

payable to a retired employe and (2) an authorization by the Board of Administration to the Trustee to make such deductions.

(Signature of Retired Employee here)

(Type or print name of Retired Employee here)

(Address of Retired Employee)

(City)

(State)

(Date of Signing)

(Social Security No.)

(Date of Delivery to Company)

**1967 AGREEMENT CONCERNING
SUPPLEMENTAL UNEMPLOYMENT
BENEFIT PLAN
AND
SUPPLEMENTAL UNEMPLOYMENT
BENEFIT PLAN**

On this **25th** day of **October, 1967**, at Dearborn, Michigan, Ford Motor Company, a Delaware corporation, hereinafter designated as the Company, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, an unincorporated voluntary association, hereinafter designated as the Union, agree as follows:

PART A

**1967 AGREEMENT CONCERNING
SUPPLEMENTAL UNEMPLOYMENT
BENEFIT PLAN**

Section 1. Continuation and Amendment of the Plan

- (a) The Company shall continue to maintain the Supplemental Unemployment Benefit Plan which was attached as Part B to the Agreement Concerning Supplemental Unemployment Benefit Plan between the parties dated **November 23, 1964**. In addition, the Plan shall be amended as of the **later of February 9, 1968** or the first Monday following the receipt by the Company of the rulings referred to below in Subsection (a) of Section 5, so that it shall read thereafter as set forth in "Part B, Supplemental Unemployment Benefit Plan," attached hereto. Thereupon, the provisions of the Plan, as amended, shall be effective with respect to Weeks commencing

**SECTION 3 AGREEMENT CONCERNING SUPPLEMENTAL
UNEMPLOYMENT BENEFIT PLAN**

on or after **February 9, 1968**, except as otherwise specified in the Plan, as amended.

(b) The Company shall maintain the Plan for the duration of this Agreement, except as otherwise provided in, and subject to the terms of, the Plan.

**Section 2. Termination of the Plan Prior to
Expiration Date**

In the event that the Plan shall be terminated in accordance with its terms prior to the expiration date of this Agreement so that the Company's obligation to contribute to the Plan shall cease entirely, the parties thereupon shall negotiate for a period of 60 days from the date of such termination with respect to the use which shall be made of the money which the Company otherwise would be obligated to contribute under the Plan. If no agreement with respect thereto shall be reached at the end of such period, there shall be a general wage increase in the amount of the basic contribution rate then in effect, but not less than \$.05 per hour to all hourly rated employes then in the Contract Unit, applied in the manner provided in Article IX (Sections captioned "Application of Increases to Spread Rates" and "Application of Increases to Incentive Plans") of the Collective Bargaining Agreement, and effective as of the date of such termination.

**Section 3. Obligations During Term of
This Agreement**

During the term of this Agreement, neither the Company nor the Union shall request any change in, deletion from or addition to the Plan or this Agreement, or be required to bargain with respect to any provision or interpretation of the Plan or this Agreement; and during such period no change in, deletion from or addition to any provision, or interpretation, of the Plan or this Agreement, nor any dispute or difference arising in

**SECTION 4 AGREEMENT CONCERNING SUPPLEMENTAL
UNEMPLOYMENT BENEFIT PLAN**

any negotiations pursuant to Section 2 of this Agreement shall be an objective of, or a reason or cause for, any action or failure to act, including, without limitation, any strike, slowdown, work stoppage, lockout, picketing or other exercise of economic force, or threat thereof, by the Union or the Company.

**Section 4. Term of Agreement; Notice to
Modify or Terminate**

This Agreement and the Plan shall continue in effect until **September 14, 1970**. They shall be renewed automatically for successive 1-year periods thereafter unless either party shall give written notice to the other at least 60 days prior to **September 14, 1970** (or any subsequent anniversary date) of its desire to amend or modify this Agreement and the Plan as of one of the dates specified in this Section (it being understood, however, that the foregoing provision for automatic 1-year renewal periods shall not be construed as an endorsement by either party of the proposition that 1 year is a suitable term for such an agreement). If such notice is given, this Agreement and the Plan shall be open to modification or amendment on **September 14, 1970**, or the subsequent anniversary date, as the case may be. If either party shall desire to terminate this Agreement, it may do so on **September 14, 1970**, or any subsequent anniversary date by giving written notice to the other party at least 60 days prior to the date involved. Anything herein which might be construed to the contrary notwithstanding, however, it is understood that termination of this Agreement shall not have the effect of automatically terminating the Plan.

Any notice under this Agreement shall be in writing and shall be sufficient, if to the Union, if sent by mail addressed to International Union, United Automobile Workers of America, 8000 East Jefferson Avenue, Detroit, Michigan **48214**, or to such other address as the Union shall furnish to the Company in writing; and if

to the Company, to Ford Motor Company, Dearborn, Michigan 48121, or to such other address as the Company shall furnish to the Union in writing.

Section 5. Governmental Rulings

- (a) The amendments to the Plan which are provided for in Section 1 of this Agreement and incorporated in Part B hereof shall not be effective prior to receipt by the Company from the United States Internal Revenue Service and the United States Department of Labor of rulings, satisfactory to the Company, holding that such amendments will not have any adverse effect upon the favorable rulings previously received by the Company that: (i) contributions to the Fund established pursuant to the Plan constitute a currently deductible expense under the Internal Revenue Code, (ii) the Fund qualifies for exemption from Federal income tax under Section 501(c) of the Internal Revenue Code, (iii) contributions by the Company to, and Benefits and Separation Payments paid out of, the Fund are not treated as "wages" for purposes of the Federal Unemployment Tax, the Federal Insurance Contributions Act Tax, or Collection of Income Tax at Source on Wages, under Subtitle C of the Internal Revenue Code, and (iv) no part of any such contributions or of any Benefits paid are included for purposes of the Fair Labor Standards Act in the regular rate of any Employee.
- (b) The Company shall apply promptly to the appropriate agencies for the rulings described in Subsection (a) of this Section.
- (c) Notwithstanding any other provision of this Agreement or of the Plan, the Company, with the consent of the National Ford Director of the Union, may, during the term of this Agreement, make revisions in the Plan not inconsistent with the purposes, structure, and basic provisions thereof which shall be necessary to obtain or maintain any of the rulings referred to in

Subsection (a) of this Section or in Section 2 of Article VIII of the Plan. Any such revisions shall adhere as closely as possible to the language and intent of the provisions outlined in Part B.

Section 6. Ratification Date

This Agreement shall become effective immediately upon receipt by the Company from the Union on or before expiration of the time for ratification specified in the 1967 Settlement Agreement of written notice that this Agreement, the Skilled Trades Supplemental Agreement, the Collective Bargaining Agreement and the Agreement Concerning Retirement Plan, being entered into between the parties on October 25, 1967, have been ratified by the Union; following which the provisions hereof shall become effective as specified in Section 1 of this Agreement. The date of such receipt is referred to herein as the Ratification Date of this Agreement.

Section 7. Lump Sum Payment for Employees in Georgia

The Plan hereby is amended to delete Article IV with respect to Employees in the State of Georgia, and Separation Payments which would have been payable to such Employees in accordance with such provisions shall be provided under a separate agreement. Payments which may become payable under such separate agreement shall be paid by the Company and not from the Fund.

IN WITNESS WHEREOF, this Agreement is executed on behalf of each party by its duly authorized representatives as of the date first appearing above.

FORD MOTOR COMPANY

Malcolm L. Denise	Harvey A. Shuler
Sidney F. McKenna	Peter J. Sherry
Donald E. Scriven	Robert M. Middlekauff
Joseph A. O'Reilly	Alexander C. Mekula
John C. Hausman, Jr.	Milton A. Darling
John E. Reese	John H. Sherf
Paul J. Ryder	

UAW

International Union

National Ford Council

Walter P. Reuther	Gene Prato, Chairman
Ken Bannon	Alex J. Garcia, Secretary
Irving Bluestone	Walter Dorosh, Subcouncil # 1
Nelson W. Samp	Robert Battle, III, Subcouncil # 1
Stanley Rowe	Frank Bono, Subcouncil # 1
	Samuel D. Carr, Subcouncil # 2
	E. C. Hendricks, Subcouncil # 2
	Donald A. Dewyea, Subcouncil # 4
	Charles F. Gillette, Subcouncil # 5
	Richard J. Cardinal, Subcouncil # 6
	Harry G. Alther, Subcouncil # 7
	William Donovan, Subcouncil # 8

PART B SUPPLEMENTAL UNEMPLOYMENT BENEFIT PLAN

ARTICLE I

ELIGIBILITY FOR BENEFITS

Section 1. Eligibility for a Regular Benefit

An Employee shall be eligible for a Regular Benefit for any Week beginning on or after **February 9, 1968** if with respect to such Week he:

- (a) was on a qualifying layoff, as described in Section 3 of this Article, for all or part of the Week;
- (b) received a State System Benefit not currently under protest by the Company or was ineligible for a State System Benefit only for one or more of the following reasons:
 - (i) he did not have prior to layoff a sufficient period of employment, or sufficient earnings, covered by the State System;
 - (ii) exhaustion of his State System Benefit rights;
 - (iii) the period he worked or because his pay (from the Company or otherwise) for the Week equaled or exceeded **the amount which disqualifies him for a State System Benefit or "waiting week" credit**;
 - (iv) he was serving a "waiting week" of layoff under the State System during a period while he had sufficient Seniority to work in the Plant but was laid off out of line of Seniority in accordance with the terms of the Collective Bargaining Agreement; provided, that the provisions of this item (iv) shall

not be applicable to a layoff under the provisions of Section 16(d) or Section 21 of Article VIII of the Collective Bargaining Agreement;

- (v) the Week was a second "waiting week" within his benefit year under the State System, or was a State System "waiting week" immediately following a Week for which he received a State System Benefit or occurring within less than 52 weeks since his last State System "waiting week";
- (vi) he refused an offer of work by the Company which he had an option to refuse under an applicable collective bargaining agreement or which he could refuse without disqualification under Section 3(b)(3) of this Article;
- (vii) he was on layoff because he was unable to do work offered by the Company while able to perform other work in the Plant to which he would have been entitled if he had had sufficient Seniority;
- (viii) he failed to claim a State System Benefit if by reason of his pay received or receivable from the Company for the Week such State System Benefit would have amounted to less than \$2;
- (ix) he was receiving pay for military service with respect to a period following his release from active duty therein; **or was on active duty, including required military training, in a National Guard, Reserve or similar unit, for a period of not more than two weeks in a calendar year;**
- (x) he was entitled to statutory benefits for retirement or disability which he received or could have received while working full time; or
- (xi) he was denied a State System Benefit and it is determined that, under the circumstances, it would be contrary to the intent of the Plan to deny him a Benefit;

- (c) has met any registration and reporting requirements of an employment office of the applicable State System, except that this subparagraph shall not apply to an Employee who was ineligible for a State System Benefit or "waiting week" credit for the Week only because of the reason specified in item (iii) of Subsection (b) of this Section (period of work or amount of pay) or the reason specified in item (viii) of Subsection (b) of this Section (failure to claim a State System Benefit which would have amounted to less than \$2) **or the reason specified in the second clause of item (ix) of Subsection (b) of this Section (active duty in a National Guard, Reserve or similar unit);**
- (d) had to his credit a Credit Unit;
- (e) did not receive an unemployment benefit under any contract or program of another employer or under any other "SUB" plan of the Company (and was not eligible for such a benefit under a contract or program of another employer with whom he had greater seniority than with the Company or under any other "SUB" plan of the Company in which he had Credit Units which were credited earlier than his oldest Credit Units under the Plan);
- (f) was not eligible for an Automatic Short Week Benefit;
- (g) qualified for a Benefit of at least \$2; and
- (h) has made a Benefit application in accordance with procedures established by the Company hereunder.

Section 2. Eligibility for an Automatic Short Week Benefit

- (a) An Employee shall be eligible for an Automatic Short Week Benefit for any Workweek beginning on or after **February 9, 1968** if:

- (1) during such Workweek he performed some work for the Company or received some jury duty pay or bereavement pay from the Company, but had less than 40 Compensated or Available Hours;
 - (2) he had at least 1 year of Seniority as of the last day of such Workweek; and
 - (3) he was on a qualifying layoff, as described in Section 3 of this Article, for some part of such Workweek.
- (b) No application for an Automatic Short Week Benefit shall be required of an Employee. However, if an Employee believes himself entitled to (i) an Automatic Short Week Benefit for a Week which he does not receive on the date when such Benefits for such Week are paid or (ii) an Automatic Short Week Benefit in an amount greater than he received, he may file written application therefor within 60 calendar days after such date in accordance with procedures established by the Company.
- (c) An Automatic Short Week Benefit payable for a Week shall be in lieu of any other Benefit under the Plan for that Week.

Section 3. Conditions With Respect to Layoff

- (a) A layoff for purposes of the Plan includes any layoff resulting from a reduction in force or temporary layoff, including a layoff resulting from the discontinuance of a Plant or an operation, and any layoff occurring or continuing because the Employee was unable to do the work offered by the Company although able to perform other work in the Plant to which he would have been entitled if he had had sufficient Seniority.
- (b) An Employee's layoff for all or part of any Week shall be deemed qualifying for Plan purposes only if:
 - (1) such layoff was from the Contract Unit;

- (2) such layoff was not for disciplinary reasons, and was not a consequence of
 - (i) any strike, slowdown, work stoppage, picketing (whether or not by Employees), or concerted action, at a Company Plant or Plants, or any dispute of any kind involving Employees, whether at a Company Plant or Plants or elsewhere,
 - (ii) any fault attributable to the Employee,
 - (iii) any war or hostile act of a foreign power (but not government regulation or controls connected therewith),
 - (iv) sabotage or insurrection, or
 - (v) any act of God; provided, however, that this Subparagraph (v) shall not apply to the first 2 weeks of layoff resulting from such cause;
- (3) with respect to such Week the Employee did not refuse to accept work when recalled pursuant to the Collective Bargaining Agreement, and did not refuse an offer by the Company of other available work, which he had no option to refuse under the provisions of an applicable collective bargaining agreement, at the same Plant or at another Plant in the same labor market area (as defined by the State Employment Security Commission of the state in which the Plant from which he was laid off is located; those Plants presently covered by the Detroit Area Availability List Agreement shall be considered a labor market area); provided, however, that refusal by skilled Tool and Die, Maintenance and Construction or Power House Employees or apprentices of work other than work in Tool Room Departments, Maintenance Departments and Power House Departments, respectively, shall not result in ineligibility for a Benefit;
- (4) with respect to such Week the Employee was not eligible for, and was not claiming:

- (i) any statutory or Company accident or sickness or any other disability benefit (except a benefit which he received or could have received while working full time), or
- (ii) any Company pension or retirement benefit; and
- (5) with respect to such Week the Employee was not in military service (**other than active duty, including required military training, in a National Guard, Reserve or similar unit for a period of not more than two weeks in a calendar year**) or on a military leave.
- (c) **If an Employee is on active duty, including required military training, in a National Guard, Reserve or similar unit for a period of not more than two weeks in a calendar year and is ineligible under the Collective Bargaining Agreement for pay from the Company for all or part of such period and would be on a qualifying layoff but for such active duty, he will be deemed to be on a qualifying layoff for such period.**
- (d) If an Employee is ineligible for a Benefit by reason of Subsection (b)(2) or Subsection (b)(4) of this Section with respect to some but not all of his regular work days in a Week, and is otherwise eligible for a Benefit, he shall be entitled to a reduced Benefit payment as provided in Section 1(c) of Article II.

Section 4. Disputed Claims for State Systems Benefits

- (a) With respect to any Week for which an Employee has applied for a Benefit and for which he:
 - (1) has been denied a State System Benefit, and the denial is being protested by the Employee through the procedure provided therefor under the State System, or
 - (2) has received a State System Benefit, payment of which is being protested by the Company through the procedure provided therefor under the State

- System and such protest has not, upon appeal, been held by the Board to be frivolous,
- and the Employee is eligible to receive a Benefit under the Plan except for such denial, or protest, the payment of such Benefit shall be suspended until such dispute shall have been determined.
- (b) If the dispute shall be finally determined in favor of the Employee, the Benefit shall be paid to him if he had not exhausted Credit Units subsequent to the Week to which the State System Benefit in dispute is applicable.

ARTICLE II

AMOUNT OF BENEFITS

Section 1. Regular Benefits

- (a) The Regular Benefit payable to an eligible Employee for any Week beginning on or after **February 9, 1968 but before December 1, 1968**, shall be the lesser of:
 - (1) an amount which, when added to his State Benefit and Other Compensation, will equal 62% of his Weekly Straight-Time Pay, plus \$1.50 for each of not more than 4 Dependents, or
 - (2) \$70 plus \$1.50 for each of not more than 4 Dependents; provided, however, that such maximum shall not apply to a Leveling Week Benefit or a Benefit for a Week for which the Employee receives a State System Benefit.
- (b) The Regular Benefit payable to an eligible Employee for any Week beginning on or after **December 1, 1968** shall be an amount which, when added to his State Benefit and Other Compensation, will equal 95% of his Weekly After-Tax Pay, minus \$7.50 to take into account work-related expenses not incurred; provided, however, that such Benefit shall not exceed \$70 plus \$1.50 for each of not more than 4 Dependents for any Week with respect to which the Employee is not receiv-

ing State System Benefits because of a reason listed in item (ii) or (vi) of Section 1(b) of Article I and is laid off or continues on layoff by reason of having refused to accept work when recalled pursuant to the Collective Bargaining Agreement or having refused an offer by the Company of other available work at the same Plant or at another Plant in the same labor market area (as defined in Section 3(b)(3) of Article I); except that refusal by skilled Tool and Die, Maintenance and Construction or Power House Employees or apprentices of work other than work in Tool Room Departments, Maintenance Departments and Power House Departments, respectively, shall not result in the application of the maximum provided for in this Paragraph.

- (c) An otherwise eligible Employee entitled to a Benefit reduced because of ineligibility with respect to part of the Week, as provided in Section 3(d) of Article I (reason for layoff or eligibility for a disability, pension or retirement benefit), will receive 1/5 of a Regular Benefit computed under Subsection (a) or (b), **whichever is applicable**, of this Section for each work day of the Week in which he is otherwise eligible.

Section 2. Automatic Short Week Benefit

The Automatic Short Week Benefit payable to an eligible Employee for any Week beginning on or after **February 9, 1968** shall be an amount equal to the product of the number by which 40 exceeds his Compensated or Available Hours, computed to the nearest tenth of an hour, multiplied by **80%** of his Base Hourly Rate (plus **80%** of any applicable cost-of-living allowance in effect at the time of computation of the Benefit, but excluding all other premiums and bonuses of any kind).

Section 3. State Benefit and Other Compensation

- (a) An Employee's "State Benefit and Other Compensation" for a Week means:
- (1) the amount of State System Benefit received or receivable by the Employee for such Week; plus

- (2) all pay received or receivable by the Employee from the Company (including holiday payments and payments for scheduled vacations but not payments in lieu of vacation) and the amount of any pay which could have been earned, computed, as if payable, for hours made available by the Company but not worked, after reasonable notice has been given to the Employee, for such Week; provided, however, that if the hours made available but not worked are hours which the Employee had an option to refuse under the Collective Bargaining Agreement or which he could refuse without disqualification under Section 3(b)(3) of Article I, such hours shall not be considered as hours made available by the Company; and provided, further, that if wages or remuneration **or any military pay** are received or receivable by the Employee from employers other than the Company and are applicable to the same period as hours made available by the Company but not worked, only the greater of (a) such wages or remuneration **or military pay** in excess of \$10 from other employers, or (b) any amount of pay which could have been earned, computed, as if payable, for hours made available by the Company but not worked, shall be included; and provided, further, that all of the pay received or receivable by the Employee for a shift which extends through midnight shall be allocated

- (i) to the day on which the shift started if he was on layoff with respect to the corresponding shift on the following day,
- (ii) to the day on which the shift ended if he was on layoff with respect to the corresponding shift on the preceding day, or
- (iii) according to the pay for the hours worked each day, if he was on layoff with respect to the corresponding shifts on both the preceding and the following days;

and in any such event, the maximum Regular Benefit amount shall be modified to any extent necessary so

that the Employee's Benefit will be increased to offset any reduction in his State System Benefit which may have resulted solely from the State System's allocation of his earnings for such a shift otherwise than as prescribed in this proviso; plus

- (3) all wages or remuneration, as defined under the law of the applicable State System, in excess of \$10, received or receivable from other employers for such Week excluding such wages or remuneration which were considered in the calculation under Subsection (a)(2) of this Section; plus
- (4) the amount of all other benefits in the nature of compensation or benefits for unemployment, received or receivable under any state or federal system (such as, for example, the so-called readjustment allowances which were payable under federal law to veterans of World War II) for such Week; plus
- (5) the amount of all military pay in excess of \$10 received or receivable for such Week, excluding such military pay which was considered in the calculation under Subsection (a)(2) of this Section.
- (b) If the State System Benefit received by an Employee for a state week shall be for less, or more, than a full state week (for reasons other than his receipt of wages or remuneration for such state week):
- (1) because he has been disqualified or otherwise determined ineligible for a portion of his State System Benefit for reasons other than those set forth in Section 1(b) of Article I, or
- (2) because the state week for which the benefit is paid includes 1 or more "waiting period effective days," or
- (3) because of an underpayment or overpayment of a previous State System Benefit,

the amount of the State System Benefit to which he otherwise would have been entitled for such state week shall be used in the calculation of "State Benefit and Other Compensation" for such state week.

- (c) If the State System benefit period shall be shorter than a 7 day period due to commencement or termination of unemployment other than on the first or last day of his normally applicable state week, the period of the normally applicable state week shall be used in calculating "State Benefit and Other Compensation" for such state week.

Section 4. Insufficient Credit Units for Full Benefit

If an Employee has to his credit less than the full number of Credit Units required to be cancelled for the payment of a Benefit for which he is otherwise eligible, he shall be paid the full amount of such Benefit and all remaining Credit Units to his credit shall be cancelled.

Section 5. Effect of Low Credit Unit Cancellation Base

Notwithstanding any of the other provisions of the Plan:

- (a) If the CUCB for any Week shall be **\$18.00** or more but less than **\$58.50**, any Benefit for such Week (other than an Automatic Short Week Benefit for a Scheduled Short Workweek) shall be reduced by 20%, but in no event to less than \$5 by reason of such reduction.
- (b) If the CUCB for any Week shall be less than **\$18.00**, no Benefit for such Week (other than an Automatic Short Week Benefit for a Scheduled Short Workweek) shall be paid at any time.

Section 6. Benefit Overpayments

- (a) If the Company or the Board shall determine that any Benefit paid under the Plan should not have been

paid or should have been paid in a lesser amount (as the result of a subsequent disqualification for State System Benefits or otherwise), written notice thereof shall be mailed to the Employee receiving such Benefit and he shall return the amount of overpayment to the Trustee; provided, however, that no such repayment shall be required if the cumulative overpayment is \$3 or less, or if notice has not been given within 120 days from the date the overpayment was established or created, except that no such limitation shall be applicable in cases of fraud or willful misrepresentation.

- (b) If the Employee shall fail to return such amount promptly, the Trustee shall arrange to reimburse the Fund for the amount of overpayment by making a deduction from any future Benefits (not to exceed \$10 from any 1 Benefit except in cases of fraud or willful misrepresentation) or Separation Payment otherwise payable to such Employee or by requesting the Company to make a deduction from compensation payable by the Company to such Employee (not to exceed \$20 from any 1 paycheck except in cases of fraud or willful misrepresentation), or both. The Company is authorized to make such deduction from the Employee's compensation and to pay the amount deducted to the Trustee.
- (c) If the Company determines that an Employee has received an Automatic Short Week Benefit for any Week for which he has received a State System Benefit, the amount of such Automatic Short Week Benefit, or a portion of such Benefit equivalent to the State System Benefit, whichever is less, shall be treated as an overpayment and deducted in accordance with this Section from future Benefits or compensation payable by the Company.
- (d) The Company may adjust for any overpayments or underpayments in the amount of an Automatic Short Week Benefit at the same time as related adjustments are made with respect to any wages for the same Workweek. Such Automatic Short Week Benefit adjustments shall be shown on the paycheck stub or other equivalent

record given to the Employee. Such paycheck stub or equivalent record shall constitute a determination which may be appealed as provided in Section 3 of Article V.

Section 7. Withholding Tax

The Trustee or the Company shall deduct from the amount of any Benefit as computed under the Plan any amount required to be withheld by the Trustee or the Company by reason of any law or regulation, for payment of taxes or otherwise to any federal, state or municipal government.

ARTICLE III

CREDIT UNITS AND DURATION OF BENEFITS

Section 1. General

Credit Units shall have no fixed value in terms of either time or money, but shall be a means of determining eligibility for and duration of Benefits.

Section 2. Accrual of Credit Units

- (a) For Workweeks commencing on or after September 1, 1958, Credit Units shall be credited at the rate of 1/2 of a Credit Unit for each Workweek for which the Employee receives any pay from the Company (and for any Workweek commencing on or after January 1, 1962, for each Workweek for which the Employee does not receive pay from the Company but for which he receives a Leveling Week Benefit).
- (b) For the purposes of accruing Credit Units under this Section:
- (1) all hours represented by pay in lieu of vacation shall be counted as hours in the Workweek covered by the pay day as of which payment in lieu of vacation was made, and

- (2) back pay shall be considered as pay for any Workweek or Workweeks to which it may be allocable.
- (c) No Employee may have to his credit in the aggregate at any one time more than 52 Credit Units.
- (d) No Employee shall be credited with any Credit Unit prior to the first day as of which he (i) has at least 1 year of Seniority and (ii) is on the Active Employment Rolls in the Contract Unit (or was on such rolls within 30 days prior to such first day). As of such day he shall be credited with Credit Units based upon his Workweeks occurring while he is an Employee after June 1, 1955, and subsequent to his Seniority date.
- (e) An Employee who has Credit Units as of the last day of a Week shall be deemed to have had them during all of such Week.
- (f) At such time as the amount of any Benefit overpayment is repaid to the Fund, except as otherwise provided in the Plan, the number of Credit Units, if any, theretofore cancelled with respect to such overpayment of Benefits shall be restored to the Employee, **except to the extent of the number of Guaranteed Annual Income Credit Units which have been credited to such Employee between the date of such overpayment and the date of such repayment and which would not have been credited had the Credit Units been restored at the time such Guaranteed Annual Income Credit Units were credited to him, and** except to the extent that such restoration would raise the number of his Credit Units at the time thereof above 52, and except as otherwise provided with respect to Credit Unit forfeiture under Section 3 of this Article.
- (g) Nothing in this Section shall be deemed to have altered any provision of the Plan as in effect prior to September 1, 1958, as to the rate of accrual of Credit Units or the maximum number of Credit Units which an Employee could have to his credit prior to September 4, 1961.

Section 3. Forfeiture of Credit Units

An Employee shall forfeit permanently all Credit Units with which he shall have been credited **and shall be ineligible to be credited with Guaranteed Annual Income Credit Units on the next succeeding Guarantee Date or other date of eligibility, if he**

- (a) incurs a Break in Seniority; provided, however, that if an Employee has incurred a Break in Seniority by reason of his retirement under the total and permanent disability provisions of the Retirement Plan established by agreement between the Company and the Union and shall subsequently have his Seniority reinstated, his Credit Units previously forfeited shall again be credited to him as of the date his Seniority is reinstated, **and as of such date he shall again become eligible to have Guaranteed Annual Income Credit Units credited to him;**
- (b) is on layoff from the Contract Unit for a continuous period of 24 months, except that, if at the expiration of such 24 month period he is receiving Benefits, his Credit Units shall not be forfeited until he ceases to receive Benefits; or
- (c) willfully misrepresents any material fact in connection with an application by him for Benefits under the Plan.

Section 4. Credit Unit Cancellation on Payment of Benefits

- (a) The number of Credit Units to be cancelled for any Benefit shall be determined in accordance **with Table A, if such Benefit is payable for a Week beginning before October 25, 1968, or in accordance with Table B, if such Benefit is payable for a Week beginning on or after October 25, 1968:**

Table A

And as of the last day of the Week for which such Benefit is paid to the Employee his Seniority is:

If the CUCB applicable to the Week for which a Benefit is paid is:	The Credit Units cancelled for such Benefit shall be:					
	1 to 5 Years	5 to 10 Years	10 to 15 Years	15 to 20 Years	20 to 25 Years	25 Years and Over
\$272.00 or more	1.00	1.00	1.00	1.00	1.00	1.00
243.20-\$271.99	1.11	1.00	1.00	1.00	1.00	1.00
214.40- 243.19	1.25	1.11	1.00	1.00	1.00	1.00
185.60- 214.39	1.43	1.25	1.11	1.00	1.00	1.00
156.80- 185.59	1.67	1.43	1.25	1.11	1.00	1.00
128.00- 156.79	2.00	1.67	1.43	1.25	1.11	1.00
99.20- 127.99	2.50	2.00	1.67	1.43	1.25	1.11
70.40- 99.19	3.33	2.50	2.00	1.67	1.43	1.25
41.60- 70.39	5.00	3.33	2.50	2.00	1.67	1.43
12.80- 41.59	10.00	5.00	3.33	2.50	2.00	1.67
Under \$12.80						

Table B

And as of the last day of the Week for which such Benefit is paid to the Employee his Seniority is:

If the CUCB applicable to the Week for which a Benefit is paid is:	The Credit Units cancelled for such Benefit shall be:					
	1 to 5 Years	5 to 10 Years	10 to 15 Years	15 to 20 Years	20 to 25 Years	25 Years and Over
\$382.50 or more	1.00	1.00	1.00	1.00	1.00	1.00
342.00-\$382.49	1.11	1.00	1.00	1.00	1.00	1.00
301.50- 341.99	1.25	1.11	1.00	1.00	1.00	1.00
261.00- 301.49	1.43	1.25	1.11	1.00	1.00	1.00
220.50- 260.99	1.67	1.43	1.25	1.11	1.00	1.00
180.00- 220.49	2.00	1.67	1.43	1.25	1.11	1.00
139.50- 179.99	2.50	2.00	1.67	1.43	1.25	1.11
99.00- 139.49	3.33	2.50	2.00	1.67	1.43	1.25
58.50- 98.99	5.00	3.33	2.50	2.00	1.67	1.43
18.00- 58.49	10.00	5.00	3.33	2.50	2.00	1.67
Under \$18.00						

(b) provided, however, that no Credit Units shall be cancelled when an employe receives

- (1) a Leveling Week Benefit, or
- (2) an Automatic Short Week Benefit.

(c) If an Employe receives a Layoff Disability Benefit paid under Section 12 of the Group Life and Disability Insurance part of the Insurance Program with respect to any Week, there shall be cancelled the number of Credit Units which would have been cancelled if he had received a Regular Benefit for such Week. If an Employe receives such Layoff Disability Benefit for a portion of a Week, and does not receive a Regular Benefit with respect to any part of such Week, only one-half the number of such Credit Units shall be cancelled for the Layoff Disability Benefit. If an Employe receives a Layoff Disability Benefit for a portion of a Week and also receives a Regular Benefit under Article I, Section 3(d) for such Week, no Credit Units will be cancelled for the Layoff Disability Benefit.

Section 5. Armed Services

An Employe who enters the Armed Services of the United States directly from the employ of the Company shall, while in such service, be deemed for purposes of the Plan to be on leave of absence and shall not be entitled to any Benefit. All Credit Units credited to such an Employe at the time of his entry into such service shall be credited to him upon his reinstatement as an Employe. **This Section shall not affect the payment of Benefits to, or the cancellation of Credit Units of, any Employe deemed to be on qualifying layoff because of the provisions of Section 3(c) of Article I.**

**ARTICLE III-A
GUARANTEED ANNUAL INCOME
CREDIT UNITS**

**Section 1. Crediting of Guaranteed Annual
Income Credit Units**

(a) An Employe who is on the Active Employment Rolls in the Contract Unit and has at least one year of Seniority on a Guarantee Date (as defined in Section 2 of this Article) shall be credited as of the day following such Guarantee Date with the number of Guaranteed Annual Income Credit Units (as defined in Section 3 of this Article), if any, determined by:

- (1) subtracting from 52 the number of Credit Units to his credit on the Guarantee Date; and
- (2) multiplying the resulting number by the applicable percentage set forth in the following table:

Years of Seniority on the Guarantee Date	Applicable Percentage
1 but less than 2	25%
2 but less than 4	50%
4 but less than 7	75%
7 and over	100%

(b) If Guaranteed Annual Income Credit Units were not credited to an Employe on a Guarantee Date solely because he did not then have at least one year of Seniority or was not then on the Active Employment Rolls in the Contract Unit, but on any day within the 52 Pay Periods following such Guarantee Date such Employe has at least one year of Seniority and is then on the Active Employment Rolls in the Contract Unit, he shall be entitled to be credited with Guaranteed Annual Income Credit Units as of the day following the end of the first Pay Period in which he meets such re-

quirements. The number of Guaranteed Annual Income Credit Units, if any, to be credited to such Employee shall be the number determined by:

- (1) subtracting from 52 the number of Pay Periods between the preceding Guarantee Date and the last day of such Pay Period; and
- (2) subtracting from the resulting number the number of Credit Units to the Employee's credit on such last day; and
- (3) multiplying that resulting number by the percentage in the table in Subsection (a)(2) of this Section, applicable to the Employee's Seniority on the preceding Guarantee Date (or the date subsequent thereto on which he acquired one year of Seniority).

Section 2. Guarantee Date

The term Guarantee Date shall mean December 1, 1968, the last day of the fifty-second Pay Period following such Date, and the last day of each fifty-second Pay Period thereafter.

Section 3. Guaranteed Annual Income Credit Unit

A Guaranteed Annual Income Credit Unit shall be deemed in all respects for all purposes the same as a Credit Unit credited pursuant to Article III, except that Guaranteed Annual Income Credit Units shall be credited only pursuant to the provisions of this Article.

ARTICLE IV

SEPARATION PAYMENT

Section 1. Eligibility

An Employee shall be eligible for a Separation Payment if:

(a) on or after September 1, 1958 he

(1) has been on a layoff from the Contract Unit for a continuous period of at least 12 months (or any shorter period determined by the Company) and such layoff was not the result of any of the circumstances or conditions set forth in Section 3(b)(2) of Article I; provided, however, that an Employee shall be deemed to have been on layoff from the Company for a continuous period if, while on layoff, he accepts an offer of work by the Company and subsequently is laid off again within not more than 5 work days from the date he was reinstated;

(2) was actively at work on or after September 1, 1958 but became totally and permanently disabled on or after such date and has been found eligible in all respects by the Board of Administration under the Retirement Plan established by agreement between the Company and the Union for a "disability retirement benefit" under Section 3 of Article IV of said Retirement Plan except that he does not have the requisite years of credited service; or

(3) has had a combination of such layoff period and disability period which combined period is continuous through the date on which application for a Separation Payment is received by the Company;

(b) with respect to a Separation Payment made on or after September 1, 1964, he had 1 or more years of Seniority on the last day on which he was on the Active Employment Rolls and such Seniority has not been broken on or prior to the earliest date on which he can make application;

(c) he is not eligible to receive a pension or a retirement benefit other than a deferred pension or a deferred retirement benefit under any Company plan or program then in effect;

- (d) he has not refused an offer of work pursuant to any of the conditions set forth in Section 3(b)(3) of Article I on or after the last day he worked in the Contract Unit and prior to the earliest date on which he can make application;
- (e) he has made application for a Separation Payment within 24 months from the commencement of his layoff or disability period, **except that an Employee who meets the requirements of Subsection 1(a)(2) of this Section may make such application on or before the 30th day following the last month for which he was eligible to receive an Extended Disability Benefit under Section 13 of the Group Life and Disability Insurance part of the Insurance Program;** provided, however, that in the case of layoff no application may be made prior to the completion of 12 continuous months of layoff from the Company (or any shorter period determined by the Company); and
- (f) his application is received by the Company during a Pay Period when the CUCB for such Pay Period is equal to or in excess of **\$58.50**; provided, however, that applications of otherwise eligible Employees received during a Pay Period in which the CUCB is less than **\$58.50** shall become payable in order of dates of receipt by the Company if, but only during the period of time when, the CUCB becomes equal to or in excess of **\$58.50**. When the CUCB becomes equal to or in excess of **\$58.50**, such Separation Payments shall have priority of payment over any other applications for Separation Payments; and if, in the opinion of the Board, the assets in the Fund are or may become insufficient to pay Benefits and Separation Payments with respect to all applications then on file, the Company may take such action as it deems appropriate, including deferral of payment of Benefits otherwise payable, to facilitate the priority of payment of Separation Payments over Benefits. The amount of any Separation Payments or Benefits, or both, so deferred in payment

shall be deducted, for the purpose of calculating the CUCB, from the amount of assets in the Fund. Nothing in this Subsection (f) shall be construed to alter in any respect the provisions of Section 6 of Article VII with respect to liabilities under the Plan.

Section 2. Payment

- (a) A Separation Payment shall be payable in a lump sum.
- (b) Determination of Amount
- (1) Except as provided in Paragraphs (2), (3) and (4) of this Subsection (b), the Separation Payment, effective with respect to payments made on or after September 1, 1964, shall be an amount determined by multiplying
- (i) the Employee's Base Hourly Rate (plus any applicable cost-of-living allowance in effect on the last day he worked in the Contract Unit but excluding all other premiums and bonuses of any kind) by
- (ii) the applicable Number of Hours' Pay as shown in the following table:

SEPARATION PAYMENT TABLE

Years of Seniority On Last Day on the Active Employment Rolls	Number of Hours' Pay
1 but less than 2	50
2 but less than 3	70
3 but less than 4	100
4 but less than 5	135
5 but less than 6	170
6 but less than 7	210
7 but less than 8	255
8 but less than 9	300

Years of Seniority On Last Day on the Active Employment Rolls (Cont'd)	Number of Hours' Pay
9 but less than 10	350
10 but less than 11	400
11 but less than 12	455
12 but less than 13	510
13 but less than 14	570
14 but less than 15	630
15 but less than 16	700
16 but less than 17	770
17 but less than 18	840
18 but less than 19	920
19 but less than 20	1,000
20 but less than 21	1,085
21 but less than 22	1,170
22 but less than 23	1,260
23 but less than 24	1,355
24 but less than 25	1,455
25 but less than 26	1,560
26 but less than 27	1,665
27 but less than 28	1,770
28 but less than 29	1,875
29 but less than 30	1,980
30 and over	2,080

- (2) If the CUCB as of the date application is received by the Company is below \$225, the amount of such Separation Payment shall be reduced by 1% for each full \$2.25 by which the CUCB is less than \$225 as of such date; provided, however, that with respect to Separation Payments deferred under Section 1(f) of this Article because the CUCB is less than \$58.50, the CUCB in effect as of the date the draft in payment of the Separation Payment is issued shall be used in the above computation in lieu of such CUCB on the date the application was received.

- (3) The amount of a Separation Payment as initially computed shall be reduced by:
- (i) the amount of any Benefits paid or payable to an Employee with respect to a Week occurring after the last day he worked in the Contract Unit;
 - (ii) the amount of any payment, financed in whole or in part by the Company, received or receivable on or after the last day the Employee worked in the Contract Unit, with respect to any layoff or separation from the Company (other than a State System Benefit or a benefit payable under the federal Social Security Act);
 - (iii) the amount of any Moving Allowance deductible under Article IX of the Collective Bargaining Agreement; and
 - (iv) any amount required to be withheld by the Trustee or the Company by reason of any law or regulation, for payment of taxes or otherwise, to any federal, state or municipal government.
- (4) If an applicant has been paid a prior Separation Payment and thereafter was re-employed by the Company within 3 years from the last day he worked in the Contract Unit, (i) Years of Seniority for purposes of determining the amount of his current Separation Payment shall mean the sum of the Years of Seniority used to determine the amount of his prior Separation Payment and the number of Years of Seniority acquired by him after he was rehired, and (ii) there shall be subtracted, from the Number of Hours' Pay based on his Years of Seniority determined as provided in clause (i) above, the Number of Hours' Pay used to calculate his prior Separation Payment.

Section 3. Effect of Separation Payment on Seniority

An Employee who is issued and accepts a Separation Payment shall cease to be an Employee and his Seniority

shall be deemed to have been broken as of the date his application for such Separation Payment was received by the Company.

Section 4. Overpayments

If the Company or the Board determines, after issuance of a Separation Payment, that the Separation Payment should not have been issued or should have been issued in a lesser amount, written notice thereof shall be mailed to the former Employee and he shall return the amount of the overpayment to the Trustee.

Section 5. Repayment

If a former Employee is re-employed by the Company after he has received a Separation Payment, no repayment (except as provided in Section 4 of this Article) by him of such Separation Payment shall be required or allowed and no Seniority cancelled in connection with such Separation Payment shall be reinstated except for the specific purpose provided in Section 2(b)(4) of this Article.

Section 6. Notice of Application Time Limits

The Company shall provide written notice of the time limit for filing a Separation Payment application to all persons who may be eligible for such Payment. Such notice shall be mailed to the person's last known address according to the Company's records not later than 30 days prior to both the earliest and the latest dates as of which he may apply pursuant to the provisions of Section 1(e) of this Article.

Section 7. Armed Services

An employee who enters the Armed Services of the United States directly from the employ of the Company shall, while in such service, be deemed for the purposes of the Plan to be on leave of absence and shall not be entitled to any Separation Payment.

ARTICLE V

APPLICATION, DETERMINATION OF ELIGIBILITY AND APPEAL PROCEDURES FOR BENEFITS AND SEPARATION PAYMENTS

Section 1. Applications

(a) Filing of Applications

An application for a Benefit or for a Separation Payment may be filed, either in person or by mail, in accordance with procedures established by the Company. Under such procedures an Employee applying for a Benefit other than an Automatic Short Week Benefit shall be required to appear personally at the Company location from which he was last laid off to register as an applicant and to supply needed information at the time of, or prior to, making his first application following layoff. Under such procedures, an Employee may also be required to appear personally at the Company location from which he was last laid off at the time of, or prior to, the filing of his application for a Regular Benefit for the first Week following the exhaustion of his State System Benefit rights and at reasonable intervals thereafter; and at any such appearance, the Company may require the Employee to discuss his employment status. No application for a Benefit shall be accepted unless it is submitted to the Company within 60 calendar days after the end of the Week with respect to which it is made; provided, however, that if the amount of the Employee's State System Benefit is adjusted retroactively with the effect of establishing a basis for eligibility for a Benefit or for a Benefit in a greater amount than that previously paid, he may apply within 60 calendar days after the date on which such basis for eligibility is established.

**ARTICLE V APPLICATION, DETERMINATION OF ELIGIBILITY
AND APPEAL PROCEDURES FOR BENEFITS AND
SEPARATION PAYMENTS**

(b) Application Information

Applications filed for a Benefit or a Separation Payment under the Plan shall include:

- (1) in writing any information deemed relevant by the Company with respect to other benefits received, earnings and the source and amount thereof, dependents and such other information as the Company may require in order to determine whether the Employee is eligible to be paid a Benefit or Separation Payment and the amount thereof; and
- (2) with respect to a Regular Benefit, the exhibition of the Employee's State System Benefit check or other evidence satisfactory to the Company of either
 - (i) his receipt of or entitlement to a State System Benefit or
 - (ii) his ineligibility for a State System Benefit only for one or more of the reasons specified in Section 1(b) of Article I; provided, however, that in the case of State System Benefit ineligibility by reason of the period worked in the Week or pay received from the Company or otherwise (item (iii) of Section 1(b) of Article I). State System evidence for such reason of ineligibility shall not be required.

State System Benefits shall be presumed to have been received by the Employee on the date of the check as set forth on the check or on the satisfactory evidence referred to in the preceding paragraph.

- (c) **When an Employee files an application for a Benefit for a Week following the exhaustion of his State System Benefit rights, he shall be required to provide:**

**ARTICLE V APPLICATION, DETERMINATION OF ELIGIBILITY
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- (1) a statement in writing as to whether he has refused any available work or a referral to any available work and, if so, the reasons for such refusal;
- (2) if the Company has referred the Employee to available work, for the Company or for another employer, which he is able to do, a statement that he has applied for such work but has not been employed or the reason why he did not apply; and
- (3) at the request of the Company, his Social Security record statement or other evidence satisfactory to the Company with respect to his receipt of wages or other remuneration.

Section 2. Determination of Eligibility

(a) Application Processing by Company

When an application is filed for a Benefit or Separation Payment under the Plan, and the Company is furnished with the evidence and information required, the Company shall determine the Employee's entitlement to such Benefit or Separation Payment. The Company shall advise the Employee of the number of Credit Units cancelled for each Benefit payment and the number of Credit Units remaining to his credit after such payment.

(b) Notification to Trustee to Pay

If the Company determines that a Benefit, other than an Automatic Short Week Benefit, or Separation Payment is payable from the Fund, it shall deliver prompt written notice thereof to the Trustee to pay such Benefit or Separation Payment.

(c) Notice of Denial of Benefits or Separation Payment

If the Company determines that an Employee is not entitled to a Benefit or to a Separation Payment, it shall notify him promptly, in writing, of such determination, including the reasons therefor.

(d) Union Copies of Applications and Determinations

The Company shall furnish promptly to the Union members of the Local Committee copies of all applications for Separation Payments and all Company determinations of Benefit or Separation Payment ineligibility or overpayment.

Section 3. Appeals**(a) Applicability of Appeals Procedure**

- (1) The appeals procedure set forth in this Section may be employed only for the purposes specified in this Section.
- (2) No question involving the interpretation or application of the Plan shall be subject to the grievance procedure provided for in the Collective Bargaining Agreement.

(b) Procedure for Appeals**(1) First Stage Appeals**

- (i) An Employee may appeal from the Company's written determination (other than determinations made in connection with Section 1(b)(xi) of Article I) with respect to the payment or denial of a Benefit or a Separation Payment by filing a written appeal with the Local Committee on a form provided for that purpose.

If there is no Local Committee at any Plant because of a discontinuance of such Plant, the appeal may be filed directly with the Board. Appeals concerning determinations made in connection with Section 1(b)(xi) of Article I shall be made directly to the Board.

- (ii) Such written appeals shall be filed with the designated Company representative within 30 days following the date of mailing of the determination appealed. With respect to appeals that are mailed, the date of filing shall be the postmarked date of the appeal. No appeal shall be valid after such 30 day period.

- (iii) The Local Committee shall advise the Employee, in writing, of its resolution of or failure to resolve his appeal. If the appeal is not resolved within 10 days after the date thereof (or such extended period as may be agreed upon by the Local Committee), the Employee or any 2 members of the Local Committee, at the request of the Employee, may refer the matter to the Board for disposition.

(2) Appeals to the Board of Administration

- (i) An appeal to the Board shall be considered filed with the Board when filed with the designated Company representative with respect to the Plant at which the first stage appeal was considered by the Local Committee.

- (ii) Appeals shall be in writing, shall specify the respects in which the Plan is claimed to have been violated, and shall set forth the facts relied upon as justifying a reversal or modification of the determination appealed from.

- (iii) Appeals by the Local Committee to the Board with respect to Benefits or Separation Payments shall be made within 20 days following the date the appeal is first considered at a meeting of the Local Committee, plus such extension of time as the Local Committee shall have agreed upon. Appeals by the Employee to the Board with respect to Benefits or Separation Payments shall be made within 30 days following the date notice of the

ARTICLE V APPLICATION, DETERMINATION OF ELIGIBILITY AND APPEAL PROCEDURES FOR BENEFITS AND SEPARATION PAYMENTS

Local Committee's decision is given or mailed to the Employee. With respect to appeals that are mailed, the date of filing shall be the postmarked date of the appeal.

- (iv) The handling and disposition of each appeal to the Board shall be in accordance with regulations and procedures established by the Board. Such regulations and procedures shall provide that in situations where a number of Employees have filed applications for Benefits or Separation Payments under substantially identical conditions, an appeal may be made from the Local Committee to the Board with respect to one of such Employees, and the decision of the Board thereof shall apply to all such Employees.
- (v) The Employee, the Local Committee or the Union members of the Board may withdraw any appeal to the Board at any time before it is decided by the Board.
- (vi) There shall be no appeal from the Board's decision. It shall be final and binding upon the Union, its members, the Employee or former Employee, the Trustee, and the Company. The Union shall discourage any attempt of its members to appeal, and shall not encourage or cooperate with any of its members in any appeal, to any Court or Labor Board from a decision of the Board, nor shall the Union or its members by any other means attempt to bring about the settlement of any claim or issue on which the Board is empowered to rule hereunder.
- (vii) The Local Committee shall be advised, in writing, by the Board of the disposition of any appeal previously considered by the Local Committee and referred to the Board. A copy of such disposition shall be forwarded to the Employee.

ARTICLE VI ADMINISTRATION OF THE PLAN

(c) Benefits Payable After Appeal

In the event that an appeal with respect to entitlement to a Benefit is decided in favor of an Employee, the Benefit shall be paid to him; provided, however, that if such Benefit requires Credit Unit cancellation the Benefit shall be paid only if he did not exhaust Credit Units after the Week of the Benefit in dispute.

(d) Meaning of Term Employee With Respect to Appeal Provisions

With respect to the appeal provisions set forth under this Section 3 only, the term Employee shall include any person who received or was denied the Benefit or Separation Payment in dispute.

**ARTICLE VI
ADMINISTRATION OF THE PLAN**

Section 1. Powers and Authority of the Company

(a) Company Powers

The Company shall have such powers and authority as are necessary and appropriate in order to carry out its duties under the Plan, including, without limitation, the power:

- (1) to obtain such information as it shall deem necessary in order to carry out its duties under the Plan;
- (2) to investigate the correctness and validity of information furnished with respect to an application for a Benefit or Separation Payment;
- (3) to make initial determinations with respect to Benefits or Separation Payments;

- (4) to establish reasonable rules, regulations and procedures concerning
- (i) the manner in which and the times and places at which applications shall be filed for Benefits or Separation Payments, and
 - (ii) the form, content and substantiation of applications for Benefits and Separation Payments.

In establishing such rules, regulations and procedures, the Company shall give due consideration to recommendations from the Board;

- (5) to designate an office or department at each Plant, or in the alternative a location in the general area of such Plant, where Employees laid off from such Plant may appear for the purpose of complying with the requirements of the Plan (it being understood that a single location may be established to serve a group of Plants within a single area);
- (6) to determine the Maximum Funding of the Fund and the CUCB;
- (7) to establish appropriate procedures for giving notices required to be given under the Plan;
- (8) to establish and maintain necessary records; and
- (9) to prepare and distribute information explaining the Plan.

(b) Company Authority

Nothing contained in the Plan shall be deemed to qualify, limit, or alter in any manner the Company's sole and complete authority and discretion to establish, regulate, determine, or modify at any time levels of employment, hours of work, the extent of hiring and layoff, production schedules, manufacturing methods,

the products and parts thereof to be manufactured, where and when work shall be done, marketing of its products, or any other matter related to the conduct of its business or the manner in which its business is to be managed or carried on, in the same manner and to the same extent as if the Plan were not in existence; nor shall it be deemed to confer either upon the Union or the Board any voice in such matters.

Section 2. Board of Administration of the Plan

(a) Composition and Procedure

- (1) There shall be established a Board of Administration of the Plan consisting of 6 members, 3 of whom shall be appointed by the Company (hereinafter referred to as the Company members) and 3 of whom shall be appointed by the Union (hereinafter referred to as the Union members). Each member of the Board shall have an alternate. In the event a member is absent from a meeting of the Board, his alternate may attend, and, when in attendance, shall exercise the powers and perform the duties of such member. Either the Company or the Union at any time may remove a member appointed by it and may appoint a member to fill any vacancy among the members appointed by it. The Company and the Union each shall notify the other in writing of the members respectively appointed by it before any such appointment shall be effective.
- (2) The members of the Board shall appoint an Impartial Chairman, who shall serve until requested in writing to resign by 3 members of the Board. In the event that the members of the Board are unable to agree upon such Chairman, the Umpire under the Collective Bargaining Agreement shall make the appointment; provided, however, that the Company and Union members may, by agreement, request such Umpire to serve as the Impartial Chairman of the Board.

The Impartial Chairman shall be considered a member of the Board, and shall vote only in matters within the Board's authority to determine where the other members of the Board shall have been unable to dispose of a matter by majority vote, except that the Impartial Chairman shall have no vote concerning determinations made in connection with Section 1(b)(xi) of Article I.

(3) At least 2 Union members and 2 Company members shall be required to be present at any meeting of the Board in order to constitute a quorum for the transaction of business. At all meetings of the Board the Company members shall have a total of 3 votes and the Union members shall have a total of 3 votes, the vote of any absent member being divided equally between the members present appointed by the same party. Decisions of the Board shall be by a majority of the votes cast.

(4) Neither the Board nor any Local Committee established pursuant to Subsection (b) of this Section shall maintain any separate office or staff, but the Company and the Union shall be responsible for furnishing such clerical and other assistance as its respective members of the Board and the Local Committees shall require. Copies of all appeals, reports and other documents to be filed with the Board pursuant to the Plan shall be filed in duplicate, 1 copy to be sent to the Company members at the address designated by them and the other to be sent to the Union members at the address designated by them.

(b) Powers and Authority of the Board

(1) It shall be the function of the Board to exercise ultimate responsibility for determining whether an Employee is eligible for a Benefit or Separation Payment under the terms of the Plan, and, if so, the amount of such Benefit or Separation Payment. The

Board shall be presumed conclusively to have approved any initial determination by the Company unless the determination is appealed as prescribed in Section 3(b) of Article V.

(2) The Board shall be empowered and authorized and shall have jurisdiction:

(i) to hear and determine appeals by Employees pursuant to Article V;

(ii) to obtain such information as the Board shall deem necessary in order to determine such appeals;

(iii) to prescribe the form and content of appeals to the Board and such detailed procedures as may be necessary with respect to the filing of such appeals;

(iv) to direct the Company to pay **Automatic Short Week Benefits** or to notify the Trustee to make payments of **other Benefits** or Separation Payments pursuant to determinations made by the Local Committee or by the Board; and

(v) to perform such other duties as are expressly conferred upon it by the Plan.

(3) In ruling upon appeals, the Board shall have no authority to waive, vary, qualify, or alter in any manner the eligibility requirements set forth in the Plan, the procedure for applying for Benefits or Separation Payments as provided therein, or any other provision of the Plan; and shall have no jurisdiction other than to determine, on the basis of the facts presented and in accordance with the provisions of the Plan,

(i) whether the first stage appeal and the appeal to the Board were made within the time and in the manner specified in Section 3(b) of Article V,

- (ii) whether the Employee is an eligible Employee with respect to the Benefit or Separation Payment claimed and, if so,
 - (iii) the amount of any Benefit or Separation Payment payable, and
 - (iv) whether a protest of an Employee's State System Benefit by the Company is frivolous.
- (4) The Board shall have no jurisdiction to act upon any appeal not made within the time and in the manner specified in Section 3(b) of Article V.
- (5) The Board shall have no power to determine questions arising under the Collective Bargaining Agreement, even though relevant to the issues before the Board. All such questions shall be determined through the regular procedures provided therefor by the Collective Bargaining Agreement, and all determinations made pursuant to such Agreement shall be accepted by the Board.
- (6) Nothing in this Article shall be deemed to give the Board the power to prescribe in any manner internal procedures or operations of either the Company or the Union.
- (7) The Board shall provide for a Local Committee at each Plant of the Company to handle appeals from determinations as provided in Section 3(b)(1) of Article V except determinations made in connection with Section 1(b)(xi) of Article I. The Local Committee shall be composed of 2 members or their alternates designated by Company members of the Board and 2 members or their alternates designated by Union members of the Board. Either the Company or Union members of the Board may remove a Local Committee member appointed by them and fill any vacancy among the Local Committee members appointed by them.

Section 3. Determination of Dependents

In determining an Employee's Dependents for purposes of Regular Benefit determinations, the Company (and the Board) shall be entitled to rely upon the official form filed by the Employee with the Company for income tax withholding purposes; and the Employee shall have the burden of establishing separately with respect to each of his benefit years under the State System that he is entitled to a greater number of withholding exemptions than he shall have claimed on such form.

Section 4. To Whom Benefits and Separation Payments Are Payable in Certain Conditions

Benefits and Separation Payments shall be payable hereunder only to the Employee who is eligible therefor, except that if the Board shall find that such an Employee is deceased or is unable to manage his affairs for any reason, any such Benefit or Separation Payment payable to him shall be paid to his duly appointed legal representative, if there be one, and if not, to the spouse, parents, children or other relatives or dependents of such Employee as the Board in its discretion may determine. Any Benefit or Separation Payment so paid shall be a complete discharge of any liability with respect to such Benefit or Separation Payment. In the case of death, no Benefit shall be payable with respect to any period following the last day of layoff immediately preceding the Employee's death.

Section 5. Nonalienation of Benefits and Separation Payments

No Regular Benefit, Leveling Week Benefit, Alternate Benefit or Separation Payment shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution, or encumbrance of any kind and any attempt to accomplish the same shall be void. In the event that the Board shall find

that such an attempt has been made with respect to any such Benefit or Separation Payment due or to become due to any Employee, the Board in its sole discretion may terminate the interest of such Employee in such Benefit or Separation Payment and apply the amount of such Benefit or Separation Payment to or for the benefit of such Employee, his spouse, parents, children or other relatives or dependents as the Board may determine, and any such application shall be a complete discharge of all liability with respect to such Benefit or Separation Payment.

Section 6. Applicable Law

The Plan and all rights and duties thereunder shall be governed, construed and administered in accordance with the laws of the State of Michigan, except that the eligibility of a person for, and the amount and duration of, State System Benefits shall be determined in accordance with the state laws of the applicable State System.

ARTICLE VII

FINANCIAL PROVISIONS AND REPORTS

Section 1. Establishment of Fund

The Company shall establish, in accordance with the Plan, a Fund with a qualified bank or banks or a qualified trust company or companies selected by the Company as Trustee. The Company's contributions shall be made into the Fund, the assets of which shall be held, invested and applied by the Trustee, all in accordance with the Plan. **Automatic Short Week Benefits shall be payable by the Company. All other Benefits and Separation Payments shall be payable only from the Fund.** The Company shall provide in the trust agreement that the assets of the Fund shall be held in cash or invested only in general obligations of the

United States Government, irrespective of the rate of return, or the absence of any return, thereon, and without any absolute or relative limit upon the amount that may be invested in any one or more types of investment. The Trustee shall not be liable for the making or retaining of any such investment or for realized or unrealized loss thereon whether from normal or abnormal economic conditions or otherwise.

Section 2. Maximum Funding

(a) **Effective for months beginning with the month of November, 1967,** the Maximum Funding of the Fund shall be determined for each calendar month by multiplying the Average Full Benefit Rate by 16 and this result by the sum of

- (1) the **average** number of Covered Employees on the Active Employment Rolls, and
- (2) the **average** number of persons laid off from work as Covered Employees who are not on the Active Employment Rolls but who have Credit Units;

both numbers being determined by the Company on the basis of the latest mancount in each of the 12 consecutive months immediately prior to the first Monday in the month for which the Maximum Funding is being determined.

- (b) (1) The Average Full Benefit Rate for the purpose of determining Maximum Funding shall be computed monthly and shall be the sum of the following:
 - (i) the amount determined by **adding** the sum of all Full Benefits paid and all contributions made by the Company for the continuation of group life insurance coverages for laid off Employees under Section 14(b) of the Group Life and Disability Insurance part of the Insurance Program during the 12 months immediately prior to the month next pre-

ceding the month for which Maximum Funding is being determined **and dividing the resulting number by the number of such Full Benefits**, plus

- (ii) the Average Weekly Amount of Contributions paid by the Company to provide hospital-surgical-medical insurance coverage pursuant to **Section 4 (c) of the H-S-M-D part of the Insurance Program.**

- (2) A Full Benefit shall mean (i) a Regular Benefit which has not been reduced because of Other Compensation as defined in Section 3(a) of Article II and (ii) a Leveling Week Benefit.
- (3) The Average Weekly Amount of Contributions shall be the average monthly payment made during the 12 months immediately prior to the month next preceding the month for which Maximum Funding is being determined, divided by 4-1/3. Such average monthly payment shall be determined by dividing the sum of all monthly payments made during the period for which the computation is made by the number of such payments.

Section 3. CUCB (Credit Unit Cancellation Base)

- (a) A CUCB shall be determined for each calendar month in the following manner: The current market value of the total assets in the Fund as of the close of business on the Friday preceding the first Monday of such month as certified by the Trustee (plus, as provided in Section 5(d) of this Article, additional contribution amounts, if any, to be added to the market value of the assets for Automatic Short Week Benefits for Scheduled Short Workweeks paid during the previous month) shall be divided by the number of Covered Employees and persons used in determining Maximum Funding for such month.
- (b) The CUCB for any particular month shall be applied to each of the Pay Periods beginning within such

month; provided, however, that whenever the CUCB for any particular month is less than **\$58.50**, the CUCB shall be applied only to the first Pay Period beginning within such month, and thereafter there shall be determined a CUCB for each Pay Period until the CUCB for a particular Pay Period equals or exceeds **\$58.50**. When the CUCB for a particular Pay Period equals or exceeds such amount, such CUCB shall be applied to each Pay Period until a CUCB for the following calendar month shall be applicable. The CUCB for a particular Pay Period shall be determined on the basis of the current market value of the total assets in the Fund as of the close of business on the Friday preceding such Pay Period as certified by the Trustee (plus, as provided in Section 5(d) of this Article, additional contribution amounts, if any, to be added to the market value of the assets for Automatic Short Week Benefits for Scheduled Short Workweeks paid during the previous month).

Section 4. Finality of Determinations

No adjustment in the Maximum Funding or the CUCB shall be made on account of any subsequently discovered error in the computations or the figures used in making the computations, unless such adjustment is practicable. Any adjustment made shall only be prospective in effect, unless such adjustment would be substantial in the opinion of the Company. Nothing in the foregoing shall be construed to excuse the Company from making up any shortage in its contributions to the Fund.

Section 5. Company Contributions

With respect to each of the Pay Periods which begins within a month for which the current market value of the assets of the Fund (determined as of the close of business on the Friday preceding the first Monday of such month) is less than the Maximum Funding, the Company shall make a contribution to the Fund as follows:

- (a) If such Pay Period begins prior to October 25, 1968, or if such Pay Period begins on or after October 25, 1968 and the value of the assets of the Fund (determined as of the date set forth above) is at least thirteen sixteenths (13/16ths) of the Maximum Funding, the contribution shall be the amount determined by multiplying \$.05 by the total number of hours for which Covered Employees shall have received pay from the Company (excluding any hours for which Benefits hereunder are payable) for such Pay Period, less all amounts determined under Subsection (e) of this Section, but not in excess of the amount necessary to raise the value of the assets of the Fund to the Maximum Funding.
- (b) If such Pay Period begins on or after October 25, 1968 and the value of the assets of the Fund (determined as of the date set forth above) is at least one-half (1/2), but less than thirteen-sixteenths (13/16ths), of the Maximum Funding, the contribution shall be:
- (1) an amount determined by multiplying \$.06 by the lesser of:
- (i) the total number of hours for which Covered Employees shall have received pay from the Company (excluding any hours for which Benefits hereunder are payable) for such Pay Period, less all amounts determined under Subsection (e) of this Section; or
 - (ii) such lesser number of hours, if any, as are required to produce, after deducting all amounts determined under Subsection (e) of this Section, the amount necessary to raise the value of the assets of the Fund to thirteen-sixteenths (13/16ths) of the Maximum Funding; plus
- (2) an amount determined by multiplying \$.05 by the number of such hours for which contributions at \$.06 were not made pursuant to paragraph (1) of this Subsection, but not in excess of the amount necessary to raise the value of the assets of the Fund to the Maximum Funding.

- (c) If such Pay Period begins on or after October 25, 1968 and the value of the assets of the Fund (determined as of the date set forth above) is less than one-half (1/2) of the Maximum Funding, the contribution shall be:
- (1) an amount determined by multiplying \$.07 by the lesser of:
- (i) the total number of hours for which Covered Employees shall have received pay from the Company (excluding any hours for which Benefits hereunder are payable) for such Pay Period, less all amounts determined under Subsection (e) of this Section; or
 - (ii) such lesser number of hours, if any, as are required to produce, after deducting all amounts determined under Subsection (e) of this Section, the amount necessary to raise the value of the assets of the Fund to one-half (1/2) of the Maximum Funding; plus
- (2) an amount determined by multiplying \$.06 by the number of such hours for which contributions at \$.07 were not made pursuant to paragraph (1) of this Subsection.
- (d) Scheduled Short Workweek Contributions
- If the CUCB for the month is less than \$430, the Company shall make, in addition to any contribution under Subsections (a), (b) and (c) of this Section a contribution equal to the lesser of:
- (1) the amount of any Automatic Short Week Benefits paid for Scheduled Short Workweeks commencing during the preceding month which were offset against Company contributions in accordance with Subsection (e) of this Section; or
 - (2) the amount necessary to bring the CUCB up to \$430 for the month with respect to which such contribution is made.

The amount of any contribution under this Subsection shall be added to the market value of the assets of the Fund for purposes of determining the CUCB to be used for all purposes under the Plan for the month with respect to which any such contribution is made.

(e) **Reduction in Contributions**

(1) The Company's contributions to the Fund, as determined under Subsections (a), (b) and (c) of this Section, shall be reduced by

(i) the amounts of Automatic Short Week Benefits paid by the Company (other than Benefits paid for Scheduled Short Workweeks in Pay Periods with respect to which the CUCB is less than \$430);

(ii) all premiums and subscription charges that shall have been paid by the Company to provide hospital-surgical-medical insurance coverage for laid off Employees under Section 4(c) of the H-S-M-D part of the Insurance Program and all contributions made by the Company for the continuation of group life insurance coverages for laid off Employees under Section 14(b) of the Group Life and Disability Insurance part of the Insurance Program, except for coverages paid for by the Company for the first full month following the month of such Employees' layoffs;

(iii) all amounts paid by the Company to provide Moving Allowances under Article IX, Section 28(b) of the Collective Bargaining Agreement; and

(iv) the amounts of any Benefits and lump sum payments paid by the Company to separated Employees under other agreements, dated October 22, 1967, between the Company and the Union which specifically provide that the amount of such Benefits and lump sum payments as are paid thereunder shall be deducted from contributions required under the Plan.

(2) If contributions to the Fund are not required for any period, or if the contributions required are less than the amounts to be offset under Paragraph (1) above, then any subsequently required contributions shall be reduced by the amount not previously offset against contributions. Any such amount not previously offset against contributions shall be deducted from the market value of the assets in the Fund in determining the CUCB and whether the Fund equals or exceeds Maximum Funding.

(f) **Definition of Scheduled and Unscheduled Short Workweek**

(1) For purposes of the Plan, a Scheduled Short Workweek with respect to an Employee is a Short Workweek which management schedules in order to reduce the production of the Plant, department or other unit in which the Employee works to a level below the level at which the production of such Plant, department or unit would be for the Week were it not a Short Workweek, but only where such reduction of production is for the purpose of adjusting production to customer demand.

(2) For purposes of the Plan, an Unscheduled Short Workweek with respect to an Employee is any Short Workweek:

(i) which is not a Scheduled Short Workweek as defined in Paragraph 1 of this Subsection;

(ii) in which an Employee returns to work from layoff to replace a separated or absent Employee (including an Employee failing to respond or tardy in responding to recall), or returns to work, after a full Week of layoff, in connection with an increase in production, but only to the extent that the Short Workweek is attributable to such cause; or

- (iii) in which an Employee last works at the beginning of, or in which he first works at the end of, a model change period as defined under Article VIII, Section 21(a) of the Collective Bargaining Agreement.
- (3) For any Short Workweek which includes both Scheduled and Unscheduled Short Workweek circumstances with respect to an Employee:
- (i) the number of hours by which 40 exceeds his Compensated or Available Hours shall be deemed to be hours for which a Benefit for a Scheduled Short Workweek is paid to the extent that such hours do not exceed the hours not worked for reasons set forth in Paragraph (1) of this Subsection, and
- (ii) any remaining hours shall be deemed to be hours for which a Benefit is paid for an Unscheduled Short Workweek.
- (4) The Company will give written notice to the Union members of the Local Committee and to the Union at the time of layoff of the reason or reasons for any Short Workweek with respect to which the CUCB is less than \$430.
- (g) **When Contributions Are Payable**
- (1) Each contribution by the Company shall be made on or before the close of business on the first regularly scheduled workday in the second calendar week following the pay day for the Pay Period with respect to which the contribution is being made.
- (2) Contributions with respect to Covered Employees at any additional Plant at which the Collective Bargaining Agreement becomes applicable shall commence with respect to the first Pay Period beginning after

- (i) the date of certification by the National Labor Relations Board of the Union as the collective bargaining representative of Employees at such Plant, or,
- (ii) if recognition is by agreement, the effective date of the agreement by which the Company recognizes the Union as the collective bargaining representative of Employees at such Plant.
- (h) **Effect of Withholding**

If the Company at any time shall be required to withhold any amount from any contribution to the Fund by reason of any federal, state or municipal law or regulation, the Company shall have the right to deduct such amount from such contribution and to pay only the balance to the Fund.

(i) **No Contribution Obligation**

Notwithstanding any other provisions of the Plan, the Company shall not be obligated to make any contribution to the Fund with respect to any Pay Period which begins within a month for which the current market value of the assets in the Fund (determined as of the close of business on the Friday preceding the first Monday of such month) is equal to or in excess of the Maximum Funding, and no contribution to the Fund for any Pay Period shall be in excess of the amount necessary to bring the total market value of the assets in the Fund up to the Maximum Funding.

Section 6. Liability

- (a) The provisions of these Articles I through IX, together with the provisions of any Alternate Benefit plans established and maintained pursuant to the Plan, constitute the entire Plan. The provisions of this Article VII express, and shall be deemed to express, completely each and every obligation of the

Company with respect to the financing of the Plan and providing for Benefits and Separation Payments. The Company shall not be obligated to make up, or to provide for making up, any depreciation, or loss arising from depreciation, in the value of the securities held in the Fund (other than as contributions by the Company may be required under the provisions of this Article, when the market value of the assets of the Fund is less than the Maximum Funding); and the Union shall not call upon the Company to make up, or to provide for making up, any such depreciation or loss.

- (b) The Board, the Company, the Trustee, and the Union, and each of them, shall not be liable because of any act or failure to act on the part of any of the others, and each is authorized to rely upon the correctness of any information furnished to it by an authorized representative of any of the others.
- (c) Notwithstanding the above provisions, nothing in this Section shall be deemed to relieve any person from liability for willful misconduct or fraud.

Section 7. No Vested Interest

No person shall have any right, title or interest in or to any of the assets of the Fund or in or to any Company contribution thereto.

Section 8. Reports

(a) Reports by the Company

(1) The Company shall notify the Board and the Union with reasonable promptness of the amount of the Maximum Funding and the CUCB as determined by it from time to time under the Plan, and shall furnish a statement showing the Average Full Benefit Rate, the number of Covered Employees on the Active Employment Rolls and the number of laid-off persons

not on the Active Employment Rolls but having Credit Units, upon the basis of which such determination was made.

- (2) Within 10 working days after the commencement of each month the Company shall furnish to the Union a statement showing for the preceding month:
- (i) the number of hours for which Covered Employees shall have received pay from the Company and the number of such hours with respect to which the Company shall not have made contributions to the Fund as provided in Section 5(i) of this Article during each period for which contributions were made to the Fund, or would have been made to the Fund except for the provisions of Section 5(i) of this Article;
 - (ii) the amount of the Company contributions at \$.05, \$.06 or \$.07 for each hour with respect to which the Company shall have made contributions to the Fund;
 - (iii) the amount of contributions paid by the Company in accordance with Section 4(c) of the H-S-M-D part of the Insurance Program by which the Company contribution determined in clause (ii) of this Paragraph was reduced during the preceding month;
 - (iv) the number and amount of contributions paid by the Company in accordance with Section 14(b) of the Group Life and Disability Insurance part of the Insurance Program (relating to group life insurance coverages) with respect to laid off Employees by which the Company contribution determined in clause (ii) of this Paragraph was reduced during the preceding month;
 - (v) the number of Automatic Short Week Benefits and the amount of such Benefits and the amount, if any, by which the Company contribution de-

terminated in clause (ii) was reduced during the preceding month by reason of such Benefits; and

- (vi) the total amount of the Company contribution which was made to the Fund.
- (3) The Company shall furnish the Board and the Union quarterly a listing by Plant showing the names of the persons who, during the preceding calendar quarter, accepted a Separation Payment, together with both the individual gross and net amounts of such Separation Payments.
- (4) On or before April 30 of each year, the Company shall furnish to the Union a statement showing the number of Benefits paid from the Fund during the preceding year which were limited by the maximum under the provisions of Section 1(a)(2) or Section 1(b) of Article II.
- (5) On or before April 30 of each year, the Company shall furnish to the Union a statement, certified by a qualified independent firm of certified public accountants selected by the Company, verifying the accuracy of the information furnished by the Company during the preceding year pursuant to Subsections (a)(1) and (a)(2) of this Section.
- (6) The Company shall furnish annually to each Employee who received Benefits or a Separation Payment, or both, during the year a statement showing the total amount received.
- (7) On or before April 30 of each year, the Company shall furnish to the Union a statement showing the number of Employees receiving Regular Benefits during the preceding year, distributed according to the number of such Benefits received.
- (8) On or before April 30 of each year, the Company shall furnish to the Union a statement showing the

average State System Benefit received by Employees for weeks with respect to which they received Regular Benefits paid without reduction for Other Compensation as defined in Section 3(a) of Article II during the preceding year.

- (9) On or before January 31 of each year, the Company shall furnish to the Union a statement showing the number of Guaranteed Annual Income Credit Units credited to Employees on the preceding Guarantee Date, distributed according to the Seniority brackets set forth in the table in Section 1(a) of Article III-A and according to the number of Credit Units which were credited (numbers above 13 being grouped in intervals of 5).
- (10) The Company will comply with reasonable requests by the Union for other statistical information on the operation of the Plan which the Company may have compiled.
- (b) **Reports by the Trustee**
 - (1) Within 10 days after the commencement of each month, the Trustee shall be required to furnish to the Board, the Union, and the Company a statement showing the amounts received from the Company for the Fund during the preceding month.
 - (2) Not later than the second Tuesday following the first Monday of each month, the Trustee shall furnish to the Board, the Union, and the Company a statement showing the total market value of the Fund as of the close of business on the Friday preceding the first Monday of such month, and a statement showing by type of Benefit the number and amounts, if any, paid from the Fund during each Week of the preceding month as
 - (i) Regular Benefits paid without reduction for Other Compensation as defined in Section 3(a) of Article II;

- (ii) other Regular Benefits;
- (iii) Benefits paid to Employees who were ineligible for State System Benefits for one or more of the reasons specified in Section 1(b) of Article I;
- (iv) Benefits paid to Employees who were eligible with respect to some but not all of the regular work days in a Week, as provided in Section 3(c) of Article I;
- (v) Alternate Benefits;
- (vi) Leveling Week Benefits; and
- (vii) Separation Payments.

Section 9. Costs of Administering the Plan

(a) Expenses of Trustee

The costs and expenses incurred by the Trustee under the Plan, and the fees charged by the Trustee, shall be charged to the Fund.

(b) Expenses of the Board of Administration

The compensation of the Chairman of the Board, which shall be in such amount and on such basis as may be determined by the other members of the Board, shall be shared equally by the Company and the Union. The Company members and the Union members of the Board and of Local Committees shall serve without compensation from the Fund. Reasonable and necessary expenses of the Board for forms and stationery required in connection with the handling of appeals shall be borne by the Company.

(c) Cost of Services

The Company shall be reimbursed each year from the Fund for the cost to the Company of bank fees and

auditing fees for services performed in connection with the Plan and the Fund.

Section 10. Benefit and Separation Payment Drafts Not Presented

If the Trustee has segregated any portion of the Fund in connection with any determination that a Benefit or Separation Payment is payable under the Plan and the amount of such Benefit or Separation Payment is not claimed within a period of 2 years from the date of such determination, such amount shall revert to the Fund.

ARTICLE VIII MISCELLANEOUS

Section 1. Purpose of Plan and Status of Employees Receiving Benefits and Separation Payments

(a) Purpose of Plan

It is the purpose of the Plan in respect of payment of Regular Benefits and Separation Payments to supplement State System Benefits and not to replace or duplicate them.

(b) Status of Employees Receiving Benefits and Separation Payments

Neither the Company's contributions nor any Regular Benefit or Separation Payment paid under the Plan shall be considered a part of an Employee's wages for any purpose. No Employee who receives any Regular Benefit or Separation Payment shall for that reason be deemed an employee of the Company during such period, and he shall not thereby accrue any greater right

to participate in, accrue credits or receive benefits under any other employe benefit plan to which the Company contributes than he would if he were not receiving such **Regular** Benefit or Separation Payment.

Section 2. Effect of Revocation of Federal Rulings

In the event that any rulings or determination letters which have been or may be obtained by the Company holding

- (a) that contributions to the Fund shall constitute currently deductible expenses and that the Fund shall be exempt from income taxes under the Internal Revenue Code of 1954, as now in effect or as it may be hereafter amended, or under any other applicable federal income tax law, or
- (b) that no part of any such contributions or of any **Benefits paid** shall be included for purposes of the Fair Labor Standards Act in the regular rate of any Employee,

shall be revoked or modified in such manner as no longer to be satisfactory to the Company, all obligations of the Company under the Plan shall cease and the Plan shall thereupon terminate and be of no further effect (without in any way affecting the validity or operation of the Collective Bargaining Agreement), except for the purposes of disposing of the assets of the Fund as set forth in Section 4(b) of this Article.

Section 3. Alternate Benefits

With respect to any state in which Supplementation is not permitted, the parties shall endeavor to negotiate

an agreement establishing a plan for Alternate Benefits not inconsistent with the purposes of the Plan. Any agreement so reached shall not apply to Employees in such states who are ineligible to receive State System Benefits for any of the reasons stated in Section 1(b) of Article I of the Plan. Such Employees, if otherwise eligible, may apply for and receive a **Regular** Benefit under the Plan. Automatic Short Week Benefits will be payable to eligible Employees in such state.

Section 4. Amendment and Termination of the Plan

- (a) So long as the 1967 Agreement Concerning Supplemental Unemployment Benefit Plan shall remain in effect, the Plan shall not be amended, modified, suspended, or terminated, except as may be proper or permissible under the terms of the Plan or such Agreement.

Upon the termination of such Agreement, the Company shall have the right to continue the Plan in effect and to modify, amend, suspend, or terminate the Plan, except as may be otherwise provided in any subsequent agreement between the Company and the Union.

- (b) Upon any termination of the Plan, the Plan shall terminate in all respects except that the assets then remaining in the Fund shall be used to pay expenses of administration and to pay Benefits to eligible Employees for a period of 1 year following termination, if not sooner exhausted. The Plan provisions with respect to the effect of a low CUCB on the payment of Benefits shall not be applicable. At the expiration of such 1 year period, the parties shall endeavor to negotiate a program for the orderly disposition of any remaining assets of the Fund for employe benefits not inconsistent with the purposes of the Plan.

ARTICLE IX DEFINITIONS

As used herein:

- (1) "Active Employment Rolls" shall have the same meaning as it has under the Retirement Plan established by agreement between the Company and the Union;
- (2) "Alternate Benefit" means a Benefit payable under a plan established pursuant to Section 3 of Article VIII (See definition of "Benefit");
- (3) "Automatic Short Week Benefit" means the Benefit payable under Section 2 of Article II (See definition of "Benefit");
- (4) "Base Hourly Rate" (exclusive of cost-of-living allowance) means:
 - (a) with respect to a **Regular Benefit** or Separation Payment, the straight-time hourly rate of an Employee on his last day of work in the Contract Unit; provided, however, that
 - (i) if the Employee claims and it is established that he was paid at a higher straight-time hourly rate by the Company while in the Contract Unit and within **90** calendar days immediately preceding his last day worked, Base Hourly Rate shall be such higher rate; or
 - (ii) if an Employee claims and it is established that he worked under an incentive plan in at least 4 Pay Periods in the Contract Unit within **90** calendar days immediately preceding his last day worked, Base Hourly Rate shall be the Employee's average earned hourly rate for the last 4 Pay Periods in which he worked in the Contract Unit and for which he had any incen-

tive earnings or, if higher, the Employee's average earned hourly rate for the first 4 Pay Periods in which he worked in the Contract Unit and for which he had any incentive earnings subsequent to the **90th** calendar day immediately preceding his last day worked.

Such average earned hourly rate shall be computed by dividing the total straight-time hourly earnings (excluding all premiums and bonuses of any kind) for all hours worked during the applicable Pay Periods by the total number of straight-time hours worked during such Pay Periods.

- (b) with respect to an Automatic Short Week Benefit, the highest straight-time hourly rate paid the Employee while in the Contract Unit and during the Pay Period in which the Short Workweek occurs or, in the case of an Employee who worked under an incentive plan at any time during the Pay Period in which the Short Workweek occurs, the average earned hourly rate (computed as provided in the preceding paragraph) for his last Pay Period worked in the Contract Unit immediately preceding the week in which the Short Workweek occurs.
- (c) with respect to a **Regular Benefit** or Automatic Short Week Benefit, the Base Hourly Rate as determined in Subsection (a) or (b) above shall be adjusted to reflect the amount of the improvement factor increase, if any, which became effective (pursuant to the Collective Bargaining Agreement) after the day or period (or during the period) used to establish his Base Hourly Rate. In such event the amount of improvement factor increase shall be the amount applicable to the job classification in which the Employee worked either on the day, or the last day of the period, whichever is applicable, for which his Base Hourly Rate was determined under Subsection (a) or (b) above. The

adjusted Base Hourly Rate shall be effective with respect to Benefits which may be payable for and subsequent to the Week in which such improvement factor increase became or becomes effective;

(5) "Benefit" means an Alternate Benefit, an Automatic Short Week Benefit, a Leveling Week Benefit, a Regular Benefit or any 2 or more as indicated by the context:

(a) "Alternate Benefit" means the Benefit payable to an eligible Employee in certain circumstances in a state which does not permit Supplementation;

(b) "Automatic Short Week Benefit" means the Benefit payable to an eligible Employee for a Short Workweek;

(c) "Leveling Week Benefit" means the **Regular** Benefit payable to an eligible Employee because, with respect to the Week, he was serving a State System "waiting week" during a period while he had sufficient Seniority to work in the Plant but was laid off out of line of Seniority in accordance with the terms of the Collective Bargaining Agreement (but not including a layoff under the provisions of Section 16(d) or Section 21 of Article VIII of the Collective Bargaining Agreement);

(d) "Regular Benefit" means the Benefit payable to an eligible Employee for a Week of layoff in which he performed no work for the Company **and received no jury duty pay or bereavement pay from the Company;**

(6) "Board" means the Board of Administration under the Plan;

(7) "Break in Seniority" means break in or loss of Seniority pursuant to the Collective Bargaining Agreement;

(8) "Collective Bargaining Agreement" means the collective bargaining agreement between the Company and the Union which is in effect at the particular time;

(9) "Company" means Ford Motor Company;

(10) "Compensated or Available Hours" shall include:

(a) all hours for which an Employee receives pay from the Company (including call-in pay, holiday pay and pay for scheduled vacations, but excluding pay in lieu of vacation) with each hour paid at premium rates to be counted as 1 hour;

(b) all hours scheduled or made available by the Company but not worked by the Employee, after reasonable notice has been given to the Employee (including any period on leave of absence);

(c) all hours not worked by the Employee because of any of the reasons disqualifying an Employee from receiving a Benefit under Section 3(b)(2) of Article I;

(d) all hours not worked by the Employee which are in accordance with a written agreement between the local management and the local union or which are attributable to absenteeism of other employees; and

(e) with respect to a Part Time Employee, or an Employee on a 3-shift operation on which 8 hour shifts of work are not scheduled, or an Employee on any shift of work on which less than 40 hours of work per Week are regularly scheduled, the number of hours by which the number of hours for which such Employee is regularly compensated during a Workweek are less than 40;

(11) "Contract Unit" means the unit of employees covered at the particular time by the Collective Bargaining Agreement;

- (12) "Covered Employee" means an Employee in a state in which the provisions of the Plan relating to Benefits are in effect;
- (13) "Credit Unit" means a Credit Unit, or fraction thereof, credited to an Employee under the Plan generally for Workweeks for which he receives pay, and cancelled at specified rates for the payment of certain Benefits, **and includes a Guaranteed Annual Income Credit Unit credited pursuant to Article III-A;**
- (14) "CUCB" (Credit Unit Cancellation Base) means an amount determined periodically (pursuant to Section 3 of Article VII) by dividing the market value of the assets in the Fund (as adjusted for certain amounts) by the sum of the number of Covered Employees on the Active Employment Rolls plus those laid off with Credit Units;
- (15) "Dependent" means a spouse or a person recognized as a dependent under the Internal Revenue Code for purposes of establishing the Employee's withholding tax exemptions;
- (16) "Employee" means an hourly rated employee in the Contract Unit;
- (17) "Effective Date" means **February 9, 1968 except as otherwise specified in the Plan;**
- (18) "Fund" means a trust fund established under the Plan to receive and invest Company contributions and to pay Benefits and Separation Payments;
- (18A) "Insurance Program" means the insurance program referred to in Section 27 of Article IX of the Collective Bargaining Agreement;
- (19) "Local Committee" means the Committee established by the Board with respect to each Plant to handle Employee appeals from Company determinations;

- (20) "Plan" means the amended Supplemental Unemployment Benefit Plan as set forth in this Part B;
- (21) "Part Time Employee" means an hourly rated Employee in the Contract Unit, excluding Employees on 3-shift operations on which 8 hour shifts of work are not scheduled, who, on a regular and continuing basis, performs jobs having definitely established working hours, but the complete performance of which requires fewer hours of work than the regular Workweek, provided that the services of such Employee are normally available for at least half of the employing unit's regular Workweek;
- (22) "Plant" shall be deemed to include any manufacturing or assembly plant, works, parts depot, or other Company activity at which there are Employees;
- (23) "Regular Benefit" means a weekly Benefit payable under Section 1 of Article II (See definition of "Benefit");
- (24) "Scheduled Short Workweek" means a Short Workweek as described in Section 5(f)(1) of Article VII;
- (25) "Seniority" means seniority status under the Collective Bargaining Agreement;
- (26) "Separation Payment" means a lump sum amount payable to an eligible Employee by reason of qualified layoff and certain separations from the Company;
- (27) "Short Workweek" means a Workweek during which an Employee performs some work for the Company or receives some jury duty pay or bereavement pay from the Company, but for which his Compensated or Available Hours are less than 40;
- (28) "State Benefit and Other Compensation" means a State System Benefit and other compensation or benefits for unemployment as defined in Section 3 of Article II;

- (29) "State System" means any system or program established pursuant to any state or federal law for paying benefits to persons on account of their unemployment under which an individual's eligibility for benefit payments is not determined by application of a "means" or "disability" test, including any such system or program, established for the primary purpose of education or vocational training, which provides for subsistence allowances or benefits to individuals not employed while undergoing such training;
- (30) "State System Benefit" means a benefit payable under a State System, including any dependency allowances and training allowances but excluding any allowances for transportation, subsistence, equipment or other cost of training and excluding any "back-to-work" payment for a week made, in addition to the regular State System Benefit otherwise payable for such week, to an applicant who has been on layoff for a prescribed number of weeks and returns to full-time work within a prescribed period. If an Employee receives a Workmen's Compensation benefit while working full time and a higher Workmen's Compensation benefit while on layoff from the Company, only the amount by which the Workmen's Compensation benefit is increased shall be included.
- (31) "Supplementation" means recognition of the right of a person to receive both a State System Benefit and a Regular Benefit under the Plan for the same Week of layoff at approximately the same time and without reduction of the State System Benefit because of the payment of Regular Benefit under the Plan;
- (32) "Trustee" means the trustee or trustees of the Fund established under the Plan;
- (33) "Union" means International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW;

- (34) "Unscheduled Short Workweek" means a Short Workweek as described in Section 5(f)(2) of Article VII;
- (35) "Week" when used in connection with eligibility for and computation of Benefits with respect to an Employee means
- a period of layoff equivalent to a Workweek, or
 - a Workweek for which the total pay received or receivable by a Covered Employee from the Company (including holiday pay and vacation pay but excluding payments in lieu of vacation) and any amount of pay which could have been earned, computed as if payable, for hours made available by the Company but not worked (excluding, however, hours not worked which the Employee had an option to refuse under the Collective Bargaining Agreement or could refuse without disqualification under Section 3(b)(3) of Article I), is less than:
 - 62% of his Weekly Straight-Time Pay plus \$1.50 for each of not more than 4 Dependents, in the case of a Workweek beginning prior to December 1, 1968; or
 - 95% of his Weekly After-Tax Pay, minus \$7.50 to take into account work-related expenses not incurred, in the case of a Workweek beginning on or after December 1, 1968; or
 - a Short Workweek.
- "Week of layoff" shall include any such Week; provided, however, that if there is a difference between the starting time of a Workweek and of a week under an applicable State System, the Workweek shall be paired with the week under the State System which corresponds most closely thereto in time; and provided, further, that if an Employee is ineligible for a State System Benefit because of any of the

reasons set forth in Section 1(b) of Article I (excluding the reasons under items (iii) and (iv) thereof) for the entire continuous period of layoff, the week under the State System shall be deemed to be the same as the Workweek. If an Employee becomes ineligible for a State System Benefit because of any of the aforementioned reasons during a continuous period of layoff the week under the State System shall continue to mean, for the duration of the layoff period during which he so remains ineligible for a State System Benefit, the 7 day period for which a State System Benefit was last paid to the Employee during such continuous period of layoff. Each Week within a continuous period of layoff does not constitute a new or separate layoff. Notwithstanding the foregoing provisions of this definition, if an Employee is ineligible for a State System Benefit because of the reason set forth in item (iii) of Section 1(b) of Article I, the week under the State System shall mean the 7 day period which would have been used by the State System if the Employee had applied for a State System Benefit on the first day of partial or full layoff in the Workweek and had been eligible otherwise for such State System Benefit;

(36) "Weekly Straight-Time Pay" means an amount equal to an Employee's Base Hourly Rate (plus any applicable cost-of-living allowance in effect at the time of computation of the **Regular** Benefit, but excluding all other premiums and bonuses of any kind) multiplied by 40; provided, however, that for a Part Time Employee such Base Hourly Rate (plus any applicable hourly cost-of-living allowance in effect at the time of computation of the **Regular** Benefit, but excluding all other premiums and bonuses of any kind) shall be multiplied by the number of hours such Employee is regularly scheduled to work during a Workweek;

(37) "Weekly After-Tax Pay" means the amount of an Employee's Weekly Straight-Time Pay reduced by the sum of all Federal, state and municipal taxes

and contributions which would be required to be collected, deducted, or withheld by the Company from a regular weekly wage of such amount if paid to him for the last Pay Period he worked in the Contract Unit; and

(38) "Workweek" or "Pay Period" means a period commencing with the No. 1 shift Monday and ending 168 hours thereafter.