### HOURLY WORKERS

### **CONTRACT SUMMARY**



# Highlights

• 12,000 jobs, \$16 billion of investment to produce new models and upgraded vehicles and components by 2015, of which, \$6.3 billion will be invested directly into retooling and upgrading U.S. plants, with details on page 2.

• \$6,000 lump sum upon ratification for employees with one or more years of seniority or \$5,000 for employees with less than one year.

• \$1,500 Inflation Protection lump sums in 2012, 2013, 2014 and 2015.

• New annual profit sharing program with greater transparency and an average payment of \$3,700 for 2011 profits based on Q1 and Q2 reported figures. Second two quarters of 2011 profit paid in March 2012.

• \$250 yearly competitive award paid in December.

• Entry-Level wages to grow to \$19.28 by end of the agreement.

• Unlimited \$20 office visits and annual physicals.

• SUB pay replenished.

• \$50,000 bonus for eligible production-employees who retire by March 31, 2012. \$100,000 bonus for skilled trades who retire by March 31, 2012.

• Sourcing moratorium remains intact.

• Reinstated pay-in-lieu vacation provisions.

• Maintained 2 paid family days.



The 2011 UAW Ford National Negotiating Committee

### A message to UAW members at Ford

We are proud of our union and the UAW Ford National Negotiating Committee. As the nation's economy remains stalled and uncertain, and its employment rate stagnates, we were able to win an agreement with Ford that will bring auto manufacturing jobs back to the United States from China, Mexico and Japan. This agreement adds 5,750 new UAW jobs which means more than 12,000 new jobs in total with jobs previously announced by Ford. Many of these jobs will be added by the end of 2012, and all will be added during the term of the new contract.

The tentative agreement includes \$16 billion to produce more new and upgraded vehicles and components by 2015, of which, \$6.3 billion will be invested directly into retooling and upgrading plants.

UAW members sacrificed when the company was struggling and this agreement ensures that our members will now share in Ford's prosperity. While new jobs, investment and new products for our plants are the most important components of a secure future for our members, we were also able to make important gains in both income and benefits in this tentative agreement.

In terms of economic security, we increased Entry-Level wages to \$19.28 over the term of the agreement. We also won a \$6,000 Settlement Bonus for workers with a year or more seniority or \$5,000 for those with less than a year, and \$7,000 in Inflation Protection and Competitive lump-sum payments over the term of the agreement. Another important gain is the strong improvements we made in transparency and simplicity in the profit sharing plan.

In the area of health care benefits, when it seems like everyone in America is getting cuts in benefits and paying higher co-pays and deductibles, we were able to maintain and improve on our current benefits. Most significant for our members, we were able to secure unlimited \$20 doctor's office visits.

As representatives of workers, we will always have some differences with Ford management. Over and over, we reminded management that no one has a stronger self-interest in the success and long-term viability of the company than UAW Ford workers. CEOs come and go, often with huge golden parachutes, management comes and goes, stockholders come and go, but it is our UAW Ford members who are here for the long run and have the most at risk if the company fails. It is our members who work the hardest every day making the best vehicles in the world.

We are extremely proud of the job that was done by the entire UAW Ford National Negotiating Committee. We employed new strategies and tactics in these difficult economic times. Your bargaining team fought successfully not only to beat back the corporation's attempt to weaken our contract, but also to win major improvements we all can be proud of.

This document summarizes the tentative agreement the UAW has reached with Ford. Please review it carefully, and go to www.uaw.org to review the entire agreement. And we urge you to vote "YES" in favor of ratification.

In solidarity,

Bob King, president International Union, UAW Jimmy Settles, vice president and director UAW Ford Department

### **ORGANIZE • BUILD POWER • WIN JUSTICE**

### **Work in-sourced from Mexico, China and Japan** \$16 billion in investment and new products

Your negotiating team has consistently heard our members demanding more job security because members understand that without product for our plants, our futures are not secure.

This tentative agreement adds another 5,750 jobs. These new UAW jobs mean more than 12,000 new jobs in total with jobs previously announced by Ford. Many of these jobs will be added by the end of 2012, and all will be added during the term of the new contract. These new jobs will be added to communities across America where people have been struggling to recover from our nation's economic turmoil.

The UAW Ford proposed agreement also includes \$16 billion of investment to produce new models and upgraded vehicles and components by 2015, of which, \$6.3 billion will be invested directly into retooling and upgrading plants. Many of the product commitments in this agreement are from vehicle manufacturing re-sourced or in-sourced directly from other countries, including China, Japan and Mexico.

Just as important as the investment commitment is new contract language that gives our members a better chance of competing for work with outside suppliers. The new language, which will be closely monitored by the UAW Ford Department's new Advanced Manufacturing and Sourcing team, strengthens our ability to compete for existing and new work.

Your negotiators also insisted and won agreement that the current moratorium on outsourcing of work from Ford facilities be extended for the life of this proposed agreement.

The following chart details the new product and plant investment that was secured in this tentative agreement.

Assembly				
Plant	Product			
AAI	Will balance out of Mazda 6 production. A new flexible assembly system to provide a second source for the next Generation Fusion (which is currently built exclusively in Mexico) will be installed and a second shift added. The plant also will receive the next generation Mustang. Total plant investment is \$555M.			
Chicago Assembly	Will continue with Explorer and Taurus, including adding a third shift of production and insourcing the police vehicles. Investment in the plant is \$117M.			
Dearborn Truck	The next generation of the industry leading F-Series truck will continue at DTP after \$359M investment.			
Kansas City Assembly Plant	The Kansas City Assembly plant will grow with the North American introduction of the Transit Commercial Van, being insourced from Europe. To support the growth, an integrated stamping plant is being added to the site. A second shift of F-series production is being added in 2012, and the next generation F-Series is awarded to the plant. Total investment on the site is over \$1B.			
Kentucky Truck	Enabling Ford's Truck Leadership position is execution of the next generation Super Duty Truck and continuation of the Expedition and Navigator. The investment of \$621M includes adding a press line.			
Louisville Assembly	The launch of the all new Escape in 2012 will be followed by the introduction of an exciting new product. The popularity of the Escape and the addition of a new product will require a third shift of production. Total plant investment is \$639M.			
Michigan Assembly	Ford's growth in the small car segment continues with the Focus Battery Electric Vehicle. The high mileage C-Max is being insourced from Europe and will feature both hybrid and plug-in hybrid powerpacks. As the ever-popular Focus continues, a third shift of production is being added to meet market demand. Total investment of \$297M			
Ohio Assembly	The commercial vehicle portfolio is enabled by the insourcing of the Medium Truck and the frame assembly from Mexico, along with the insourcing of the Motorhome Chassis. The E-Series cutaway rounds out the line-up. Total plant investment of \$128M.			
Twin Cities	As previously announced, the Twin Cities Assembly plant will close with the balance out of the Ranger at the end of 2011.			

	Powertrain
Plant	Product
Dearborn Engine Plant	In support of Ford's leadership in fuel economy initiatives, incremental ca- pacity will be added to the plant for the 2.0L I4 engine. The idled side of the plant will be reopened to add the newly insourced F-Series Vehicle Person alization Center as part of the \$130M investment.
Cleveland Engine Site	The plant is awarded a new flexible small displacement engine assembly line. The good news at the site continues with the announcement that a third shift of production is being added for the Duratec 3.5L/3.7L V6 engines. Total investment on the site is \$278M. The 3.0L Duratec engine balances out at Cleveland Plant 2 after a solid 18 year run.
Lima Engine Plant	The popular Duratec 3.5/3.7L V6 continues and a new industry leading small V6 will be added to the plant at an investment of \$400M.
Romeo Engine Plant	Truck leadership is requiring the continuation of the 6.2L V8, a key engine in Ford'struck lineup. The 5.4L Supercharged engine gets upgraded to a 5.8L. The machining of 5.0L blocks continues and 5.0L connecting rod machining is introduced. The 4.6L balances out after a very successful life cycle. Total investment is \$50M.
Livonia Transmission	The 6R product lineup continues with a substantial capacity increase, while the 4R line balances out. Plant investment is \$192M.
Sharonville Transmission	The Gear Center of Excellence sees plenty of growth as the 6F, 6F-mid an 6R all have increasing demand. The 6R140 transmission continues, and insources an application for the Medium Truck. Plant investment is \$220M. The FN gears and the 5R110 balance out.
Van Dyke Transmission	The HF35 transmission, insourced from Japan, is the first hybrid trans- mission produced at Ford. The 6F-mid and the 6F both will experience a capacity increase, and two new applications of the 6F-mid will be insourced Total investment of \$220M.
Rawsonville	The balance out of starters and coils enables the transformation of Raw- sonville by the insourcing of several products, including the 6R140 oil pump from China, the HEV battery pack from Mexico, HF35 Kitting, and sequence ing for MAP and DTP. The continuation of the existing 6F35/50 Kitting, Carbon Can/Air Induction Assembly is included in the \$53M investment.
Sterling	The growth of Sterling business includes introduction of the rear drive unit used in the Edge, Escape, Fusion, MKZ, Flex, MKT and global products such as Kuga and Eco-Sport. The in-sourcing of the Transit axle assembly and gear manufacturing, subsequent Rear Drive Unit capacity increase, and F-150 E-Locker Differential Assembly provide incremental growth. The F-150, Super Duty, Mustang, Expedition and Navigator axles continue, the Ranger axle balances out. Total investment of \$141M.
Woodhaven Forge	Woodhaven Forge is awarded the crankshaft for the small displacement V6 engine, and will continue to forge their current line-up of 3.5L/3.7/5.4L/6.8L cranks up to their max capacity. Total investment of \$4M.

Stamping				
Plant	Product			
Buffalo Stamping	In addition to the continuation of the Edge, MKX, Flex, and MKT stamp- ings, the plant will receive incremental stampings in support of future product programs. A new Blanking line will also be installed, for a total investment of \$136M.			
Chicago Stamping	The stampings for the Taurus and Explorer continues. Incremental stampings will also be sourced to the plant. Total Investment of \$86M.			
Dearborn Stamping/ Dearborn Diversified Products	The two Rouge plants will be vibrant and growing as they get an in- flux of new equipment, which includes four new press lines, three new blankers, and four new Hydroform lines with two new presses. This new equipment will be used to add incremental stampings and hydroforming to support the next generation F-Series. Total investment of \$484M.			
Walton Hill Stamping	The Walton Hills Stamping plant closes.			
Woodhaven Stamping	The current F-Series, Expedition and Navigator stampings continue.			

### Access to information improved for union

Local union job sourcing committees were at a disadvantage because they could not utilize the company's computerized Time Adjusted Rate of Return information. This information, which shows the amount of time it takes for the company to recover the money invested in a project and its projected savings, will now be available to local union job sourcing committees so they can better prepare their business cases for new work.

### Improved plant in-sourcing process

Your negotiators at Ford sought ways to improve communication between the local sourcing committee and national counterparts. A formal process was established to permit local union sourcing committees to send unresolved issues to the national parties for timely resolution.

### Advance notice on market test required

The bargaining committee fought hard to make sure our local job security team has advance notice to secure current work for our members. That's why they insisted on language that grants the union four days of lead time before the company can go outside the plant and inform suppliers of a Request for Quotes.

### FCSD Improvements 115 jobs will be in-sourced as agreed to by the parties

#### New technology

New technologies will be utilized to update warehouse management systems to focus on process and customer service without an adverse impact on operations.

#### Access to warehouse management system data

Access to warehouse management system data for chairpersons and quality representatives was established in new contract language.

#### **Supplier Direct Ship parts**

The company agreed to seek new in-sourcing opportunities for Supplier Direct Ship parts.

#### **Classification rate change**

Standardizing classifications will be implemented with a commitment from the company to use a fair, and not arbitrary or punitive, system for assigning work.

### Maintenance General classification preserved

The Maintenance General classification was preserved. Standardized core tasks will be identified at all locations to maximize their effectiveness. Training will be identified and provided to classified employees where required.

### Self-directed work teams and flow process

New language will require the materials flow process be discussed with the chair prior to implementation to ensure all UAW members understand the impact of such changes.

The union has long understood the benefits and value of self-directed work teams, with the knowledge that they create a more harmonious and effective work environment. The company agreed to assess the potential application of self-directed work teams with the goal of creating pilot selfdirected work teams.



UAW Ford National Negotiating Team co-chair Bernie Rickie, left, reviews the proposed agreement with committee member, Tony Vultaggio.

### New lump-sum payments, profit sharing, competitive bonus Proposed contract includes significant economic gains

UAW members at Ford will share in the recent success of the company in many ways, while at the same time keeping Ford competitive. Lump-sum payments, a transparent profit-sharing formula and competitive bonuses were UAW priorities achieved.

Lump Sum, Competitive Bonus and Profit Share Schedule				
Date	Туре	Amount		
At Ratification	Settlement Bonus	\$6,000 for employees with one or more years of seniority or \$5,000 for employees with less than one year		
Nov. 2011	Profit Share (first 2Qs 2011)	Average \$3,752*		
Dec. 2011	Competitive Bonus	\$250		
March 2012	Profit Share (last 2Qs 2011)	TBC		
June 2012	Inflation Lump Sum	\$1,500		
Dec. 2012	Competitive Bonus	Up to \$250		
March 2013	Profit Share	TBC		
June 2013	Inflation Lump Sum	\$1,500		
Dec. 2013	Competitive Bonus	Up to \$250		
March 2014	Profit Share	TBD		
June 2014	Inflation Lump Sum	\$1,500		
Dec. 2014	Competitive Bonus	Up to \$250		
March 2015	Profit Share	TBE		
June 2015	Inflation Lump Sum	\$1,50		
Total over life of te	ntative agreement	\$ 16,75		

**\*Total does not include profit share for the second half of 2011 or March 2012, 2013, 2014 and 2015.** It is impossible to predict profit-sharing payouts, but for illustration purposes, if Ford maintained \$5 billion in profits for each year of the agreement, UAW Ford members would receive approximately \$20,000 in profit-sharing payments over the term of the agreement. Typical payout for 2011 first half pre-tax profit share expected to be \$3,752. Individual payouts will vary with compensated hours.

Profit-Sharing Plan Improvements					
Current Plan New Plan					
Plan Definition	U.S. profits only	Expanded to ALL North American profits			
Transparency	Not a pubicly reported figure and difficult to verify	Profit figure reported publicly to investors and the government			
Formula	Very complex	Straightforward and able to hold Ford accountable			

#### Lump-sum payments

UAW-represented workers, both Traditional and Entry-Level, who are on the active roll on the effective date of the agreement will receive a lump-sum Settlement Bonus of \$6,000 for those with one or more years of seniority or \$5,000 for anyone with less than one year of seniority. The bonus will be paid as soon as practical after ratification of the contract.

Eligible workers will also receive \$1,500 lump-sum bonuses on the weeks ending June 10, 2012, June 9, 2013, June 8, 2014 and June 14, 2015.

### Profit-sharing improved

Over time, Ford changed the way it reported its profits. This diminished our ability to truly share in the upside. Our new plan will now use the same profit figures that the company reports to its shareholders thereby restoring our ability to share in the company's success. Specific gains:

- Plan covers all North American profits, not just those from the U.S. The formula generates a fund based on \$1 per worker for every \$1 million in North American pre-tax, pre-interest profit.
- The proposed profit share definition excludes so called "special items" as well as net interest expense. Between 2003 and 2010, "special items" reduced the profit share fund by approxi mately \$17 billion, and net interest expense reduced the UAW profit share fund by \$4.5 billion.
- The new plan eliminates technicalities that could have deprived members of profit sharing in profitable years. These technicalities could have eliminated all payouts

in 2010 if it had not been for the strong intervention of the UAW.

• Under the proposed profit sharing plan, the average payment per worker would have been about \$5,400 on average in 2010, according to the letter of the contract.

#### Distribution

Will structure payouts based on each member's compensated hours.

#### Profit sharing payment for 2011 accelerated

The UAW has secured an advance payment of 2011 profit sharing to be made in 2011. The payment will be based on Ford's 2011 first-half pre-tax profits for North America of \$3.752 billion. This level of profitability will generate a Profit Sharing Fund of approximately \$154 million that will be distributed to UAW Ford members based on compensated hours. A typical payout will be \$3,752. The balance of profit sharing for 2011 will be paid in March 2012, in accordance with the profit-sharing plan.

#### VEBA

This agreement also shows a strong, ongoing commitment to protect the health care benefits of our retirees. The UAW and Ford are in the process of addressing the company's accounting, tax, legal and other concerns. Once these concerns are addressed, 10 percent of the Profit Sharing Fund will be diverted to the UAW Retiree Medical Benefits Trust.

#### Members on long-term military leave to receive profit sharing

Negotiators won a significant gain for those serving our country by securing language that entitles workers on long-term military leaves to be eligible for profit sharing.

### Improvements in life and disability benefits

### Streamlined process for medical leave

Your negotiating team made improvements to the communication process between Ford and Unicare when a worker applies for medical leave. Unicare will now directly contact the applicant's department to inform them that their member is on medical leave. This will help avoid unnecessary, 5-day quit notices.

#### Mental health care and substance use disorder treatment

New rules that expand the Mental Health Parity and Addiction Equity Act will go into effect Jan. 1, 2012. This legislation enhances members' negotiated benefits and broadens coverage to our members in need of mental health care and substance use disorder treatment. This comprehensive program removes the danger of restrictions on appropriate care. All limitations in mental health or substance use disorder less than the Hospital, Surgical or Medical Benefit are now equal.

With this new program, inpatient mental health/substance use disorder care is expanded from 45 days to 365 days and renewable after 60 days of nontreatment. Outpatient mental health and substance use disorder visits with a panel provider are covered at 100 percent for visits 1 through 20, 75 percent for visits 21 through 35 and a maximum \$25 co-pay for visits 36 and over.

#### Disability

Under the IMO program mileage reimbursement from home to the physician's office has decreased from 40 miles to 30 miles one way. Members will now be reimbursed mileage after traveling 30 miles or more.

#### Optional and dependent life improved

Optional and dependent life insurance rates have been reduced by 30 to 40 percent depending on the age of the worker. Also, an open enrollment will increase by one level with no proof of insurability.

### Benefit plans administration gains

The company also agreed to continue benefit conferences in the years 2012, 2013 and 2014, to keep benefit representatives informed on the latest benefit administration changes.

#### Improving participation and performance in the Personal Savings Plan (PSP)

The PSP has provided the means for many of our members to save for their retirement. These savings have been an important addition to the monthly benefits our retirees receive. The bargaining committee negotiated significant improvements to the PSP.

#### Additional representation in health and safety, skilled trades and for alternative work schedule sites

An additional health and safety representative was negotiated for car and truck assembly plants that utilize a Three-Shift production operation pattern.

Your negotiating team won one training resource person to work with governmental affairs to secure funding from federal, state and local government for assistance in training and also to coordinate the skilled trades licensing process.

The negotiating team made a commitment to secure representation for Alternative Work Schedules. On shifts without representation on weekends and holidays, all members working will be counted in the representation compensation counts.

### Health care benefits improved, expanded and protected

Health care reform continues to be at the center of national debate from the kitchen table to the halls of Congress. Nearly 50 million people remained uninsured in 2010, and many Americans find their health benefits slashed or eliminated. Health care reform will remain a hot-button issue in today's political climate and one that the UAW will continue to strongly support. The UAW believes that access to affordable and quality health care is a moral right for all. The institution has been a constant champion for health care reform and strongly supports the Patient Protection and Affordable Care Act (PPACA), signed into law by President Obama in 2010.

During this round of negotiations, it was a priority of the union to maintain benefits and negotiate enhanced health care coverage that would supply our members with above-standard care and provide a direct tie-in with the PPACA.

#### Prescription drug coverage

Co-payments will increase 3 percent a year over the life of the contract, capped at a \$1 maximum increase per prescription. The team was also able to expand the maintenance drug list.

#### Office visits: \$20 co-payment

Effective Jan. 1, 2012, modifications to health care for hourly active employees with Blue Cross Blue Shield National PPO and their dependents will be provided with unlimited office visits by in-network providers at a \$20 co-payment per visit. Also, an annual wellness physical will be included and paid in full.

Coverage will expand to include an urgent care benefit at participating providers with a co-payment of \$50, and emergency services now also carry a co-payment of \$100 if the patient is not admitted to the hospital for treatment.

#### Increased coverage for hyperbaric oxygenation treatment

Outpatient hyperbaric oxygenation treatment will now include the following conditions: diabetic wound care, chronic refraction osteomyelitis, osteoradionecrosis and soft tissue radionecrosis.

#### Wig benefit

The age restriction for wig benefits has been removed with adults now eligible. Wigs and appropriate related supplies for enrollees suffering from the effects of chemotherapy, radiation or other treatments for cancer will now be covered with maximum benefits for the first purchase of a wig set at a \$250 maximum benefit.

#### **Pre-hospice**

Coverage for pre-hospice consists of evaluation, consultation, education and support services with a lifetime maximum of 28 visits available prior to the enrollee electing hospice care. Pre-hospice coverage allows concurrent continuation of curative treatment until the enrollee is ready to forego curative care.

#### Hospice

UAW Ford members will now be eligible for hospice if life expectancy is 12 months or less (changed from six months). There is a lifetime maximum of 365 days which may be extended through case management. It was previously 210 days.

#### Hearing aid coverage

Expanded hearing aid coverage to include diagnostic testing.

• A Hearing Aid Network will also be implemented that will allow two hearing aids every three years within a \$2,000 maximum benefit structure.

# Occupational and speech therapy benefit expanded

Enrollees are entitled to now receive physical therapy, occupational and speech therapy services provided in a doctor's office setting in addition to all Therametrix therapy facilities. Diagnosis codes for physical therapy will also be expanded to include things such as wound therapy and debridement.

### Improved dental care coverage

Dental care coverage was upgraded so that UAW Ford hourly members now receive composite resins for all fillings when restoring posterior teeth, regardless of surface. Additionally, enrollees at risk for oral cancer or with unresolving oral lesions or ulcerations, will now have coverage for one brush biopsy per calendar year at 100 percent, regardless of age. We also maintained two brush biopsies at 90 percent (10 percent co-payment) per year for over the age of 18.

#### Other improvements include:

- Single tooth, endosteal implant with coverage up to 50 percent of cost and subject to the annual maximum.
- Enrollees will now receive one occlusal guard, covered up to 90 percent and subject to annual maximum, every five years instead of just one in a lifetime.

Fluoride trays for patients undergoing radiation therapy treatment for head and neck will now be covered at 100 percent.

#### Health care benefits provided under Patient Protection and Affordable Care Act made contractual

On March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act (PPACA) health care reform bill. The PPACA gives access to insurance for over 30 million Americans with numerous provisions to take effect over several years and broadens private and public health insurance coverage, including increasing coverage of pre-existing conditions.

With the additional coverage provided because of the PPACA, the UAW negotiated the following additions to the health care program for hourly active employees and their dependents:

### Expanded coverage with PPACA

During this round of negotiations, Ford hourly active workers will now be provided with up to five well-baby visits for children from 13 months of age through 35 months of age. Within a calendar year, for children ages 36 months through age 17, one well-child visit is allowed.

Additional coverage includes an annual, routine physical exam per calendar year for enrollees age 18 or older. All female enrollees will be provided with annual, routine gynecological exams.

Cholesterol screening coverage has been expanded to include children ages 24 months to 21 years, in addition to men over the age of 35. Screenings will also be provided for men, ages 21 to 35, with potential increased risk of coronary heart disease, and at-risk women over the age of 20.

In addition, specified lab services will now be covered including one abdominal, aortic aneurysm by ultrasound per lifetime, osteoporosis screenings for women and infectious screenings for all enrollees.

There were also gains in prenatal care with the addition of prenatal screenings, infectious screenings, and consultations regarding healthy diet, breastfeeding and tobacco use. Newborns will now be eligible for developmental screening and evaluation up to age 30 months, along with prevention screening at birth for congenital hypothyroidism, metabolic/ hemoglobin, phenylketonuria and sickle cell.

Preventive services and care was expanded to include infectious screenings, autism screening, obesity screening, blood pressure screening and depression screening. These preventative services are covered as part of the routine physical exam and not separate, billable items per the carrier.

#### **Retiree health care**

Retiree health care benefits are controlled by the Voluntary Employee Beneficiary Association, or VEBA, which is administered by an independent board of trustees and is not part of the UAW Ford collective bargaining agreement. The VEBA board holds regular meetings to assess retiree health care benefits and will keep you informed as progress is made toward finding solutions to health care concerns expressed by UAW Ford retirees.

### New primary care pilot program

Your UAW bargaining team won a regional pilot programwith new benefits for Ford members with the most complex health care needs. Originally proposed by the UAW, the Ambulatory Intensive Care Unit (AICU) is designed to provide higher quality comprehensive primary care to eligible members who choose to enroll. The Equality of Sacrifice Grievance is scheduled to be heard by the arbitrator on Nov. 17 and 18, 2011.

#### **Backup time returns**

Backup time will be returned to our contract. Any hours worked more than eight in a 23-hour period will be paid at premium rates.

### Bereavement language made more flexible

Union negotiators responded to requests from the membership to make bereavement leave more flexible. Members can now use bereavement time on nonconsecutive days before a funeral or service, provided one of the days is used for the funeral or service. Members can now use days after a funeral or service, but these days must be consecutive with the day taken off for the funeral or service.

### Access to pay information improved

Members will have access to their pay information from wherever they have Internet access instead of only from company computer systems.

### **Ford ACH supplement**

Your elected negotiators entered bargaining with a commitment and goals to secure job security and economic gains for the members at the ACH plants. In some cases, workers have been in "temporary" status for as much as six years waiting for a MOU to sell or close the ACH facilities. While no one could have seen this situation lasting through 2011, your negotiating committee succeeded in greatly reducing the level of employment insecurity among our members, while winning strong economic and benefit gains with a commitment to provide our members a 40-hour workweek.

#### Settlement bonus

ACH workers who are on the active roll on the effective date of the agreement will receive a lump-sum Settlement Bonus of \$6,000 for those with one or more years of seniority or \$5,000 for anyone with less than one year of seniority. The bonus will be paid.

### **Profit sharing gains**

ACH employees will receive profitsharing payments of 20 percent of the Ford level.

### Temporary workers win seniority rights

Negotiators won seniority for temporary ACH workers who have 90 days of consecutive employment. The date of hire will serve as the worker's seniority date. Those current members with less than 90 days will achieve seniority after reaching 90 days.

### ACH workers given preferential hiring for Ford openings

ACH workers will be eligible to apply for Entry-Level jobs at Ford as they become available. Preferential Hiring shall be limited to ACH hourly employees on the active employment roll of ACH on the effective date of the 2011 UAW-Ford Master Agreement, with the exception of the displaced ACH hourly members from the Indianapolis plant, provided periods of separation do not exceed periods of employment. Prior to Ford hiring new Entry-Level employees, all eligible ACH employees will be surveyed once for placement on the preferential hiring list when either Entry-Level openings in Ford locations occur or when the UAW and the buyer of an ACH plant or business reach a tentative agreement on a new collective bargaining agreement. Eligible members on the preferential hire list who decline an Out-of-Zone Entry-Level opportunity offer will not be eligible for subsequent Out-of-Zone opportunities, but will remain eligible for In-Zone opportunities.

Opportunities in Ford facilities will be offered in order of the members' ACH seniority date, highest to lowest seniority order. Relocation Assistance will not be provided.

### Health care improved with \$20 office visits

ACH workers and their families at present must pay for their entire doctor's office visits. We understand the strain this puts on your families. Your negotiating committee won language that calls for unlimited \$20 co-pay office visits.

### Bereavement days covered

Your negotiators were able to improve bereavement leave by winning language that grants ACH workers up to five days of leave following the death of an immediate family member (spouse, parent, child, step-child or multiple deaths in family), or three days off for the death of a brother, sister, step-parent, step-brother, step-sister, grandparent, grandchild, mother-in-law, father-in-law or grandparent-in-law. Additional unpaid time or use of vacation/excused absence hours may be requested and will not be unreasonably denied.

### Jury duty to be paid

Negotiators won language allowing ACH members jury duty leave that will be compensated at straight time, plus shift differential, minus the jury duty pay.

### Paid military leaves covered in contract

Short-term leave: workers with at least one year of ACH service called for short-term military duty for Armed Forces Reserve/National Guard training will be paid the difference between their military pay and company pay for the time the employee lost during the regular workweek, up to a maximum of 15 scheduled working days. Long-term leave: All state and federal laws applying to leaves will be followed. At the end of the leave, the worker will be offered re-employment at their previous position unless circumstances have so changed to make it impossible or unreasonable to do so, in which event they will be offered such employment as may be available in line with their service as they may be capable of doing at current rate of pay for such work.

### Vacation and Excused Absence Allowance

- 1 but less than 2 years, 40 Excused Absence Hours (40 total hours)
- 2 but less than 4 years, 40 Excused Absence Hours; 20 Vacation Hours (60 total hours)
- 4 or more years, 40 Excused Absence Hours; 40 Vacation Hours (80 total hours)

### Family Days

Seniority ACH members will receive two family days for the life of the 2011 ACH Agreement. An ACH member who attains seniority on or after Jan. 1, 2014, shall receive one (1) Family Day.

# Eligible for tuition assistance programs

Entry-Level employees are now eligible for all tuition assistance programs, including annual personal development assistance (PDA) courses.

#### Health care benefits improvements for Entry-Level workers

After much resistance from the company, the UAW was able to negotiate major benefit improvements to the Entry-Level health care program, including:

- Unlimited \$20 co-pay office visits.
- Annual wellness physicals.

#### Personal retirement plan

Entry-Level workers hired prior to this agreement will be covered under the supplemental agreement covering the Ford cash balance pension plan for hourly rate employees. Effective Jan. 2, 2012, cash balance pension plan benefits will be frozen and transferred into the TESPHE.

### Entry-Level TESPHE and retirement contributions

Rollover opportunities will be made available for transfer of the cash balance pension plan to the TESPHE.

Entry-Level employees hired prior to the effective date of the agreement will now receive company contributions of 6.4 percent of eligible weekly

# Wage increases for Entry-Level workers add to their base pay

Your elected bargaining committee at Ford understands the economic difficulties faced by workers hired following the 2007 National Agreement. Negotiators fought for and won increases in base salaries. Entry-Level workers will be paid according to the following schedules:

Wage	s for Existing Entr	y-Level Employ	ees			
	Years of Service at	t Ratification				
Less than 1 1-2 More than 2						
At Ratification	\$15.78	\$16.66	\$17.53			
At Sept. 15, 2012	\$17.53	\$18.41	\$18.41			
At Sept. 15, 2013	\$19.28	\$19.28	\$19.28			
Maximum rate	\$19.28	\$19.28	\$19.28			

Wages for Future Entry-Level Employees					
New Hire \$15.78					
After 12 months	\$16.66				
After 24 months	\$17.53				
After 36 months	\$18.41				
After 48 months	\$19.28				
Maximum Rate \$19.28					

earnings into the TESPHE.

For Entry-Level employees and all skilled trades workers hired after the effective date of the agreement, the company will contribute 4 percent of eligible weekly earnings into the TESPHE.

Entry-Level employees will continue to receive \$1 per hour up to 40 hours per week in company contributions to the TESPHE.

#### **Entry-Level life benefits**

Under the proposed agreement, Entry-Level employees shall be eligible for basic life insurance and extra accident insurance on the first day of employment. Active Entry-Level employees will be provided with basic life insurance coverage in the amount of \$45,000. The company will provide extra accident insurance in the amount of \$22,500.

### Improvements in Supplemental Unemployment Benefits (SUB)

#### SUB calculation

The complexity of the SUB formula has confused our membership since its inception.

Previously, SUB calculation varied from employee to employee, however, the union secured language that benefits employees by calculating average SUB benefits on a flat rate. The formula of 95 percent of take-home pay minus \$30 equals on average 74 percent of a worker's gross weekly pay. As a result of these negotiations, the following chart details exactly what the weekly SUB pay rate is for each employee. (See example below.)

#### Weekly SUB Pay

Entry	Level
-------	-------

Entry Level							
Base He	ourl	y Wage	Regular SUBenefit				
\$ 15.71 =		\$ 15.90	\$ 465.02	=	\$ 470.64		
\$ 15.91	=	\$ 16.10	\$ 470.94	=	\$ 476.56		
\$ 16.11	=	\$ 16.30	\$ 476.86	=	\$ 482.48		
\$ 16.31	=	\$ 16.50	\$ 482.78	=	\$ 488.40		
\$ 16.51	=	\$ 16.70	\$ 488.70	=	\$ 494.32		
\$ 16.71	=	\$ 16.90	\$ 494.62	=	\$ 500.24		
\$ 16.91	=	\$ 17.10	\$ 500.54	=	\$ 506.16		
\$ 17.11	=	\$ 17.30	\$ 506.46	=	\$ 512.08		
\$ 17.31	=	\$ 17.50	\$ 512.38	=	\$ 518.00		
\$ 17.51	=	\$ 17.70	\$ 518.30	=	\$ 523.92		
\$ 17.71	=	\$ 17.90	\$ 524.22	=	\$ 529.84		
\$ 17.91	=	\$ 18.10	\$ 530.14	=	\$ 535.76		

		Trac	lit	tional		
Base Ho	ourly	Wage		Regular	SUE	Benefit
\$ 27.91	=	\$ 28.10	T	\$ 826.14	=	\$ 831.76
\$ 28.11	=	\$ 28.30	1	\$ 832.06	=	\$ 837.68
\$ 28.31	=	\$ 28.50		\$ 837.98	=	\$ 843.60
\$ 28.51	=	\$ 28.70		\$ 843.90	=	\$ 849.52
\$ 28.71	=	\$ 28.90		\$ 849.82	=	\$ 855.44
\$ 28.91	=	\$ 29.10		\$ 855.74	=	\$ 861.36
\$ 29.11	=	\$ 29.30		\$ 861.66	=	\$ 867.28
\$ 29.31	=	\$ 29.50		\$ 867.58	=	\$ 873.20
\$ 29.51	=	\$ 29.70		\$ 873.50	=	\$ 879.12
\$ 29.71	=	\$ 29.90		\$ 879.42	=	\$ 885.04
\$ 29.91	=	\$ 30.10		\$ 885.34	=	\$ 890.96
\$ 30.11	=	\$ 30.30		\$ 891.26	=	\$ 896.88
\$ 30.31	=	\$ 30.50		\$ 897.18	=	\$ 902.80
\$ 30.51	=	\$ 30.70		\$ 903.10	=	\$ 908.72
\$ 30.71	=	\$ 30.90		\$ 909.02	=	\$ 914.64
\$ 30.91	=	\$ 31.10		\$ 914.94	=	\$ 920.56
\$ 31.11	=	\$ 31.30		\$ 920.86	=	\$ 926.48
\$ 31.31	=	\$ 31.50		\$926.78	=	\$ 932.40
\$ 31.51	=	\$ 31.70	Γ	\$ 932.70	=	\$ 938.32
\$ 31.71	=	\$ 31.90		\$ 938.62	=	\$ 944.24
\$ 31.91	=	\$ 32.10		\$ 944.54	=	\$ 950.16
\$ 32.11	=	\$ 32.30		\$ 950.46	=	\$ 956.08
\$ 32.31	=	\$ 32.50		\$ 956.38	=	\$ 962.00

# Increased security for supplemental employees

The committee won language that prevents the company from abusing long-term supplemental employees by making it easier for them to convert to Entry-Level workers. The committee was able to secure hundreds of supplemental workers to be converted to Entry Level.

### Improved Preferential Placement Hierarchy (PPH)

PPH was streamlined to address those who are not working first. This will reduce the amount of interplant movement workers are subjected to.

\* Prorated for incremental amounts on the basis of the employee's highest wage rate in the previous 13 weeks.

### Time limits removed for SUB

Time limits for filing an application for SUB benefits where the actual state system benefit has been issued will now be removed. Our members will no longer be denied SUB for failing to apply on time if unemployment is paid.

#### Transfers

Your bargaining team expressed concerns for eligible regular employees that have been denied their initial Unemployment Compensation (UC) benefit after being transferred to a new state location. The parties agreed that denying a SUB benefit under these circumstances is contrary to the intent of the plan. As a result, the union secured language that protects these workers and provides full SUB pay for a week if the employee is otherwise eligible to receive the benefit. This eliminates employees from being unjustly denied a week's pay during a crucial time of relocation.

# Severe weather condition problem significantly improved

Under the proposed agreement, overtime penalties in relation to time off due to snow days and/or severe weather have been removed in the calculation of SUB benefits regardless of when the work was offered or performed. When severe weather conditions have been approved, overtime provisions will no longer disqualify our members from a full 40-hour automatic short workweek benefit.

### **Job Security/SUB Duration**

Job Security/SUB duration was a major battle in negotiations. Management took a hard line position and resisted replenishing the weeks of SUB. The UAW remained steadfast in fighting to get these benefits restored and was successful in winning SUB replenishment. Any employee who used SUB credits during the life of the 2009 contract modifications will have SUB credits replenished.

#### Addendum to Ford March 2009 Modification

#### 2011 - 2015 Contract

Traditional Er	nployees	Replenished	Traditional Employees		
1-10 years	26 weeks SUB / 26 weeks TAP	Replemsned	1-10 years	26 weeks SUB / 26 weeks TAP	
10-20 years	39 weeks SUB / 39 weeks TAP		10-20 years	39 weeks SUB / 39 weeks TAP	
20+ years	52 weeks SUB / 52 weeks TAP		20+ years	52 weeks SUB / 52 weeks TAP	
Entry-Level E	mployees		Entry-Level	Employees	
1-3 years	13 weeks SUB		1-3 years	13 weeks SUB	
3+ years	26 weeks SUB		3+ years	26 weeks SUB	



From left, UAW Ford National Negotiating Team members Anderson Robinson Jr., Scott Eskridge and Dwayne Walker review details of the proposed agreement.

### Negotiators win major Alternative Work Schedule changes

Alternative Work Schedules (AWS) were negotiated in previous agreements to have a mutual benefit to our members and to the company. Workers on AWS should not be disadvantaged when compared to those on traditional schedules. Your negotiating committee recognized that workers who fall under AWS were not being treated fairly when it comes to overtime, Regular Day Off (RDO) and shift premiums. Appendix W was negotiated into the agreement, which defines when premium pay will be paid.

### RDOs further defined to our advantage

The negotiating committee recognized the disparity in the AWS

Monday	Tuesday	Wednesday	Thurs-	Friday	Saturday	Sunday
1	(RDO 1)	(RDO 2)	day 2	3	(RDO 3)	(RDO 4)
10 hours straight time, 2 hours at time and a half	ours ight e, 2 rs at and		10 hours straight time, 2 hours at time and a half	10 hours straight time, 2 hours at time and a half		

### Fairness achieved for Alternative Work Schedules (AWS) workers on family days

The negotiating committee made sure workers will be treated fairly when it comes to family days. Workers on AWS will receive, and be paid for, the hours they were regularly scheduled to work.

# Overtime paid if scheduled week is completed

At issue was whether overtime would be paid when a worker completes their scheduled workweek or would be paid after 40 hours. AWS workers will now be paid overtime when they complete their regular workweek, no matter what shift they work.

### A first: Ford workers to be recognized as UAW in company publications

Your elected negotiators won language that ensures workers are recognized as UAW members when involved in activities that promote the union and Ford inside the company and in the community. All internal plant communications that have articles featuring an hourly employee will now include the UAW "wheel" logo.

### A first: Our volunteer efforts recognized as UAW

The company agreed to establish a way for UAW members to log their volunteer activities in the Ford Model Teams computer system. This system will now have a specific code for hourly members so they can register their hours volunteered and have it recognized as UAW volunteer hours. system when it came to RDO pay. Under the proposed agreement, workers scheduled on RDOs 1 and 2 will be compensated at time and a half. Workers scheduled on RDOs 3 and 4 will be compensated at double time, regardless if they worked on RDO 1 or 2.

An example for a worker on a three-day workweek (36-hour week) is provided below:

In this above example, a worker assigned to work Saturday or Sunday (RDOs 3 and 4), will now receive double time for those days, regardless if they worked on Tuesday or Wednesday (RDOs 1 and 2). Workers on a four-day workweek (40 hours worked) would be paid double time for working on RDO 3, regardless if they worked RDOs 1 and 2. RDO premium pay will be determined by the RDO day worked.

# Consistency in compensation during leave achieved

Workers on AWS will receive bereavement pay of up to 12 straight time hours – depending on their schedule - for three days of leave for a qualifying family member or 40 hours worked/compensated for five days in the event of the death of a current spouse, parent, child, stepchild or in the case of multiple deaths in the worker's immediate family. Jury duty and short-term military leave will be compensated based on the amount the worker would have otherwise earned, up to 12 hours per day to 40 hours per week, minus any jury or military pay for the same period.

### **Putting skilled trades workers back to work** Union, company to find ways to return displaced skilled workers back to their trades

Your UAW skilled trades negotiating team at Ford had many concerns going into this set of negotiations, but none was more important than returning skilled trades workers from the production ranks or on indefinite layoff to their skilled classifications. New contract language will support this goal. Among other gains, negotiators also fought to secure comprehensive training for our skilled trades workers to keep them among the most skilled in all of global manufacturing.

#### **Opportunities for new work**

Your skilled trades teams won language that seeks to have displaced skilled trades redeployed back to the trades. The National Joint Skilled Trades Governance Team (NJSTGT) will explore numerous alternatives, including programs such as re-skilling, adding future skilled work, support for the Maintenance Operating System, including preventive and predictive maintenance.

The union and the company will investigate ways to bring back work that is, in some cases, being done on the outside. Examples of this work include tool repair, robot refurbishment, motor rebuilding, rack repair and electrical/electronic crib work.

#### Licensing gain will save members money

Training our members to meet state and federal licensing requirements will now be overseen by the NJSTGT. The company will continue to pay for certification and licensing while training. Coordination of training will now be done by the NJSTGT, as well as exploring alternatives for training that will be done on company time, rather than member time.

### Funding for new training

Your skilled trades bargaining team won dedicated funding in the manufacturing budget to ensure that critical training takes place. This training will be used for re-skilling the trades, launch of mechanical teams, apprentice training and other initiatives. Each location will jointly develop a comprehensive training plan to be reviewed and approved by the national parties.

The national parties also agreed to devote personnel to work with local and federal government to secure support and special funding for the future of skilled trades and coordinate all training efforts.

#### Skilled work team improvements

When mechanical work teams are launched, team members will receive the negotiated wage rate (nonpersonalized) of the highest classification on the team.

Skilled trades efficiencies achieved as a direct result of the implementation of mechanical work teams will not result in the direct and immediate layoff of mechanical trades.

Designated team leaders will be utilized to coordinate work assignments within the team and will receive a higher personalized rate. Skilled trades base classifications were maintained, and we retained all building maintenance and the first opportunity to do project work supported by a viable business case.

#### \$50,000 voluntary opportunity for skilled trades to redeploy to production

Skilled trades will be offered the option to redeploy to production classifications for any reason (such as not wanting to change shifts or change plants) and in return receive a \$50,000 lump-sum payment. Skilled trades who accept this voluntary incentive would maintain the right to be placed in the skilled trades through future apprenticeship opportunities or through application for an in-plant job opening in their former trade that could not be filled through the preferential placement hierarchy.

#### Capital investment secured for Local 600 Tool and Die Unit

The company agreed to a \$20 million investment for the tool-and-die unit at Local 600 to purchase new tryout and hemmer presses, along with upgrades to scanner and tool room technology/equipment.

### Negotiators win new health and safety initiatives, strengthen existing programs Best-in-class industry programs are designed to improve health and safety culture at Ford

Your elected negotiators at Ford always place a high priority on making sure our members leave work in the same condition as when they arrived.

Despite drastic cost-cutting during the auto crisis, your negotiators held true to their position that the protection of our members from an ever-growing list of potential on-the-job hazards is their Job 1.

Negotiators addressed a variety of complex health and safety topics in this set of negotiations, including ergonomics, industrial hygiene, emergency response teams, health and safety research, joint activities and training. Significant improvements were made to existing programs, while negotiators also added new programs to deal with new technology. Just as important, negotiators maintained their insistence that your union will have a vital joint role in developing training, education and a positive health and safety culture at Ford. Our input and involvement in the joint health and safety programs that we value will be strengthened under new contract provisions.

### A first: Workers Memorial Day to be recognized

In an effort to boost health and safety awareness, negotiators won first-time language recognizing Workers Memorial Day in Ford facilities and observing a moment of silence for those killed on the job.

# A first: summer heat stress, winter heating language

Your elected negotiating committee recognized that heat stress is a significant problem during hot summer months and won provisions that formally compel the company to address the issue through hydration, ventilation and facility engineering improvements. The lack of heat in winter months is also an ongoing problem, and negotiators won language to address it.

### Lingering disputes can be resolved by national parties

The committee recognized that not every issue is settled at the local level and major issues unresolved will be sent to the National Joint Committee on Health and Safety for timely resolution.

### Enhanced emphasis on ergonomics

Under the proposed agreement, the union will now have a voice on the concept, design and potential ergonomic improvements before new or existing technologies are purchased or updated.

The union also won stronger language to investigate ergonomic job injuries and illnesses. Health and safety representatives will also be empowered to evaluate ergonomic risks on any job. A yearly certification training program was also established for health and safety/ergonomics representatives.

### Emergency Response Teams to be further developed

The importance of Emergency Response Teams (ERTs) will be recognized in this contract. Training will be further developed and ERT members will be released for training. Participation will be encouraged by the company.

### Upgraded certification training for health and safety representatives

Our health and safety negotiators recognized the need to have our representatives trained and certified at the same level as their company counterparts. Training and skill sets in core areas, including ergonomics, will be equalized.

### New worker health and safety orientation

The union will now have more involvement in the design and implementation of health and safety orientation for new workers.

### Health and safety representative to be added at PS&L facilities

Your negotiating team recognized the need for health and safety/ ergonomics representatives and they will now be onsite at Parts, Service & Logistics (PS&L) facilities.

### Industrial hygiene training won for health and safety representatives

Language won by negotiators commits the company to provide health and safety representatives with further industrial hygiene training with refreshers as needed to help them better utilize various advanced testing and sampling procedures for air, oil and metalworking fluid pollutants.

# Additional training added, upgraded

Your negotiators ensured that joint training programs will continue at Ford in many key areas that will be redesigned, updated and launched with union involvement, including:

- Guidelines, Responsibilities, and Safe Practices (GRASP).
- Powered Material Handling Vehicle training.
- Pedestrian/Visitor orientation program.
- Web-based energy control and power lockout program.

### Advanced-technology research

Your negotiators also won language that allows your health and safety representatives to work with their counterparts at General Motors Co. and Chrysler Group LLC on research on advanced technology such as NANO, laser and in other areas as a way to avoid duplication and provide the greatest level of health and safety for all workers.

### Continuous improvement in health and safety

The parties agreed to jointly look at ways to improve health and safety, including:

• Improving the quality of incident investigations to better understand the root causes to prevent

future incidents. The focus will now be on a positive health and safety culture instead of a punitive environment.

- Developing a standardized "near miss" reporting process that encourages workers to report incidents.
- Periodic review of projects related to safe parking lots, roofs and effective building janitorial services.
- Ensuring adequate plans for snow and ice removal.
- Further developing a healthy work environment in manual paint spray booths in assembly plants.

### ESSP: Fitness centers, employee help programs restored

### Fitness centers or vouchers regained

Your UAW Ford negotiating team heard our members loud and clear when told how valuable the fitness centers were in helping our members maintain or get back to a healthy lifestyle. In a win for our members, the company will now be required to reopen the onsite fitness centers. These centers will be upgraded with new equipment and other improvements on an "as-needed" basis by mutual agreement. For worksites such as PS&L sites that do not have access to fitness centers, the \$150 voucher for fitness facility membership at an approved provider will be restored.

#### Smoking cessation, weight management, stress management programs return

These valuable workshops and seminars will also be restored at our facilities.

### Flu shots now a part of the contract

Annual flu shots, which were sporadically administered in some

facilities, will become a part of the contract beginning in 2012.

### ESSP representatives to receive additional training, certification

ESSP representatives will be trained and certified after receiving membership in the Labor Assistance Professional organization, which will also serve as a key networking opportunity for our employee help professionals.

### **Critical incident training**

Critical incident training for ESSP professionals on Local Response Teams will be required in the new agreement.

# Privacy, security concerns addressed

ESSP representatives will be provided private, secure offices, equipped with paper shredders, so members can be assured of confidentiality.

### Program provides cash bonus toward vehicle for military

Your union worked with the company to identify a program that provides a cash bonus toward the purchase or lease of a new Ford vehicle to active military personnel. See www.fordspecialoffer.com for program details.

# Operation Noble Eagle maintained

The Operation Noble Eagles letter, which makes up the difference between military pay and pay rate at Ford, has been maintained for active duty employees serving in Iraq and Afghanistan.

### Continuous improvement language improves job security

Continuous improvement in our plants means job security for our members. Our involvement in this process also provides the company with real cost savings. Negotiators found ways to strengthen this area, standardize processes and procedures, have joint input in continuous improvement and secure additional training. There will be a formal process in which we can show the company exactly how many dollars were saved through our collective efforts and to offset the task and create additional in-sourcing opportunities.

### Continuous improvement a joint process

The continuous improvement process will now be driven by both the union and the company. The process will be standardized so that all plants are receiving the same information and training. These standards, which will include team leaders in all manufacturing plants, will be enforced by the national parties.

#### New work group developed

A new work group will be established for highly automated areas. The Manufacturing Work Group (MWG) will be comprised of production and skilled trades members. The MWGs are designed to have the skilled trades and production workers work together on the same team, with each performing their respective responsibilities. This allows the team to work more closely to resolve manufacturing problems, resulting in greater job security. The company will not assign skilled trades team members to cyclical production work.

The parties will jointly develop training and skills curriculum needed for this innovative new work group. A new production classification and wage rate will be established and approved by the national parties.

### Reduced ratio means more team leaders, jobs

Our members will have greater opportunities to drive the continuous improvement process through a reduced ratio between leaders and team members. This ratio is expected to be guided by Ford's recognized standards for work groups, which is one leader for up to 10 workers. This is expected to also result in a significant increase in team leaders and in jobs for those who replace team leaders.

Team leaders who accept the new roles and responsibilities will now be paid an additional \$1.50 per hour on top of their base pay.

### Issue escalation means our voices will be heard

The company will be required to use issue escalation, meaning unresolved issues from our members will first be moved through the local continuous improvement committees and, if necessary, escalated to the national parties, to ensure our input will be considered.

### Training could lead to certification

The company will be required to evaluate training needs and seek state or local accreditation for our members, if applicable to their jobs. The company has also committed to additional training for members and team leaders.

# No job cuts for achieving efficiencies

The company will be prevented from using against us our hard work in driving lean principles and continuous improvement by cutting jobs. The company will also be required to formally recognize the savings our work groups achieve as an offset against each plant's annual task.

#### Employee resource coordinator jobs further defined

The jobs of employee resource coordinators were redefined to help coordinators support the continuous improvement process and act as a resource to work teams.

### **Education and training receive critical improvements** *Entry-Level workers win significant gains*

The bargaining team at Ford worked hard to continue our tradition of securing adequate funding for education and training programs that ensure our members stay among the most highly trained and educated in manufacturing. Joint training activities will also be supported through the life of the contract, while a new program will make sure our members understand the role of our union.

### A first: Tuition assistance extended to Entry-Level workers

For the first time, Entry- Level workers will now receive \$5,000 in Education Tuition Assistance Program (ETAP) benefits per calendar year. These courses may be taken toward a degree in any field at an accredited college or university. The committee also won \$2,200 in annual Personal Development Assistance (PDA) that can be used for job-related coursework. Negotiators also won a letter expanding the approved PDA options to include job-related personal development courses at Dale Carnegie, as well as allowing PDA to be expanded into job-related technical skills, communications skills and computer applications.

The committee was also successful in maintaining the current level of ETAP offerings and benefit levels for traditional employees.

### Education funds for survivors reinstated

Tuition assistance benefits have been reinstated for the surviving family members of an active worker.

### Union to have increased role in new employee orientation

The UAW at Ford will have more

participation in standardizing, updating content, subject matter and presentation of new employee orientation programs. The committee also won a streamlined process for review and approval of all training programs.

# New curriculum to be delivered

Your negotiators won a commitment from the company to implement a curriculum that helps UAW-represented workers understand the historical role of our union.

# Collective bargaining training reinstated

Union representatives will again be trained on company time to understand the complexities of the national agreement to better serve our membership.



From left, UAW National Ford Department clerical support: Denise Martin, Lori Bruner, Susan LaCour and Beverly Woodard, all members of OPEIU494.

# Quality: UAW members will continue as product ambassadors

Hourly workers will demonstrate the quality that we build in our vehicles by continuing to serve as ambassadors for our products at promotional events such as customer clinics, auto shows and charitable events, under language retained by the committee.

### Bargainers win greater involvement in quality

It is indisputable that your negotiated involvement in Ford's quality process had – and continues to have – a great deal to do with the company's turnaround. Your negotiators were determined to build on this proven area of success to ensure that our customers continue to buy our quality products and ensure our long-term job security.

The UAW reaffirmed its commitment to the company's Quality Operating System (QOS), securing additional training that underscores our value to the process. The joint quality committee will develop "Trainthe-Trainer" modules, as well as additional avenues for members' voices to be heard on quality and concerns answered in a timely manner.

#### Union wins more access to quality information

Local quality representatives won the right to additional information through the Corporate Quality Website, including Ford Automotive Procedures and the Balanced Single Agenda for Quality. Union representatives will also receive information about the Black Belt Six Sigma process, providing them transparency and greater details about cost mechanisms.

### Hourly workers to be Six Sigma certified

Your negotiators maintained two hourly Black Belt Six Sigma candidates per manufacturing location giving hourly workers greater quality problem-solving abilities, as well the ability to drive the quality process.

# QOS coordinators roles to be reviewed, realigned

Bargainers and the company recognized the critical role hourly Manufacturing Quality Operating System coordinators play. The National Quality Committee will review the roles and responsibilities of the quality coordinators to ensure that they are aligned with the company process and that support and communication between the local quality co-chairs and production workers occurs.

### Union wins involvement in two key quality procedures

Negotiators won the right for the union to be involved in two global quality procedures, Global Inspection Process and Current Model Managethe-Change. The union won a key quality monitoring tool by requiring the company to notify the workforce of authorized deviations from established quality practices.

### Vehicle Service Concern Representative Program to continue

The company proposed eliminating the Vehicle Service Concern Representative Program/Dealer Panel Representatives. Our negotiators reminded the company of the importance of the UAW having a connection with the customers who buy our products and being able to assist them.

#### Legal Services plan

All current plan benefits will remain in force until Dec. 31, 2013. At that time, any pending legal matters will be processed to their conclusion.

### Company recommits to principles of diversity

A letter will ensure that the company will recommit to diversity by re-examining its plant diversity committees to make sure all are active in every facility. Each location will be required to review the status of its Local Equality and Diversity Committee. If one is not evident, the company will be required to take the lead to ensure a committee is established and functional and provided appropriate time for meetings. Training will be provided on an as-needed basis, particularly in facilities where issues or areas of concern are identified.

#### **Duration and ratification**

These proposed changes in the proposed agreement will not take effect until the tentative agreement is ratified by a majority of our respective membership, and only then on the appropriate dates specified.

The new agreement, if ratified, will run for four years and will expire at midnight Sept.14, 2015.

#### **UAW Ford Report**

This is a summary of the tentative agreement. In all cases, the actual contract language will apply.



From left, the UAW Ford National Negotiating Team members Dwayne Walker, Anthony Richard and committee co-chair Joel Goddard review contract language.

# **63 Holidays Over Four Years**

A total of sixty-three (63) holidays will be provided to UAW Ford workers over the four-year term of the proposed agreement. The tentative agreement retains the two national Election Days negotiated in previous agreements. Veterans Day has been maintained. The tentative agreement also maintains the Monday commemorating the birthday of the Rev. Dr. Martin Luther King Jr. and paid Christmas through New Year's Day shutdowns.

The schedule of paid holidays negotiated for the term of the proposed agreement is:

#### 2011-2012

Nov. 14, 2011 Nov. 24, 2011 Nov. 25, 2011 Dec. 26, 2011 Dec. 27, 2011 Christmas Dec. 28, 2011 Holiday Dec. 29, 2011 Period Dec. 30, 2011 (Observed) Jan. 2, 2012 Jan. 16, 2012 April 6, 2012 May 28, 2012 July 4, 2012 Labor Day Sept. 3, 2012

Veterans Day (Observed) Thanksgiving Day after Thanksgiving

Martin Luther King Jr. Day Good Friday Memorial Day Independence Day

#### 2012-2013

Federal Election Day Nov. 6, 2012 Veterans Day (Observed) Nov. 16, 2012 Thanksgiving Nov. 22 2012 Day after Thanksgiving Nov. 23, 2012 Dec. 24, 2012 . Dec. 25, 2012 Christmas Dec. 26, 2012 Holiday Dec. 27, 2012 Period Dec. 28, 2012 Dec. 31, 2012 Jan. 1, 2013 Martin Luther King Jr. Day Jan. 21, 2013 Good Friday Mar. 29, 2013 Memorial Day May 27, 2013 Independence Day July 4, 2013 Labor Day Sept. 2, 2013

2014-2015

#### 2013-2014

Nov. 15, 2013 Nov. 28 2013 Nov. 29, 2013 Dec. 23, 2013	Veterans Day (Observed) Thanksgiving Day after Thanksgiving	Nov. 4, 2014 Nov. 14, 2014 Nov. 27, 2014 Nov. 28, 2014 Dec. 24, 2014	Federal Election Day Veterans Day (Observed) Thanksgiving Day after Thanksgiving
Dec. 24, 2013 Dec. 25, 2013 Dec. 26 2013 Dec. 27, 2013 Dec. 30, 2013 Dec. 31, 2013 Jan. 1, 2014	Christmas Holiday Period	Dec. 25, 2014 Dec. 26, 2014 Dec. 29, 2014 Dec. 30, 2014 Dec. 31, 2014 Jan. 1, 2015	Christmas Holiday Period
Jan. 20, 2014 April 18, 2014 May 26, 2014 July 4, 2014 Sept. 1, 2014	Martin Luther King Jr. Day Good Friday Memorial Day Independence Day Labor Day	Jan. 2, 2015 Jan. 19, 2105 April 3, 2015 May 25, 2015 July 3, 2015 Sept. 7, 2015	Martin Luther King Jr. Day Good Friday Memorial Day Independence Day Labor Day

We maintained two paid family days during the life of the contract.

### **UAW 2011 National Negotiating Team at Ford**



Drudi



Fields-Jacobs



King



Settles

This is the UAW's National Negotiating Team whose efforts led to the achievement of a new tentative agreement at Ford Motor Co.: Bob King is the president of the International Union, UAW; Jimmy Settles is vice president and director of the UAW Ford Department; Wendy Fields-Jacobs is the executive administrative assistant to King; Chuck Browning is administrative assistant to King; Greg Drudi is an administrative assistant to King; Frank DiGiorgio is the top administrative assistant to Settles; Frank Keatts, Darryl Nolen and Ruben Flores are administrative assistants to Settles; Lisa Burnett, Dave Berry, Bill Eaddy, Donald Hunter, Gloria Moya, Juanita Quann, Bob Rebecca, Brock Roy, and Kevin Tolbert are assistant directors of the UAW Ford Department; Mike Nicholson is general counsel of the UAW; Cindy Suemnick is administrative assistant to King and directs the UAW Health and Safety Department. Susanne Mitchell is director of the UAW Social Security Department; Linda Ewing is director of the UAW Research Department; Eric Perkins is director of the UAW Strategic Research Department; Joel

Goddard, UAW Local 898, Rawsonville, Mich., is co-chair of the UAW Ford National Negotiating Committee and represents Subcouncil 6 (Manufacturing); Bernie Ricke, UAW Local 600, Dearborn, Mich., Subcouncil 1 (Rouge), is co-chair of the committee; Anderson Robinson Jr., UAW Local 900, Wayne, Mich., Subcouncil 2 (Assembly), is secretary of the committee; Anthony Richard, UAW Local 600, Dearborn, Mich., Subcouncil 1 (Rouge); Scott Eskridge, UAW Local 862, Louisville, Ky., Subcouncil 2 (Assembly); Dwayne Walker, UAW Local 900, Wayne, Mich., Subcouncil 2 (Assembly); Larry Brdak, UAW Local 228, Sterling Heights, Mich., Subcouncil 3

(Skilled Trades); Mike Whited, UAW Local 600, Dearborn, Mich., Subcouncil 3

(Skilled Trades); Jerry Lawson, UAW Local 387, Woodhaven, Mich., Subcouncil 4 (Stamping); Dan Weaver, UAW Local 1219, Lima, Ohio, Subcouncil 4 (Stamping); Dave Mason, UAW Local 863, Sharonville, Ohio, Subcouncil 5 (Engine, Transmission and Powertrain); Tony Vultaggio, UAW Local 228, Sterling Heights, Mich., Subcouncil 5 (Engine, Transmission, and Powertrain); Tom Kanitz, UAW Local 892, Saline, Mich., Subcouncil 6







Nicholson



Flores



Keatts



Nolen



Quann



Goddard



Lawson Whited FORD HOURLY WORKERS 24



Rebecca



Robinson Jr.

Roy



Weaver



Tolbert



Richard



Mason



Ewing



Eskridge



Vultaggio





Berry

Burnett





Mitchell



Walker





Barnett





