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Workers International Union, AFL-CIO Local 5-0370 (2002)

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Location: AR Fort Smith

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AFL-CIO

Local: 5-0370

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AGREEMENT BETWEEN

Whirlpool CORPORATION

FORT SMITH DIVISION
Fort Smith, Arkansas

and

PAPER, ALLIED-INDUSTRIAL
CHEMICAL AND ENERGY WORKERS
AFL-CIO
LOCAL 5-0370

October 1, 2002 to October 1, 2007
<table>
<thead>
<tr>
<th>ARTICLE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Agreement-Recognition</td>
</tr>
<tr>
<td>2</td>
<td>Seniority</td>
</tr>
<tr>
<td>2</td>
<td>At Layoff</td>
</tr>
<tr>
<td>2</td>
<td>Of Journeymen</td>
</tr>
<tr>
<td>2</td>
<td>Of Employees on Layoff and Leave of Absence</td>
</tr>
<tr>
<td>2</td>
<td>Loss of Seniority</td>
</tr>
<tr>
<td>2</td>
<td>Recall Procedure for Laid Off Employee</td>
</tr>
<tr>
<td>2</td>
<td>Shift Change</td>
</tr>
<tr>
<td>2</td>
<td>Leaves of Absence - Medical and Other</td>
</tr>
<tr>
<td>2</td>
<td>Bereavement Pay - Jury Duty Pay</td>
</tr>
<tr>
<td>2</td>
<td>Probationary Period - Attendance</td>
</tr>
<tr>
<td>2</td>
<td>Job Bidding</td>
</tr>
<tr>
<td>2</td>
<td>Force Reduction in Department - Seniority</td>
</tr>
<tr>
<td>2</td>
<td>Apprenticeship - Temporary Transfers - Union Material</td>
</tr>
<tr>
<td>2</td>
<td>Super Seniority - Union Officials</td>
</tr>
<tr>
<td>2</td>
<td>Disqualification Procedures</td>
</tr>
<tr>
<td>3</td>
<td>Hours, Breaks, Overtime Rates</td>
</tr>
<tr>
<td>3</td>
<td>Shift Premiums</td>
</tr>
<tr>
<td>3</td>
<td>Report-in-Pay - Assignment of Overtime</td>
</tr>
<tr>
<td>4</td>
<td>Holiday Pay</td>
</tr>
<tr>
<td>5</td>
<td>Wages - Work Responsibility</td>
</tr>
<tr>
<td>6</td>
<td>Vacations - Qualification</td>
</tr>
<tr>
<td>6</td>
<td>Vacation Pay Schedule</td>
</tr>
<tr>
<td>ARTICLE</td>
<td>PAGE</td>
</tr>
<tr>
<td>---------</td>
<td>------</td>
</tr>
<tr>
<td>6</td>
<td>24</td>
</tr>
<tr>
<td>Vacation Pay, Military Leave, Retirement</td>
<td>24</td>
</tr>
<tr>
<td>8</td>
<td>25</td>
</tr>
<tr>
<td>Vacation Shutdown</td>
<td>25</td>
</tr>
<tr>
<td>6</td>
<td>26</td>
</tr>
<tr>
<td>Single Day Vacation</td>
<td>26</td>
</tr>
<tr>
<td>7</td>
<td>28</td>
</tr>
<tr>
<td>Union Representation</td>
<td>28</td>
</tr>
<tr>
<td>7</td>
<td>29</td>
</tr>
<tr>
<td>Grievance Procedure</td>
<td>29</td>
</tr>
<tr>
<td>7</td>
<td>31</td>
</tr>
<tr>
<td>Paid Time - Union Representatives</td>
<td>31</td>
</tr>
<tr>
<td>8</td>
<td>32</td>
</tr>
<tr>
<td>Health and Safety</td>
<td>32</td>
</tr>
<tr>
<td>9</td>
<td>33</td>
</tr>
<tr>
<td>Payday - Bulletin Boards, Smoking, Physical Examination</td>
<td>33</td>
</tr>
<tr>
<td>9</td>
<td>33</td>
</tr>
<tr>
<td>Non-Discrimination</td>
<td>33</td>
</tr>
<tr>
<td>9</td>
<td>34</td>
</tr>
<tr>
<td>Summer Student</td>
<td>34</td>
</tr>
<tr>
<td>9</td>
<td>35</td>
</tr>
<tr>
<td>Skilled Trades Committee</td>
<td>35</td>
</tr>
<tr>
<td>10</td>
<td>35</td>
</tr>
<tr>
<td>Insurance</td>
<td>35</td>
</tr>
<tr>
<td>11</td>
<td>36</td>
</tr>
<tr>
<td>Retirement Plan</td>
<td>36</td>
</tr>
<tr>
<td>12</td>
<td>38</td>
</tr>
<tr>
<td>No Strike - No Lockout</td>
<td>38</td>
</tr>
<tr>
<td>13</td>
<td>38</td>
</tr>
<tr>
<td>Functions of Management</td>
<td>38</td>
</tr>
<tr>
<td>14</td>
<td>39</td>
</tr>
<tr>
<td>Terms of Agreement</td>
<td>39</td>
</tr>
<tr>
<td>14</td>
<td>40</td>
</tr>
<tr>
<td>Memorandums</td>
<td>40</td>
</tr>
<tr>
<td>14</td>
<td>59</td>
</tr>
<tr>
<td>Job Classification/ Hourly Rates</td>
<td>59</td>
</tr>
</tbody>
</table>
THIS AGREEMENT made and entered into this 1st day of October, 2002, by and between the Fort Smith Division of Whirlpool Corporation, located at Fort Smith, Arkansas, hereinafter referred to as the "Employer" and Local No. 5-0370, Paper, Allied-Industrial Chemical & Energy Workers International Union, AFL-CIO, hereinafter referred to as the "Union" is for the purpose of setting forth herein the conditions of employment as agreed to by these parties.

ARTICLE 1

RECOGNITION

SECTION 1.01. The Employer hereby recognizes Local No. 5-0370, Paper, Allied-Industrial Chemical & Energy Workers International Union, AFL-CIO, as the sole and exclusive bargaining agency with respect to wages, hours, and other conditions of employment for all production and maintenance employees at the plant of the Fort Smith Division of Whirlpool Corporation, located at Fort Smith, Arkansas, but EXCLUDING all clerical employees, in the office and plant, all employees in the engineering departments, medical and plant protection employees, janitorial employees in the office, cafeteria employees, outside ground maintenance employees, all guards, professional employees and advisers as defined in Section 2 (II) of the Labor Management Relations Act, 1947, as amended; for the purpose of Collective Bargaining as defined in Section 9 (a) of the Labor Management Relations Act, 1947, as amended; provided that any individual employee or group of employees shall have the right at any time to present grievances to the Employer and to have such grievances adjusted in conformity with the provisions of the Labor Management Relations Act; provided, further, that the procedure in presenting such grievances will not be inconsistent with the recognized practice of handling grievances as defined in this Agreement, provided further, that a representative of the bargaining agent will be given an opportunity to be present at such adjustment.

CHECK-OFF

The Employer agrees to deduct regular monthly Union dues and initiation fees from earned wages of those employees who individually authorize such deduction in writing on "Authorization Cards" as provided by the Union in accordance with the terms thereof and to forward such amount within ten (10) days of said deduction to the Financial Secretary of the Union.

The Employer shall not be responsible for errors made by the Union. In case any error or improper deduction is made by the Employer, a proper adjustment of same will be made by the Union with the employee affected.

The Union agrees to indemnify and hold the Employer harmless against any and all liability including, but not limited to, such items as wages, damages, awards, fines, court costs and attorney fees which may arise by reason of, or result from, the operation of this Section.
ARTICLE 2

SENIORITY

SECTION 2.01. The term seniority, wherever referred to in this Agreement, is defined as length of service by the employee within the Fort Smith Division, contingent upon his/her ability to perform satisfactorily the work required. Length of service in the department is defined as the total seniority dating from the employee's last date of hire, and equals Plant Wide Seniority.

SECTION 2.02. Seniority within each department will apply at times of layoff or reduction in the work force, and recall of employees, and in accordance with the conditions as defined in this Agreement. If, in the recall to work process after a layoff, it is indicated that any department will not be recalling its laid off employees within two weeks of recall time, then these laid off employees will be placed plant wide according to seniority.

Employees who will be downgraded as a result of layoff or reduction in work force will be given notice five days prior to the effective date of such reclassification. During this period, an employee who is to be placed on a downgraded job may request transfer to an upgraded classification which he/she formally held. If, at the end of one calendar month, the employee is still employed in a classification having a lower rate than the requested classification, he/she will be permitted to replace the least senior employee in the classification in his/her former department.

The departmental seniority of journeymen in the trades occupations in the tool room and maintenance departments will date from the date of hire in the department. Such departmental seniority will apply at times of layoff and recall, and that part of Section 2.02 pertaining to plant wide placement will not apply if such layoff is to be for a period of less than 90 days. The original date of hire, if different from the departmental seniority date, will apply in all matters except layoff, recall, shift preference and overtime distribution.

Seniority employees who are now in the apprentice program in the above departments, or who may enter in the future, will have departmental seniority upon completion of the program, dating back to the date of entry into the apprentice program. Upon reaching journeyman status, such departmental seniority shall be applied as in the paragraph above, except that formerly apprenticed journeymen will be placed on a plant wide basis in the event of a force reduction, as provided in paragraph 1, of this Section.

SECTION 2.03. An employee with five months or less seniority at time of a layoff because of lack of work or leave of absence shall accrue seniority for six months. An employee having more than five months but less than one year seniority at the time of such layoff or leave of absence shall accrue seniority for a period of one year. An employee having seniority of one year or more at time of such layoff or leave of absence shall accrue seniority for a period equal to the
length of the seniority, but not to exceed two years and six months duration. Seniority of an employee will be lost if he/she:

1. Quits; or

2. Is discharged for just cause; or

3. Does not report for work when recalled (Sec. 2.05 below), or return at expiration of an authorized leave; or

4. Is absent from work three consecutive work days without just cause; or

5. Is absent from work three consecutive work days without calling the Employer or making arrangements for a designee to call the Employer, unless circumstances make such notification impossible; or

6. Has been on continuous layoff for a period as defined in 2.03 above; or

7. Has failed to observe the terms and reasons for which a leave has been granted, or who has engaged in work during time of such leave of absence.

SECTION 2.04. A laid off employee who claims seniority rights over another employee who was not laid off may file a grievance starting with Step 3 of the grievance procedure. The grievance must name the working employee(s) over whom seniority is claimed, and must be presented within ten working days from the date of placement, as provided in Section 2.13 of this Article.

It is understood that warehouse operations working during finished product inventory adjustment shutdowns will use assigned warehouse employees and that such employees will not be subject to replacement for a time period of ten consecutive work days.

Within three working days after the completion of a force reduction requiring the layoff of employees from the plant, a representative of the Company and two representatives of the Union will review the layoff and seniority lists. The purpose of this review is to determine the accuracy of the procedure and to recall any employee who may have been improperly laid off without loss of earnings.

All necessary personnel records will be available for review, including layoff and seniority lists.

SECTION 2.05. When a laid off employee who has seniority status is recalled to work, but does not report within five days from date of such recall notification, he/she will lose his/her seniority status unless proof is furnished, satisfactory to the Employer, of his/her inability to report within the five day period.
The Employer may fill any vacancy, irrespective of seniority, during the temporary periods while waiting for the recalled employee to return to work in his/her department.

The Employer will not be obligated to provide re-employment rights to an employee who does not have his/her correct address and telephone number on file at all times with the Human Resources Department. An employee will have forty-eight hours after moving from one address to another in which to notify the Human Resources Department of his/her change of address and telephone number.

SECTION 2.06. An employee who desires to change from one shift to another may do so under the following conditions:

(a) **Departmental Shift Changes**

An employee will be permitted to change to the requested shift in his/her job classification and department by submitting a request to his/her adviser, provided:

1) There is a vacancy in the same classification on the requested shift and the employee is senior to the successful bidder; or

2) He/she is senior to an employee in the same classification and department on the requested shift. The least senior employee in the classification and department on the requested shift will be moved to the classification, shift, and job vacated by the senior employee. However, should employees in the same classification and on the desired shift also have shift change requests on file, the senior employees will exchange shifts and jobs. Both employees shall be restricted to the six month time limitations. In cases involving shift changes within skilled trades classification the employees will exchange shifts within their classification.

3) He/she has not exercised his/her right under (2) for a period of six months. An employee who has moved within the department to a job vacancy for which there was no bidder, or who was unable to retain the shift to which he/she successfully changed shall not be restricted by the six month limitation.

4) The shift change will be made no later than the beginning of the second pay period following the filing of the request. Provided further that if the request is filed by Wednesday, the shift change shall be made no later than the beginning of the first pay period following the filing of such request.

(b) **Plantwide shift change - department does not operate on the requested shift**

An employee may request transfer to a vacant job in his/her job classification in another department for shift change purposes, provided:
1) His/her department does not operate on the requested shift.

2) He/she has not changed shifts at his/her request for a period of six months.

The transfer will be made under the following conditions:

1) No employee retains recall rights to the job or department.

2) The requesting employee is senior to the bidder under Section 2.12 hereof.

3) He/she is the senior employee requesting such transfer.

4) The transfer will be made within the same time limits as departmental shift changes.

(c) **Plantwide shift change - department operates on the requested shift**

1) An employee may request a transfer to a vacant job in his/her job classification in another department for shift change purposes, regardless of whether his/her department operates on the requested shift, provided he/she has not changed shifts at his/her request under provision (c) for a period of one year. An employee who is unable to retain the shift to which he/she successfully shift changed shall not be restricted to the one year time limit.

2) No more than 10% of the employees from any one department per month may exercise a plant wide shift change using provision (c). Transfers will be made using the conditions stated in (b).

3) If a vacant job does not exist, an employee may shift change plantwide provided there is an employee in the same classification, on the desired shift with a plantwide shift change request also on file. The senior employees requesting such change will exchange shifts and jobs.

(d) All plantwide shift change requests need to be filed with Human Resources.

(e) Employees may be required to work for a period of four weeks on another shift for the purpose of training employees, or to fill jobs until employees are trained for those jobs. Employees may have only one shift change, either departmental or plantwide, on file at any one time.
SECTION 2.07. An employee who is, or was, transferred to a position excluded from the Bargaining Unit will continue to accumulate seniority and be given retro-active seniority back to his/her date of hire with the employer. If such employee is transferred back, he/she will be returned to his/her former department and classification held immediately prior to the transfer. In the event his/her classification is not available the employee will be placed in the immediate lower classification commensurate with his/her qualification and seniority. If the employee's seniority is insufficient to hold his/her prior department he/she will be placed plant wide in accordance with their seniority.

SECTION 2.08. Any employee desiring a leave of absence shall make application of such leave in writing to the Human Resources Department. Any leave which is granted will be approved by the Employer on a form provided for that purpose. Leaves or extensions thereof will be granted only in cases where there is just and sufficient reason, and where the employee's absence from his/her job will not seriously interfere with the plant operation. Any qualifying provisions and conditions shown on the "Leave of Absence" form will govern the conditions of the leave.

The job classification of an employee on an approved leave of absence may be filled on a temporary basis, as provided in Section 2.12(f). Upon return from leave, the employee will return to his/her former job classification (or to a job classification in line with his/her seniority, in the event the former classification is not available), and the temporary replacement will be returned to the specific job he/she held prior to accepting the temporary assignment (or to a job classification in line with his/her seniority, if his/her former classification is not available). Further, an employee who is on an approved leave of absence for a period not to exceed four months will be returned to the specific job held prior to the start of the leave.

A leave of absence will be granted to a maximum of four employees to work for the Local or International Union. Such leave will be for a maximum period of one year, and may be renewed for one additional year. Seniority will accumulate during the leave.

A medical leave of absence will not be granted for a period of more than thirty days unless an "Extension" is requested by the employee and granted by the employer. The request and approval for an "Extension" must be completed and returned to the Human Resources department within 3 working days from the date the current approved leave expires.

Employees who qualify for Medical Leave under the Sickness and Accident benefits as described in the qualifying provisions and conditions must obtain and return the leave of absence form to the Human Resources department within 5 working days from the date of the first day of work missed. A leave of absence for medical reasons will be granted to an employee upon certification by a legally qualified physician and renewed beyond the thirty day initial period upon further request for an extension and proper certification by the physician. In no instance will such leave or extension be granted for a period in excess of the period specified in Section 2.03.
Employees who also qualify for FMLA must apply for FMLA leave in the Human Resources department and return the Family Medical Leave Certification form to the Human Resources department within 15 calendar days from the date that you submit the leave request.

The Employer will grant up to a maximum of three regularly scheduled consecutive work days to attend the funeral and/or handle funeral arrangements upon the death of his or her mother or step-mother, father or stepfather, mother-in-law, father-in-law, wife, husband, son, daughter, brother, sister, grandchild or grandparent. The employee will be paid his or her regular hourly rate for eight hours for time lost from work for the day before the funeral, the day of the funeral, and the day after the funeral.

If an employee is absent or is called from the plant prior to the end of his/her shift because of the death of one of the above named relatives, he/she will be paid for such time lost on the day of the death. Provided, however, that in no case will the total leave pay exceed twenty-four hours including payment for time lost on the day of the death.

If a seniority employee is called for jury duty or subpoenaed as a witness in a court of law, he/she will be granted leave to perform such duty upon notification to his/her adviser and the Human Resources Department. The employee will be paid the difference between his/her regular straight time rate and the amount paid for jury or witness service for all hours he/she was scheduled to work, up to eight hours per day. In order to be eligible for such payment, the employee shall furnish a statement from the court specifying the days on which he/she was required to serve and the amount of pay received.

Payment will not be allowed for non-working days such as Saturday, Sunday, Holidays, Vacations, Layoff, Leave of Absence or Strike.

SECTION 2.09. New employees and former employees who have lost seniority under Section 2.03 of this Article will be on probation for the first three (3) months, and will receive wages and benefits in accordance with the "New Hire Wage and Benefits Progression" shown in the "Schedule of Job Classifications and Hourly Rates of Pay." During the probationary period, employees will have no seniority rights and may be terminated at the sole discretion of the Employer. After completion of the probationary period, if retained in employment, his/her seniority will date from his/her last date of hire.

SECTION 2.10. Regular attendance is expected of every employee. In the event of absence, an employee will be required to notify the employer by calling the prescribed, toll free number prior to the start of his/her regularly scheduled shift, unless extenuating circumstances prevent calling. If the reason given for absence is not for just cause to the Employer, the employee will be given a written warning for the first offense. If an employee goes three months without a written warning for attendance, the next warning will be considered a first offense. For the second offense he/she will receive a second written warning. If an employee goes four months without a written warning for attendance, the next
warning will be considered a first offense. For the third offense a third written warning will be issued. If an employee goes five months without a written warning for attendance, the next warning will be considered a first offense. For a fourth offense the employee may be discharged.

SECTION 2.11. When a marriage occurs between two employees in the plant, such employees will be permitted to work in the same department.

SECTION 2.12. Employees will be given the opportunity to fill vacancies in upgraded classifications. A senior employee who desires reclassification to a job classification having a higher hourly rate than his/her current hourly rate may do so in accordance with the following procedure:

(a) Openings subject to job bidding will be posted no later than Thursday by 4:00 p.m. and will remain open until the following Tuesday at 12:00 noon.

(b) The posting will show department, job classification, rate of pay, and number of openings available.

(c) Eligible employees may bid on up to two different upgraded classifications by submitting a bid request to Human Resources during the period the openings are posted. No bids will be accepted prior to the opening or after the closing of the bid period.

(d) An employee bidding on two upgraded classifications must indicate his/her order of preference or the bids will not be valid.

(e) An employee who successfully bids on an upgraded classification will be required to accept the new position on the effective date. Reclassification will be made no later than the beginning of the second pay period. The Company will make every effort to move the bidder in a reasonable time period.

(f) When a temporary vacancy of not less than one day, and not more than four months occurs in a job classification, the following procedure will be followed:

1) The senior qualified employee in the department on the pertinent shift who was laid off from the classification will be given the opportunity to fill the vacancy for a period not to exceed five working days. If the vacancy exceeds the five working days, the senior employee in the department who was laid off from the classification will be given the opportunity to fill the vacancy. If the temporary vacancy cannot be filled in this manner:

2) The senior qualified employee in the department on the pertinent shift will be offered the temporary vacancy.

3) The temporary vacancy will be offered to the senior employee on the shift in the department. The four month period specified above may be extended upon mutual agreement by both parties.

4) A temporary vacancy will become a permanent opening when four months are exceeded and will be subject to the normal job bidding procedure described in Section 2.12 of this Article.
5) Employees who receive training in classifications subject to the permanent job bidding procedure, while designated as temporary vacation replacements will not be considered as senior qualified for such classifications when permanent openings occur, except in instances where their natural seniority places them at the top of the bid list as the senior qualified employee, or if they have otherwise qualified themselves.

(g) In the event an opening occurs in a job classification, employees in the classification on the shift in the department may, at the time the opening occurs, request assignment to that specific opening. Such job openings will be posted by the pertinent adviser for a period of 24 hours. During this time, employees of the department, including those on vacation may request assignment to the open job by signing the posted form. Once the 24 hour time period has elapsed, the senior qualified employee, whose name appears on the posting, will be reassigned to the job. Nothing shall restrict the adviser from filling the open job during the 24 hour posting period.

Only one move is made. There will be no “chain effect” in which several people would move as a result of the one vacancy.

If more than five open jobs occur on the shift, in a department over the entire time required to make all manpower moves related to a schedule increase or decrease, no open job selections will be permitted.

Nothing in this Section shall prevent the Company from temporarily filling a job vacancy during the period required to complete the processing of the reclassification requests.

(h) Effective January 1st, 2003 employees will be allowed to place one lateral or downgrade bid at any time for the duration of the current labor contract in accordance with the following:

1) Employees requesting the lateral or downgrade bid will forego all qualifications rights to the job being vacated and will not be allowed to return or bid on the classification for the duration of the current labor agreement.

2) Lateral bids will only be permitted for jobs listed on the current job bid posting.

3) If more than two employees in any classification requesting lateral or downgrade bids occur on a shift, in a department during any given bid period, only the two senior bidders will be permitted to move.

4) Lateral or downgrade bids will be allowed on a plantwide basis.

5) Employees requesting a lateral or downgrade bid can be required to stay in the classification he/she is bidding from for a reasonable period of time for the purpose of training the employee/s replacing him/her.
6) If the employee cannot perform the lateral or downgrade job, he/she will be disqualified and placed plant wide.

Lateral and downgrade bids will be purged from all computer records for all employees at the expiration of the current labor agreement.

(i) An open job is defined as an approved addition to the manpower standard or the placement of a person in a manpower standard position. A permanent manpower requisition is necessary to fill an open job. The manpower standard includes all production employees (direct and indirect).

The manpower standard does not include:
- medical / personal leave replacements
- military replacements
- vacation replacements
- VLO replacements

(j) Open job filling priority:
1) Internal departmental posting
2) Medical restrictions (see section 2.21 and 2.23)
3) Permanent employees in excess of manpower standard
4) Recall to home department
5) Shift changes (plant wide/department) and job bids (up, down and lateral)*

* Awarded to most senior of employee if more than one.

SECTION 2.13. Layoffs for periods of greater than 4 hours, but less than 2 weeks within a department will be considered temporary and voluntary and employees laid off during such period will not be transferred plant wide. In the event there are insufficient volunteers, the least senior qualified employees in the department will be required to work.

Forced reductions for less than 4 hours on a given shift are not considered a layoff. During the period of up to 4 hours on a given shift, the employees on the job will be given the opportunity to go home. In the event there are insufficient volunteers to go home, the least senior employees in the department will be required to go home. This paragraph will not apply in cases of manpower fluctuations due to model changes.

If it is indicated that the layoff will be for a period of more than two weeks from the original day of layoff, the laid off employees will be placed plant wide, according to their seniority, and the placement of any or all employees will be accomplished within one week.

If it becomes necessary to reduce the work force in a department, the least senior employees will be laid off from the department and placed elsewhere, in
accordance with the seniority provisions of the Agreement. The senior qualified employees will be retained in the department and will fill available jobs commensurate with qualification and seniority.

Upgraded employees who will be downgraded in the department through such procedure will be placed in the highest rated classification available based on qualification and seniority.

If it becomes necessary to discontinue operations completely in a department, the most senior employees qualified to do available work will be the last to be laid off from the department. The affected employees will be able to place a lateral or downgrade bid plant wide. These bid options will be null and void within 2 months after reassignment. These lateral or downgrade options will not count against the contractual lateral or downgrade bids.

At the time of layoff from a department, each employee will be required to specify whether or not he/she wishes to retain recall rights to the department from which he/she is being laid off. Only those employees indicating the desire to retain departmental recall rights, on a form provided, will be recalled when job openings occur in the former department; provided he/she had been assigned to the indicated department for not less than one continuous calendar month. In the event an employee refuses recall to his/her former department, he/she shall lose recall rights to that department. An employee may retain recall rights to no more than one former department; provided further, that such department may precede his/her last department.

When the operations in a department are resumed, employees who have retained recall rights will be given an opportunity to return to the department in reverse order of layoff, i.e., the last out will be the first to return to the department, provided they can perform the available work. The intent of this procedure is to return employees to their former departments as jobs become available in seniority sequence. No classification will be considered a vacant job subject to job bidding until all eligible employees who have retained recall rights have had an opportunity to return to former departments and jobs.

When a job in an upgraded classification becomes available, the senior employee who previously held the classification will be offered the job. An employee will be considered as having held a classification if he/she held a higher classification requiring ability to perform the intermediate job. (For example: A utility person would be considered as qualified to perform a repair job in his/her department.)

If an employee refuses recall to an upgraded classification which he/she formerly held, he/she shall lose recall rights to that job and will be required to follow the job bidding procedure to return to the upgraded classification.

SECTION 2.14. In order to develop skilled employees for the tool room and maintenance department of this plant, an apprenticeship or comparable program will be established. The number of employees within these categories would be limited to ten at any one time. In the event additional apprentices are needed in
these categories, the subject will first be discussed between the Union and the Company before additional apprentices are added.

Employees within the plant who have comparable experience and education with apprentice applicants from the schools will be given equal opportunity to fill these apprenticeship jobs.

SECTION 2.15. The Employer will not be liable for back pay for a period of five days to enable the Human Resources Department to send registered letters, certified mail, telegrams, or any other means of communication which is established as proof that notification of recall to work has been sent.

SECTION 2.16. Temporary transfers may be made from one department to another, according to seniority, for a period of time not to exceed ten days in any calendar month.

SECTION 2.17. Department and plantwide seniority lists will be furnished to the Union each month. The Employer will also furnish the names of employees newly hired, recalled, permanently transferred, terminated, copies of Leaves of Absence, change of address, and copies of new and changed job descriptions. In addition, Time studies will be available for study on the premises upon request by the union. The union will also have access to MOST studies and line balances by way of computer.

1. The employer will employ two part-time Time Study Analysts one for 1st shift and one for 2nd shift, to study any overload disputes.

2. The employees assigned to these openings will be selected by the union from their members employed by the Employer.

3. The employees so selected must be able to meet the Minimum requirements established by the Union and Employer. The Employer will pay the costs of the aptitude testing and will pay for the time spent in taking tests and other interviews.

4. The Time Study Analyst, so selected, will be trained by the Employer in the MOST time study method, which may include off-site seminars.

5. The Time Study Analyst will not be used to set standards established by the employer, only to review and check standards in dispute.

6. The time study analysts will be temporarily assigned to the I.E. Department for training in MOST and other commonly used time study tools. This training may be full or part-time, depending upon other I.E. activities at the time, and will continue until the analysts are competent with the basic time study tools. When the Company and Union agree the training is complete, the analysts will return to their regular hourly positions. When requested by the Company or the Union committee, the analysts will be released from their regular positions to verify the time study or job load in question. Analysts
will limit their time study verifications to only those jobs formally requested by the Company or Union committee. To keep their time study knowledge and skills up to date, analysts will periodically (quarterly) be released from their jobs for up to a week to participate in cell design teams, line rate change teams, or refresher training with the I.E. Department. The analysts may also be called into grievance meetings by the Union to discuss their findings on grievances, but may not be used to investigate any disputes except those on overload issues.

7. The Union and Company will meet periodically to review the performance of the Time Study Analysts. If the Time Study Analyst should be removed from his/her job by his/her request, or by mutual agreement between the Employer and the Union, the employee will be placed back on their specific job, if the time period does not exceed four months. If the time exceeds four months the employee will be placed back in their former department and classification (or to a classification in line with his/her seniority). The Time Study Analyst will retain his/her plant seniority while performing the duties of Time Study Analyst.

8. The Time Study Analyst will be paid their regular hourly rate of pay.

The Union will be notified in writing of the discharge of a seniority employee within twenty-four hours of such discharge by placing such notice in the "Union Mail Box" in the Human Resources Department.

SECTION 2.16. The President and Members of the Bargaining Committee head the plant seniority list. The Steward of each department will head his/her departmental seniority list.

In the event of layoff, the seniority provisions of this Agreement shall apply except that:

(a) The Departmental Steward shall be the last person laid off in his/her department, providing work which he/she can perform is available.

(b) The President and Members of the Bargaining Committee shall be the last persons laid off in the Bargaining Unit, providing there is work available which they can perform.

The President, Members of the Bargaining Committee and Stewards head the respective seniority lists for the purpose of layoff, recall and shift protection only.

When eight or more employees are scheduled for Saturday, Sunday or Holiday work, the Departmental Steward on the shift on which the work is performed will be offered the overtime. He/she must be qualified to perform available work and will replace the least senior employee in his/her job classification.

SECTION 2.19. Employees not in the Bargaining Unit will not perform the
duties of hourly rated employees, or displace hourly rated employees, except for the purpose of investigation, experimentation, information or instruction, or in case of emergency.

SECTION 2.20. Employees with maintenance skills and tool and die makers who have been transferred out of their respective departments as a result of reduction in force will be transferred back to their respective departments as job openings occur.

SECTION 2.21. If an employee requests disqualification for medical reasons, certified by his/her personal physician and the Company physician, he/she will be transferred to a job that meets the employee's medical limitations and is in the employee's job classification or a lower job classification, according to the following priority:

1. Open job in the department
2. Open job in the plant
3. Least senior employee in the plant

Any such move will be subject to seniority provisions of the Agreement.

An employee, placed according to one of the above procedures, who is unable to perform the job, will be placed on layoff with provisions of Article 2 and all other pertinent sections of this Labor Agreement applying.

Section 2.22. If an employee is transferred to an upgraded job as successful bidder and feels that he/she cannot perform that job, disqualification may be permitted. Any request for disqualification must be made during the first five days on the job. In case of voluntary disqualification the employee will be placed on an open job in the plant. If there are no openings he/she will replace the least senior person in the plant, subject to the seniority provisions of the Agreement.

If an employee is successful bidder for an upgraded job classification, but the adviser determines that he/she is not able to perform the job after a reasonable time, the employee is returned to the job he/she left to accept the bid.

When an employee is disqualified or voluntarily disqualifies, he/she may submit a bid for the same classification, but in a different department from the one in which he/she was disqualified, and after a 2-year waiting period. If the employee is subsequently disqualified from that classification, he/she may not rebid for the same classification again.

SECTION 2.23. If an employee has an industrial injury or disease, the Company physician may request that he/she be moved to a different job. In the event that the disability is temporary in nature the employee will be given a job assignment meeting the medical restrictions in the same or lower classification within his/her department with no reduction in pay. If this cannot be done the employee will be placed on a medical leave.

If the medical restrictions become permanent, the employee will be placed on
an open job in the department that meets his/her restrictions. If such a job is not available the employee will be assigned to an open job in the plant that meets the restrictions. If no such open job exists, the employee will replace the least senior employee in the plant whose job meets the restrictions, but in no case will the employee replace an employee in a higher classification or with more seniority. In the event no job meeting the permanent restriction is available, the employee will be placed on layoff in accordance with provisions of Article 2 of this Labor Agreement.

ARTICLE 3

HOURS OF WORK, OVERTIME PROVISIONS, AND SHIFT PREMIUMS

SECTION 3.01. The regular hours of work for the various classifications of employees are shown on a "Schedule of Work Hours" and will continue until changed by written notice mailed to the Union at 2107 Brazil Street prior to the change becoming effective.

The Company may schedule continuous operations on three eight-hour shifts. When such scheduling is necessary, employees will be permitted a fifteen minute lunch break with no loss in earnings.

SECTION 3.02. Regular shifts hours consist of no more than eight hours in any one work-day and no more than forty hours in any work-week with established starting and quitting times as shown on the "Schedule of Work Hours."

There will be a ten minute break at approximately the middle of the first half and a like break at approximately the middle of the second half of each shift. If overtime of one and one half (1.5) hours or more is scheduled before the start of the regular shift, employees will be provided a 10 minute break at a time designated by the working department's adviser, prior to the start of the regular shift. There will be a 10 minute break at the end of the shift if overtime in excess of one hour after the end of the regular shift is scheduled.

SECTION 3.03. The overtime rate of one and one-half times the employee's regular rate of pay will be paid for the following:

(a) Work performed in excess of eight hours in any twenty-four hour period, except whenever eight hours in a twenty-four hour period is exceeded as a result of a transfer of the employee from one shift to another or a change of shift hours. If an employee works overtime prior to the start of his/her regular shift hours and is subsequently sent home by the company that day before the completion of their regularly schedule shift, the overtime rate will be paid for the hours worked prior to the start of the regular shift, unless the employee leaves work early voluntarily or for other personal reasons.

(b) All time worked in excess of forty hours in the employee's work week.

(c) All hours worked on the employee's designated Saturday in his/her regularly scheduled work week.
Work performed on the employee's designated Sunday is considered overtime work and will be paid for at the overtime rate of two times the employee's regular rate of pay. Work performed on Holidays will be paid for at the rate of two times the employee's regular rate of pay, plus eight hours Holiday Pay in accordance with Section 4.01. A Saturday, Sunday or Holiday is normally defined as the calendar day involved, from 12:01 am to 12:00 midnight. The applicable overtime rate for these days will be paid on that basis. However, time worked prior to midnight to start a shift (which is principally worked after midnight), or time worked after midnight to end a shift (which is principally worked prior to midnight) will be paid on the same basis as the rest of the shift hours. When an employee starts their shift prior to the normal starting time, or works beyond the end of a shift, such time will be paid on the same basis of the calendar day on which it is worked. For example, an employee whose shift starts at 10:00 p.m. Sunday night will be paid double time for all time worked prior to 10:00 p.m.; the employees whose shift ends at 1:42 am Saturday will be paid time and a half for all the time worked after 1:42 am. Holidays, as referred to in this Section are:

- New Year's Day
- Good Friday
- Memorial Day
- Fourth of July
- Labor Day
- Day before Thanksgiving (2003 thru 2006)
- Thanksgiving Day
- Day after Thanksgiving Day
- One day in each contract year designated as follows:
  - December 23, 2002
  - December 26, 2003
  - December 27, 2004
  - December 27, 2005
  - December 27, 2006
- Day before Christmas
- Christmas Day
- Day before New Year's Day

When any of such holidays falls on an employee's regularly scheduled work day and the employee is not required to work on such holiday, it will be counted as an eight hour day in computing weekly overtime. The employee, however, receives no pay for the time actually not worked unless the employee qualifies for such pay in accordance with conditions hereinafter set forth in the Agreement.

SECTION 3.04. Overtime pay will not be pyramided. Where work performed falls within two or more overtime classifications, only the highest single overtime rate shall be paid for such work.

SECTION 3.05. Employees regularly assigned to the second shift will be paid a premium of fifteen cents per hour.
Employees regularly assigned to an established third shift will be paid a premium of twenty cents per hour.

SECTION 3.06. An employee who properly reports for work at the beginning of his/her regular shift, unless he/she has been notified in advance not to report, will receive a minimum of four hours work or four hours pay at the Straight Time Hourly Rate applicable to the job to which he/she is assigned.

Employees must accept work assigned to them or they will not be eligible for such pay.

The provision for four hours work or four hours pay will not apply in cases of emergency break-down, strike, disaster, weather related conditions as outlined in the paragraph below, or other conditions beyond the control of the Employer, or when the employee has been notified prior to his/her starting time that less than four hours work will be provided. This Article confers no rights upon any employee who is suspended or discharged for cause or who quits his job.

It may become necessary for management to suspend all or part of plant operations from time-to-time due to inclement weather or their associated effects (including, but not limited to: the inability of suppliers to deliver necessary components, fuel curtailments, road closures, etc.). In the event of these situations, the provision for four hours work for four hours pay will not apply when the employer activates the official voice response system (1-800-988-0162) and contacts the designated media sources (TV station KFSM Channel 5 and radio stations - KMAG 99.1 and KISR 93.7 FM) on or before one and one-half hours prior to the earliest start time of any assembly line, on the pertinent shift, to announce plant operations have been suspended. Employees should call the voice response system to verify the status of plant operations as the system message is subject to change at any time prior to the one and one-half hour notice outlined above. In the event of a discrepancy, the voice response system will be considered the official company position. Additionally, a notice will be placed on the guard stations, at the employee entrances, indicating that operations have been suspended due to weather related conditions.

A minimum of four hours work or four hours pay at the established overtime rate will be paid to any employee who has left the plant and is called back to work. The minimum of four hours pay will not apply when the overtime is connected with regular scheduled shift hours without interruption.

SECTION 3.07. Whenever overtime is required, the Employer will apportion such overtime on an equitable basis, provided it does not reduce the efficiency of plant operations. Overtime will be distributed in accordance with the following:

(a) Overtime work on week days will be performed by the employee/s working on the specific job/s on which overtime is required, providing notice of such overtime is given prior to the second break of the shift. If such notice is not given, the employee/s may refuse the overtime, in which case the senior qualified employee/s will be
offered the work. If there are not sufficient volunteers, the least sen-
ior qualified employee/s will be required to work.

If it becomes necessary to work overtime on a job which has not
operated during the regular shift, the senior employee in the perti-
nant job classification will be offered the work. Before shift overtime
will be performed by the employee/s working on the specific job/s on
which the overtime is required.

Overtime work will first be offered to regular employees of a depart-
ment. After all qualified employees within the department have been
given the opportunity to work overtime, loaned employees may be
offered overtime work.

An employee who works through his/her lunch period will be paid at
the rate of time and one-half for the work performed, if an equivalent
lunch period is not provided.

(b) Overtime work on Saturday, Sunday and Holidays will be on a vol-
untary basis, provided a sufficient number of qualified employees in
the department volunteer to work. If there are not enough qualified
volunteers, the least senior employee/s in the department on the
pertinent shift will be required to work. In the event more employees
are required than are assigned to the department, the senior
employees in the plant with ability to perform the work will be offered
the overtime.

Saturday, Sunday and Holiday overtime work in the non-production
departments will be rotated among seniority employees within the
classification in which work is required. Records of all overtime
hours will be maintained in each non-production department, and
hours refused by an employee will be charged as hours worked.

Apprentices will not be requested to work overtime unless all jour-
neymen in the appropriate classification have been given the oppor-
tunity to work such overtime.

Saturday, Sunday and Holiday overtime work in production depart-
ments will be performed by the senior employees qualified to do the
work.

Employees will work the hours of their respective shifts, and will not be
required or permitted to move from one shift to another for purposes of overtime
work, unless an insufficient number of employees has volunteered for work for
Saturday, Sunday and Holiday overtime.

The Employer will not be required to contact other than those employees work-
ing on the preceding day for such overtime work. It is understood that wherever
continuous operations, such as the Power House, are required in this plant, the
PROCEDURE TO APPORTION OVERTIME
Department 510 & 520

1. The Department will keep one overtime list only, for each classification and shift. On this list all overtime hours will be recorded including hours worked and hours refused. All overtime hours will be updated Thursday of each week.

   The following conditions will be the only ones recognized as being valid reasons for not being charged.

   A. Attending scheduled military training. A notice of drill schedules will be provided upon request.

   B. Being on vacation, but not to include the weekend immediately preceding the start of the vacation. Vacation periods are considered Monday thru Sunday.

   C. Any employee called and is not personally contacted will not be charged.

   D. Death in the family as defined in Section 2.08.

   E. Absence due to jury duty or a court appearance as a subpoenaed witness as defined in Section 2.08.

   F. Approved medical leave of absence.

2. The senior employee within the classification on the shift, where the work is required, with the lowest number of hours charged will be offered the work.

3. Hours for record keeping purposes will be calculated and recorded by multiplying its actual hours worked or charged times the overtime pay factor in effect. Example: Saturday hours times 1 1/2, Sunday hours times 2 and Holiday hours times 2.

4. When any employee changes shifts, the overtime hours they have been charged will be transferred.

5. Any employee added to the department will be charged with a number of hours equal to the highest number of hours of any employee on that shift in his/her classification. This will begin at the end of his/her probationary period or when an apprentice graduates from the apprenticeship program. Apprentices with 4,000 hours have overtime priority over probationary employees.

6. When working overtime Saturday and it is determined work is required for Sunday, the employees working Saturday will be offered the work. If there are
not sufficient volunteers, the least senior qualified employees will be required to work. If more employees are needed to work Sunday, then the adviser will appropriate additional employees from the overtime list for that shift by phone until the required number are acquired.

7. In the event work is scheduled for Saturday, Sunday and a preceding or following holiday, all four days will be offered at one time. However, he/she will be properly charged for refusal and hours worked. If insufficient volunteers are obtained, the least senior employee in the classification on the shift will be required to work.

8. A new list will be started at the beginning of each year, with zero hours in seniority order.

9. All other non-production departments will follow this procedure to apportion overtime unless an alternative written procedure is developed; approved by the Union Bargaining Committee, the Manager of the department, and the Manager of Employee Relations; and posted in the department. This is an overtime procedure only and will not circumvent the current labor agreement.

NOTE: The Boiler Operators are not included in this overtime procedure.

SECTION 3.08. The Employer may, at his discretion, change shift starting times or other work hours on days preceding a recognized holiday without incurring any liability for overtime premiums.

SECTION 3.09. An employee who suffers an industrial injury, will be paid for time lost from work on the day of the injury at his/her regular rate.
ARTICLE 4

HOLIDAY PAY

SECTION 4.01. The Employer will permit observance of specified holidays not worked to qualified employees subject to the conditions outlined in this Agreement.

Qualified employees will be paid eight hours pay at their individual Hourly Rate, exclusive of shift premiums, for each of the following holidays:

• New Year's Day
• Good Friday
• Memorial Day
• Fourth of July
• Labor Day
• Day before Thanksgiving (2003 thru 2006)
• Thanksgiving Day
• Day after Thanksgiving
• One day in each contract year designated as follows:
  December 23, 2002
  December 26, 2003
  December 27, 2004
  December 27, 2005
  December 27, 2006
• Day before Christmas
• Christmas Day
• Day before New Year's Day

provided the employee meets the eligibility requirements as next herein contained:

1. The employee must have completed his/her probationary period and acquired Seniority with the Employer as of the date of the holiday.

2. The employee must have worked his/her designated last regularly scheduled work day prior to, and his/her next regularly scheduled work day after, the holiday. Absence from work on such days will not disqualify an otherwise eligible employee when such absence is due to:

   (a) An industrial injury requiring absence from work, not to exceed thirty days, or,
   (b) Illness, for a period not to exceed thirty days, provided that the employee has received an approved Sick Leave or verifies such illness satisfactorily to the First Aid or Human Resources Department, or
(c) Death in the immediate family; or,

(d) Being on an approved vacation; or,

(e) Being on layoff by the Employer for a period not exceeding five working days prior to, and five working days following the holiday; or,

(f) Being absent because of jury duty/appearance as subpoenaed witness; or,

(g) Being on approved Military Leave for a period not to exceed thirty days.

Employees who work on one of the listed Holidays will be paid at the overtime rate of two times the employee's regular rate of pay, plus eight hours Holiday Pay, in accordance with the provisions of this Agreement.

Employees who have accepted an assignment to work on a Holiday and who fail to report for work, without notification satisfactory to the Employer prior to the Holiday, shall not receive Holiday Pay.

Should any of the paid Holidays fall on Sunday, the following Monday will be recognized for the purpose of applying Holiday provisions.

Should any of the paid Holidays fall on Saturday, the preceding Friday will be recognized for the purpose of applying Holiday provisions.

Should any consecutive holidays fall on Sunday and Monday, the following Tuesday will be recognized. Should any consecutive holidays fall on Friday and Saturday, the proceeding Thursday will be recognized.

ARTICLE 5

WAGES

SECTION 5.01. Wage rates for the various classifications of work are shown on "Schedule of Job Classifications and Hourly Rates." Temporary rates for new or materially changed job classifications will be established by the Company and will become a part of such schedule, unless a grievance is filed by the Union written one month from the date the Union receives such job classifications.

The Union will be given advance notice of the establishment of such rates through a copy of the pertinent job descriptions. The Union may discuss the rate as it compares with the rates of jobs in the rate schedule. If the Union then disagrees with the rate on a new or materially changed job, such rate, as it compares with jobs in the schedule, may be subject to the grievance procedure, starting with Step 3.
The rates for the various classifications of work as shown on the schedule will be maintained for the period of this Agreement.

SECTION 5.02. The work responsibility of each hourly employee of the Fort Smith Division is to: Work at a normal pace; work from the prescribed starting to the prescribed quitting time; use the method prescribed for the operation; use no more personal time than is reasonable and necessary; and report production or quality difficulties to the adviser.

Work measurement techniques will be applied as practicable to develop the time required to do a given operation following prescribed methods and using specified equipment and materials. They will also be used for other purposes ascertaining the work load, and to evaluate the employee's output.

SECTION 5.03. When it becomes necessary for an employee to be transferred to another job because of lack of work, the employee will continue to receive his/her regular hourly rate for the remainder of his/her shift. Thereafter, such employee will be paid the rate applicable to the job to which he/she is being transferred. When assignment is at Company request (and not the result of a transfer because of lack of work during the period of such assignment), the employee will be paid his/her regular rate of pay or the rate applicable to the job, whichever is higher.

SECTION 5.04. The hourly rate of each employee classified in a job classification having a rate range will be increased by ten cents every three months until reaching the maximum of the rate range of the classification. Promotion from "B" to "A" is not automatic.

ARTICLE 6

VACATIONS

SECTION 6.01. Any employee who has accumulated one year or more of seniority credit, has worked a minimum of 400 hours and is on the active payroll of the employer on June 1st of the year the vacation is to be taken, will be eligible for vacation with pay.

The "Vacation Pay" (amount of money which every eligible employee will receive) will be computed on the basis of the appropriate number of hours and the employee's regular rate as of May 1, of the year in which the vacation is to be taken. An employee must have worked a minimum of 400 hours in the 12 month period prior to May 1, of the vacation year, with each holiday for which an employee receives holiday pay to be considered as hours worked. Vacation checks will be distributed only once during the month of May.

Rate of Vacation Pay, to eligible employees, will be in accordance with the following schedule:

- 400 - 599 Hours = 50% of vacation pay
- 600 - 799 Hours = 75% of vacation pay
- 800 Hours = 100% of vacation pay
<table>
<thead>
<tr>
<th>Seniority Prior to June 1 of the Vacation Year</th>
<th>Time Off</th>
<th>Vacation Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Year</td>
<td>1 Week</td>
<td>44 hours at the employee's regular rate as of May 1 of the vacation year.</td>
</tr>
<tr>
<td>Over 1 Yr. to less than 2 Yrs.</td>
<td>1 Week</td>
<td>66 hours at the employee's regular rate as of May 1 of the vacation year.</td>
</tr>
<tr>
<td>2 Yrs. to less than 5 Yrs.</td>
<td>2 Weeks</td>
<td>88 hours at the employee's regular rate as of May 1 of the vacation year.</td>
</tr>
<tr>
<td>5 Yrs. to less than 10 Yrs.</td>
<td>2 Weeks</td>
<td>112 hours at the employee's regular rate as of May 1 of the vacation year.</td>
</tr>
<tr>
<td>10 Yrs. to less than 15 Yrs.</td>
<td>3 Weeks</td>
<td>142 hours at the employee's regular rate as of May 1 of the vacation year.</td>
</tr>
<tr>
<td>15 Yrs. to less than 20 Yrs.</td>
<td>3 Weeks</td>
<td>164 hours at the employee's regular rate as of May 1 of the vacation year.</td>
</tr>
<tr>
<td>20 Yrs. and over</td>
<td>4 Weeks</td>
<td>176 hours at the employee's regular rate as of May 1 of the vacation year.</td>
</tr>
</tbody>
</table>

SECTION 6.02. Any employee who otherwise has qualified for a Vacation with pay but who is not on the active payroll on June 1 of the year in which the vacation is due, because of a layoff of less than six months; or, illness, and has received an approved Leave of Absence from the Employer in writing; or was drafted or enlisted in the regular military service of the United States, will be entitled to receive "Vacation Pay" based on the "Vacation Pay Schedule." An employee who is otherwise qualified for vacation pay and who retires prior to June 1, of the vacation year, will receive pro-rated vacation pay based on the ratio of the number of hours worked since May 1st to 800.

SECTION 6.03. In the event of the death of an employee, prior to June 1 of the year in which the vacation is due, who would otherwise qualify and have been entitled to a Vacation with pay, the Employer will pay to the employee's proper beneficiary the amount of Vacation Pay based on the "Vacation Pay Schedule," pro-rated as in 6.02 above.
SECTION 6.04. In the event an employee who was entitled to a Vacation is separated from employment after June 1, without having received the Vacation, that employee will be entitled to "Vacation Pay" based on the "Vacation Schedule".

SECTION 6.05. Any employee who is discharged, loses his/her seniority or severs his/her employment with the Employer prior to June 1st of the year in which the Vacation is due, shall not be eligible for any "Vacation Pay."

SECTION 6.06. The Employer reserves the right to designate the time of shutdown for Vacation Period of each year. All employees will be given advance notice of at least forty-five days of such shutdown. In years in which shutdown is taken the week of the Memorial Day holiday, the vacation period will begin on Memorial Day instead of June 1 for scheduling purposes only.

The Company may elect not to shut the plant down for a specific vacation period. In this event, the Company will notify the Union by March 15 of the affected vacation year. Employees will be allowed to take vacation over the 12 month period from June 1 through May 31 of the vacation year. Vacation time will be granted on the basis of departmental seniority.

Requests for weekly vacation time periods must be made on a vacation application form, signed by the employee, by April 1 of the vacation year. Once the vacation schedule has been established, no bumping will be permitted. The Company will determine the number of employees of any department, classification, and shift allowed to be on vacation at a time, within the peak and outside-peak vacation period, based on the levelized needs of each department. The months of June, July, August and the first week in September will be considered the peak vacation season.

The company will determine the number of employees of any department, classification and shift allowed to be on vacation at a time, beginning with the period from the 2nd week in September through the last week in November combined with the period beginning the 1st week in March through the last week in May, based on the levelized needs of each department.

The company will determine the number of employees of any department, classification and shift allowed to be on vacation at a time, during the period from the 1st week in December through the last week in February, based on the levelized needs of each department. Each department will carry one additional employee per shift to cover single day vacation requests during this non-peak period.

All eligible employees desiring to take their vacation in the above mentioned periods will be allowed to take vacation during those time periods, based on the levelized needs of each department and shift.

The Company agrees to provide the Union with lists on schedule changes, employees designated as vacation replacements, and employees who are on vacation as needed.
SECTION 6.07. It may be necessary to require certain employees to work during any vacation shutdown.

In the event an employee is required to work during the established vacation time, he/she may schedule their vacation at some other time, but prior to June 1, of the following year in which the vacation is due. Selection of the individual employee's vacation period will be made in seniority sequence.

No time off will be recognized as "vacation" unless previously authorized in writing by the Employer as such.

Vacation time in excess of the vacation shutdown may be scheduled based on the levelized needs of each department and by seniority during the months of June, July, August and the first week of September to minimize the number of vacation replacements required.

Work scheduled through the vacation shutdown will be performed by the senior employees in the department who elect to work during the shutdown.

A department may be shut down for a period of two weeks for vacation without being required to transfer employees on a plant wide basis.

In the event an insufficient number of employees elect to work, the least senior qualified employees in the department will be required to work.

In the event a department needs more employees than assigned to the department, selection of employees will be made according to the following priority:

1. First preference to employees who have earned no vacation pay, on a seniority basis.

2. Second preference to employees who have earned only one week vacation pay. Of these employees who elect to work, assignment will be on a seniority basis for a maximum of one week of work during vacation shutdown.

3. If employees in the first two steps are not available, employees who elect to work will be assigned on a plant wide seniority basis.

SECTION 6.08 A "single day" vacation option will be available to employees on a one-year trial basis beginning on June 1, 2003 and running through May 31, 2004. Continuation of the program will be based on the cost of the previous vacation year absenteeism versus the current year absenteeism. The analysis will compare absentee coverage allocated in the standard, vacation replacement allocation and total manpower standard variation for the current and previous vacation year. The previous year allocations will be adjusted for variation in total employment level, if necessary, to ensure an accurate and valid comparison. In order to be continued, the program must generate an annual cost improvement
compared to the base year without single day vacation. Monthly updates will be published in Division newsletters to keep the employees continually updated, relative to the financial performance of the program for the previous month. The company and the Union reserve the right to jointly modify the program to improve its effectiveness.

An employee must be eligible for two or more weeks of vacation per Article 6, Section 6.01 prior to June 1, 2003, to be eligible for the single day vacation option. An employee meeting this requirement will be eligible to use up to 5 days of their vacation allocation in single day increments, for the vacation year. Only full day requests will be honored - no partial days will be allowed. Scheduled weekly vacations will have precedence over single day vacation requests. Any vacation time, which is unused at the end of the vacation year will be forfeited and will not be carried over into any subsequent vacation year.

Single Day Vacation Scheduling Process

A. The maximum number of single day vacations to be allowed in any week will be the difference between the number of assigned vacation replacements within the department and the number of scheduled weekly vacation requests.

B. Each department will maintain a rolling three-week sign up schedule to allow employees to request single day vacation. One sheet dedicated to the current week, a second sheet for the following week and a third sheet for seniority scheduling.

C. Seniority Scheduling Week - 2 weeks from the current week.

Single day vacation requests, from one to five days, entered into the seniority scheduling sheet will be honored by seniority, up to the maximum number of available single vacation days, as outlined in item "B". This sign up sheet will be posted on the first regularly scheduled day of the week and will remain up for employees to sign until the end of the second break on the last regularly scheduled day of the week. During the sign up period, employees can add or remove their request provided they do so before the end of the second break on the last regularly scheduled day of the week. At the end of the second break, all employee requests, which can be honored by seniority and availability will be highlighted on the sign up sheet, logged into Luas and Clark as single day vacation, and must be taken by the employee. Employees will not be permitted to work on these scheduled vacation days.

D. First Signed, First Allowed - current and week following

Single day vacation requests, from one to five days, entered into the current week or the following week's sheet, will be honored on a "first signed, first allowed" basis, in the order of sign up, subject to the maximum allowable single day vacations as outlined in item "B" minus any single vacation days scheduled during the seniority week. During these two weeks, an employee can add
or remove his/her name provided they are not on vacation and do so on or before the end of the last break of the regularly scheduled shift, prior to the day of the request. If an employee removes his/her name during the allowable time, it is understood that he/she lost their original position in the order of sign-up and will fall to the last position, if they re-apply for that day. All employee requests, which can be honored on the "first signed, first allowed" basis subject to availability, will be highlighted on the sign up sheet at the end of the last break the day before the requested vacation and logged into Luas and Clark as vacation. Employees will not be permitted to work on these scheduled vacation days.

E. Any day(s) scheduled during this three-week single day vacation scheduling period will be considered single day vacation requests and will count against an employee's single day maximum allotment of 5 days per vacation year, if eligible.

ARTICLE 7
GRIEVANCE PROCEDURE

SECTION 7.01. The Union may be represented by a Shop Committee, President and Vice President of the Union. The Shop Committee will consist of four members when the number of active employees is 2500 or less. In the event the number of active employees exceeds 2500, the Shop Committee may consist of 5 members. In the event the number of active employees exceeds 3000, the Shop Committee may consist of 6 members. When the number of bargaining unit employees exceeds 1,000 on second shift, one additional committee person will be added to second shift. These representatives are to be elected by the employees. There may be no more than one Shop Committee Member from any one department. The company's total cost for Shop Committee time will be limited to the paid hours as covered in Section 7.08.

In the event a department has over 75 employees for 30 days an additional shop steward will be added. If the number of employees in a department drops below 75 for 30 days the additional steward will be removed.

Employees shall not be eligible for election as Union Officers, Members of Shop Committee, or Stewards until they have been employed through their Probationary Period.

For the purpose of this agreement, the term "Grievance" means any difference which the Union or any employee shall have with the Employer concerning wages, hours, or working conditions covered by this Agreement and not elsewhere excluded. There shall be no policy grievances, and any action of the Employer carried out under Article 13, "Functions of Management," shall be considered a matter of policy.
SECTION 7.03. Any grievance shall be settled in accordance with the follow­
ing Grievance Procedure:

Step 1. Between the aggrieved employee/s and his/her advisor. The aggriev­
ed employee may request assistance from a department Steward; a Steward
will be present in the event a recorded warning is issued. The adviser will
make an earnest effort to dispose of the complaint within two working days
after having received the complaint. If no satisfactory settlement is reached
between the employee and the adviser the grievance shall be reduced to writ­
ing, as hereinafter set forth in this Article, within ten working days after the
grievance occurs.

Step 2. The Department Steward shall present the proper written grievance to
one member of the Shop Committee, who shall make an investigation and
promptly present such grievance to the head of the department where the
grievance exists. If no satisfactory settlement is reached between the parties
within five working days after presenting the grievance; then,

Step 3. The Shop Committee shall present the grievance to the Human
Resources Representative who will meet with the Shop Committee and a rep­
resentative of the International Union, to discuss the grievance. A written
answer will be presented to the Union within seven working days from the
date of the meeting. Regular meetings with Human Resources
Representatives and the Committee will be held every Thursday. Changes in
the meeting schedule may be made by mutual agreement.

Step 4. In the event any employee's grievance is not settled to the satis­
faction of the Union in the previous steps, the Union shall, within the time here­
in set out, request the appointment of an arbitrator. The selection of the arbi­
trator shall be carried out by the parties in accordance with the rules of the
American Arbitration Association or the Federal Mediation Conciliation
Service. The parties will jointly stipulate the question to the arbitrator, or if
they are unable to agree to a stipulation, each party shall submit to the other
its written statement of the question at least five days in advance of hearing
thereof, and both statements shall be submitted to the arbitrator.

The arbitrator shall have the authority to decide only matters involving griev­
ances which were processed and handled in accordance with the Grievance
Procedure, and which arise during the term of this agreement, and which
involve a dispute as to the meaning of terms found in this agreement, or as to
the existence of facts which affect the manner in which the terms found in this
agreement are applied. The arbitrator shall have no authority to rule on any of
the matters excluded from the Grievance Procedure or from arbitration by this
Agreement and shall have no authority to add to, subtract from, or modify any
of the terms of this Agreement, nor to establish any conditions not contained
in this Agreement.

All expenses and fees of the arbitrator shall be shared equally by the Employe
and the Union. Expenses of witness and other expenses incurred by the par­
ties shall be paid by the party incurring such expenses.
Any decision made in conformance with this arbitration procedure shall be accepted by both the Employer and the Union and shall be final and binding on both parties and shall be complied with within five working days after the decision is rendered.

The Grievance Procedure and arbitration provided for herein shall constitute the sole and exclusive remedies to be utilized for the determination, decision, adjustment, or settlement of any and all grievances as herein defined.

Nothing contained in this Agreement shall prevent any employee from exercising his/her rights under Section 9 (a) of the Labor Management Relations Act of 1947, as amended.

Intention to appeal any complaint or grievance from Step 1, to Step 2, or Step 3, must be presented in writing within five working days after the Employer's reply is given. Intention to appeal any complaint or grievance from the third step to the fourth step must be presented in writing within forty-five days after the Employer's reply is given. This appeal shall state the reason why the answer given by the Employer was not satisfactory.

Grievance/s appealed to the fourth step of the grievance procedure and not arbitrated within a twelve month period beginning from the date of the third step answer from HR (i.e: Step 3) shall constitute a waiver of the grievance/s. In the event the Arbitrator scheduled to hear a case within the twelve month period cancels or changes the date of the hearing beyond the twelve month period, the time limit will be extended.

SECTION 7.03. Grievances shall be reduced to writing by the Union or the employee involved and shall contain a statement, setting forth the nature of the grievance and the violation claimed.

SECTION 7.04. The parties will cooperate diligently in an effort to adjust any grievance at the earliest possible time. The designated Employer Representative in "Step 1" and "Step 2" of the Grievance Procedure will give their reply in writing within two working days after the grievance has been discussed in their respective "Steps." If the Union desires to appeal the Employer's reply from any "Step" of the Procedure to the next "Step" it shall process such appeal promptly, but no later than five working days after the Employer's reply is given.

SECTION 7.05. Failure of the employee or the Union to proceed within any time limit set forth in the Procedure herein before stated shall constitute a waiver of the grievance. Failure of the Employer to act within the time limit set forth in any "Step" shall entitle the employee or the Union to proceed to the next "Step." The parties may grant an extension of the time limit providing it is for a specific period of time and is agreed to in writing by both parties. It is understood that the time limits mentioned above will be suspended during periods of temporary lay-off.
SECTION 7.06. Any grievance affecting the wages of an employee must be submitted to the Employer in writing. Any payment to the employee named in the grievance shall be retroactive to a maximum of ten working days prior to the receipt of such grievance by the Employer.

SECTION 7.07. Upon settlement of any written grievance, the Parties hereto, through their designated Representatives, will sign the settlement. The authorized Representatives of the Union and the Employer must sign all settled grievances before the settlement becomes final and binding, unless such grievance is settled by "Waiver" as defined in Section 7.05 of this Article.

SECTION 7.08. Time lost in the adjustment of grievances and attending joint labor-management committee meetings, and participating in CCM events will be paid in the following manner:

A Shop Steward adjusting grievances in his/her respective department and in accordance with the "First" and "Second" steps of the Grievance Procedure will be paid for lost time while adjusting such grievances, providing that the time lost does not exceed three hours each week. Any time lost in excess of three hours per week shall be on the Steward’s own time.

Time lost by Shop Committee Members in settling grievances in accordance with the Grievance Procedure will be paid for by the Employer, provided that the total time will not exceed forty hours any week by any member of the Shop Committee.

Time lost by the Vice-president in settling grievances in accordance with the Grievance Procedure will be paid for by the Employer, provided that the total time will not exceed forty hours any week.

The rate of pay for such lost time by the above authorized Union Representative shall be the employee’s regular hourly rate.

The Employer in no case will pay for any lost time nor will it reimburse any Union Representative for time spent on grievances outside of such Representatives regular working hours, or for any time spent during Agreement negotiations.

Shop Committee Members or Stewards must receive permission from their adviser to leave work to participate in the Grievance Procedure. In the event that Shop Committee Members or Stewards do not receive permission to leave work promptly, they may then call the Manager of Labor Relations.

SECTION 7.09. During the term of this Agreement, neither the Union nor any of its members, individually or collectively, shall cause or take part in any strike or other interruption or any impeding of production at the Plant of the Employer covered by this Agreement. The Employer will not institute any lockout of its employ-
Any employee participating in a work stoppage, strike, shutdown, or interference with the Employer's operation shall be subject to discharge.

ARTICLE 8

HEALTH AND SAFETY

Health and Safety are subjects of concern to both the Company and Union. All employees will strive to work safely, observe all safety laws and safety and health rules and regulations, and report unsafe working conditions to their adviser promptly.

The Company will observe pertinent safety laws and will use every reasonable precaution to provide safe working conditions in the plant and rest rooms. The Union will actively encourage employees to work in a safe manner.

In order to implement the cooperation of the Parties, the Company will recognize a minimum of nine area safety representatives designated in writing by the Union. Additional Union Safety Representatives will be added as necessary, as determined by the LMC Steering Committee, to align with Business Unit LMCs. Each representative shall have worked in the area he or she represents for at least six months. The areas are defined as follows:

1. 2. 3. 4. 5. 6. 7. 8. 9.

The duties of the area safety representative shall be to:

1. Accompany Company representatives on the monthly safety and housekeeping inspection in the pertinent area.

2. Meet with Company Safety Supervisor and representatives once each month to review inspection results and to discuss pertinent health and safety matters.

3. Act as employee representatives in his/her area in the event of complaint under appropriate laws, and accompany appropriate inspectors investigating such complaints.

4. Be notified in the event of an accident resulting in lost time in his/her area, and may investigate in conjunction with an investigation by a Company representative(s).
Area safety representatives will be compensated at their regular rates for time lost from their regular jobs while making monthly inspections, attending meetings, and investigating accidents resulting in lost time, as described in (1), (2), and (4) above, not to exceed ten hours per month.

The Company will give earnest consideration to suggestions and recommendations resulting from the meetings, but retains sole discretion in determining what action, if any, will be taken as a result of such suggestions and recommendations.

Provisions of this Article are subject to the regular grievance procedure outlined in Article 7.

ARTICLE 9

GENERAL PROVISIONS

SECTION 9.01. Regular pay day shall be Friday of each week.

SECTION 9.02. Bulletin boards will be provided for the use of notices pertaining to Union business, subject to the approval for posting by the Human Resources Department.

SECTION 9.03. Smoking is not permitted while employees are performing their jobs, nor when they are with other employees who are performing their jobs. Smoking is permitted in this plant within designated areas as jointly determined by the Company and Union.

SECTION 9.04. X-rays and physical examinations will be made of employees from time to time so that it can be determined an employee's ability to perform the work required of him/her in this plant without physical limitations. These x-rays and physical examinations will be paid for by the Employer. If a physical handicap is determined by the plant physician and it is of a nature serious enough to warrant not continuing the employee in employment, another physician's advice will be obtained before making the final determination.

SECTION 9.05. The Employer will not in any way, directly or indirectly, interfere with or discriminate against any employee because of his/her Union activities or because of any statement or information given in testimony or as a witness in the interest of the Union. The Union agrees that it will not solicit membership or otherwise engage in any Union activities upon the Employer's premises during working hours, except for committee meetings and affairs arising between the Union and the Employer that are provided for under the terms and provisions of this Agreement.

SECTION 9.06. Willful disregard of, or refusal to comply with the Employer's rules or proper orders and instructions from duly authorized supervisory executives within the terms, spirit and intent of this Agreement will be cause for discipline by the Employer.
SECTION 9.07. The Employer and the Union will not discriminate against any employee on account of race, color, creed, sex, national origin, handicap, disability, or age, in compliance with State and Federal Statutes.

The Company and the Union agree to cooperate fully to insure that all aspects of the new Americans With Disabilities Act are complied with in the plant.

SECTION 9.08. The following represents the full understanding of the parties concerning the employment of summer student employees:

1. A summer student employee is defined as a "bonafide" student hired during the spring-summer production peak on a temporary basis.

2. Student employees will not accumulate seniority, even though they may be employed through the probationary period, and will not be eligible for the benefits which accrue to "regular" employees upon completion of their probationary period, except that:

   a) Student employees who have been employed for a continuous period of time equivalent to the probationary period as described in Section 2.09, and who are otherwise qualified, will be eligible for holiday pay for holidays occurring subsequent to the completion of the time period expressed in Section 2.09.

   b) The summer student employee will receive the regular hourly rate for the job classification following completion of the time period expressed in Section 2.09.

3. In the event a student employee is unable, for good cause, to return to school at the end of the summer season he/she may be hired as a regular employee at the sole discretion of the Company. If a student employee is hired as a regular employee:

   a) The seniority date will revert to the last date of hire as a student employee on the date the student employee becomes a regular employee.

   b) Group insurance coverage will be effective as of the date of hire as a regular employee or completion of the probationary period, whichever is the later date.

   c) No retro-activity shall accrue covering the term of employment as a student employee (such as, but not limited to, insurance benefits, job bidding rights, overtime, shift preference, etc.).
SECTION 9.09. A skilled trades committee will be established comprised of three representatives of the Company and three Union representatives from the skilled trades (one each electrician, general maintenance operator, and tool maker). The committee shall meet at least once each month at a mutually agreeable time. Additional meetings may be called at mutually agreeable times to discuss urgent matters which cannot reasonably be deferred until the next regular meeting.

It is understood and agreed that the purpose of such meeting is to discuss problems which may arise within the scope of the Labor Agreement, and matters pertaining to the Apprentice Program and other pertinent subjects which will contribute to improved relations within the skilled trades areas. It is understood that the committee will not meet for the purpose of modifying the Labor Agreement, nor for the purpose of processing grievances.

One representative of the Company and one of the Union shall be designated as co-chair and shall be responsible for the agenda and other meeting arrangements.

SECTION 9.10. The Company will furnish each journeyman and apprentice with tools prescribed for apprentices in the event there is a change to the metric system.

ARTICLE 10

INSURANCE

SECTION 10.01. The Whirlpool FlexChoice Employee Benefit Plan has been made available by the Employer for the term of this agreement which provides medical, dental and life insurance benefits for employees and (upon the employee's election in accordance with the Plan) the employee's spouses and dependents on a contributory cost basis. Participants in the Indemnity Plans will have their annual contributions set as part of the historical FlexChoice enrollment process.

Coverage starts on the first day following the completion of the Probationary Period. If the employee is not at work on that day, coverage starts on the first day of return to work.

Sickness and Accident Insurance:

During the term of this Agreement, eligible employees will receive weekly benefits in case of disability due to accident or sickness (non-occupational), or participation in the recognized Program of Rehabilitation (subject to completion of all requirements of the agreed rehabilitation program), for a period up to twenty-six weeks, starting with the first day in cases of accident or hospitalization, and the eighth day in cases of illness. No sickness and accident payment will be made to otherwise eligible employees who are on layoff. Any employee who is on medical leave at the time he/she is laid off and cannot qualify for unemployment com-
pension due to medical reasons will continue receiving sickness and accident benefits per the stipulation of this section. The maximum weekly amount will be as follows:

<table>
<thead>
<tr>
<th>EFFECTIVE DATE</th>
<th>WEEKLY BENEFIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-01-02</td>
<td>$270</td>
</tr>
<tr>
<td>10-01-04</td>
<td>$260</td>
</tr>
<tr>
<td>10-01-06</td>
<td>$290</td>
</tr>
</tbody>
</table>

(see also the Wage and Benefit Progression in the Schedule of Job Classifications and Hourly Rates of Pay).

**Survivor Income:**

$180.00 per month for 24 months to surviving spouse or dependent children upon death of employee with three years of credited service.

**SECTION 10.02.** FlexChoice benefits provided through local managed care options shall be monitored by the joint Union/Management Healthcare Committee. Annual employee contributions will be determined by a 15/85%-sharing formula based on local managed care experience and increased plant costs. However, for the term of this agreement it is agreed that an employee's contribution increase shall not exceed $90.00 in any single year, except in the case of a change in coverage levels.

**ARTICLE 11**

**RETIREMENT PLAN**

**SECTION 11.01.** A Pension Plan has been instituted by the Employer which will provide benefits to qualified employees. Effective dates of such Plan coincides with effective dates of this Agreement.

Service for retirement purposes under the predecessor employer has been funded in conformity to the Pension Plan of such employer. Service under the Plan herein instituted by the Fort Smith Division at Whirlpool Corporation will include only service by the employee following date of employment by the Fort Smith Division.

A summary of some of the provisions of the Plan is outlined below.

Effective on October 1, 2003, pensions for employees will be increased to $26.50 per month per year of credited service dating from August 1, 1966. Effective on October 1, 2004, pensions for employees will be increased to $27.50 per month per year of credited service from August 1, 1966. Effective on October 1, 2005 pensions for employees will be increased to $29.00 per
month per year of credited service dating from August 1, 1966. Effective on October 1, 2006 pensions for employees will be increased to $30.50 per month per year of credited service from August 1, 1966; $2.00 per month per year of credited service with predecessor employer.

**Early Retirement:**

Formula reduction improvement effective 9-9-83:
Age 65-60 reduce by .25 of 1% per month
Age 59-55 reduce by .5 of 1% per month

**Vesting:** Ten years of credited service.

**Life Insurance:** $4,000 to each retiree.

**Options:** Joint and survivor benefits - ten year certain.

**Retiree Medical Insurance - "Premium Plan":**

Two optional retiree medical plans (i.e.: "Premiums Plans") are available to Supplement Basic Retiree Medical Insurance until retirees become eligible for Medicare at age 65. These two plans increase the lifetime benefit maximum to either $250,000 or $500,000 according to the following schedule:

<table>
<thead>
<tr>
<th>Basic LTM</th>
<th>250 Plan</th>
<th>500 Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000</td>
<td>$150,000 Additional</td>
<td>$400,000 Additional</td>
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<tr>
<td>$80,000</td>
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</tr>
<tr>
<td>$60,000</td>
<td>$190,000 Additional</td>
<td>$440,000 Additional</td>
</tr>
</tbody>
</table>

Coverage will continue until age 65 or when payments cease, whichever is earlier, then go back to the basic retiree medical insurance plan if any of the original lifetime maximum remains. Annual premiums are determined prior to the start of each coverage year, and the company may change the plans. These plans are available only at the time of retirement for retirees and dependents (at the time of retirement).

An employee may elect to continue buying Premium Plan coverage beyond the age of 65. However, the decision to take this coverage must be made at the time of retirement and they may not revert back to the no cost basic plan after age 65 if they chose to discontinue the Premium Plan.

**Supplemental Retirement Benefit:**

Effective Sept. 9, 1988, a new Supplemental Retirement Benefit is being added at $10.00 per month times the years of Whirlpool Credited Service with a maximum of $300 per month for eligible employees with 30 years of Continuous Service (including Whirlpool and Norge service) at time of retirement. Payment of the benefit is between ages 60 and 62, and remains in effect until the retiree becomes eligible for social security.
ARTICLE 12

NO STRIKES

SECTION 12.01. The Union will not cause or permit its members to cause, nor will any member of the Union take part in any strike, either sit-down, slow-down, stay-in, or any other kind of strike or stoppage of work or other interference with any of the Employer's operations. Any employee involved in any violation of this Section shall be subject to discharge as well as any other remedies available to the Employer. The failure of the Employer to discharge any employee involved in any violation of this Section shall not be grounds for the relief from discipline of employees who are disciplined under this Section.

The Employer agrees that there shall be no lockout of its employees during the term of this Agreement.

The Union agrees to not authorize or sanction a boycott of the Company product during the term of this agreement.

ARTICLE 13

FUNCTIONS OF MANAGEMENT

SECTION 13.01. It is agreed that the Management of the Employer has the sole and exclusive rights, duties and responsibilities to direct the operations of the Employer and its working forces. Such functions of Management include, but are not limited to, the exclusive rights to determine the products to be manufactured or to be produced, schedules of production, methods and processes, place of manufacture, and acquisition of all materials and parts; to hire, suspend, discharge for just cause, or relieve employees from duty because of lack of work or other legitimate reasons; to introduce new or improved production methods or facilities; to determine the manner and methods by which time studies are made; and the formula used for establishing of rates.

The above rights are not all inclusive but enumerate by way of illustration the type of rights which belong to the Employer, and all other rights, powers, functions, or authorities which the Employer had prior to the signing of this Agreement, are retained by the Employer except those which have been specifically abridged, delegated, or modified by this Agreement or any supplemental Agreements that may hereafter be made by the Employer and the Union. It is further understood that all matters so reserved shall not be the subject of grievances and shall not be arbitrable.
ARTICLE 14

TERMS OF THE AGREEMENT

SECTION 14.01. This Agreement expresses the complete and entire understanding of the parties on the subject of wages, hours, and other terms and conditions of employment and neither the Union nor the Employer shall be required to negotiate further during the life of this Agreement on the subject of wages, hours, and other conditions of employment. This shall not be construed to limit bargaining during the sixty day period prior to the termination of this Agreement.

SECTION 14.02. Amendments of this Agreement, if made at any time during the life of the Agreement of the Parties hereto, shall be in writing and effective only when signed by both parties. Any such amendments shall terminate at the same time as does this Agreement.

SECTION 14.03. In the event any provisions of this Agreement are held or constituted to be void, or as being in contravention of any laws, rulings or regulations of any governmental authority or agency having jurisdiction of the subject matter of this Agreement, nevertheless, the remainder of the Agreement shall remain in full force and effect, unless the parts so found to be void are wholly inseparable from the remaining portion of this Agreement.

SECTION 14.04. This Agreement shall be effective as of the 1st of October, 2002 and shall continue in full force and effect after that date until the end of the 1st day of October, 2007, subject to the conditions as set forth below:

If neither Party gives notice of its desire to terminate, change or modify this Agreement, it shall continue in effect from year to year thereafter, subject to termination or modification thereafter by either Party as provided herein.

If either Party desires to terminate or change this Agreement, it shall give notice of its desire to the other Party sixty days prior to October 1, 2007, or thereafter, sixty days prior to the anniversary date of any yearly extensions of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their fully authorized representatives in Fort Smith, Sebastian County, Arkansas, this 1st day of October, 2002.

FOR THE UNION:

Dennis Bishop
Andy Coggins
Karen Buccella
Paul Parks
Rick Shelby
Clyde Dailey
Carolyn Dunn
John Spearman

INTERNATIONAL UNION:

Jim Gattis

FOR THE EMPLOYER:

Chuck Knapp
Allen Carmical
Randy Horton
Ron Bankston
Kathy Bridges
Mona Mendoza
Steve Nelms
Memorandums of Understanding

(Plantwide Memorandums only)
The parties recognize that substance abuse in the workplace is a very serious issue, encourage employees to cooperate with testing for just cause, and hereby agree to the following in joint support of an alcohol/drug free workplace:

1. Reference to substance abuse and/or alcohol/drugs as herein applied is understood to include alcohol, illegal drugs, and/or willful abuse of prescription drugs.

2. The Company maintains the right and responsibility for:

   The current practice and administration of pre-employment alcohol and/or drug testing of applicants for employment.

   Determination of the source(s) for alcohol and drug testing, which may be conducted by urinalysis, blood testing or other tests of equal or greater reliability.

   Testing for just cause of active employees where there is reason to suspect he/she is under the influence of alcohol and/or drugs, based on his/her behavior. This test will be paid for by the Company.

   In the event a decision is made to test an employee for just cause, the employee will be offered the option of another controlled substances test of a like specimen taken at the same time, at the employee's cost. In the event an employee selects the second test option, the like specimen taken at the same time as the first test specimen, will be secured by the Company until the employee directs the Company to release the specimen to a specific source of testing, assuring proper chain of custody controls.

   The Company has established a minimum detection level of .02 or greater as a positive test result for alcohol. An employee with an alcohol level from .02 to .039 will be sent home without pay until his/her next scheduled shift and will be given a warning for an unexcused absence. An employee with an alcohol level of .04 or greater will be suspended without pay and will be required to submit to a professional evaluation and comply with any recommended treatment and aftercare.

   In the event an employee tests positive for a first offense of substance abuse only, the employee will be offered the recognized program of rehabilitation, which has been offered in like cases for more than 10 years.
In the event an employee fails to satisfactorily complete all requirements of the agreed to rehabilitation program he/she will be terminated.

For the Union:

For the Company:
The following is an understanding between the Fort Smith Division and Pace Local 5-0370 concerning employees who voluntarily seek help in a professional substance abuse rehabilitation program for the treatment of alcohol and/or drugs.

Employees who suspect that they have a substance abuse problem are encouraged to seek diagnosis and to follow through with treatment leading to rehabilitation. Employees who seek help and adhere to a professional program for rehabilitation will not risk losing their job with the company.

The company will provide benefits coverage for such treatment on a two(2) times basis only. If an employee does not successfully complete a rehabilitation program:

1. Medical insurance and S&A benefits will not be provided for any subsequent treatment.

2. Additional rehabilitation will not be permitted in the future in lieu of discipline or discharge for job related performance or misconduct.

This memorandum does not change in any way the Memorandum of Understanding of September 06, 2002. The company retains all rights and responsibilities contained in that memorandum.

For the Union:  
For the Company:

[Signatures]

[Signature]

[Signature]

[Signature]
Procedure to fill Temporary Vacancies

1. A temporary replacement is a person who is assigned to the department for the purpose of filling a temporary vacancy.

2. Employees entering the department to fill temporary vacancies will be designated on a Change in Status form and remain temporary as long as needed. All temporaries will be designated as such in Luas and Clark.

3. Temporary replacements in upgraded jobs will be filled in accordance with Article 2, Section 2.12(f).

4. Employees in temporary positions will be able to exercise shift changes over other employees in those same type temporary positions but not over employees in permanent positions.

5. Shift change requests that result in permanent employees bumping a designated temporary replacement within the department will be allowed except for upgraded vacancies filled by Article 2, Section 2.12(f). However, the provisions listed in Items 4 and 5 will be suspended during the peak vacation period. No bumping of medical leave replacements will be allowed at any time.

6. Employees cut out of the department as per Article 2, Section 2.13 or being eliminated from their current shift will be given the opportunity to be designated as temporary replacements if needed in the department.

7. When employees are removed from the department resulting from the return of permanent employees, the manpower will be adjusted by removing the low senior employees requisitioned into the department as temporary replacements. After all temporary employees have been removed, the remainder will be removed in accordance with Article 2, Section 2.13.

8. Employees placed in departments temporarily on upgraded jobs at the company's request may exercise a lateral or downgrade bid which will not be counted against the lateral or downgrade bid allotment as defined in Article 2, Section 2.12(b) of the labor agreement.

This memorandum replaces all previous memorandums relating to temporary replacements.

For the Union: For the Company:

Dennis Wake 10-3-02
Andy Cooper
Glen C. Ramsey 10-4-02
J. D. Rector 10-4-02
Rick Shelly 10-2-02
Howard Burks 10-2-02
T. E. Spearman 10-3-02
Canal P. Davis 10-5-02
Main B. Holland 10-3-02

K. J. Johnson
K. J. Johnson
Steve Nelson
Dwight C. Joest
Mike Smith
Max C. McDonnell
K. J. Johnson
MEMORANDUM OF UNDERSTANDING
BETWEEN WHIRLPOOL CORPORATION-FORT SMITH
AND FACE LOCAL 5-0370
(SEPTEMBER 23, 2002)

It is agreed that the Gainsharing Plan agreed to by the parties in the Memorandum of Understanding for LMC Process, Employee Involvement and Gainsharing of 1992 will be replaced by a Goalsharing incentive compensation plan. All other aspects of the LMC Memorandum remain in effect and force.

For the Union:

For the Company:

[Signatures]

[Signatures]
Memorandum of Understanding  
Between  
Whirlpool Corporation-Fort Smith Division  
And  
Local 5-0370, Paper, Allied-Industrial,  
Chemical & Energy Workers International Union

We the undersigned agree to follow the terms and conditions that are outlined in the voluntary layoff procedure.

For the Union

[Signatures]

For the Company

[Signatures]

[Dates]
Memorandum of Understanding
Language Changes Associated with the Discontinuation of Single Day Vacation

(9-23-02)

Whirlpool Corporation - Fort Smith Division
And
Local 5-0370, Paper, Allied Industrial, Chemical & Energy Workers International Union

in the event that the single day vacation option program is discontinued after the one-year trial period, as outlined in the provisions of Article 6, Section 6.08, the following modifications to the labor agreement will occur:

1. Article 6, Section 6.08 will become void and null for the remainder of the duration of the labor agreement.

2. Article 2, Section 2.10 will be replaced by the following language, for the remainder of the duration of the labor agreement.

Section 2.10. Regular attendance is expected of every employee. In the event of absence, an employee will be required to notify the employer by calling the prescribed, toll free telephone number prior to the start of his/her regularly scheduled shift, unless extenuating circumstances prevent calling. If the reason given for absence is not for just cause to the employer, the employee will be given a written warning for the first offense. For the second offense he/she will receive a second written warning and for the third offense a third written warning will be issued. For the fourth offense the employee may be discharged. If an employee goes three months without a written warning for attendance, the next warning will be considered a first offense.

3. Article 6, Section 6.06 will have the following modifications:

The last sentence of paragraph three, "Additionally, one employee per department, classification and shift will be permitted to utilize single day vacation during the period." Will become null and void, for the remainder of the duration of the labor agreement.
The sentence "Any scheduled weekly vacation must be taken unless cancelled three or more weeks in advance", will become null and void, for the remainder of the duration of the labor agreement.

For the Union:

Osmio Buick 10-2-02
Andy Cappin
Clyde Deake 10/2/02
Paul Rankin 10/3/02
Rick Schley 10/2/02
Karen Ruccelle 10/2/02
Terry Spann 10-3-02
Caroleyn Turner 10-3-02

For the Company:

Chick Huang
Randall Dutan
Steve Palmer
Deen Commissioner
Log Santillo
Mona Anderson
Karen Budge

10-3-02
Overtime work on Saturday, Sunday, and Holidays in designated feeder departments will be apportioned as follows:

When overtime is required for a given shift in a department having more than one shift, the scheduled shift will allow up to 15 employees to be off work provided qualified operators from the other shifts volunteer to work. If enough employees do not volunteer, the least senior qualified employees on the pertinent shift will be required to work. This provision will only apply when the need for overtime is known by 12:00 (noon) Wednesday of the same week.

The proposed departments for this trial are: 101, 115, 120, 140, 170, 350, 351. It should remain in place to allow for the gathering of data, identification of issues and evaluation of its effectiveness. If the endeavor is successful, the group proposes that the process be expanded to other feeder areas throughout the plant. The group will reconvene as necessary to address issues and concerns.

This interest based bargaining agreement resolves grievance #32-01.

Team members:

Union:
Jim Gattis
Dennis Bishop
Andy Coggins
Clyde Dailey
Paul Parks
Karen Buccella
Rick Shelby
Carolyn Dunn
John Spearman

Company:
Chuck Knapp
Jeff Geren
Monty Morton
Randy Holden
Carl Robertson
Ron Bankston
Boyd Owens
Memorandum of Understanding
Between
Whirlpool Corporation - Fort Smith Division
And
Local 5-0370, Paper, Allied-Industrial,
Chemical & Energy Workers International Union
Date: March 27, 2002

The following is a complete and full understanding between the Fort Smith Division and Local 5-0370 of P.A.C.E. pertaining to the process of re-deployment of employees who are freed up due to cell design, which was jointly determined by the company and the union in an LMC Quick Hit Team.

This process is being established to provide positive options with no loss of employment, to encourage participation in cell design effort, to make improvements that enhance our ability to compete with significant competitive challenges.

After a job has been identified to be free up, the following options will be available for the affected employee(s). Affected means: When all elements of the job on the manning model are either eliminated or relocated, resulting in a departmental manpower reduction.

Employees will be considered freed up when their job has been split 2 or more ways. If half of the job remains in tact seniority will be recognized.

Option A
- Bump the junior permanent employee on the shift in the department. The freed up employee exercising this option will assume all duties and responsibilities of the bumped employee. Remaining duties of the freed up employee on non-manning models will be re-assigned by the advisor. Both moves will be in accordance with the guidelines of the Collective Bargaining Agreement.
  - If option A is chosen, no other option will be available.
  - If option A is not chosen, the employee can opt for Option B or C as follows:

Option B
- Choose to leave the department and be assigned plantwide to a temporary or permanent Position. Employees will be allowed to place a plantwide downbid or lateral bid for a period 2 months after the move is made, (this will not affect the one time downbid per contract).
  - If the affected employee does not choose option A or B then option C will apply.

Option C
- 48 hour posting within the department. Operators across all shifts within the freed up employee's classification may sign.
  - The senior employee(s) within the classification will be awarded the posting and will leave the department to be placed plantwide.
Note: This will not create an open job subject to the 24 hour posting! If either option B or option C is taken the employee will not have recall rights. If the affected employee(s) do not choose any options, he/she will be assigned within the department according to their seniority.

For the Union

For the Company

[Signatures and dates]

51
This memorandum is the complete and full understanding between the parties regarding the apportionment of overtime for a three shift operation to fill a vacancy on a given shift provided there is no qualified operator available on that shift.

- Monday through Friday, the work will be split on a four-hour basis between the operator on the job of the preceding shift and the operator on the job of the oncoming shift.

- On Friday night if a 2nd shift operator is absent, coverage for the first four hours will be provided by first shift with the last four hours covered by 3rd shift.

- On Sunday night, where a 3rd shift operator is absent, coverage for the first four hours and any pre-shift overtime, will be provided by a 2nd shift operator. The remaining four hours will be covered by a 1st shift operator.

- If there are not sufficient volunteers, the least senior qualified employee will be required to work.

Only in extenuating circumstances will an employee be required or allowed to work a double shift.
It is the intent of the Whirlpool Corporation, Fort Smith Division and the Allied Industrial Workers, Local 370 (herein after called the “parties”) to jointly establish and administer a Labor-Management Committee process at the Fort Smith plant.

1. A joint Steering Committee, co-chaired by the President of Local 370 and Whirlpool Division Vice President, will design and direct the process and establish a network of joint labor-management committees to install employee involvement processes throughout the plant.

2. Leaders of 370 and Whirlpool management leaders will be directly involved as co-chairs and/or members at all levels of the Labor-Management Committee (LMC) network.

3. The first priorities of the parties will be communications, human resource planning, employment security, and employee involvement.

   a. The Steering Committee will establish communication channels and media to assure that all LMC network activities and actions are constantly communicated to each employee in the Division.

   b. Semiannual meetings will be held with all employees at which the co-chairs and members of Steering Committee will report on: (1) the progress of the LMC, (2) business results, and (3) business and operations plans and problems.

   c. A five-year human resource plan will be jointly developed by the parties within ninety (90) days of the first Steering Committee meeting.

   d. The issues of employment security and employment stability will be specifically addressed in the human resource plan.
4. The Steering Committee will establish joint project teams to research the establishment of a Gainsharing Plan and address the issues of employee involvement in the redesign of work resulting from the new product and manufacturing process designs. The Gainsharing Plan will be contingent upon both parties' support and participation in the LMC process. Should either party terminate or withdraw support for the LMC process and employee involvement, the Gainsharing Plan will be suspended.

5. An external facilitator, agreeable to both parties, will assist the parties for at least the first year of the Labor-Management Committee.

6. An off-site planning meeting will be held by February 15, 1993, to:
   a. Structure the Labor-Management Committee.
   b. Establish a six (6) month plan for the Steering Committee.
   c. Conduct the first Steering Committee meeting which will be held within thirty (30) days after this concept is approved.

7. This Memorandum of Understanding does not supersede or circumvent the labor contract in force, but rather it is a means to encourage a better working environment where the employees will share in the financial gains that they helped create.
Memorandum of Understanding
Between
Whirlpool Corporation, Fort Smith Division
And
Local 7370, United Paperworkers International Union
January 6, 1994

The parties agree that they will comply with the terms of the Family and Medical Leave Act of 1993.

For the Union:  

For the Company:

[Signatures]

Jim Mullen

Chuck Kruepp

Mike Brookins
Letter of Intent
between
Whirlpool Corporation, Ft. Smith Division
and
United Paperworkrs International Union, Local 7370

September 24, 1997

It is the intent of the parties to establish an LMC Standing committee focused on monitoring health care activities at the Division. The committee will be made up of eight members with an equal number of management and union representatives. The mission of this committee would be to:

- receive updates of the Division’s health care plans and meet with corporate representatives to discuss health care costs.
- educate and assist employees in selecting insurance choices.
- prepare employees to be more informed consumers of health care services.
- enhance the Division’s wellness activities.
- promote the use of available discounted provider networks, i.e. HealthPoint.

In addition, the union would participate on the PremierCare plan board as well as participate in the evaluation and selection of new managed care providers as necessary.

It is also the intent of the parties, through the use of this committee, to investigate the possibility of utilizing Gainsharing to offset increased health care costs and to initiate such an arrangement if possible.

For the Union
For the Company

Dated 9-24-97
MEMORANDUM OF UNDERSTANDING
BETWEEN
WHIRLPOOL CORPORATION, FORT SMITH DIVISION
AND
LOCAL 7370, U.P.L.U.

In cases of illness or injury it is understood and agreed that the Fort Smith Division will continue all coverages, except weekly disability benefits, for a period equal to the employee’s length of service, up to a maximum of two and one-half years.

For the Union:

For the Company:

Dated 9-18-97
MEMORANDUM OF UNDERSTANDING
BETWEEN
WHIRLPOOL CORPORATION, FORT SMITH DIVISION
AND
LOCAL 7370, U.P.I.U.

RECALL FROM LAYOFF

For the purpose of assigning work, the layoff period will end 4 hours before scheduled start-up on each shift.

For the Union:

For the Company:

Dated 8-28-97
Schedule of

Job Classifications

and

Hourly Rates of Pay
# NEW HIRE WAGE AND BENEFIT PROGRESSION

<table>
<thead>
<tr>
<th>Status</th>
<th>Percent of Hourly Rate</th>
<th>Benefits Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Hire-Probationary</td>
<td>80%</td>
<td>None</td>
</tr>
<tr>
<td>Upon Completion of Three Months from Date of Hire</td>
<td>85%</td>
<td>Full Flex-Choice Benefit Plan $20,000 Life Insurance 70% S &amp; A</td>
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<tr>
<td>Upon Completion of One Year of Service</td>
<td>90%</td>
<td>Full Flex-Choice Benefit Plan 80% S &amp; A</td>
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<tr>
<td>Upon Completion of Two Years of Service</td>
<td>95%</td>
<td>Full Flex-Choice Benefit Plan 90% S &amp; A</td>
</tr>
<tr>
<td>Upon Completion of Three Years of Service</td>
<td>100%</td>
<td>Full Flex-Choice Benefit Plan 100% S &amp; A</td>
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</table>

*If employee does not select a plan at the end of the probationary period, the Whirlpool Complete Care Plan is selected by default. The employee is then eligible to enroll in any of the full medical plan choices at the next regularly Flex-Choice enrollment period.*
<table>
<thead>
<tr>
<th>Job Classification and Hourly Rates of Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Job Classification</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Maintenance Operator-Electrician &quot;A&quot;</td>
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<tr>
<td>Electrician, Electronic</td>
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<tr>
<td>Maintenance Operator - General &quot;A&quot;</td>
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<tr>
<td>Maintenance Motorized Equipment Mechanic</td>
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<tr>
<td>Maintenance Operator - Power &quot;A&quot;</td>
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<tr>
<td>Wastewater Treatment Operator</td>
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<tr>
<td>Tool Maker &quot;A&quot;</td>
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<tr>
<td>Inspector, Skilled Layout</td>
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<tr>
<td>Quality Tech.</td>
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<tr>
<td>Team Leader</td>
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<tr>
<td>Set-up Operator, Foam System</td>
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<tr>
<td>Die Setter</td>
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<tr>
<td>Set-up Operator, Plastics</td>
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<tr>
<td>Set-up Operator, General</td>
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<tr>
<td>Set-up Operator, Steel Fabrication-Cabinet Line</td>
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<tr>
<td>Set-up Operator, (Automatic &amp; Semi Automatic Robotic Feed)</td>
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<tr>
<td>Technician</td>
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<tr>
<td>Technician CO 2000</td>
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<tr>
<td>Safety Technician</td>
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<tr>
<td>Steel Department Parts Scheduler</td>
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<tr>
<td>Operator, Press Auto (Set-up &amp; Operate)</td>
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<tr>
<td>Operator, Plastics Extruder (Set-up &amp; Operate)</td>
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<tr>
<td>Set-up Operator/Pre-Paint Door</td>
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<tr>
<td>Maintenance Dispatcher</td>
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<td>Job Range</td>
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