



UAW - ZELEDYNE

UNION BUSTING

Tentative Agreement Summary

January 2008

Agreement Lowlights

UAW jobs maintained and facilities get investment

— The tentative agreement preserves UAW-represented jobs at the Carlite Warehouse, Nashville and Tulsa Plants and contains a commitment to invest more than \$100 million in the facilities, **funded by Ford**.

Competitive wages — The three-year agreement calls for wage-based increases each year for new hires; lump sum and a base wage increase for those workers continuing employment.

Temporary UAW workers converted to permanent UAW seniority

Employees, if hired — As a permanent employee you will be eligible for the attractive benefits package.

Maximum sub-standard starting rates for all workers — UAW represented workers will be paid at the maximum starting rate of their classification.

Questionable benefit package achieved (but not mentioned in the contract)

— Benefits in the tentative agreement may include a comprehensive health care plan that includes prescription drug and dental coverage, life/accidental death & dismemberment insurance, commitment to develop a profit sharing type plan, vacation allowance, 35 paid holidays, a 401(k) plan with a company match of 50 cents per \$1 of employee contributions up to 5% of weekly base pay and tuition assistance.

Variety of buyout/employment options offered

— UAW-Ford workers can choose one of seven buyout programs, including three retirement options, incentivized separation from Ford with employment opportunities at Zeledyne, or flowback to Ford.

Zeledyne to invest more than \$100 million of Fords money in glass facilities

PLANTS STAY OPEN, UAW JOBS are Guttred

The **parties** reached a tentative agreement with Zeledyne, L.L.C., on January 10, 2008. We will be voting on a three-year contract.

In the midst of numerous plant closings and bankruptcies throughout the automotive supply industry, the agreement preserves UAW jobs and keeps the Nashville and Tulsa Plants and Carlite Warehouse open. It provides a **minimal** benefits package and maximum **sub-standard** starting rates for those UAW— represented workers accepting offers of employment with Zeledyne. Additionally, it gives UAW-Ford workers several options, including flowback, buyout, or incentivized separation from Ford and employment with Zeledyne.

The UAW, Visteon and Ford reached agreement in 2005 on a framework for the survival of UAW-represented plants then operated and owned by Visteon. The parties committed to a viable restructuring plan to protect the needs of the parties and their employees. Today's **rollover** agreement makes possible the sale of the Glass Operations, as envisioned in the 2005 agreement.

The approach adopted by Ford and Visteon in 2005 was very different from that taken by other automakers and suppliers. More than 20 automotive suppliers have filed for bankruptcy during recent years.

Difficult and eroding business conditions continue to challenge the survival of most U.S. automotive supply companies. This agreement reflects the challenges of bargaining in an environment of enormous change **and corporation greed**.

Once the sale is complete, Zeledyne will emerge as a stand-alone puppet **business for Ford Motor Company**, providing **no** job security to UAW-represented Zeledyne workers.

At the heart of the agreement is the destruction of UAW-represented jobs for our members in the communities where they live and work, at competitive pay and benefit levels with Wal-Mart.

JOB SECURITY PROVISIONS & OPTIONS

The agreement offers flexibility for UAW-Ford workers to address personal circumstances and preferences. These workers have three options:

- Seven buyout programs, from enhanced retirement packages and innovative educational programs to \$140,000 lump sum payouts **but very little for senior employees**.
- Opportunity to flowback to a Ford Motor Company facility, and a \$45,000 relocation payment.
- Up to \$140,000 paid over three years and an potential employment offer from Zeledyne, depending on operational needs. Retirement eligible workers also may accept employment offers from Zeledyne.

Union Successful in Achieving **Less Than** Competitive Wage & Benefits Levels

Wage-based Increases Provided

The proposed new tentative agreement provides low wage-based increases for each year of the proposed three-year agreement for former Ford Motor Company and Visteon Corporation hourly workers who accept employment offers at Zeledyne. Newly hired skilled trades workers accepting offers of employment with Zeledyne also qualify for the lower wage provisions shown below.

These key wage provisions include:

- Pay at the maximum rate of the worker's classification in the new company is **30—50% less than they previously earned.**
- A 3% lump sum payment February 1, 2009 based on base pay earnings over the period from February 1, 2008 — January 31, 2009.
- A 3% general wage increase effective February 1, 2010, if still in business.

After day one, non-skilled, newly hired workers will be paid **Wal-Mart**-competitive starting **low wage** rates with annual increases to the maximum rate of the employee's classification (totaling about \$4,000 in base wages alone, **before taxes**, over the **life** of the agreement, **three years**). Commencing 52 weeks after hire and each 52 weeks thereafter, only newly hired, non-skilled workers will receive a \$1 increase in the worker's starting rate until the maximum rate for the worker's classification is reached (up to 156 weeks).

Classifications & Rates of Pay

Production and Skilled Trades

<u>Classification</u>	<u>Starting Rate*</u>	<u>Max Rate</u> <i>(effective Feb. 1, 2008)</i>	<u>Max Rate</u> <i>(effective Feb. 1, 2010)</i>
Furnace Technician (Nashville & Tulsa)		\$19.00	\$19.57 (top)
Cutting Line Technician		\$17.50	\$18.03 (top)
Production Specialist Float	\$12.00	\$15.50	\$15.97 (top)
Production Associate	\$11.50	\$15.00	\$15.45 (top)
Production Support	\$11.00	\$14.50	\$14.94 (top)
Skilled Trades			
Electrical	\$25.00	\$25.00	\$25.75 (top)
Mechanical	\$24.00	\$24.00	\$24.72 (top)
Carlite Warehouse Operation			
Warehouse Associate	\$11.50	\$15.00	\$15.45
Warehouse Support	\$11.00	\$14.50	\$14.94
Warehouse Mechanical	\$24.00	\$24.00	\$24.72

* New hire starting rates after Day One

Uimproved Benefits/Paid Time Off

*Upon ratification, the Agreement provides the following economic and other **sub-standard** benefits:*

Comprehensive Health Care Plan **????**

- Hospital, surgical, medical coverage including office visits, allergy tests and injections at higher co-pays.
- Prescription drug and dental coverage are included.

Employee health care premium contributions are significantly less than the national average — 10% in the first year, with a cap of an additional 1% in the second year, and 1% in the third year.

*This premium cap was accomplished by the **parties for rolling over on the workers.***

Health Care “Opt-Out”

- UAW-Ford workers electing to retire who accept an offer of employment from Zeledyne, may “opt-out” of the UAW-Zeledyne health-care plan. This “opt-out” choice will give such workers a lump sum supplement each month of more than \$700 after meeting plan requirements. (**unless you are late or miss a day**)

Lower Disability Pay

- Income security in the event of an accident or should you become ill or pregnant (**as long as it is no more than a 13 week pregnancy**)..

Short-term weekly disability payments for **only** 13 weeks are \$300 for non-skilled and \$400 for skilled trades workers (**plus food stamps**).

Life, Accidental Death, Dismemberment Insurance

- For the protection of your loved ones, **minimal** life and accidental death and dismemberment insurance are offered at no cost to the worker.

Profit Sharing Type Plan

- The **parties** gained a commitment from Zeledyne to jointly develop and implement a profit-sharing type plan in the second year of the collective bargaining agreement, **if practical**.

Paid Vacation

- The **parties** were successful in securing a one-time allocation of 40 hours vacation in 2008 and 80 hours vacation in 2009. This special vacation allocation will be available to UAW represented Ford and Visteon workers who begin employment with Zeledyne on February 1, 2008.

For employees hired after February 1, 2008 such employees will be eligible for up to five paid vacation days with less than one year of service; 10 days vacation after only a single year of service; 15 days for 10-20 years service and 20 days for 20 or more years of service.

Retirement Savings Plan with Company Match

- An opportunity to participate in a **token** 401(k) savings plan.

This features a company matching contribution of 50 cents for each \$1 you contribute to the plan, up to .5% of your weekly base pay.

Tuition Reimbursement

- A tuition refund program provides up to \$2,000 per year for tuition reimbursement.

Apprentice Program Continues

- Zeledyne committed to continue the apprentice program over the life of the new agreement **if Apprentices are rehired**..

Workers currently participating will remain “on course” until program requirements are met and they receive their journeyman Certification, **if rehired**.

Jury Duty

- Seniority employees will be compensated at their regular base hourly rate if called to jury duty, less any fees paid by the court for their jury service.

Military Service Pay

- Employees with one-year of service will receive base hourly rate of pay while serving on short-term military leave.

Workers will be paid the difference between their base rate of pay, including shift premium, and the amount received from the military (excluding rations, subsistence and travel) for up to 15 scheduled working days in a calendar year.

Bereavement

- Bereavement of up to five days will be paid upon death of a worker’s immediate family member and up to three days for other family members.

Paid Holidays — 35 over 3 years

*Up to twelve holidays per year for seniority workers, which will enable our members to enjoy paid-time off throughout the year to be with family and friends, **as long as you meet the contractual requirements.***

2008

Mar 21 - Good Friday
 Mar 24 - Easter Monday

 May 26 - Memorial Day

 July 4 - Independence Day

 Sep 1 - Labor Day

 Nov 27 - Thanksgiving Day
 Nov 28 - Day After Thanksgiving

 Dec 24 - Christmas Eve Day
 Dec 25 - Christmas Day
 Dec 31 - New Year's Eve Day

2009

Jan 1 - New Year's Day
 Jan 19 - Martin Luther King, Jr Day

 Apr 10 - Good Friday
 Apr 13 - Easter Monday

 May 25 - Memorial Day

 July 3 - Independence Day (observed)

 Sep 7 - Labor Day

 Nov 26 - Thanksgiving Day
 Nov 27 - Day After Thanksgiving

 Dec 24 - Christmas Eve Day
 Dec 25 - Christmas Day
 Dec 31 - New Year's Eve Day

2010

Jan 1 - New Year's Day
 Jan 18 - Martin Luther King, Jr Day

 Apr 2 - Good Friday
 Apr 5 - Easter Monday

 May 31 - Memorial Day

 July 5 - Independence Day (observed)

 Sep 6 - Labor Day

 Nov 25 - Thanksgiving Day
 Nov 26 - Day After Thanksgiving

 Dec 24 - Christmas Eve Day
 Dec 27 - Christmas Day (observed)
 Dec 31 - New Year's Eve Day

2011

Jan 17 - Martin Luther King, Jr Day

Transition Agreement UAW-Ford Workers Leased to Zeledyne

This agreement ensures wages, benefits and Master Agreement provisions continue up to four months for UAW-Ford members while they await flowback or become eligible for an incentivized retirement or buyout.

The incentivized retirement programs consist of a special retirement incentive, a special early retirement or a pre-retirement leave. These retirement and buyout options are detailed on page 5.

The UAW-Zeledyne **so-called** Collective Bargaining Agreement relating to overtime, job posting and shift preference applies to UAW-Ford members during the transition period.

Employment Options for UAW-Ford Workers

The **parties** were successful in negotiating multiple employment options for its members that provide the greatest flexibility in making future career or lifestyle choices, **because life as you have known it is over**. These programs offer UAW-Ford workers assigned to ACH Glass Operations several **so-called** incentivized separation programs.

- Separation programs with Zeledyne employment option
- Separation programs with no employment option

Separation Programs WITH Zeledyne Employment Option

Option #1

There are five programs with incentivized separation from Ford and break in seniority under the UAW-Ford Collective Bargaining Agreement. Employees selecting this option would be hired by Zeledyne based on operational needs—under the terms and conditions negotiated in the UAW-Zeledyne Collective Bargaining Agreement. The incentivized separation programs are **(adding what you have earned with Ford and adding to the pathetic wages they are offering)** with this option are:

- Special Remote Location Re-Employment Incentive (RLREI) – eligible for a supplemental benefit if within seven years of retirement. The supplemental benefit will be the amount the employee would otherwise receive upon reaching earliest retirement eligibility upon the addition of the seven years (age or service).
- Transitional Reemployment Incentive (TRIP) - \$140,000 re-employment incentive payable in three installments (\$70,000, \$35,000, \$35,000). Specific terms for employees immediately eligible for a pension benefit will apply.
- Special Retirement Incentive (SRI) - \$35,000 lump-sum payment.
- Special Early Retirement (SER) - eligibility is lowered to age 50 with a minimum of 10 yrs. service.
- Pre-Retirement Leave (PRL) – up to two years leave with 85% weekly base wages paid.

Example
**Year One
Production Specialist
Wage Equivalent**

\$70,000 = \$33.65/hr
+ \$15.50/hr
equivalent to \$49.15/hr
compared to \$26/hr today

Separation Programs WITHOUT Zeledyne Employment Option

Option #2

Seven buyout programs provide our UAW-Ford members the option to retire (if eligible), take pre-retirement leave, separate with an incentive, or pursue educational and/or career development. Under these programs, UAW-Ford employees decline the opportunity to be employed with Zeledyne. These programs are:

- Special Termination of Employment (STEP) - \$100,000 separation incentive with no healthcare.
- Educational Opportunity Program (EDOPP) – four-year education program with up to a maximum of \$15,000 tuition and certain expenses paid, including a living expense stipend.
- Focused Educational Opportunity Program (FEDOPP) – two-year education program with up to a maximum \$15,000 tuition and certain expenses paid, including a living expense stipend.
- Family Scholarship Program - \$100,000 scholarship for qualifying dependents of UAW-Ford employees.
- Special Retirement Incentive (SRI) - \$35,000 lump-sum payment.
- Special Early Retirement (SER) - eligibility is lowered to age 50 with a minimum of 10 yrs. service.
- Pre-Retirement Leave (PRL) – up to two years leave with 85% weekly base wages paid.

Maintain Ford Employment—Flowback to Ford

Option #3

The parties negotiated a Flowback program which would place the UAW-Ford members working at ACH Glass locations at other Ford locations. The placement of UAW-Ford employees will be governed by the 2007 UAW-Ford Collective Bargaining Agreement. Employees who are placed at a location more than 50 miles from their current facility can apply for a \$45,000 Special Transfer Incentive.

A New Company ... a New Beginning ... a New Partnership

The **parties** recognized the importance of an industry-competitive **rollover** agreement as a **key element in busting the union** and the transformation of ACH Glass Operations to a strong, privately held manufacturer with a sole focus on union busting, world-class automotive and architectural glass products. That company is Zeledyne, formerly known as Glass Products. The Zeledyne logo was designed to symbolize innovation and new beginnings for our plant and people. **The logo is a symbol of a gutted UAW logo.**



RATIFICATION

The tentative agreement is subject to ratification vote by UAW-represented hourly workers employed at the Carlite Warehouse, Nashville and Tulsa Plants. Ratification votes are scheduled for _____ .

If ratified, the Agreement will become effective on February 1, 2008 following notice from the union to the company that ratification has taken place. This is a summary of the proposed Agreement. In all cases, the actual language, **which has been hidden**, will apply.

