before the fifteenth (15th) of a month, and works for the balance of the month, the employee shall gain credit for that month for vacation purposes.

123.124. The hourly rate at which vacation pay will be computed will be the employee's straight time hourly rate including night shift premium on the first day worked in the first pay period subsequent to the day(s) of vacation granted.

124.125. To qualify for the above vacation pay allowances, employees must meet the following requirements:

- a. Have at least three (3) months or more of Company service as of July 1.
- b. Have rendered services for which the employee received wages for not less than 26 weeks of the preceding 52 weeks prior to July 1st of the year for which the payment is made.

125.126. An employee having three (3) months or more of Company service as of July 1st who fails to qualify under the provision of Paragraph 124b but who has rendered services for which the employee received wages from the Company for not less than thirteen (13) weeks of the preceding fifty-two (52) weeks prior to July 1st of the year for which payment is made, may qualify for vacation pay in accordance with the following:

- a. For each pay period during which the employee worked within fifty-two (52) weeks prior to July 1st of the year for which the payment is made, the employee shall be paid 1/26th of the vacation payment provided for in this Agreement in accordance with the amount of Company service the employee has as of July 1st of the year for which payment is made.

b. Employees leaving the services of the Company under the following conditions and who are not eligible for vacation pay under paragraph 124b, shall be eligible under Paragraph 125 and 125a.

1. Retirees, whether voluntary or involuntary, normal, early, or disability retirement, will be paid any banked vacation, vacation earned in the previous year that has not been taken, plus the prorated amount earned in accordance with paragraph 125a. Payment will be made at time of retirement.
2. Employees entering the Armed Forces of the United States will be paid when leaving employment.
3. Deceased employees' payments shall be made to beneficiaries and will be paid at the time of termination.
4. Terminated employees will receive vacation pay at time of termination.
5. Laid off employees will receive vacation pay upon request following their date of layoff or not later than July 1.
6. Employees who voluntarily quit and give the Company two weeks notice in writing.

~~126.127.~~ In computing weeks in which an employee received wages for services rendered to the Company, weeks in which the following instances occur will be counted as weeks worked:

- a. Union business.
- b. Weeks for which the employee receives Workmen's Compensation, including first week of disablement and sick leave shall receive credit toward weeks worked under Paragraph 124 provided he has worked at least one pay period in his eligibility year and is otherwise eligible for vacation.

~~127.128.~~ Employees shall not be entitled to payment during the vacation period, or any part thereof, except as expressly provided in this section and any remainder of the vacation shutdown period will be taken on the employee's own time.

~~128.129.~~ If a holiday falls within the period of a vacation, such holiday is not counted as a vacation day, but as a holiday.

~~129.130.~~ Vacations may run in sequence from one vacation year into the next vacation year at Company discretion. Employees with up to two (2) weeks or more of allotted vacation shall schedule all of their allotted vacation up to two (2) weeks. In the event an employee fails to schedule up to two (2) weeks vacation by February 15th, the Company will schedule such vacation for the employee. Employees with more than two (2) weeks

vacation may elect either to bank their vacation entitlement over two (2) weeks or accept payment in lieu of vacation. This determination to bank must be made in writing to the employee's immediate Supervisor by June 1st. All vacation time banked prior to November 28, 2009, shall be preserved and available to employees. However, an employee may only add additional amounts of time to his bank if the total amount banked, including that amount banked prior to November 28, 2009, does not exceed his annual allotment. An employee may elect to receive a maximum of three (3) weeks of pay in lieu of vacation annually. Additional amounts will be lost if not taken as vacation or received as pay in lieu of vacation. Employees desiring to use more than one (1) week of banked vacation at a time must notify the Company two (2) weeks in advance.

~~130.131.~~ In accordance with production needs and their Supervisor's approval, employees may take vacation in units less than five (5) days, but never less than one (1) full day.

~~131.132.~~ Employees returning from layoff will receive vacation allowance on a prorated basis, based on the number of pay periods worked during the vacation year.

~~132.133.~~ Vacation scheduling is at the Company's discretion. To achieve this aim in periods other than months of plant shutdown, the Company will establish the maximum percentage of employees who can be absent on vacation at any one time from each department during any given month. This percentage will be a minimum of 5% during peak periods, and may go as high as 20% during non-peak months. During the month of June, the percentage will be no less than 10%.

~~133.134.~~ The Company will honor vacation requests received between July 1 and December 1 by seniority in classification and department in accordance with paragraph 132. After December 1, vacation requests will be considered on a first come, first serve basis. Request for vacation for deer hunting must be made prior to October 14. The Company will respond to employees requesting time off for deer hunting by October 21.

The Company will respect the deer hunting privilege to the extent of establishing, during designated deer hunting days, a maximum percentage of employees by shift and department who may take vacation depending upon business conditions.

PLANT SHUTDOWN

~~134.135.~~ During those years of the current agreement after 2004, the plant may, if determined by the Company, observe a shutdown during the week of the 4th of July. Employees will be required to use vacation time, except where holiday pay is provided.

HEALTH AND SAFETY

~~135.136.~~ Each employee has a primary responsibility for his own safety and an obligation to know and observe safety rules and practices including wearing prescribed and/or provided safety equipment as a measure of protection for himself and others. No employee shall be required to work under conditions that are injurious to his health or safety.

- a. The Company will disclose to employees the identity of any known harmful quantities of chemicals or material to which they may have been exposed, including information regarding remedies and antidotes for such substances and the normal symptoms associated with exposure.

~~136~~.137. Employees should report all unsafe conditions or safety hazards to their Supervisors. If such conditions are not satisfactorily resolved, the Union may file a grievance directly into the third step of the grievance procedures.

- a. Any employees having a concern that an unsafe condition or safety hazard exists, may request the Union's safety representative after first discussing the unsafe condition or safety hazard with their Supervisor.

~~137~~.138. A Safety Committee will be established in the plant composed of the Plant Manager, the Plant Engineer, a representative selected by the Union, and a safety representative from Human Resources. The Safety Committee will tour the plant once a month. A report of all unsafe conditions will be made and given to each committee member. The representative selected by the Union will also be present during any OSHA inspection, MIOSHA inspection, and/or Company-requested inspection and will be paid for time lost from his job when performing these functions.

~~138~~.139. OCCUPATIONAL INJURY

When an employee is sent home by the Company as a result of an injury received in the plant, such employee shall be paid at his regular rate of pay for the balance of the day, but his total pay for the day shall not exceed eight (8) hours. The employee will only be paid overtime for hours actually worked after 40 within a workweek. Time spent during scheduled working hours for employer-authorized medical treatment for occupational injuries will be paid at the regular rate of pay. Time spent for other than scheduled working hours will not be paid. Reasonable attempts should be made to schedule medical treatments or therapy during non-working periods.

~~139~~.140. PHYSICAL EXAMINATION

The Company may require an employee to be examined by the Company physician for work related injury and to determine the status of that injury, prior to recall, and for an annual physical, including a drug and alcohol screen, once a year. In such cases, actual work time lost will be paid at the regular rate of pay.

~~140~~.141. MEDICAL PLACEMENT

If, in accordance with paragraph 139, the Company doctor determines that the employee is incapable of performing his present duties or that continued employment in his current job might jeopardize the safety and health of the employee or other employees, the Company may relieve the employee of his present duties until such time as the Company and the Union mutually agree to assign the employee to another job classification in accordance with the provisions of paragraph 141. Such meetings to discuss medical

placement will take place within two (2) days of the request. If an employee requests a transfer due to a condition of health or due to an injury, he must present a written statement by a qualified physician indicating the reason for such transfer. However, the Company reserves the right to require the employee to be examined by a doctor selected by the Company. Whenever an employee is placed on or removed from medical placement status, the Company will give the Union an updated list of those employees on medical placement status.

141.142. The Company and the Union will meet in an attempt to mutually agree to a job classification to which an employee unable to perform his/her normal job due to injury or condition of health may be allowed to displace the least senior employee providing he/she has greater seniority and is qualified. During a general layoff, employees on medical placement will be subject to the seniority provisions as long as there are acceptable jobs (in accordance with their reasons for medical placement available to be bumped. If no jobs are available, seniority provisions will be disregarded only as long as the employee's plant wide seniority, subject to qualification, will allow him to remain in the plant. Employees may also be transferred under this paragraph to a medical placement status for other reasons. The Company and/or the Union may request medical examination of an employee on medical placement status at least every six (6) months by a physician mutually agreed upon. If the physician finds the employee capable of performing duties of his previous job classification, it shall be mandatory for the employee to return to his previous job classification, if the employee's seniority allow. Employees on a medical placement status will not be eligible for job placement unless the Company and the Union mutually agree to make an exception, provided further there is no question concerning the employee's health or safety.

CONTRACTING⁵

142.143. The Company has the right to subcontract bargaining unit work in its sole discretion. When the Company has decided to subcontract work which: a) is the same work as is normally and regularly performed by bargaining unit employees; b) for which the Company has available qualified employees with the skills needed to perform the work; c) with all of the appropriate equipment necessary to perform the work; and d) within the time limits required by the Company, then the Company will notify the Union.

If the Union does request the opportunity to meet and discuss the subcontracting, the Company shall meet with the Union and discuss the subcontracting.

Even if it can be established that subcontracting does not improve the Company's competitiveness, this Agreement is not in any way to be construed as prohibiting or preventing subcontracting by the Company.

The Company's right to subcontract bargaining unit work in its sole discretion includes the right to subcontract out any and all bargaining unit work performed in the tech center.

⁵ See Letter of Understanding No. 10.

Bargaining unit employees working in the tech center shall be required to sign a confidentiality agreement prior to performing any work in the tech center.

143-144. LIFE INSURANCE

The Company will provide \$50,000 life insurance coverage, including accidental death and dismemberment coverage for each employee. This policy will also include a disability rider which will continue an individual's life insurance coverage should such individual become disabled and unable to work. Supplemental life insurance (up to 5 times annual salary, excluding overtime) and dependent life insurance will be available at the employee's expense. If an employee is laid off due to lack of work, retains seniority, and is not employed by any other employer, the Company shall, at its expense, continue to carry the Company-provided insurance for the balance of the month in which the employee is laid off, plus two full calendar months following layoff. Any supplemental/dependent coverage must be paid for by the employee.

144-145. SICKNESS & ACCIDENT The Company will provide weekly sickness and accident benefits for employees while they are disabled and prevented from working as follows:

- a. Sickness and accident benefit of 60% of the regular straight time rate of pay per week, starting on the eighth (8th) calendar day of coverage while an employee is disabled and prevented from working, but not to exceed a maximum of twenty-five (25) weeks, which does not include the waiting period of the first seven (7) calendar days.
- b. If an employee receives weekly sickness and accident benefits pursuant to the above and subsequently it is determined that no such benefits should have been paid or that a smaller amount should have been paid, the employee shall be obligated to repay in cash the amount of any such improper payments or overpayment, as the case may be, upon notice of the amount to be repaid, and if such repayment is not made within sixty (60) days after request is made, the amount may be deducted by the Company from any wages thereafter payable to the employee.
- c. Sickness and accident benefit coverage shall be paid for by the Company.
- d. In the event of an occupational illness or injury to an employee, as a result of which the employee is totally disabled and receives Workers' Compensation benefits in any week for such total disability, the Company agrees that sickness and accident benefits will be allowed to the employee (in accordance with the waiting period specified above), which shall be the difference between the amount of Workers' Compensation benefits paid to the employee and 80% of the employee's regular straight time rate of pay [not including shift premium, cost-of-living, and not to exceed eight (8) hours per day] for the regularly scheduled workdays missed due to said occupational illness or injury for a period not to exceed the period of

such total disability, and in no event for more than thirteen (13) weeks for any individual occupational illness or injury (based on 40-hour week). In no event will this amount exceed the current S&A benefit.

- e. In case of layoff, sickness and accident benefits and coverage will be extended to the end of the month plus one additional month after layoff.
- f. No sickness and accident benefits will be paid for any period of disability during which the employee is not under the care of a legally qualified physician or surgeon.
- g. If, after the necessary waiting period, Workers' Compensation benefits are paid to an employee that is receiving sickness and accident benefits, and the total benefits received are in excess of the straight time rate explained in section (d) above, the employee shall then refund such excess amount to the Company.
- h. Employees with one (1) year of seniority will be credited with sick days on their anniversary date. Three (3) of these days must be taken in full day increments. Two (2) of these days may be taken in one-half (1/2) day increments and one (1) of these two (2) days may be taken in one (1) hour increments, provided employees notify their supervisor prior to the start of their shift on the day they want to use the half day. After November 28, 2009, sick days may not be accumulated from year to year. However, all sick time accumulated prior to November 28, 2009, shall be preserved and available to employees. This preserved sick time is to be used in the case of sickness only.
- i. Sick days, whether new or preserved, can only be used when the sickness and accident benefit does not apply and are not paid out if not used. A doctor's statement is not required to use the sick days. New hires will be eligible for paid sick days on their 1st anniversary date following their date of hire.
- j. The parties agree it is desirable to allow employees to attempt to return to work following an illness or injury. Therefore, employees may return to work for a period of up to five (5) working days. If it is determined they are still unable to work, they will be returned to sick leave status without accumulating additional sickness and accident benefits over and above their original twenty-five (25) weeks of sickness and accident benefits (not counting the waiting period of the first seven (7) calendar days). If an employee works beyond five (5) days and becomes disabled as a result of a new injury or illness, then he will be eligible for an additional twenty-five (25) weeks (not counting the waiting period of the first seven (7) calendar days) of sickness and accident benefits.

145.146. HOSPITALIZATION

Effective January 1, 2010, the Company shall make available to all employees in the bargaining unit the same medical and prescription group health insurance plan as is

available to the Company's non-exempt non-bargaining unit employees ("Control Group"), with the employees' paid amount of the premium share to be the same as the amount of the premium share paid by the control group employees for the same medical and prescription group health insurance plan, and with the Company having the right to change the benefits content of the medical and prescription group health insurance, and select the method of providing the medical and prescription group health insurance benefits, whether through a carrier chosen by the Company, or by self-insurance, provided that the medical and prescription group health insurance benefits content, and the method shall not be different than the medical and prescription group health insurance made available by the Company to the Control Group, and provided further that the cost to employees shall not exceed the premium share paid by the control group.

Effective January 1, 2010, the Company shall make available to all employees actively working in the bargaining unit at the time this Agreement is signed who retire during the term of this Agreement the same medical and prescription group health insurance plan as is available to the Company's non-exempt non-bargaining unit retirees ("Retiree Control Group"), with the bargaining unit retirees' paid amount of the premium share to be the same as the amount of the premium share paid by the Retiree Control Group retirees for the same medical and prescription group health insurance plan, and with the Company having the right to change the benefits and content of the medical and prescription group health insurance, and select the method of providing the medical and prescription group health insurance benefits, whether through a carrier chosen by the Company, or by self-insurance, provided that the medical and prescription group health insurance content, and the method shall not be different than the medical and prescription group health insurance made available by the Company to the Retiree Control Group, and provided further that the cost to bargaining unit retirees shall not exceed the premium share paid by the Retiree Control Group.

146:147. Any employee desiring to carry such insurance as stated in paragraph 145, must pay the Company the full cost of the premium on or before the first day of the third month following the month in which he is laid off. Premiums must be paid on or before the first day of each month thereafter for the insurance the employee is permitted to carry while on layoff. If any employee does not pay the premium to the Company in cash on or before the date above specified, his insurance must be terminated.

147:148. Effective January 1, 2010, the Company shall make available to all employees in the bargaining unit the same group dental insurance plan as is available to the Company's non-exempt non-bargaining unit employees ("Control Group"), with the employees' paid amount of the premium share to be the same as the amount of the premium share paid by the Control Group employees for the same group dental insurance plan, and with the Company having the right to change the benefits content of the group insurance, and select the method of providing the group insurance benefits, whether through a carrier chosen by the Company, or by self-insurance, provided that the group dental insurance benefits content, and the method shall not be different than the group insurance made

available by the Company to the control group, and provided further that the cost to employees shall not exceed the premium share paid by the control group.

401(k) PLAN

~~148.149.~~ The Company Bargaining Unit Employee Investment Plan established on October 1, 1999, as the Mannesmann Dematic Rapistan Corp Bargaining Unit Employee Investment Plan remains in effect and is hereby incorporated into this agreement. Employees will be eligible to participate in the plan the first of the month following 90 days of service. The month following the employee's first anniversary date, the Company will match 2% of the first 4% of the employee's contribution to the plan.

BARGAINING UNIT PENSION PLAN

~~149.150.~~ Attached as an Exhibit is the bargaining unit Pension Plan. The Union will have the right to select in any manner they choose, two (2) representatives to represent the Union on the Pension Plan Committee. The pension schedule is as follows: Effective June 11, 2004 - \$26.00, June 11, 2005 - \$27.00, June 11, 2006 - \$28.00, June 11, 2007 - \$29.00, June 11, 2008 - \$30.00. Effective November 28, 2009, the Pension Plan shall be frozen, including with respect to service and pension rate, and closed to new enrollment.

GENERAL

~~150.151.~~ NON-BARGAINING UNIT WORK

Non-bargaining unit employees will not be permitted to perform work on an hourly rated job which would deprive bargaining unit employees of their regular work, except in the following types of situations.

- a. In emergencies arising out of unforeseen circumstances which call for immediate action to avoid:
 1. Interruption of operation.
 2. Property damage.
 3. Injury to employees.
- b. In the instruction or training of employees.
- c. In the performance of necessary work when production or design difficulties are encountered on a job. When a non-bargaining unit employee works in violation of this section, the low overtime employee in the classification where the work was performed will be paid for such hours, but in no event less than one (1) hour.

- d. Any work performed in the Company's tech center.

151:152. UNION MEETINGS

The Company agrees to arrange the schedules of work in such a manner as mutually agreed upon, to permit the Union to hold meetings of joint shifts on the first Tuesday of each month. The Company agrees that one (1) week's notice shall be sufficient for any and all ratification or agreements that may become necessary through the process of collective bargaining between the Company and the Union to the end that all employees on all shifts shall have the right to be present at these joint meetings. The Company shall not pay employees, committeemen, or any Union Official for time spent attending any Union meetings, except for joint Company Union meetings as set forth in paragraph 17.

152:153. BULLETIN BOARDS

The Company will provide space on all regulation plant bulletin boards for the use of the Union. There shall be no posting by the Union or employees of notices or other matters upon Company property except as provided herein. The local Union President or his designated representative shall post such notices. The use of these bulletin boards shall be confined to the following notices:

- a. Recreational, educational, and social affairs of the Union.
- b. Union meetings.
- c. Union elections, including those required by Union constitution, and results of such elections.
- d. Minutes of Union-Company Agenda Meetings.
- e. Such other notices as may have been submitted to and expressly approved by the Company in writing prior to posting.

153:154. RETIREMENT

An employee may voluntarily retire at a time consistent with the provisions of the bargaining unit Pension Plan.

On and after January 1, 2010, an employee may voluntarily retire at any time consistent with paragraph 145 for Hospitalization insurance.

Up to and including December 31, 2009, an employee may voluntarily retire in accordance with the following, for Hospitalization insurance under paragraph 145:

- a. 55 years of age with a minimum of 25 years of service.
- b. 62 years of age with a minimum of 12 years of service.

- c. 65 years of age.
- d. 30 years of service.

154.155. NO DISCRIMINATION

There shall be no unlawful discrimination against any employee by either the Company or the Union in regard to hiring, tenure of employment, promotions, transfer, or other conditions of employment because of race, creed, color, sex, age, marital or veteran status, religious or political affiliations, the presence of a medical condition or handicap, height, weight or any other protected status.

155.156. ANNUAL REPORT

A copy of the Annual 5500 Report for the bargaining unit Pension Plan shall be delivered to the Union. Copies of other reports will be sent upon mutual agreement between the parties. Such reports will be sent to the International Union, U.A.W., Solidarity House, Detroit, Michigan 48214 (8000 E. Jefferson Avenue) and to the Regional Director.

156.157. SAFETY EQUIPMENT

Employees will pay 100% of the cost of laundering of shop coats and uniforms. The Company will pay the full cost of prescription safety glasses (excluding eye examinations) providing the lenses and frames are purchased from a source designated by the Company. The Company will furnish all gloves to employees.

After presentation of a receipt from a store of an employee's choice, each employee will be reimbursed 50% of the cost of safety shoes (up to \$125.00 annually).

157.158. NAMES AND ADDRESSES

Within thirty (30) days after the ratification of this Agreement and every six (6) months thereafter during the term of the Agreement, the Company shall give to the Union the names of all employees covered by this Agreement together with their addresses as they appear on the records of the Company. The Union shall receive and retain such information in confidence and shall disclose it only to those officials of the Union whose duties require them to have such information.

158.159. Any place in this Agreement using the term "he" shall also mean "she". Female employees will be paid equal pay for equal work.

159.160. ADDRESS RECORDS

It shall be the obligation of each employee to keep the Company informed of any change of address or telephone number. The Company shall not be held responsible for not contacting an employee if reasons for such failure are due to a wrong address or telephone

number being furnished. If an employee has no telephone, he shall be obligated to advise the Company on how he may be reached.

160.161. TELEPHONE CALLS

All incoming phone calls must be routed through Supervisors. If calls are of an emergency nature, the employee will be notified immediately. Essential outgoing phone calls during working hours may be made with the permission of the employee's Supervisor. The use of cellular telephones in work areas during work times is prohibited.

161.162. WORK RULES

It is understood and agreed that the Company has the right to adopt such reasonable rules and regulations as the Company may from time to time consider necessary and proper. The reasonableness of such rules will be subject to the grievance procedure.

162.163. PICKET LINE

It shall not be a violation of this Agreement nor shall it be a cause for discharge or disciplinary action if an employee or a group of employees refuse to enter upon the property of any other employer involved in a primary labor dispute with the U.A.W., one of its local unions, or any other recognized trade union at which a lawful primary picket line has been placed.

163.164. PLANT ACQUISITION OR MOVEMENT⁶

The Company agrees that the recognition now tendered to the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), as exclusive bargaining agent for the bargaining unit of employees at its Grand Rapids Michigan manufacturing plant, in regard to wages, hours, and other terms and conditions of employment shall be extended to cover employees of the Company performing bargaining unit work as defined herein at any future manufacturing plants or operations established or acquired (unmanned plant) by the Company which are within a radius of fifty (50) miles of the City of Grand Rapids, Michigan, and an extension of the production process of the existing Grand Rapids manufacturing plant.

This contract shall cover the production and maintenance employees at such new facilities should the Company move its Grand Rapids manufacturing plant to a new location which is within a sixty (60) mile radius of Grand Rapids, Michigan, manufacturing plant.

Should the Company decide at its sole discretion to discontinue or relocate its Grand Rapid manufacturing plant beyond a sixty (60) mile radius of Grand Rapids, Michigan, it will provide the Union with sixty (60) days written notice. Employees' hospital, dental, visions, and life insurance benefits will be continued for a period of two (2) months from

⁶ See Letter of Understanding No. 13.

the date he/she is terminated as a result of the discontinuance or relocation of the Grand Rapids manufacturing Plant. In addition, the Company will bargain over the effects of other contract benefits that may be affected by the discontinuance or relocation of the Grand Rapids manufacturing plant.

~~164.165.~~ SUCCESSOR AND ASSIGNS

This Agreement shall be binding upon the Company and the International and Local Union and their respective successors and assigns. The Company shall include in any agreement of sale a provision obligating the purchaser to assume the labor agreement for its term.

~~165.166.~~ The Apprenticeship Program for Tool & Die Makers, Electricians, Machine Repairman and Millwright as agreed to by the parties, is hereby incorporated and made part of this Agreement (see Exhibit D for an excerpt from the Apprenticeship Agreement).

~~166.167.~~ INCIDENTAL TASKS

During contract negotiations, the subject was raised of skilled trades' right to access their work by performing incidental tasks. The Union agrees this current business practice as used by skilled trades will remain an integral part of the normal daily operation in the plant; any issues that may arise in this area will be addressed through the skilled trades committee and the Vice President of Human Resources.

In addition, regarding the current practice of non-skilled employees performing non-skilled incidental work, which is minor in nature and arises out of unforeseen circumstances, the parties agree this practice makes good business sense and shall remain part of the goal towards non-interruption of the completion of the manufacturing process. It is understood and agreed upon by the parties that the practice will not be misused to circumvent established job classification duties, both on straight and overtime situations.

~~167.168.~~ BUILDING AND GROUNDS MAINTENANCE EMPLOYEES

The Company shall have the right, in its full discretion, to utilize employees in the Building and Grounds Maintenance job classification without regard to any of the transfer restrictions within this Agreement or, in its full discretion, to subcontract out the work in the Building and Grounds Maintenance job classification.

~~168.169.~~ UNION FLAG

When provided by the Union, the Company will fly the UAW flag at its Grand Rapids manufacturing plant.

~~169.170.~~ AGREEMENT AGAINST STRIKES AND LOCKOUTS

The Union will not cause or engage in or authorize its members to engage in, nor will any member of the Union be authorized to take part in any strike or stoppage of the Company's operation, or picket any of the Company plants or premises over any matter

which is within the jurisdiction of the arbitrator provided for in the grievance procedure of this Agreement. During the life of this Agreement, the Company will not lockout any employee over any matter which is within the jurisdiction of the arbitrator provided for in the grievance procedure of this Agreement.

~~170:171.~~ STATE OR FEDERAL LAW

If any paragraph or portion of the Agreement should be found to be invalid by law, it shall not affect the remainder of the Agreement and the affected provision shall be renegotiated.

~~171:172.~~ ENTIRE UNDERSTANDING

This Agreement and supplementary attachments contain the entire understanding between the two parties and supersedes all prior agreements or understandings, written or oral, between the Company and the Union. Any policies or practices heretofore followed, which are in any way inconsistent with any of the provisions of this Agreement, are hereby revoked. Any supplementary agreement negotiated and agreed to between the parties to this Agreement and attached hereto shall become a part hereof as though contained herein. This Agreement is subject to the approval of Local 1485 and the Regional Director of Region I-D, U.A.W.

DURATION AND RENEWAL OF AGREEMENT

~~172:173.~~ This Agreement shall remain in force until 7:00 a.m., December 15, 2016, and thereafter until sixty (60) days after either party shall serve written notice on the other party of a desire to terminate, modify, alter, renegotiate, change, or amend this Agreement. Such written notice given sixty (60) days or more before December 15, 2016, shall become effective on December 15, 2016. A notice of desire to modify, alter, amend, renegotiate or change, or any combination thereof, shall have the effect of terminating the entire Agreement (on the expiration date) in the same manner as a notice of desire to terminate unless before that date all subjects of amendment proposed by either party have been disposed of by agreement or by withdrawal by the party proposing amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their representatives thereunto duly authorized, as of the day and year first written above.

DEMATIC CORP

H. FITZON
Vice President Human Resources

K. RUSSELL
Vice President Supply Chain

D. CHISHOLM
Plant Superintendent

**LOCAL 1485, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL
IMPLEMENT WORKERS OF AMERICA (U.A.W.)**

B. Sikkema
President

R. Patterson
Vice President

C. Czarnopis
Committeeman

M. Hawkins
Committeeman

R. Thompson
Recording Secretary

H. Woodard
International Representative

G. Kariem
Assistant Regional Director

D. Oetman
Director Region I-D

EXHIBIT A
Labor Grade & Pay Grade Schedule

Grade 2		Pay Grade
	125 Parts Assembler	Starting
 Grade 3		
	140 Grinder & Line Loader	Starting
	145 Stockhandler,	Starting
 Grade 4		
	130 Fabricator	C
	150 Denison Press Operator	C
	175 Gravity Conveyor Assembler	C
 Grade 5		
	285 Saw Operator, 507	C
 Grade 6		
	306 Dispatcher, Assembly 507	Starting
	308 Receiving Coordinator	Starting
	309 Dispatcher	Starting
	310 Finished Goods & Storage Whsperson	C
	311 Dispatcher, Cutting 507	Starting
	317 Curve Channel Fabricator	C
	318 Shipping Parts Accumulator	C
	319 Shipper-Crater	C
	320 Crane Op/Shipper Crater, Roller Fab	C
	321 Gravity Stores & Parts Accumulator	C
	322 Welding Stores & Parts Accumulator	C
	323 Central Stores & Parts Accumulator, 507	C
	324 Maintenance Parts Clerk – North Campus	C
	326 Power Stores and Parts Accumulator	C
	335 Grinder & Powder Coat Painter	B
	370 Layout Mechanic	B
	410 Steel Stores Warehouseman	C
	415 Milling Machine Thread & Broach	B
 Grade 7		
	466 Cut-Off & Roller Forming Press Op.	B

470	3 Roll Bender Operator	B
510	Assembler-Fitter	B

Grade 8

530	CNC Punch Press Operator	A
531	FFS Operator	A
532	Laser Operator	A
534	Metal Spinning Machine Operator	A
541	Inspector-Conveyor Group	A
545	Preventive Maint. Mechanic–North Campus	ST

Grade 9

535	Robotic Welder Operator	A
548	Electrical Assembler, 1182	B
549	1.9 Automatic CNC Operator	A
554	Electrical Assembler, 1184	B
555	Experimental & Test Mechanic	B
556	Layout Welder	A
558	Forming Brake Operator	A

Grade 10

560	Millwright – North Campus	ST
566	Bldg. & Grounds Maintenance Person – North Campus	A

Grade 11

570	Machine Repairman – North Campus	ST
-----	----------------------------------	----

Grade 12

578	Electronic Technician	ST
580	Tool & Die Maker	ST

**EXHIBIT B
(Wage Rates)**

Wage Scale	Effective 11/28/09	Not Less Than 1% Payroll Period After 12/15/10	Not Less Than 1% Payroll Period After 12/15/11	Not Less Than 1% Payroll Period After 12/15/12	Not Less Than 1% Payroll Period After 12/15/13	Not Less Than 1% Payroll Period After 12/15/14	Not Less Than 1% Payroll Period After 12/15/15 (Ending Rate)
		Minimum	Minimum	Minimum	Minimum	Minimum	Minimum
Starting	11.00	11.11	11.22	11.33	11.44	11.55	11.67
C	13.05	13.18	13.31	13.44	13.57	13.71	13.85
B	14.25	14.39	14.53	14.68	14.83	14.98	15.13
A	15.50	15.66	15.82	15.98	16.14	16.30	16.46
AA	17.25	17.42	17.59	17.77	17.95	18.13	18.31
ST	18.50	18.69	18.88	19.07	19.26	19.45	19.64

EXHIBIT C
(BUYOUTS/BUYDOWNS)

Bonus Package:

Employees employed and actively working (or on sick leave, but not including employees on layoff) at any time from July 1, 2009, to November 13, 2009, shall receive a \$38,000 Bonus Package, less applicable deductions (“Bonus Package”). Eligible unit members must elect in writing to receive payment, less applicable deductions, by November 30, 2009, in:

- a) lump sum on the first payday after 12/15/09, less applicable deductions;
- b) lump sum on the first payday after 01/01/10, less applicable deductions;
- c) four equal annual installments of \$9,500 each, less applicable deductions, on the first paydates after 12/15/09, 12/15/10, 12/15/11 and 12/15/12; or
- d) four equal annual installments of \$9,500 each, less applicable deductions, on the first paydates after 01/01/10, 01/01/11, 01/01/12 and 01/01/13.

If no written election is made by November 30, 2009, Bonus Package payment will be made in lump sum, less applicable deductions, on the first payday after 12/15/09.

Bonus Package eligible employees who elect option (c) or (d), above, and whose employment with the Company terminates before full payment is received will be paid the remaining amount on the first payday after termination of employment, less applicable deductions.

Early Retirement Incentive:

Should a Bonus Package eligible employee who is retirement eligible, as retirement eligibility is defined based on the 2004 – 2009 Labor Contract paragraph 165, elect to submit his/her written resignation to the Company by November 30, 2009, to be effective no later than December 31, 2009, the employee shall be paid an additional bonus of \$13,000, less applicable deductions (“Early Retirement Incentive”). Eligible unit members must elect in writing to receive payment, for the Bonus Package and Early Retirement Incentive, a sum total of \$51,000, less applicable deductions, by November 30, 2009, in:

- a) lump sum on the first payday after 12/15/09, less applicable deductions;
- b) lump sum on the first payday after 01/01/10, less applicable deductions;
- c) four equal annual installments of \$12,750 each, less applicable deductions, on the first paydates after 12/15/09, 12/15/10, 12/15/11 and 12/15/12; or
- d) four equal annual installments of \$12,750 each, less applicable deductions, on the first paydates after 01/01/10, 01/01/11, 01/01/12 and 01/01/13.

If an Early Retirement Incentive eligible employee submits his written resignation by November 30, 2009, to be effective no later than December 31, 2009, but fails to timely submit his written payment election, he will be paid the \$51,000 (Bonus Package and Retirement Incentive Package), less applicable deductions, in lump sum on the first payday after 12/15/09.

The Company will not contest unemployment claims of Bonus Package eligible employees who do not receive a Retirement Incentive Package and whose employment with the Company is separated by means other than Company termination before May 14, 2010. The buyout bonus is not wages or severance. It is a settlement bonus paid in recognition of past service to the Company and to cushion the impact of the indefinite separation of employees from their employment, permanent loss of seniority and the restructuring of the terms and conditions of employment of the bargaining unit. However, if an allocation or designation to any week is required, the parties agree that it is applicable to the last full week of active work and not be used in the regular rate for the purposes of calculating overtime.

EXHIBIT D
EXCERPTS FROM APPRENTICESHIP AGREEMENT

Article 2, Section A:

Add:

An apprenticeship test will be given every two years to those employees interested. Employees will be ranked based on their test scores, related experience, related education, and seniority as outlined below. As apprentice openings arise, the person at the top of the apprentice list will be offered the opportunity to take that opening in that same trade.

An applicant may take the apprentice test two times. The better of the two test scores will be used for the apprentice ranking after the second test. After each apprentice test, a new apprentice list will be developed and will be used for apprentice selection for the next two years.

Article 2, Section C: Standards of Selection:

1. Applicants will be given the DAT or other recognized aptitude test.
2. Those applicants scoring 75% or better will continue in the selection process.
3. In addition to the test scores, the Joint Apprenticeship Committee will award additional points using the following point system as shown:
 - a. Related Experience – 0-4 points
 - b. Related Education – 0-4 points
 - c. Seniority – 1 point for each two years of Company service to a maximum of ten points.
 - d. Interview – 0-2 points from three interviewers.
4. The total of these scores, the apprentice test, related experience, related education, seniority, and the interview will be added to arrive at an applicant's total score. All applicants will then be ranked on a list with the applicant with the highest point total being first.
5. As apprentice openings occur, the person at the top of the list will be given the first opportunity to enter the apprentice program.

Article 8 – Ratio

The ratio of apprentices to journeyman shall be one (1) apprentice to one (1) journeyman employed in a respective trade.

Article 15 - Seniority

Add:

Seniority within the Tool & Die Maker classification, Electronics Technician classification, Machine Repair classification, and Millwright classification for purposes...

Appendix (this covers class room and floor training)

Machine Repair

Work Processes

<u>Description</u>	<u>Hours</u>
Tool Crib	40
General Machine Operation	1000
Bench and Floor	3688
Optional	500
Hydraulics	500
Industrial Truck Repair	500
Pneumatics	500
Power Transmission Repair	500
Related Instruction	772
Total Hours	8000

Related Instruction

Millwright

Work Processed

<u>Description</u>	<u>Hours</u>
Moving Machinery	1000
Machinery Connections	1000
Fabrication—Guards, etc.	1000
Machine Part Fabrication	384
Industrial Truck Repair	1000
Arc Welding	500
Acetylene Welding	500
Carpentry	500
Repair & Maintenance	1500
Related Instruction	616
Total Hours	8000

Related Instruction

<u>Course Description</u>	<u>Hours</u>
Math	100
Science	100
Shop	320
Drawing	36
Safety & Unassigned	60

Total Hours

616

Openings in Skilled Trades:

When an opening occurs in a Skilled Trades classification, the most senior qualified employee will be placed in the position. In the event that there is a journeyman in that particular trade employed by the Company, the journeyman will be considered for placement if he is the most senior qualified employee and has a minimum of one year's seniority.

When a skilled trade's person is assigned to a plant, shift preference may be considered only within that plant. A skilled trade's person may be transferred to a different job classification within the same skilled trade's classification only when an opening occurs.

LETTER OF UNDERSTANDING NO. 3

It is hereby agreed and understood by the parties that the Company will notify the President of Local 1485 when anyone has been discharged or suspended

/S/B.B. _____
Barrie Bechtel
/S/R.D. _____
Russ Dombrowski
/S/J.E. _____
Joe Evans Jr.

LETTER OF UNDERSTANDING NO. 4

This is to confirm the understanding that the following language the parties agreed to during the 1980 contract negotiations would not force the Company to transfer the most senior employees if that employee was working on a job that would take several days to complete. Once the job was complete, the employee would be transferred if that was his/her desire.

Paragraph 53

Employees may be temporarily transferred from their regular classification to another classification in order to meet production requirements and/or because work is not available in their classification. Such transfer will be based on an employee's ability to perform the available work and seniority. The transfer will be offered to the most senior person in the classification and department the transfer will be from. Failure to get a volunteer will result in the lowest senior employee in the department and classification who has the ability to perform the available work being transferred. If transferred to a classification in the same wage rate or lower, the employee will continue to receive his/her regular rate of pay. Agreed to by the parties on May 19, 1980.

/S/B.B. _____
Barrie Bechtel
/S/R.D. _____
Russ Dombrowski
/S/J.E. _____
Joe Evans Jr.

LETTER OF UNDERSTANDING NO. 5

The parties agree that the term “complete operating instructions” means that an employee will be shown where all the buttons, switches, and safety features are, where stock is stored, and the supervisor will familiarize the employee with the job and what is expected from him. The supervisor will answer any questions an employee may have relative to the job.

/S/B.B. _____
Barrie Bechtel
/S/R.D. _____
Russ Dombrowski

LETTER OF UNDERSTANDING NO. 6

It is hereby agreed by the parties that when a temporary employee is placed he/she will, at that point, be considered a permanent employee and will immediately have all contractual rights including rights to a job that is currently in the placement process.

/S/B.B. _____
Barrio Bechtel
/S/R.D. _____
Russ Dombrowski
/S/J.E. _____
Joe Evans Jr.

LETTER OF UNDERSTANDING NO. 7

It is hereby agreed and understood by the parties that in the administration of the jury duty section of this contract, members will not be expected to report for work unless there is a minimum of a half day’s work available to them. In the case of second shift employees, those employees who serve a half day or less on jury duty will be expected to work a minimum of four (4) hours on the second shift. Third shift employees required to serve on jury duty will be excused and paid for their eight (8) hour shift prior to the day they are to serve on jury duty.

/S/B.B. _____
Barrie Bechtel
/S/J.E. _____
Joe Evans Jr.

LETTER OF UNDERSTANDING NO. 9

It is hereby agreed and understood by the parties that whenever a more senior employee is not placed, the reasons for that senior employee not being placed will be noted.

/S/B.B. _____
Barrie Bechtel
/S/R.D. _____
Russ Dombrowski
/S/J.E. _____
Joe Evans Jr.

LETTER OF UNDERSTANDING NO. 10

It is hereby agreed and understood by the parties that warranty work and work performed by vendors on their own equipment in the plants will be reviewed with the committeeman in that area in advance of any work being done.

/S/B.B. _____
Barrie Bechtel
/S/R.D. _____
Russ Dombrowski
/S/J.E. _____
Joe Evans Jr.

LETTER OF UNDERSTANDING NO. 13

It is hereby agreed and understood by the parties that should the Company relocate its Grand Rapids manufacturing plant, consistent with paragraph 163, it will give preferential consideration in rehiring any employees displaced as a result of the relocation in the newly relocated facility at the then current wage rates for the facility. In addition, the Company will assist those displaced employees in finding suitable employment in the Grand Rapids area.

/S/B.B. _____
Barrie Bechtel
/S/R.D. _____
Russ Dombrowski
/S/J.E. _____
Joe Evans Jr.

LETTER OF UNDERSTANDING NO. 14

It is hereby agreed and understood by the parties that the Bargaining Committee and stewards will have privacy when making telephone calls and writing grievances. The Company shall not pay for such non-joint Company Union time.

/S/B.B. _____

Barrie Bechtel

/S/J.E. _____

Joe Evans Jr.

LETTER OF UNDERSTANDING NO. 17

In the event the Company decides at its sole discretion to discontinue or relocate its Grand Rapids manufacturing plant, bargaining unit employees who are terminated as a result, in addition to the benefits otherwise provided in Paragraph 163, shall receive termination pay determined as follows, provided they are on the active payroll at the time of the WARN notice and are subsequently terminated due to the closure of the Company’s Grand Rapids manufacturing plant.

SERVICE

PAY

0-2 years	None
2 or more years	Forty (40) hours pay at the employee’s straight time rate of pay for each full year of service up to a maximum of one-thousand (1,000) hours of pay.

Additionally, transition (out-placement) type training and Company service time letters will be made available for the aforescribed terminated employees.

The aforescribed special termination benefits and those provided for in paragraph 163, because they are pre-provided herein, preclude further effects or other bargaining in the same areas. Only employees eligible to commence receiving full unreduced retirement benefits under Paragraph 153 are not eligible for the special termination benefits defined herein, unless they specifically decline irrevocably in writing the full unreduced retirement benefits for their and eligible beneficiaries lifetime and instead elect the special termination benefits defined herein. This statement declining the full unreduced retirement benefits must be notarized; if an employee is married, the statement must also include the notarized signature of the spouse. Employees who are subject to a qualified domestic relations order cannot decline the retirement benefits.

June 10, 2004

/S/H.F. _____

Herb Fitzon

/S/R.S. _____

Bob Sikkema
/S/H.W. _____
Harvey Woodard

LETTER OF UNDERSTANDING NO. 20

Whenever the Company fills a job by temporary transfer for more than 20 hours in a week for 30 consecutive days, the Union President and the Committeeman from the area affected will meet with the Company to discuss whether or not a vacancy should be declared and placement made to the position. If the situation is not resolved to the satisfaction of the Union, it may be entered into the grievance procedure.

Barrie Bechtel
/S/R.D. _____
Russ Dombrowski
/S/J.E. _____
Joe Evans Jr.

LETTER OF UNDERSTANDING NO. 23

The parties hereby agree that anyone returning from a leave of absence on a Friday, when Saturday work is scheduled, will be responsible to notify their supervisor if they want to work the Saturday.

Barrie Bechtel
/S/R.D. _____
Russ Dombrowski
/S/J.E. _____
Joe Evans Jr.

LETTER OF UNDERSTANDING NO. 24

It is here by agreed and understood by the parties that when an employee is out on a Leave of Absence (excluding Military Leave) and it is mutually agreed by proper documentation that the employee will be unable to return to his/her position within the first twelve (12) month's of the employee's leave, the Company and the Union will meet to discuss placing an employee in the position.

LETTER OF UNDERSTANDING NO. 25

The Company and the Union agree that should an employee(s) be overpaid, the Company, the Union and the employee(s) will meet to determine the amount that will be withheld from an employee(s) pay check each payday. In no event will the amount be less than one (1) hours pay. Adjustments to W-2 earnings will be made as the repayment(s) are made.

/S/B.B. _____

Barrie Bechtel

/S/B.R. _____

Brian Ritsema

/S/J.E. _____

Joe Evans Jr

LETTER OF UNDERSTANDING NO. 26

Work previously performed by the tool crib attendant job classification shall be performed by employees in the Skilled Trades job classification.

[INSERT SIGNATURES]

SHOP RULES

The purpose of these rules and regulations is not to restrict the rights of anyone, but to define them and protect the rights of all and ensure cooperation. Committing any of the following violations will be grounds for disciplinary action, varying from verbal warnings to discharge as outlined by the procedure below. It should be noted that this list of offenses is not all inclusive. Any self-evident breach of usual ideas of good conduct, although not specifically covered by any published rule, will also be grounds for such disciplinary action.

PERFORMANCE REVIEW

The Company shall have the right to implement regular (i.e. 30 day) employee performance reviews and enforce performance standards. Management's evaluation of employee performance shall not be unreasonable. Substandard performance reviews shall be enforced in accordance with the following procedure as a General Violation.

PROCEDURE

Committing any of the following violations of plant rules will be grounds for disciplinary action varying from verbal warning to discharge, depending upon management's judgment as to the seriousness of the offense.

These penalties for the violations listed are to be used as an aid for proper discipline. It should be understood that violations of these plant rules will not necessarily follow the listed prescribed procedures.

1. General Violation

The following discipline procedure may be applied for violating any of the plant rules within this category:

- Step 1: Verbal Warning: Issue a formal verbal warning. In addition, the employee should be informed that further violations of this nature will result in more severe disciplinary action.
- Step 2: Written Warning: If the employee fails to correct the situation, a formal written warning may be issued. In addition, the employee should be informed that further violation of this nature will result in more severe disciplinary action, including suspension.
- Step 3: Suspension and Final Written Warning: If, in view of the above warnings, further disciplinary action is required because the employee has failed to correct the situation, the employee may be given an indefinite suspension. In addition, the employee will be issued a final written warning and informed that further violations of this nature will result in more severe disciplinary action up to and including

discharge. Any indefinite suspensions will be reviewed by the Plant Superintendent and a representative from Human Resources to determine the length of suspension.

Step 4: Suspension Pending Discharge: If, in view of the above constructive and progressive steps, further disciplinary action is required because the employee has failed to correct the situation, the employee may be indefinitely suspended and informed that the suspension may result in a discharge. Any indefinite suspensions will be reviewed by the Plant Superintendent and a representative from Human Resources to determine if the suspension will result in a discharge.

General Violations include, but are not limited to:

- Unexcused absences, absenteeism, or tardiness.
- Leaving assigned work area without supervisor's permission (personal time excepted).
- Failing to be at work station or other approved location at the start of and the end of regularly scheduled shift.
- Failing to observe established working hours, schedules, starting time, rest and meal periods, and quitting times.
- Wasting time.
- Distracting others from their work.
- Substandard quality of work or careless workmanship.
- Substandard quantity of work.
- Violating posted instructions.
- Unauthorized soliciting, collecting of funds, or distributing of literature during working time in work areas is prohibited. Non work-related use of Company equipment, including Company mail or email, for the purposes of solicitation or distribution of literature is prohibited.
- Use of cellular telephones in work areas during work times.

2. Serious Violations

The following disciplinary procedure may be applied for violating any of the plant rules in this category:

Step 1: Suspension and Final Written Warning: The employee may be given an indefinite suspension. In addition, the employee will be given a final written warning and informed that further violations of this nature will result in more severe disciplinary

action, up to and including discharge. Any indefinite suspensions will be reviewed by the Plant Superintendent and a representative from Human Resources to determine the length of the suspension.

Step 2: Suspension Pending Discharge: If, in view of the above steps, further disciplinary action is required because the employee has failed to correct the situation, the employee may be indefinitely suspended and informed that the suspension may result in a discharge. Any indefinite suspension will be reviewed by the Plant Superintendent and a representative from Human Resources to determine if the suspension will result in discharge.

Serious Violations include, but are not limited to:

- Leaving the plant premises during working hours without permission.
- Using abusive or threatening language to supervisors, visitors, etc.
- Endangering other employees by unsafe acts.
- Horseplay.
- Threatening, intimidating, or coercing others.
- Engaging in immoral or indecent behavior.
- Unauthorized entry or aiding unauthorized entry of employees or other persons onto Company property.

3. Cardinal Violations

The following disciplinary procedure may be applied for violating any of the plant rules in this category:

Step 1: Suspension Pending Discharge: The employee may be indefinitely suspended and informed that the suspension may result in a discharge. Any indefinite suspensions will be reviewed by the Plant Superintendent and a representative from Human Resources to determine if the suspension will result in a discharge.

Cardinal Violations include, but are not limited to:

- Misusing of time cards or time clocks, including writing in own time on time cards.
- Sleeping on the job.
- Intentionally restricting production.

- Disobedience, insubordination, or failure to obey a direct order.
- Willfully spoiling materials or willfully damaging Company property.
- Possessing alcohol or narcotics on Company property.
- Being under the influence of alcohol or narcotics at work.
- Willful acts that endanger others.
- Fighting.
- Stealing.
- Removing Company property without approval.
- Conviction of a felony.
- Possessing weapons.

SAFETY

1. Safety glasses must be worn by all personnel in the factory area at all times. In addition, employees engaged in extra eye hazard occupations must wear other approved eye protection such as: Welding helmets, goggles, or face shields as designated by the Safety Engineer.
2. Safety shoes must be worn by all employees in the factory area at all times.
3. DO NOT move, repair, adjust, or otherwise tamper with electrical equipment, heaters, fans, or other electrical apparatus unless authorized to do so.
4. DO NOT enter the paint storage areas unless authorized to do so.
5. DO NOT wear loose clothing or neckties while working in the shop.
6. DO NOT use air hoses without the permission and approval of your supervisor or safety engineer.
7. Always shut your machine off when you leave it unattended, or when oiling, cleaning or adjusting.
8. If a machine is to be worked on for any reason, this machine will be properly shut off and the present lock-out, Procedure will be in effect and enforced.
9. Smoking is not permitted as per Federal, State or Local law and/or City Ordinance and where “no smoking” signs are posted.
10. Keep in place and use an H guards and safety devices.
11. Only one person (the authorized operator) is permitted on the hi-los.
12. Defective tools and equipment are to be reported to the supervisor and repaired or replaced immediately.
13. Report all dangerous conditions to your supervisor.
14. All oily rags are to be placed in the covered safety cans provided.
15. The instructions of authorized emergency squad personnel must be obeyed without question during an emergency or drill.
16. Get first-aid attention for all injuries no matter how minor they may seem.
17. Do not run in the plant.
18. Observe maximum ten miles per hour speed limit in parking lot.
19. Read the rules and regulations that pertain to the machines that you will be operating.
20. Do not leave power cords, air lines, or trash and debris to accumulate on floors in any work area.
21. Shorts may be worn provided their length exceeds the finger-tips when the employee’s hands are fully extended at their sides and provided they are not excessively loose such that they present a safety hazard.

22. Spandex shorts, shirts or revealing material is not allowed. Undergarments are to be worn. Cut-off shirts are not allowed.

ABSENTEEISM/DISCIPLINARY PROCEDURES

The Company has a “no fault” absenteeism policy. There are no excused, unexcused, reasonable or unreasonable absences. Points will accumulate for each instance of absence, tardiness, or leaving prior to the end of the shift in accordance with the following:

Absent, no call in:	3 points
Absent; call in prior to start of shift	2 points
Leaving prior to end of shift with Supervisor’ permission	1 point
Leaving prior to end of shift without Supervisor’ permission	2 points
Tardy	1 point

(If you report to work within the first 4 hours of your shift, you will be considered tardy. If you report during the 5th hour or later, you will be considered absent)

You must report your absence from work to the Company by calling (616) 451-6559 as soon as possible but no later than prior to the start of your assigned shift. Absences reported after the start of the shift will be considered “**no call in**” absences.

This policy does not recognize certification by a doctor except in cases of absences for two or more consecutive days. Consecutive absences of two or more days maybe counted as one absence only if the employee provides certification from a doctor upon **the day of return to work** (certification presented after the day of return to work will not be considered). The certification will contain the **dates of disability**, and the **specific reason** you were disabled.

Certain absences such as vacation, holidays, bereavement, jury duty, Family Medical Leave, personal days scheduled before the end of the prior shift, sick leave (excluding sick days), military leave, union leave and absence as a result of a worker’s compensation leave are excluded from this policy.

Unsatisfactory attendance will result in disciplinary action in accordance with the following schedule:

Step 1 -- The accumulation of 6 points in a 12-month period will result in a final written warning. The warning will be given to the Employee by his or her supervisor with a copy to the Union Steward

Step 2--The accumulation of 12 points in a 12- month period will result in discharge.

The system is administered on a rolling consecutive 12- month period excluding time not worked. A point charged to an employee will remain active for a continuous 12-month period. A point one-year-old will be dropped.

If you are absent for more than 5 consecutive work days, a statement from a physician is required before you will be permitted to return to work. In such instances, the Company reserves the right to require you to submit to an examination by a physician designated by the Company at its discretion.

DRUG SCREEN POLICY

Employees requesting medical treatment will be required to take a drug and alcohol test as part of the medical treatment. Employees refusing the tests or testing positive will be suspended pending disciplinary action up to and including discharge. Employees who suffer an occupational injury and refuse medical treatment will be required to sign a release stating they understand that by refusing treatment they acknowledge. The Company will not be responsible and any cost incurred treating the injury will be the employee's responsibility.