

New Contract Protects Wages, Provides for Lump Sums

The proposed agreement protects the wages of UAW workers at GM, and provides four lump-sum payments, one in each year of the agreement.

UAW-represented GM workers who are on the active roll on the effective date of the agreement will receive an up-front settlement bonus of \$3,000. Workers on pre-retirement leave, in protected status, on temporary layoff, on Family and Medical Leave or various other leaves of absence of not more than 90 days, are also eligible, as are workers with retirements processed for an effective date of Oct. 1. The settlement bonus will be paid in the second pay period following official notification of the agreement's ratification.

Three additional bonuses will be paid in the second, third and fourth years of the agreement. In October 2008, UAW GM workers with seniority as of Sept. 15, 2008, will receive a lump-sum performance bonus equal to 3 percent of qualified earnings (including base wages, COLA, overtime, shift and seven-day operator premiums, call-in pay, vacation, holiday and other paid time off) over the preceding 52 pay periods. In October 2009, workers with seniority as of Sept. 21, 2009, will receive a lump-sum bonus equal to 4 percent of qualified earnings. A final performance bonus, equal to 3 percent of qualified earnings, will be paid in October 2010, to workers with seniority as of Sept. 20, 2010.

Projected Total Gains

Total economic gains from the proposed agreement add up to \$13,056 for a typical GM assembler, based on a standard, 2,080-hour year and 10 percent overtime. That figure includes the \$3,000 settlement bonus; performance bonuses of 3 percent, 4 percent and 3 percent, and projected cost-of-living adjustments, after diversions.

Cost-of-Living Protection

The proposed agreement maintains the existing COLA formula, based on the CPI-W for all items less medical care. \$2.03 of the current \$2.08 COLA float will be folded into base wage rates as of the effective date of the agreement. The remaining 5 cents will be the initial COLA float.

The 2-cent quarterly diversion agreed to in the 2005 UAW-GM health care settlement agreement will continue and be made permanent. An additional 4 cents per quarter will be diverted to fund the new VEBA that will secure lifetime health benefits for current and future retirees. A final 4 cents

per quarter will be diverted to defray the cost of health care benefits for active workers.

These diversions will be taken in the order listed. There will be no "catch-up" diversions if a quarterly COLA adjustment is less than 10 cents.

EXAMPLES OF TOTAL HOURLY WAGE INCREASES

Sample Pay Gains		
	Assembler	Tool & Die
Base Rate - Contract End	\$26.09	\$30.60
Skilled trades tool allowance		.20
COLA Fold-In	<u>2.03</u>	<u>2.03</u>
New Agreement Base	\$28.12	\$32.83
Beginning COLA float	.05	.05
1st-year COLA	<u>.12</u>	<u>.12</u>
End 1st-year Base Rate plus COLA	\$28.29	\$33.00
2nd-year COLA	<u>.20</u>	<u>.20</u>
End 2nd-year Base Rate plus COLA	\$28.49	\$33.20
3rd-year COLA	<u>.20</u>	<u>.20</u>
End 3rd-year Base Rate plus COLA	\$28.69	\$33.40
4th-year COLA	<u>.16</u>	<u>.16</u>
End 4th-year Base Rate plus COLA	\$28.85	\$33.56

Projected COLA assumes annual inflation averaging 2.44%

Lump-Sum Examples

	Assembler	Tool & Die
Settlement Bonus Upon Ratification	\$3,000	\$3,000
September 2008 Performance Bonus (3%)	\$2,104	\$2,440
September 2009 Performance Bonus (4%)	\$2,823	\$3,271
September 2010 Performance Bonus (3%)	\$2,132	\$2,468

Based on a standard 2,080-hour year plus 10% overtime, with projected COLA adjustments based on inflation averaging 2.44%.

Profit Sharing

The profit-sharing formula will continue unchanged. Your bargaining team resisted management attempts to put a cap on profit-sharing payouts; UAW GM workers will share fully in any profits that their hard work and sacrifice make possible.

New Hires' 401(k)

GM will contribute \$1 per compensated hour into all new hires' 401(k) plans.

Independence Day Week Shutdown Pay

The proposed agreement maintains the Independence Day week shutdown at GM.

During the week of the Independence Day holiday, seniority UAW workers will receive four days (32 hours) off at their regular rate of pay, including shift and seven-day operation premiums. Eligibility is unchanged from the 2003-2007 agreement.

Over the term of the proposed agreement, the 32 hours of shutdown pay are worth an average of \$950 each year for a typical GM assembler.

New Wage and Benefit Structure for Entry-Level Employees

To keep work in UAW GM plants, and to create a realistic possibility of adding work for future growth, the proposed agreement establishes a new pay structure for entry-level employees. The new structure applies to what GM calls "non-core" jobs in all its facilities.

Examples of "non-core" jobs include, but are not limited to, material movement, general stores management, finished vehicle driving, paint mix room, chemical management and subassembly.

Workers hired in under the entry-level structure will have the opportunity for traditional UAW GM jobs as positions become available.

Entry-Level Wages

The new entry-level wage structure applies to UAW-represented workers in non-core jobs hired on or after the effective date of the proposed agreement. Temporary employees who were on the rolls prior to the effective date, and are subsequently converted to permanent status, are not considered entry-level employees and will receive traditional wages.

The entry-level wage structure, which is modeled after the UAW-Delphi agreement, has two key elements:

- New wage rates for three classification groupings.
- A new wage formula that provides

annual increases tied to either (a) the percentage increase in average hourly earnings, excluding overtime, of workers in the U.S. manufacturing sector or (b) the annual rate of inflation, whichever is greater. Increases will take effect in the first pay period of each calendar year.

In addition to annual wage formula increases, entry-level workers with seniority as of the designated eligibility date will receive performance bonuses in each year of the four-year agreement. An entry-level worker's performance bonus will be equal to 3 percent of qualified earnings during the previous 52 pay periods. Performance bonuses will be paid in May 2008, 2009, 2010 and 2011, based on April eligibility dates.

Entry-Level Benefits

Entry-level workers will be covered by a separate benefit plan, including the following elements:

- **A cash balance defined-benefit retirement plan:** GM will deposit 6.4 percent of workers' wages into a portable retirement plan, which will accrue interest tied to the 30-year U.S. Treasury bond.

- **Health care plan:** Entry-level workers will be covered by a health care plan, with annual in-network deductibles of \$300 single/\$600 family. Coinsurance will be 10 percent in-network, with an annual cap on out-of-pocket expenditures of \$1,000 single/\$2,000 family. To defray these costs, GM will reimburse workers up to \$300 single/\$600 family annually from a flexible health care spending account. Entry-level workers will be eligible for dental coverage and a vision exam after three years, and for full vision coverage after five years.

- **Supplemental Unemployment Benefits:** Entry-level workers with at least one but less than three years seniority will be eligible for 26 weeks of SUB. That increases to 52 weeks (which can be extended) for workers with three or more years seniority.

2007 ENTRY-LEVEL WAGES

	Group A (example: machining)	Group B (example: subassembly)	Group C (example: material handling)
Starting rate	\$14.61	\$14.00	\$14.00
Production rate	\$16.23	\$15.30	\$14.50

Entry-level workers are not eligible for pay for the Independence Day holiday week. Workers not scheduled to

work during that period will have the option of using vacation hours or taking an unpaid leave of absence.

Health Care Protected, Benefits Improved

Comprehensive Coverage Maintained

Health care was extremely contentious in this round of bargaining. The corporation's primary goal was to shift substantial costs to our members. Our bargaining committee resisted this effort at major cost-shifting, and made key improvements while maintaining comprehensive health care coverages.

Primary Care Access Improved

The primary care network was improved, allowing advanced practice nurses and physician assistants to fully practice under the scope of their licenses. This means members can go to these practitioners for diagnosis, prescriptions, tests and treatment for acute conditions (like infections) and chronic diseases (like diabetes and heart disease).

No New Co-payments for Prescription Drugs

Despite the efforts of the corporation to significantly increase prescription drug co-payments, your bargainers maintained co-payments at the present level. In addition, they negotiated improvements in the Maintenance Drug List. Thirty-three drugs were added and three were removed from the current list.

A new specialty pharmacy retail network will be implemented as soon as practicable. The network will be developed to preserve broad access while securing better pricing.

The joint prescription drug review process has been maintained so that any programs or proposals that have a clinical impact are reviewed by an outside independent expert. The expert will make recommendations to the parties, who will then jointly decide what to do. Several items will be reviewed for safety, quality and cost concerns.

Certain over-the-counter antihistamines and vitamins will no longer be covered on the prescription drug program.

Higher Dental Maximums

The annual maximum and orthodontic maximums for dental coverage were increased to keep pace with inflation. Effective Jan. 1, 2008, the annual maximum will increase to \$1,850 and the orthodontic maximum will increase to \$2,200.

There were other dental changes, including:

- Bitewing X-rays will be available once every two years for ages 15 and older.
- Coverage for crown replacement limited to every five years.
- Topical fluoride will now be limited to enrollees under age 15.
- Dental HMOs will be eliminated.

Air Ambulance Expanded

Currently, air ambulance services are covered with a 50 percent member co-payment for the first 100 miles and a 100 percent member co-payment for travel above 100 miles. Under the proposed agreement, qualified air ambulance services will be fully covered with no mileage limit.

Immunizations Updated

Immunization coverage was expanded to include new doses and new vaccines per national recommendations.

Hearing Aid Coverage

Hearing aid coverage was improved so that members receive a single \$2,000 allowance for hearing aids, ear molds and associated devices every three years. If members go to network providers, hearing aids are available at discounted network rates. In addition, the allowed amount for the hearing evaluation test was updated to \$139, effective Oct. 1, 2007. This amount will be updated each October for inflation increases.

Changes in Eligibility for Dependent Children

There were changes to eligibility for certain dependent eligible children. Effective Jan. 1, 2009, children 19 and older will be covered only if they are full-time students. Full-time student coverage will be available until age 24. In addition, legal guardianship has been limited to people related by blood to the primary enrollee or spouse.

National Institute for Health Care Reform

The UAW and GM have agreed to an unprecedented effort and commitment to improve the affordability, accessibility and accountability of the U.S. health care system, including the pursuit of a lasting solution to our national health care cost crisis.

The parties have agreed to create the National Institute for Health Care Reform, that will serve as a premier research and educational health care reform center dedicated to understanding, evaluating and developing thoughtful and innovative reform to improve the medical delivery system in the United States and expand access to high quality, affordable and accountable health care coverage for all Americans.

GM has committed to five annual \$3 million contributions to fund the Institute.

Office Visits

Effective Jan. 1, 2008, the Traditional Care Network (TCN) will provide five office visits per family per year at a cost of \$25 per visit. This benefit does not apply to future or current retirees in the TCN. HMO office visit co-pays were also increased to \$25.

PPO and Select HMO Enrollees Transferred to TCN

All PPOs and select HMOs will be eliminated. UAW-represented GM workers and their dependents who are currently enrolled in these programs will now participate in the Traditional Care Network, with broad access to medical providers. There will be no interruption in health care coverage as a result of this change.

Additional Improvements

To enhance health care protections for UAW-represented members and their families, MRI scan limits were removed, PET scan coverage was expanded and hospice coverage was improved.

Community Health Initiatives Maintained

The Community Health Initiatives sites were maintained. The Anderson, Ind., site will focus more on the Indianapolis area.

DME and P&O Updated

Durable medical equipment and prosthetic and orthotic coverages have been updated to the Medicare levels.

Group Insurance Benefits Improved

Our bargaining committee maintained and improved group insurance coverages, despite the corporation's significant attempt to reduce these coverages.

Survivor Benefits

Survivor Income Benefit Insurance (SIBI) has been increased \$50, from \$650 to \$700 per month. The bridge benefit (24 months) has been increased \$50 per month, from \$650 to \$700. In addition, the Mothers and Fathers Benefit will increase by \$25, from \$350 to \$375.

Sickness and Accident (S&A) and Extended Disability Benefits (EDB)

As a result of the negotiated increases in the base hourly rate, all workers will receive increases in the Sickness and Accident Benefits and Extended Disability Benefits. Benefits under Basic Life and Extra Accident will also increase (see chart).

Access to care was increased in the S&A and EDB programs as nurse practitioners are now approved to treat under the supervision of a doctor.

In addition, there will be a joint effort to reduce inappropriate use of disability benefits by focusing on certain physicians. These physicians may be removed from the program and any certifications coming from them will no longer be regarded as proof of disability.

In an effort to minimize the impact of overpayments from Social Security Disability Insurance Benefits (SSDIB), the parties have agreed to allow the use of so-called "sweep accounts." Under the current program, members agree to repay any amount they received from the program when they receive their SSDIB award. The sweep account, which is voluntary, allows SSDIB to transfer funds directly into the sweep account which is then directed to the corporation. In addition, UAW-GM Legal Services is approved to assist members in applying for Social Security Disability applications.

Life Insurance

Life insurance coverage will increase with base hourly wage increases (see chart). In addition, members will become eligible for life insurance on the day of hire. Previously, they became eligible the first day of the month after hire.

Exam Mileage Reimbursement

The exam mileage reimbursement was increased to the IRS maximum limit of 48.5 cents and will keep pace with increases by the IRS.

Optional Life Insurance

Two new schedules will be added to Optional Life Insurance: \$250,000 and \$300,000. In addition, there will be a one-month premium holiday as well as an accelerated benefit option.

Dependent Life Insurance

Effective March 1, 2008, dependent life insurance will increase to \$100,000 for spouses and \$40,000 per child. Also, in a significant improvement for UAW GM workers and their families, the 14-day waiting period for newborns has been eliminated; newborn children are now entitled to first-day coverage.

In addition, there will be a four-month premium holiday.

Benefits Representation Improved

During these negotiations, both parties agreed on the importance of providing timely and accurate information to active and retired UAW-represented workers regarding health care, disability insurance, pensions and other benefit questions.

To improve service to retirees, the parties agreed to add 11 UAW GM special assigned benefit representatives, to be assigned by the UAW vice president and director of the UAW GM Department. These benefit representatives will be located throughout the country to provide exclusive services to UAW retirees, and will be accessible through a toll-free telephone number.

In addition, General Motors agreed to provide computers and high-speed Internet access for current UAW GM benefit representatives, to improve their ability to respond to inquiries from UAW active and retired members, and to share and transmit documents necessary for processing benefit claims.

EXAMPLES OF INSURANCE BENEFIT INCREASES

The table below illustrates the benefit improvements payable to a typical worker in the assembler and tool and die classifications.

Prior Amounts of Insurance and Amount of Increase

Classification	Base Hourly Rate	Weekly S&A	Monthly EDB I*	Monthly EDB II**	Basic Life Insurance	Extra Accident	Total Life Insurance
Assembler		\$625	\$2,255	\$2,485	\$59,500	\$29,750	\$89,250
Tool and Die		\$735	\$2,650	\$2,915	\$70,500	\$35,250	\$105,750

Examples of Insurance Benefit Increases

Classification	Base Hourly Rate	Weekly S&A	Monthly EDB I*	Monthly EDB II**	Basic Life Insurance	Extra Accident	Total Life Insurance
Assembler		\$675	\$2,485	\$2,730	\$64,500	\$32,250	\$96,750
Tool and Die Maker		\$785	\$2,890	\$3,170	\$75,500	\$37,750	\$113,250

*Employee with less than 10 years of participation

**Employee with 10 or more years of participation

Pension Gains for Current, Future Retirees

Your UAW bargaining team resisted persistent proposals from General Motors for radical changes in our pension plan and succeeded in negotiating significant improvements.

The corporation pursued numerous takeaways such as: freezing all credited service, imposing new restrictions on early retirements, and eliminating the Social Security age-creep patch which replaces the benefits lost due to the gradual increase in the Social Security normal retirement age.

Your bargaining team forged an agreement that provides significant benefit increases for current and future retirees.

Credited Service

The UAW has periodically negotiated pension credited service increases covering periods when GM workers lost service due to layoffs and sick leaves. In this bargaining session, the union negotiated an improvement that a worker's credited service as of Dec. 31, 1995, would never be less than the worker's seniority at that date.

Interim Supplement

The interim supplement is paid to retirees who retire prior to their Social Security 80 percent date and who have fewer than 30 years of credited service. This benefit is paid until that date in addition to the basic benefit described above, but is reduced for early retirement. The amount per month per year of credited service, under the current agreement, payable at retirement ages 60 and 61, is \$47.30. The corresponding amounts negotiated under the proposed agreement are \$48.25, effective Oct. 1, 2007; \$48.45, effective Oct. 1, 2008; \$48.65, effective Oct. 1, 2009; and \$48.85, effective Oct. 1, 2010. Reduced amounts will be paid for retirees at younger ages.

Retirements Under the New Contract

Basic Benefit Rate

The basic benefit rate is increased in each year of the proposed four-year agreement. These increases will total \$2.65 per month per year of credited service by the final year of the agreement. The increases will be effective Oct. 1 of each year of the agreement.

Insurance Overpayments

Beginning Oct. 1, 2007, retirees who have an outstanding overpayment under the Life and Disability Benefits Program will have their basic benefit rate increases reduced by 50 percent until their debt is repaid.

For Basic Benefit Payable					
Basic Benefit Rate	Current Contract	Oct. 1, 2007 - Sept. 1, 2008	Oct. 1, 2008 - Sept. 1, 2009	Oct. 1, 2009 - Oct. 1, 2010	Oct. 1, 2010 and After
A	\$50.90	\$52.90	\$53.10	\$53.30	\$53.55
B	\$51.15	\$53.15	\$53.35	\$53.55	\$53.80
C	\$51.40	\$53.40	\$53.60	\$53.80	\$54.05
D	\$51.65	\$53.65	\$53.85	\$54.05	\$54.30

Temporary Benefit

The temporary benefit is paid to retirees who qualify for either a total and permanent disability retirement and are not eligible for a Social Security disability income benefit, or for a mutually satisfactory retirement, and in either case have not reached their Social Security 80 percent date. This benefit is paid until that date in addition to the basic benefit described above, unreduced for early retirement. The proposed temporary benefits are shown below:

Temporary Benefit Amount Based on Retirement Dates					
	Current Contract	Oct. 1, 2007 - Sept. 1, 2008	Oct. 1, 2008 - Sept. 1, 2009	Oct. 1, 2009 - Sept. 1, 2010	Oct. 1, 2010 - and After
Rate	\$49.80	\$50.80	\$51.00	\$51.20	\$51.40
Max.	\$1,494	\$1,524	\$1,530	\$1,536	\$1,542

30-and-Out Supplement

The 30-and-out benefits will be increased \$150 for workers who retire before their Social Security 80 percent date during the term of the agreement. This will increase the 30-and-out income from the current \$3,020 to \$3,170 per month in the fourth year of the agreement. The 30-and-out monthly benefits for workers who retire under the proposed agreement are displayed below:

30-and-Out Supplements for Benefits Payable				
Current Contract	Oct. 1, 2007 - Sept. 1, 2008	Oct. 1, 2008 - Sept. 1, 2009	Oct. 1, 2009 - Sept. 1, 2010	Oct. 1, 2010 and After
\$3,020	\$3,140	\$3,150	\$3,160	\$3,170

Current Retirees

Basic Benefit and 30-and-Out Supplement

The UAW has once again remembered our retirees and surviving spouses who retired prior to Oct. 1, 2007. In this proposed agreement, the basic benefit rate has been increased by \$2 per month per year of credited service. Those retirees receiving a 30-and-out supplement will receive a \$120 increase in the total amount payable to them, inclusive of the basic benefit rate increase. All increases are effective Oct. 1, 2007.

Temporary Benefit and Interim Supplement

Retirees receiving a temporary benefit will receive an increase of \$1 per month per year of credited service, to a maximum of \$30 per month. Retirees receiving an interim supplement will receive an increase of 95 cents per month per year of credited service, reduced if retirement was before age 60. These will be paid in addition to the increased basic benefit.

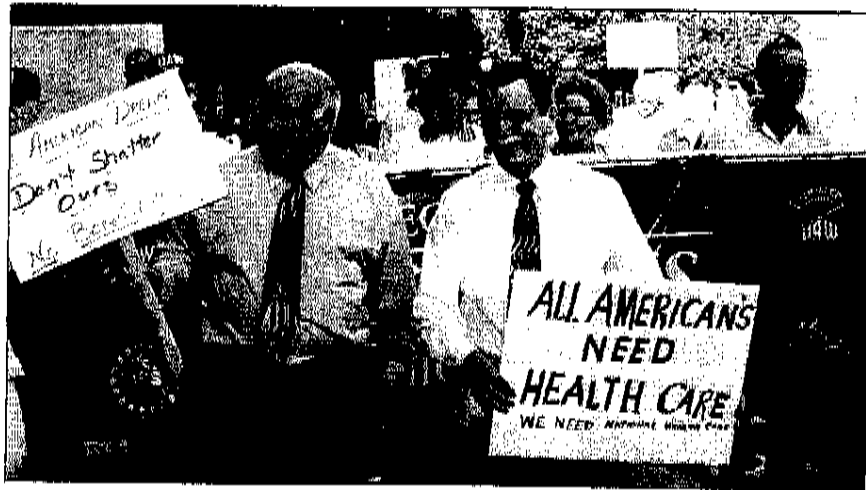
Retiree Lump-Sum Bonus

UAW GM retirees and surviving spouses, whose benefit started before Oct. 1, 2007, will receive four lump-sum payments during the proposed 2007-2011 agreement. The payment for December 2007 will be \$700 for all retirees and \$455 for all surviving spouses. The lump-sum payments to be made in December 2008, December 2009 and December 2010 will be \$23.33 times years of credited service, with a minimum of \$233.33 and a maximum of \$700. Surviving spouses will receive 65 percent of the retiree amount. Examples are as follows:

Years of Credited Service	Payment To	
	Retiree	Surviving Spouse
10	\$233.33	\$151.67
20	\$466.67	\$303.33
30	\$700	\$455

Special Survivor Option

Benefits under the special survivor option will be increased to \$14.10 per month per year of credited service, effective Oct. 1, 2007.



UAW President Ron Gettelfinger, center, and Vice President Cal Rapson, left, march with active and retired UAW members as talks kick off in July.

Delphi "Gap" Issues Resolved

Your bargaining team was determined to further protect former GM workers impacted by the Delphi spin-off. As a result, under this proposed agreement these workers, both active and retired, will receive the same pension increases, pension lump sums, and Social Security "creep" benefits as similar GM workers.

Improving Participation and Performance in the Personal Savings Plan (PSP)

As a result of recent federal legislation and in an effort to boost members' retirement savings, a new automatic enrollment program will become effective July 1, 2008, or as soon as practicable thereafter. This program will apply to future hires and members who currently do not participate in the savings plan.

Under the auto-enrollment program, 3 percent of eligible weekly earnings will be deducted from pay and contributed into a default fund if a different investment choice is not selected. Members who do not want to participate in a Personal Savings Plan (PSP) will be able to opt out of the program within the 90-day advance notice and election period.

The default funds are life-cycle funds, designed to be growth-oriented at younger ages and protective of assets at ages approaching retirement. Per current PSP rules, members in the program can change investment selections and contribution percentages at any time. Auto-enrollment programs have been successfully implemented at a number of companies and can enhance the PSP as a valued supplement to our pension plan.

In addition, it is well-known that small differences in funds' fees and expenses can have a dramatic effect on investment returns over the course of a working career. Accordingly, the UAW and the corporation agreed to jointly select an independent consultant in 2009 to evaluate the fees and expenses charged to members, as well as the performance of all funds in the PSP.

New Investment Option

The proposed agreement adds the Ariel Fund (a Mid Cap Blend Fund) as an additional investment choice for our members.

Phased Retirement Study

The Pension Protection Act of 2006 liberalized provisions relating to workers' eligibility for phased retirement, an option whereby a worker can transition to retirement by gradually reducing worktime and gradually increasing retirement time. The UAW and the corporation agreed to study the feasibility of offering a phased retirement program on a pilot basis.

Social Security "Age Creep" Patch

The Social Security "age creep" adjustment, first negotiated in 1999, is extended through this agreement. Current and future retirees younger than 63 will continue to receive supplements or temporary benefits to which they are entitled until they reach their so-called 80 percent date.

A MESSAGE TO UAW GM RETIREES

From UAW President Ron Gettelfinger, UAW Vice President Cal Rapson,
and the UAW GM National Negotiating Committee

Dear Brothers and Sisters,

Two years ago we made a difficult decision to support limited reductions in retiree medical benefits for UAW-represented GM retirees. Our bargaining committee resisted this effort at major cost-shifting, and made key improvements while maintaining comprehensive health care coverages. That decision was intended to help secure your medical benefits for the long term by assisting GM in addressing its significant financial difficulties. In that process, we insisted on protecting our most vulnerable retirees – those with pensions of \$8,000 or less and a benefit rate of \$33.33 or less – by exempting them from monthly contribution, deductible and co-insurance provisions.

This year, in bargaining for a new UAW-GM National Agreement, GM again approached us seeking further reductions in your retiree medical benefits. We have spent several months in difficult and complex bargaining with GM on this subject. From the beginning we refused GM's demands for benefit reductions.

GM argued they have the right to reduce or eliminate retiree medical benefits, as they have done with thousands of their salaried retirees. That issue could have been fought in the courts once the 2005 settlement expired in 2011. If GM prevailed in their argument, they would have the legal right to modify or even terminate your medical benefits.

Needless to say, we argued strenuously that GM does **not have the right to modify your benefits, even after the expiration of an existing labor agreement. While we feel confident of that position, going to court always involves risk. We wanted to avoid the uncertainty that would be created had we been forced to rely on the courts to resolve the matter.**

In addition, while we believe that GM is both legally and morally obligated to pay retiree medical benefits, the company's obligation is largely unfunded. Continued benefits depend on GM's financial health. If GM were to file for bankruptcy, retiree medical benefits could be cut or eliminated entirely. Unlike pension benefits, there is no required funding – and no government backstop – to protect retiree medical benefits. We have seen thousands of retirees at other companies lose their retiree medical benefits completely when the employer that promised to pay them sought "protection" in the bankruptcy courts.

We do not ever want to see UAW GM retirees in that position.

In these negotiations, we have obtained GM's agreement (subject to ratification and court approval) to establish a funding mechanism that will protect your retiree medical benefits – at current levels – through establishment of a Voluntary Employee Beneficiary Association (VEBA).

A VEBA is an independent trust fund, similar in many respects to a pension trust. Money contributed to the VEBA can only be used to provide your health care benefits. It can never be used for any other purpose. Even if GM were to someday file for bankruptcy, the money in the VEBA would be secure.

Our most important principle in these discussions was that the VEBA must be funded with sufficient cash and other assets to provide lifetime solvency based on current levels of medical benefits, using reasonable assumptions about health care inflation, investment returns and numerous other factors.

We spent many weeks in intensive negotiations focused on achieving that goal. Throughout this process, we enlisted the help and assistance of outside experts, including Lazard Freres and Milliman, two of the best investment banking and actuarial firms in the country. We made it clear to GM that we would never agree to a VEBA that was "short" on the funding required to provide benefits at current levels on a lifetime basis.

We are pleased to report that after months of difficult bargaining, GM finally agreed to fund the VEBA in a manner sufficient to provide benefits at current levels on a lifetime basis for current and future retirees, based on reasonable projections.

A significant part of the VEBA funding described below is derived from sacrifices made by active members, including continued deferral of the September 2006 3 percent wage increase, continuation of the 2 cents-per-quarter COLA diversion from the 2005 agreement, an additional 4 cents-per-quarter COLA diversion over the 2007-2011 agreement, and conversion of the value of a wage increase otherwise payable in 2008 into an ongoing contribution to the VEBA beginning in 2009. Along with all UAW GM active employees, we are united in our desire to support and protect our retired brothers and sisters, and we are very proud of the agreement we have achieved.

Under the tentative agreement:

- GM will continue to provide retiree medical benefits without change through Jan. 1, 2010, at a projected cost of roughly \$5.4 billion. This ongoing obligation is in addition to the VEBA funding amounts described on Page 9.

• Starting Jan. 1, 2010, responsibility for retiree medical benefits will shift to the new VEBA. The VEBA will be required to continue benefits without change, in accordance with the earlier court-approved settlement agreement, to the end of 2011.

• The funding level we have negotiated is expected to allow the VEBA to continue to provide benefits without change for the lifetime of current and future retirees. VEBA funding was calculated based on reasonable projections regarding medical inflation rates, investment returns and other factors. If actual experience is consistent with these projections, the VEBA will have sufficient assets to provide unchanged benefits on a lifetime basis. If actual experience is better than these projections (as a result, for example, of government action to finally address our country's health care crisis), the VEBA's funding status will exceed our projections, providing an additional layer of protection for your benefits. If actual experience is worse than projections (if, for example, investment returns are lower than projected on a long-term basis), the VEBA trustees may need to make benefit adjustments to maintain long-term solvency. But we have made every effort to obtain the necessary funding to minimize that risk. Your bargaining team believes the risk of a future VEBA shortfall is clearly preferable to the risk of relying on GM to continue providing retiree benefits indefinitely.

• In order to achieve long-term solvency, we did have to make one assumption about future cost savings. The 2005 settlement requires that monthly contributions (currently \$10 single/\$22 family) and co-pays and deductibles can increase by no more than 3 percent each year through 2011. Under the VEBA funding projections, we have assumed that this 3 percent cap on inflation increases remains in place through 2015 but will move to 4 percent starting in 2016. This change will have a relatively small impact. For example, in 2018 it would mean an expected monthly contribution \$1 higher than it otherwise would have been. Twenty years from now, in 2027, the impact of the change would still be only \$5 per month. Again, the actual experience of the fund may be better or worse than the projections, which may require the trustees to adjust these or other provisions over time.

In addition to GM's obligation to continue the existing programs through Jan. 1, 2010 (at a cost of \$5.4 billion), GM will provide funding for the VEBA as follows:

• \$24.1 billion, funded by GM, effective Jan. 1, 2008 (although the VEBA does not take over responsibility for providing benefits until January 2010).

• Up to 20 additional annual \$165 million payments to the VEBA by GM. These "backstop" payments are worth up to \$1.6 billion and will be made any time the VEBA's funding level is projected to be insufficient to provide current benefit levels for at least 25 years from the date of the required payment.

• A financial instrument, backed by GM, called a "convertible debenture" or "convertible note." This note will have a face value of \$4.3725 billion, and GM will be required to pay annual cash interest on this note for the benefit of the VEBA. In the event that the price of GM common stock increases above a certain level, the VEBA trustees may convert the note to GM stock, and then sell this stock, in order to diversify assets in the trust. This "conversion" mechanism allows the VEBA to benefit from increases in GM's stock price. For example, if the price of GM's stock increases approximately 50 percent anytime over the next five years, the value of the note would exceed \$6 billion. If the "conversion" is not triggered, the note will continue in effect and the trustees can enforce GM's obligation to pay the trust the face value of the note, along with accrued interest.

• A "pension pass through" arrangement, under which each retiree and surviving spouse currently receiving pension benefits will receive a special monthly pension benefit of \$66.70, offset by a \$51.67 contribution to the VEBA. Both the special pension benefit and the new VEBA contribution amount are fixed and will not escalate over time. The pension benefit is higher than the contribution requirement because it will be treated as taxable income in most situations. The combination of this special pension benefit, coupled with the additional VEBA contributions, will have little or no impact on the average retiree, since the special pension benefit will be sufficient to cover both the additional contribution to the VEBA and the payment of any additional taxes.

In addition to securing health care funding through the new VEBA, we put a high priority on improving pension incomes for current retirees. We are proud that the tentative agreement includes improved pension benefits for all classes of retirees, together with lump sums in all four years of the agreement. These increases will protect our retirees' standard of living and will more than offset the cost of past and future Medicare premium increases.

We know that despite our efforts to minimize the impact of the health care changes negotiated in 2005, the additional monthly contributions, co-pays and deductibles have been difficult for many retirees and their families. We entered these negotiations determined to safeguard the health benefits and economic security of UAW GM retirees, so that you can look forward with confidence, not uncertainty. We are proud that we have been able to accomplish that goal to protect you and your family.

In grateful solidarity for your contributions to our union,

Ron Gettelfinger, Cal Rapson and your UAW GM National Negotiating Committee

UAW Wins Product Guarantees, Moratorium on Outsourcing

Jobs Protected

A key goal for UAW bargainers during these negotiations was to retain and expand the employment available to UAW members at GM's U.S. facilities. We succeeded in winning unprecedented guarantees to allocate specific products to current GM facilities. These groundbreaking commitments not only protect the jobs of our members, but also maintain economic opportunities in the communities in which GM does business.

GM made binding commitments to retain the current product allocation at 16 UAW-represented assembly plants through the life of this agreement. Our bargaining team also won commitments for investment and future product allocation for 12 of these U.S. assembly plants, with two more assembly plants allocated future product depending on the demand and the business case for the particular product. These same commitments extend to a majority of powertrain, metal fab-

rication and service parts operations.

For the first time ever in a national agreement, GM has committed to the UAW that specific vehicles will be built in specific plants, and the life cycle of these products has been identified. In several instances, the commitments extend beyond the life of the current agreement to include the production of the next generation of vehicles through the next product cycle.

These production commitments, along with a moratorium on outsourcing, protect the jobs of tens of thousands of UAW members at GM. These commitments will have a positive effect on the employment of thousands of workers at related supplier plants and will help maintain the economic contribution of GM facilities to the local and regional economies in which they are located.

By winning specific allocations for vehicles in UAW-represented assembly plants (see list on next page), the agreement also protects UAW jobs in related powertrain, metal fabrication and service parts operations (SPOs.)

Moratorium on Outsourcing

The company has agreed to a moratorium on outsourcing for core vehicle production and noncore operations in areas such as subassembly and cockpits. Work in noncore areas representing in excess of 16,000 UAW-represented jobs will be retained as a result of GM's agreement to this moratorium, which will last for the term of the agreement, or during the product lifecycle, whichever is longer.

GM Commits to Insourcing

In response to our bargaining team's demand that GM take action to maintain and expand its U.S. manufacturing base, the company has agreed to insource work totaling 3,000 jobs during the life of the agreement. In addition, more than 3,100 jobs related to noncore product work will be evaluated for insourcing.

Hiring Obligations and Area Hires

During these negotiations, the parties agreed that the hiring obligations under the 1999 and 2003 UAW GM National Agreements were fulfilled by flowback of Delphi workers to GM and the offer of permanent jobs to workers who are currently temporary employees.

In order to offer greater flexibility to UAW-represented workers, the company also agreed to expand the area hire for GM Powertrain in Tonawanda, N.Y., to include Delphi Rochester, and to expand the area hire for General Motors Wilmington, Del., to include GM Powertrain Baltimore.

SUB Increased and Improved

Our UAW bargaining committee secured an agreement that increases the JOBS and SUB funding cap from \$3.9 billion to \$4.1 billion.

In addition, the maximum benefit will be increased from \$190 to \$200 weekly for a worker on a qualifying layoff who is not receiving a state system benefit per Article I, Sec. 1 (b), or who refuses a company work offer that the worker has a right to refuse pursuant to the local seniority agreement.

Because the Guaranteed Income Stream (GIS) program has been dormant for some time, the parties agreed it will be eliminated. However, in the event that these funds are exhausted before the expiration of the 2011 agreement, the GIS pro-

gram will be immediately reinstated under the terms of the 2003 Supplemental Agreement (Exhibit E).

Plant Closing and Sale Moratorium

GM has agreed that it will not close, idle, nor partially or wholly sell, spin off, split off, consolidate or otherwise dispose of, in any form, any plant, asset or business unit of any type beyond those which have already been identified. Three facilities have been identified by GM as exempt from the plant closing moratorium: SPO in St. Louis, Livonia (Mich.) Powertrain and Massena (N.Y.) Powertrain.



UAW GM REPORT

Highlights

Unprecedented product guarantees protect tens of thousands of UAW jobs, maintain U.S. manufacturing base to support our communities.

Total moratorium on outsourcing, and GM also agrees to *insource* more than 3,000 UAW jobs.

Economic gains total \$13,056 for a typical UAW GM worker during the four-year agreement.

Gains include a \$3,000 signing bonus, two 3 percent lump sums and one 4 percent lump sum.

Cost-of-living protection formula is maintained, adding to workers' incomes in each year of the contract. Under terms of the 2005 Memorandum of Understanding and the proposed new agreement, a portion of COLA will be diverted to fund active and retired health care.

Comprehensive health care maintained for active workers.

GM to pay \$29.9 billion to pre-fund retiree health care through a Voluntary Employee Beneficiary Association (VEBA); company also contributes \$5.4 billion in pre-VEBA costs for retiree health care.

Future pension benefits boosted, plus lump sums for current retirees.

3,000 temporary workers gain permanent jobs at GM.

Health and safety protections improved, including noise abatement, protection against chemical exposure and confined space risk, reduced exposure to metalworking fluids, improved ergonomics design process.

Skilled trades gain 20-cents-an-hour tool allowance, enhanced training on new technology, agreement by GM to hire 1,500 new apprentices.



UAW President Ron Gettelfinger, center, Vice President Cal Rapson, left, and the UAW GM National Negotiating Committee won a landmark contract at GM.

New Contract Protects UAW Jobs

It took a two-day strike, extraordinary solidarity and more than two months of tough bargaining for 73,000 UAW members at General Motors to bring home a new contract with unprecedented product and investment commitments.

With the protection of U.S. manufacturing jobs at the top of the union's bargaining agenda, UAW negotiators insisted on — and won — solid pledges from GM to build specific products in specific plants.

GM also agreed to a moratorium on outsourcing, a pledge to *insource* more than 3,000 UAW jobs and a commitment to hire 3,000 temporary workers as permanent GM employees.

"For too many years, America has stood idly by while industries moved overseas," said UAW President Ron Gettelfinger. "U.S. autoworkers made a decision: We were fighting for U.S. auto jobs. We made progress at GM, and we're going to continue to advocate for a strong U.S. manufacturing sector."

The tentative agreement, reached at 3:05 a.m. Sept. 26, delivers solid economic gains for active and retired members, despite repeated attempts by GM to impose harsh takeaways.

The agreement will deliver more than \$13,000 in economic gains for a typical UAW member, including a \$3,000 signing bonus, two 3 percent lump sums and a 4 percent lump sum.

Active workers will see their comprehensive health care coverage continue, with dental, hearing and other benefits improved. Retired workers will have their

health benefits secured by a Voluntary Employee Beneficiary Association (VEBA), prefunded by GM with \$29.9 billion in cash and other assets. The fund can only be used to pay retiree health benefits, and will remain solvent for decades regardless of the financial condition of GM.

The proposed contract will also deliver benefits to current and future retirees, with four lump-sum payments for current retirees, and a raise in basic benefit rates, the 30-and-out supplement, temporary and interim benefits for future retirees.

"The company came into these talks looking to shred our contract to pieces," said UAW Vice President Cal Rapson, who directs the UAW GM Department.

"But you can't tear apart a group that stands together the way UAW members do."

The new agreement also requires contributions from active UAW members to benefit retirees, and an adjustment in wage schedules to encourage new hiring at GM. Resources that would have gone to a general wage increase for active workers will instead be used to contribute to the VEBA to fund retiree health care benefits, and GM will have the right to hire entry-level workers at a lower wage rate for certain "non-core" operations.

"We're dealing with the realities of a highly competitive industry that does not operate on a level playing field," said Rapson. "We've negotiated a realistic agreement that protects existing manufacturing jobs, and also creates the possibility for future growth."

PRODUCT COMMITMENTS AT GM ASSEMBLY FACILITIES

Plant	Product
Arlington, Texas	GMT 900 truck and SUV <i>continue until 2012</i> C3XX full-sized truck and SUV replacement <i>beginning 2013</i>
Bowling Green, Ky.	Corvette and Cadillac XLR <i>continue until 2011</i> Corvette and XLR replacement product <i>beginning 2012</i>
Detroit Hamtramck, Mich.	Buick Lucerne and Cadillac DTS <i>continue until 2010</i> Global Delta MPV7 <i>beginning in 2009</i> Global Delta Volt <i>beginning in 2010</i> Global Epsilon Chevrolet <i>beginning in 2012</i>
Farfax, Kan.	Chevrolet Malibu and Saturn Aura <i>continue until 2011</i> Global Epsilon Buick and Saturn <i>beginning in 2009</i> Chevrolet large 4-door notchback <i>beginning in 2010</i>
Flint, Mich.	GMT 900 full-sized truck and heavy-duty commercial cab <i>until 2011</i> GMT 900 medium-duty truck <i>continues until 2008</i> C3XX full-sized truck and heavy-duty commercial cab <i>beginning in 2012</i>
Fort Wayne, Ind.	GMT 900 full-sized truck and light-duty pickup <i>continues through 2011</i> C3XX full-sized truck and light-duty pickup replacement product <i>beginning in 2012</i>
Janesville, Wis.	GMT 900 full-sized truck and SUV <i>continues until 2012</i> Medium-duty truck <i>continues until 2009</i> C3XX full-sized truck and SUV replacement for current GMT 900 full-sized truck and SUV products <i>beginning in 2013</i>
Lansing/Delta Township, Mich.	GMC, Saturn and Buick Lambda products <i>continue until 2011</i> GMC, Saturn and Buick Lambda replacement products <i>beginning in 2012</i> Chevrolet Lambda product <i>beginning in 2011</i>
Lansing (Mich.) Grand River	Cadillac CTS, Cadillac STS and Cadillac SRX <i>continue through 2009</i> Cadillac CTS wagon and Cadillac CTS coupe <i>beginning in 2009</i> Zeta products (two styles) <i>beginning in 2011</i>
Lordstown, Ohio	Chevrolet Cobalt and Pontiac G5 <i>continue through 2009</i> Global Gamma 4-door notchback <i>beginning in 2010</i> Global Alpha (2 styles) <i>beginning in 2011</i>
Orion, Mich.	Pontiac G6 <i>continues through 2013</i>
Pontiac, Mich.	GMT 900 full-sized light-duty pickup and heavy-duty pickup <i>continue through 2011</i> C3XX full-sized truck, light-duty pickup and heavy-duty pickup <i>beginning in 2012</i>
Shreveport, La.	H3, H3T, Chevrolet Colorado and GMC Canyon <i>continue through 2011</i> H3 and H3T replacement <i>beginning in 2011</i>
Spring Hill, Tenn.	Chevrolet Lambda <i>continues through 2012</i> Theta Epsilon SUV <i>beginning in 2011</i> Next-generation Chevrolet Lambda replacement product - demand and business-case dependent beyond 2012
Wentzville, Mo.	Chevrolet and GMC large vans <i>continue through the product lifecycle, beyond 2012</i> Next-generation Chevrolet and GMC large vans replacement for the current product - demand and business-case dependent beyond 2012
Wilmington, Del.	Pontiac Solstice and Saturn Sky <i>continue until 2012</i>

Note: Because production and GM assembly facilities require input from GM Powertrain plants, stamping and metal fabrication plants and support from Service Parts Operations, the above commitments also protect UAW-represented jobs at dozens of additional GM facilities.

Major Breakthroughs on Sourcing

Insourcing Opportunities Enhanced

Your negotiating team improved the local unions' ability to develop competitive business plans to insource work to their plants. With the UAW's upfront involvement in product and vehicle development, and the corporation's responsibility to provide all pertinent information, local unions will have a significant opportunity to insource work.

Future Product Sourcing Process Improved

The parties discussed the union's concern for receiving information relative to future vehicle programs earlier in the development cycle. Management will provide the UAW with overview information relative to vehicle programs as they pass through the Architectural Statement of Strategic Intent milestone (ASSI) for new vehicle architectures or Program Framing Initiated milestone (PFI) for mid-cycle enhancements.

Improved Information Sharing

The UAW expressed dissatisfaction with the lack of meaningful input into certain sourcing directions being contemplated by the corporation.

The International Union will now be

notified when a new manufacturing process is contemplated in order to assess potential impact on UAW members at GM.

Online Appendix L Training

The parties agreed to develop an online training module for Appendix L (Sourcing) to better assist local union jobs committees with implementing Appendix L of the National Agreement. This training will be required for the GM Global Purchasing and Supply Chain group and certain engineers responsible for sourcing activities.

Sourcing Database Update

To ensure timely resolution of Appendix L (Sourcing) issues, the parties agreed to update the current sourcing database using an online system. This will make it easier to input Appendix L notice information at the plant level. All local unions will now have access, along with appropriate International Union representatives.

Business Review Team

Your bargaining team won a new and improved Business Review Team (BRT) process that affords the union early access to key corporate manufacturing representatives at the earliest stages of General Motors Vehicle Development and Product Development Processes.

The BRT's primary role is to oversee

development of resolutions to future vehicle program sourcing issues by mutual agreement or through the use of the Net Present Value Workbook.

Gaining access to appropriate management personnel from all the corporation's divisions early in the GM Vehicle Development Process affords UAW-represented workers improved job security through prevention of outsourcing.

A key component to the BRT is the close interaction between members of the BRT and the study plant's Local Jobs Committee in order to understand the production processes used to generate financial inputs for potential Net Present Value Business cases.

Such interaction further strengthens the UAW's ability to defend existing work and potentially grow the business by insourcing new work opportunities that cannot be resolved by the manufacturing chief engineer.

Members of the BRT include UAW sourcing staff representatives, UAW future product sourcing representatives, the GM manufacturing chief engineer responsible for the vehicle program being studied, as well as the manufacturing manager and program manager for North American Manufacturing Stamp- ing and Powertrain Divisions.

Tuition Assistance, Training Successfully Retained

Education and Training

Despite management's insistence on eliminating training programs and tuition assistance, the union steadfastly refused and successfully retained the programs with increases for tuition assistance for active and retired members. The UAW also retained the Dependent Scholarship Program that provides tuition assistance for dependents of active and retired members.

Tuition Assistance

Active UAW-represented workers will be eligible for an additional \$400 of tuition assistance per calendar year for degree-related courses, raising the total annual benefit to \$5,000. The degree-related book allowance was raised \$100 to \$200 annually.

Your bargaining team was also successful in broadening eligibility for degree-related courses to include those UAW workers on approved military or

educational leaves of absence.

Retiree tuition assistance was increased \$250, for an annual benefit of \$1,750. The proposed agreement expands approved retiree TAP locations to include classes at UAW regional offices or the UAW Family Education Center at Black Lake.

The union succeeded in retaining the Dependent Scholarship Program that provides tuition assistance to children of active and retired members. Your negotiators were able to resist the corporation's push to eliminate this program and were able to maintain scholarships for eligible dependents at an annual level of \$1,500.

Joint Learning Centers

The parties agreed to implement Joint Learning Centers in each UAW GM facility. They will replace the current Skill Center program and maintain in-plant learning opportunities for members, spouses and retirees through traditional classroom methods, along with the latest self-paced

and online learning technologies.

Active Worker Training

To further enhance the ongoing commitment to maintain a well trained, highly skilled workforce, the union strengthened the process for union involvement in the identification and delivery of training for UAW-represented workers. The new language requires the development of a jointly approved training plan for all UAW worker training activities and ongoing local joint monitoring and national party reviews to ensure implementation. The union also secured a commitment from the corporation to provide a new computerized system for the planning, tracking and reporting of UAW training activities.

Additional Joint Funds

The UAW was successful in retaining the formula and commitment to fund all joint activities.

Job Security Program Improved

UAW negotiators made substantial improvements to the landmark job and income security program. The Secure Employment Levels (SEL) benchmarks have been eliminated and all seniority workers are covered as of the effective date of the proposed agreement. Changes make it possible for entry-level employees to become traditional employees to fill vacancies.

Allowable reasons for layoff remain the same, as does the 48-week maximum layoff period.

JOBS Cap Increased

The union achieved an increased level of commitment to provisions of the JOBS fund. The JOBS cap was increased to \$2.211 billion over the life of the agreement.

Attrition Replacement

In the proposed program, attrition replacement covers 100 percent of the membership, with only two exceptions. Attrition replacement will be delayed during a market driven-related layoff. And when a plant has workers on protected status, attrition replacement will be handled in accordance with Document 118 of the National Agreement. The number of jobs outsourced minus the num-

ber of jobs insourced will be treated as attrition on a unit basis.

When a traditional worker quits, dies, retires or is placed on salary, he or she will be replaced as soon as possible, but in no event longer than 30 days. Under the proposed job security program, production employees will be replaced as follows:

- Recalling a seniority worker from layoff from the facility.

- Rehiring a worker with Paragraph (64) rehire rights.

- Hiring a laid-off worker from the area hire.

- Allow an in-plant entry-level worker from the facility to become a traditional employee. When this occurs, that worker will be covered by the JOBS program.

- Hire a new entry-level employee.

Skilled-trades workers will be replaced as follows:

- Recall a seniority worker from layoff at the facility.

- Rehire a skilled worker with Paragraph 64 rehire rights.

- Rehire a laid-off worker from area hire.

- Transfer a skilled-trades employee working in production into the trade, or place an apprentice, or place a Document 63 retrained journey person.

- Hire a new skilled-trades worker.

Protected Status Employee

A protected status employee will remain in protected status for no more than two years if there are job openings in the corporation. If during the two-year period no jobs are available and workers remain on protected status, the national parties will develop a plan specific to each location.

Protected Status Employee Pay Options

A protected status employee assigned to a plant job will receive his or her regular straight-time hourly rate. Protected status workers not assigned to a plant job have the option of receiving 85 percent of straight-time hourly rate and not report to a designated location. Protected status workers can remain in the plant or report to a designated location and receive 100 percent of their straight-time hourly rate.

In certain circumstances the national parties may agree that placement on protected status at the 85 percent rate is mandatory.

Special Attrition Program

A nationwide Special Attrition Program will be offered in accordance with previous attrition programs.

UAW Secures Agreement to Make 3,000 Temporaries Permanent

In a major achievement, UAW negotiators gained agreement that 3,000 workers who are currently classified as temporary will become traditional employees on the effective date of the 2007 agreement.

Hiring will be handled on a plant-by-plant basis. Current temporaries who are converted to permanent status will become seniority employees and will be provided health care benefits upon the effective date of the new agreement. They will receive the same wages as traditional GM workers in accordance with the provisions of Paragraph 98 of the UAW GM National Agreement.

For the purpose of a plant seniority tiebreaker, the worker's date of hire as a temporary employee at their current plant will be used.

All temporaries on the rolls as of the effective date of the proposed agreement are eligible for a \$3,000 settlement bonus.

Changes in Employee Placement, Relocation Allowances Increased

Your UAW bargaining team successfully negotiated improvements to the employee placement process that will increase money available to workers who relocate and remove the disadvantage to workers in locations with a lack of excess employees. Offers will now be made in seniority order.

In the event of a permanent opening at a GM facility, the existing procedure will be used. However, area hire applicants will be accepted from active workers from plants with or without excess employees.

Workers who transfer on extended area hire will receive the new \$30,000 relocation, regardless of whether excess exists.

Option 1 – Enhanced Relocation

The union was successful in gaining an increase in the relocation allowance to a maximum of \$30,000, of which \$6,000 will be provided as a signing bonus to cover miscellaneous up-front cash expenses. An additional \$16,000 will be paid to the relocated employee at the new location.

After one year of employment, the relocated worker will receive \$8,000 if he or she continues to be employed at the new location.

Option 2 – Basic Relocation

The union gained elimination of the relocation allowance based on mileage from the relocated plant to the new location. All workers accepting this option will receive \$4,800, regardless of mileage.

Employment Placement System Upgraded to Web-based

The parties have agreed to upgrade the Employee Placement System that will be housed and maintained at the UAW-GM Center for Human Resources



UAW bargaining committee members strengthened the employee placement process.

(CHR).

The Web-based placement system will provide much more information regarding the status of applications, openings and plant and community information. It will also speed up confirmation of applications filed and updating of employee applications. Separation of data for production and skilled-trades workers will also be accomplished.

Long-Term Temporary Employees

The parties discussed the need for employees to be hired on a long-term temporary basis (i.e., new product launch, Special Attrition Program transition).

It was agreed that long-term temporary employees may be hired for a period of up to one year. Long-term temporary employees hired into traditional jobs will be paid 70 percent of the traditional rate. Those hired into noncore operations will receive the noncore starting rate with progression available.

Long-term temporary employees shall accrue no credit toward acquiring seniority. However, in the event such employees become full-time, they shall receive credit for time worked and establish a plant seniority date as of their date of hire as a long-term temporary employee.

Such employees are not covered by the benefit or pension plans. The active health care plan for long-term temporary employees will be the same as the entry-level plan with these two exceptions: There will be no Flexible Spending Account and drug coverage is capped at \$1,000/year per contract. When the enrollee hits the cap, he or she will be eligible for discounted drugs through Medco.

Requests for temporary employees (summer vacation replacements) and long-term temporary employees shall be made to the national parties for mutual approval. Both temporary employees and long-term temporary employees will be considered for entry-level job opportunities.

Health and Safety

The health, safety and well-being of UAW members in GM facilities was again a top priority for your UAW bargaining team during this round of negotiations. Building on previous achievements, union negotiators won new improvements in ergonomics, lockout control, health and safety training, reducing exposure to hazardous substances and other important health and safety protections.

Annual Plant Emergency Exercise

The UAW improved plant emergency and take-shelter exercises. Under the proposed agreement, evacuation and take-cover drills will be performed in real-life situations on all shifts when workers are present.

Improved Access to OSHA Information

The UAW will be notified on a monthly basis of OSHA citations, communications, findings and settlements in UAW-represented facilities.

Lockout and Energy Control

Any time changes are proposed to the lockout process or Monitored Power Systems (MPS), such changes must be first approved by the Joint Local Health and Safety Committee. The changes will then be communicated to all affected employees, including skilled trades, to ensure compliance prior to implementation.

All plants will also be required to conduct an annual review of MPS and lockout placards. Records of this annual review will be tracked by the Plant Safety Review Board (PSRB) to ensure compli-

Chemical Exposure Protection Improved

The UAW has gained commitment from the corporation to utilize professional hygiene practices and methods to evaluate and control exposure to all chemical hazards and other harmful agents such as radiation, lasers and new technology.

This process will involve investigation of all exposure routes, such as absorption, inhalation and others, utilizing the Hierarchy of Controls.

Medical Surveillance

Whenever renovations, demolitions and construction operations are being planned, the Plant Safety Review Board (PSRB) will ensure that health and safety considerations are addressed, including

medical surveillance of all workers potentially exposed during these operations.

Confined Space Entry

Personnel who perform atmospheric testing of confined spaces will be required to meet new qualifications, as agreed to in these negotiations.

To further ensure our members' safety, new parameters for all atmospheric tests will be developed by the National Joint Committee (NJC). The Industrial Hygiene Technician (IHT) will be involved in the identification and development of evaluation of control methods and participate in the annual program review.

Noise Abatement/Control Program

In areas where hearing protection is required, each Plant Safety Review Board (PSRB) will direct the plant Noise Control Committee to develop plant noise abatement programs to reduce noise levels. Progress reports will be reviewed by the National Joint Committee (NJC).

Additionally, the Industrial Hygiene Technician (IHT) will play an increased role in the plant noise control committee. During the annual sound survey, the IHT will assist in the collection and subsequent analysis of noise data.

Emergency Response Teams

To further protect UAW members, the parties agreed that the Plant Safety Review Board (PSRB) at each site will ensure that an emergency response plan is in place which addresses all Emergency Response Team (ERT) training, concerns and situations specific to their location.

Lektro Pick Vehicles

Lektro Pick Vehicles (LPV) have been the source of numerous serious injuries from accidents. The union was successful in getting the corporation to agree to remove all LPVs at GM SPO facilities by September 2008.

Health and Safety Training

The union expressed concerns over the use of non-UAW-GM health and safety training courses or development of such courses. Only those training courses approved by the National Joint Committee (NJC) will be used.

Any course development or training courses by outside contractors or GM University must have prior approval by the NJC and must meet UAW-GM Health and Safety guidelines.

Metal Removal Fluids

During these negotiations the union demanded that exposures to Metal Removal Fluids be substantially reduced. As a result, the corporation agreed to take numerous steps toward reducing exposure to Metal Removal Fluids. Some of these steps are:

- GM will establish a priority tracking process for all personal exposures greater than .05 mgm³ on an 8-hour time weighted average. The tracking process data will be reviewed by the PSRB and the Divisional Review Board to ensure that exposure to Metal Removal Fluids are reduced in all areas.
- Activities such as personal air sampling, ventilation checks and medical surveillance will be increased.

WFG Compliance With Joint Health and Safety Policies

At the insistence of the UAW, the corporation has agreed that Worldwide Facilities Group (WFG); Controls, Conveyors, Robotics, and Welding (CCRW); or any other GM groups will comply with all UAW-GM health and safety practices and procedures, and the National Agreement when they perform a service within a UAW-represented location.

WFG will now have a representative at the Plant Safety Review Board (PSRB) to address any health and safety issues raised by the UAW.

Bus-way Plug Unit Safety Improved

To further protect UAW skilled-trades members, a standard policy will be applicable to every UAW-represented GM facility regarding energized systems. The parties agreed that the practice of installation or removal of bus-way plug-in units will only be performed with the bus-way unit de-energized.

If it is not feasible, the guidelines set forth in Section 6 of the GM Standard for Electrical Safe Work Practices must be followed.

Improved Health and Safety Data

The UAW sought to improve health and safety data available at the local level. As a result, management agreed to update and replace the Health Information System (HIS) with a new system – Medgate – that combines both medical visits information and industrial hygiene data. The new system will make it easier to analyze injury/illness as well as input, retrieve and analyze air sample data.

The new system will allow the local Joint Health and Safety Committee (LJHSC) to generate special reports as needed for analyzing injury/illness trends.

New Technology Specifications and Training

New language mandates that management notify the UAW during the product development process to review potential health and safety issues. A joint team will lead this process to ensure compliance.

A representative from the Manufacturing and Engineering Group will meet with the National Joint Committee (NJC) to review advancements in technology that may impact health and safety.

Ergonomic Analysis Improvements

The UAW made huge strides by gaining new job analysis methods to analyze and redesign work tasks. With

these tools, the Joint Ergonomic Technicians Team (JETT) will identify and correct more jobs that cause strains and sprains.

The corporation also agreed to use the 1991 NIOSH lifting equation. This assessment tool significantly improves protection for our members from the risks of jobs that require lifting, bending or twisting.

A revised Risk Factor Checklist that includes 2007 American Conference of Governmental Industrial Hygienist Hand Activity Level Threshold Limit Value (HAL-TLV) will give UAW health and safety representatives a stronger tool for evaluating risks to the upper extremities.

Ergonomics Design Process 21 (EDP 21)

The UAW Joint Ergonomic Technicians Team (JETT) will now have more opportunities to address issues. JETTs will now have the right to open jobs for evaluation and repair two months after they start the T-4 process, or when they exit T-4, whichever comes first. Issues will be tracked in the Technical Ergonomics Database (TED).

Contractor Compliance With UAW-GM Work Practices

Any time outside contractors perform work that can adversely impact UAW members' health and safety, the corporation will require the contractor to abide by local UAW-GM safe work practices.

As currently established, the Plant Safety Review Boards (PSRB) will monitor contractor activity to ensure compliance.

Hazard Evaluations Established

In response to the deep concerns of the UAW, the corporation will now direct supervisors to evaluate job assignments when members are assigned hazardous jobs that may lie outside the scope of their regular work.

The supervisor will be responsible for providing a written Safe Operating Procedure (SOP) and Pre-Task Safety Plan, detailing precautions the members must take to perform their task(s) safely. The SOP

and Pre-Task Safety Plan will be developed with input from the Local Joint Health and Safety Committee (LJHSC) and the Joint Skilled Trades Safety Team (JSTST). Mutually agreed-upon local practices will not be changed or restricted.

Pedestrian Vehicle Safety

Powered industrial vehicles are a source of injuries and accidents. A joint team will be established by the National Joint Committee (NJC) to identify and develop safety innovations for powered vehicles (such as presence sensing devices and audio-visual alarms) to help eliminate pedestrian-vehicle incidents.

Unescorted GM Employee's Policy Established

Unescorted GM employees who are in UAW-represented GM plants for purposes of developing production processes, installing product launch equipment and other projects must now adhere to local UAW-GM health and safety requirements. The Plant Safety Review Board (PSRB), with input from the Local Joint Health and Safety Committee (LJHSC) and the Joint Skilled Trades Safety Team (JSTST), will ensure compliance.

Joint Research and Occupational Health Advisory Board

The UAW worked hard to ensure that studies for future research projects that impact members' safety continue. As a result, the Occupational Health and Safety Advisory Board (OHAB) will remain intact, and all current and future research commitments will continue.

In an effort to utilize joint research funds more effectively, the National Joint Committee will also investigate opportunities for jointly sponsored health and safety research with the UAW-Ford National Joint Committee for Health and Safety and the UAW-Chrysler National Joint Committee on Health and Safety.

Changes in Attendance Procedure

Changes in the Special Procedure for Attendance

There was considerable discussion about the union's insistence on preserving jobs and obtaining new work in the current highly competitive environment and the company's concern for continued reduction in absenteeism. As a result, changes have been negotiated in the existing Special Procedure for Attendance.

Prior Approval Removed

The parties agreed that sometimes absenteeism is the result of unforeseen problems in a worker's life. Therefore, members will no longer be required to have approval from management prior to using 40 hours of their Vacation Restricted (VR) entitlement. However, during each eligibility year employees will be limited to a maximum of five instances where vacation restricted time will be allocated to an absence that was not excused in advance.

Allocation of VR Hours

Absences not excused in advance will result in paragraph (194) Vacation Restricted (VR) hours being allocated to each hour of absence, up to eight hours, on each day of such absence. Use of VR hours will not be permitted, unless excused in advance, on the following days: holiday qualifying days as specified in paragraph (203) (3), the last scheduled

workday in the week preceding a Monday holiday, and the next scheduled workday in the week preceding a Friday holiday specified in paragraph (203).

Attendance Review Meeting (ARM)

Members may request a Paragraph (76a) interview prior to an assessment of an Attendance Improvement Step. This step will be initiated after a worker has used his/her five VR days. This committee will review employee absences, due to documented extraordinary circumstances beyond their control and may request an Attendance Review Meeting (ARM) be convened. The Local Joint Parties will establish an ARM Committee whose staffing will be determined by the Chairman of the Shop Committee and the Personnel Director.

Changes in Attendance Improvement Steps

The Attendance Improvement Steps has new language that defines the length of time the steps remain on a worker's record. Modifications have been made to the Attendance Improvement Steps to include changing Step (3) from balance and three days Disciplinary Layoff (DLO) to balance and one week DLO. The "Time on Record" for the current Step 1 and Step 2 has been reduced from 12 months to six months for each step.

The changes to the Special Procedure for Attendance will take effect Jan. 1, 2008.

Annual Perfect Attendance Car Voucher Drawing

The parties have agreed to recognize yearly perfect attendance by UAW-represented workers. In each of the years 2008-2011, a systemwide drawing will be held for five vouchers valued up to \$15,000 for use in purchasing a UAW-assembled GM vehicle.

To be eligible, seniority workers must have been employed by GM for the entire 12 months and worked a minimum of 26 pay periods during the calendar year of the recognition drawing. The first random drawing will be held at the end of March 2009.

In addition to the five annual \$15,000 vouchers, an additional \$6,000 (less applicable taxes) will be provided to each of the winners to cover any taxes or charges incurred as a result of the vehicle purchase.

Systemwide Call-in Number for Unplanned Absence

When absence or tardiness cannot be planned in advance, employees should make every reasonable effort to report tardiness or absence as early as possible. For all locations, a toll-free 800 number will be provided.

Paragraph 96: Discipline Record Transfer Policy

UAW negotiators gained agreement that workers transferring from one plant to another will do so with a clean disciplinary record, except if the worker has a disciplinary layoff of 30 days or more. If grievance settlement is in process prior to the effective date of the transfer and discipline is stipulated, the administrative steps will be at the receiving plant.

if designated as such by an appropriate agency of the U.S. government.

Unused Vacation Pay Rate Improved

Payment of unused portions of vacation time will be at the highest rate of pay attained during the eligibility year as long as the worker was paid at that rate for at least 120 consecutive days. The higher rate will include the night shift premium, if worked, but will not include the overtime premium.

checks are not necessary to differentiate between regular wages and supplemental wages. The parties are confident in the payroll system's ability to categorize and tax wages appropriately.

Paperless Grievance Process

To expedite grievance processing it was agreed that a "paperless grievance" process, using electronic devices for the recording of grievances, securing of employee signatures and submission of the grievance to the appropriate parties, will be developed and piloted in selected locations.

Leave of Absence for Public Emergency

Formal leaves of absence of up to 30 days may be granted to provide disaster relief in case of a public emergency

One Check for Regular and Supplemental Wages

To eliminate waste and reduce inefficiency, the parties agreed that separate

Diversity, Work/Family Programs Strengthened

Work/Family Programs Enhanced

To better serve the needs of UAW members at GM and their families, the union won recognition of the need for continuing education for UAW Work/Family representatives. Under the proposed contract, an external association is identified for UAW Work/Family representatives to join so they can further their professional development.

The parties also agreed to use the Employee Assistance Program (EAP) Specialist Certification Program training curriculum for UAW Work/Family representatives.

The confidentiality of UAW members is further protected by an agreement to purchase shredders for all Work/Family offices.

To increase awareness among local union and management leadership, the parties agreed to develop a Work/Family Programs summary on the UAW-GM Center for Human Resources Web site. Work/Family representatives will also be provided with high-speed Internet access.

Commitment to Diversity Renewed

Renewing its long-standing commitment to diversity, your bargaining committee increased the scope of diversity activities at GM by promoting continuous improvement in education, awareness and resources. The National Joint Equal Application Committee will develop and modularize diversity training so it can be used at all UAW-represented GM facilities by Local Equal Application Committees.

Diversity training will also be included in the New Hire Orientation program developed by the UAW-GM Center for Human Resources.

Problems encountered in implementing diversity initiatives will be jointly resolved by the UAW-GM assistant directors responsible for administration of the UAW-GM Diversity Program.

Pre- and Post-Retirement

In this round of negotiations, the parties reaffirmed their commitment to the pre- and post-retirement program by providing the necessary funding for preparation, implementation and marketing of the program, as well as for training program facilitators.

In addition, pre- and post-retirement information will be included in the new hire orientation program. Pre- and post-retirement materials will be available via the Internet and on the UAW-GM CHR Web site.

Child Care and Elder Care Resource and Referral

Discussions centered on costs associated with providing the Child Care and Elder Care Resource and Referral Service (CCECRR) and ways to reduce related costs. Also, the union expressed interest in UAW-GM, UAW-Ford and UAW-Chrysler meetings to discuss ways of sharing best practices and achieving continuous improvement in the operation of the UAW-GM Center for Human Resources (CHR).

The parties agreed to jointly develop a plan for performing similar services utilizing the resources at the UAW-GM CHR and on the new Joint Activity System Web site.

PEL

The parties agreed that PEL-related materials will be updated as required by the national program administrators at the UAW-GM Center for Human Resources.

Also, the parties agreed that six regional PEL sessions will continue to be supported, and one week of National PEL in Washington, D.C., and one week in Detroit will be scheduled each year. Four national PEL sessions will be scheduled each year.

Child Care

A joint study team will be formed to assess continued operation of the centers.



The bargaining committee won commitments to increase the scope of diversity activities at General Motors.

Recommitment to Quality Network

Your bargaining team negotiated a commitment to the UAW-GM Quality Network as GM's only Total Quality Management system (TQM).

This commitment recognizes the value of the Quality Network to the corporation and the UAW. The agreement includes continued funding of the Quality Network as well as improvements in the structure that enhance the UAW's involvement as a full and active partner.



Members of the UAW's bargaining team won improvements that enhance the union's involvement as a full and active partner in the Quality Network.

Planned Maintenance 'Moving Forward'

The Planned Maintenance Phase Assessment process was strengthened by the national parties agreeing that Phase Three attainment is not only a requirement but must be maintained during the length of the agreement at all plants.

Quality Network Suggestion Plan

The parties discussed the Suggestion Plan and agreed that the co-directors will establish a task team to identify and implement future improvements.

Redeployment and Meaningful Work

The union's commitment to meaningful work and employee redeployment was modified to require each UAW-represented location to submit an annual redeployment plan. The intent is not to place members in underutilized or unproductive assignments, or to circumvent the Job Security provisions of the National Agreement. The emphasis should be on redeployment to meaningful assignments, which include regular productive assignments and "nontraditional" work, as well as efforts to competitively retain or insource new work.

Quicker Response to Employee Vehicle Concerns

The bargaining team expressed concern about improving the resolution of

employee vehicle concerns through the Vehicle Promotion and Assistance Contact (VPAC) program. As a result, the parties agreed that the step-by-step process for resolving employee vehicle concerns will be expanded so that all periodic summaries of current sales promotion activities, recall and specialty policy notices will be provided to VPAC representatives. A training program for dealers will be developed to ensure their awareness and encourage their cooperation with UAW-GM VPAC representatives.

National Sales Promotion

To recognize the importance of groups like teachers, veterans and union members, the union gained agreement that a sales and marketing program will be developed to offer special sales incentives to organizations like the National Education Association, Veterans of Foreign Wars, AFL-CIO, United Postal Service and American Red Cross. A national joint committee, composed of the co-directors of the UAW-GM Leadership Quality Council support staff and representatives of GM's Vehicle Sales, Service and Marketing organization, will meet quarterly to develop programs and initiatives.

UAW-GM Quality Network - GM Global Manufacturing System (QN-GMS)

To address the union's concerns about the relationship of GMS to the UAW-GM Quality Network, a structure and process

for implementing Quality Network-GMS activities will be established in all UAW-represented facilities. This structure will be initiated by the GMS National Committee co-chairs who will become members of the UAW-GM Leadership Quality Council.

The UAW-GM Leadership Quality Council will now provide direction and support for QN-GMS. UAW-GM Quality Network Doc. 46 representatives will receive GMS training to support the QN-GMS process.

MAXIMO

MAXIMO is GM's global Computer Maintenance Management System (CMMS). To enhance the ability of UAW-GM MAXIMO users to fully perform their QN Planned Maintenance jobs, it was agreed that UAW-GM MAXIMO users, at the local level, will now have access to data generated by the global MAXIMO system. In addition, UAW-GM Planned Maintenance team members will have a voice in the process through participation in corporate advisory councils, user groups and steering committees.

Input into Annual QN Budget

It was agreed that the union will be given the opportunity to provide input into the Annual Quality Network budget. Issues that may arise will be referred to the co-chairs of the UAW-GM Leadership Quality Council.

Skilled Trades Protections Strengthened

Skilled Trades Relocation Eligibility Expanded

Skilled-trades members who have relocated as production workers will no longer be required to return to their skilled-trades classification in order to be eligible for skilled-trades opportunities at other plants.

Die Engineering Services (DES)

After years of contesting management's improper application of new technology, UAW negotiators gained significant work elements for the skilled trades previously assigned to non-represented engineering at the Die Engineering Services (DES) location.

New Technology Review, Input and Training

Advancing technology has created, and will continue to create new and complex problems impacting the work of UAW-represented GM workers.

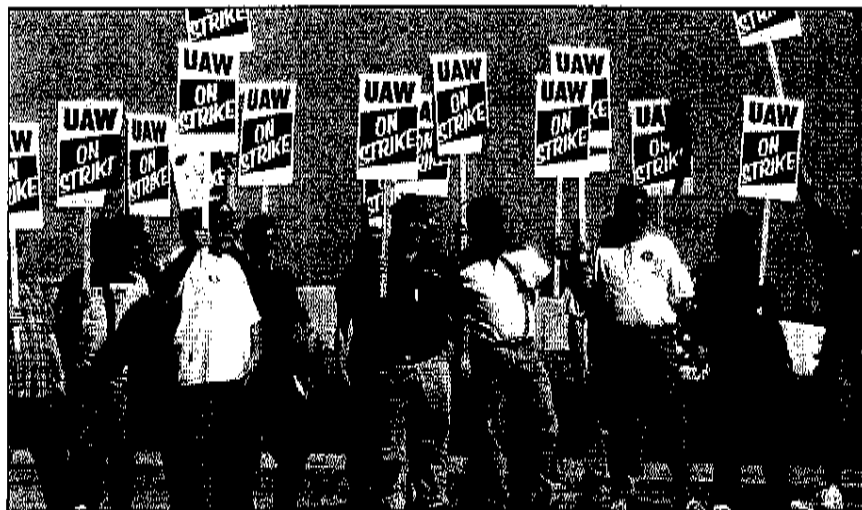
To further improve the job security of UAW skilled-trades members, the UAW Skilled Trades and Apprenticeship Committee will now meet at least twice a year with management to review any new technology introduced across multiple locations that may impact UAW-represented workers.

The Local New Technology Committee will also have regular meetings with a defined agenda that will include a training matrix and greater opportunity for union input into any new or advanced technology for their location.

The UAW addressed the need for training that is directly associated with advanced technology. To reduce the use of outside contracting and improve job security, UAW skilled-trades workers will receive specialized training to maintain their level of expertise for each evolution of new upgrades.

Preproduction Operations at GM Tech Center

Our union was able to make significant inroads in securing additional global preproduction work that would otherwise



Tedd Horton

Local 1853 members on the picket line in Spring Hill, Tenn.

erwise have been subjected to subcontracting by the Global Regional Engineering Centers.

Vehicle Development Process at GM Tech Center

Our bargaining team expressed concerns that information regarding entire vehicle build programs and related work schedules were not adequately shared with the UAW representatives at the GM Technical Center.

As a result, the corporation agreed to advanced discussions with the Shop Committee relative to preproduction vehicles and work schedules that will now be held approximately 40 weeks prior to the Integration Vehicle Engineering Release (IVER) build. This will provide greater input from the skilled-trades bargaining unit and more opportunity to secure additional bargaining unit work.

Supervisor Training Reviewed with Shop Chair

To improve management's familiarity with skilled trades' work and assignments, contract and new supervisors responsible for skilled trades' activities must review work assignments and other appropriate UAW skilled-trades work practices, agree-

ments and training. Management must also review with the shop chairperson the material and schedule prior to the delivery of the management training.

Standardized Audit Process

UAW negotiators secured agreement to add additional skilled elements to the existing skilled-trades audit process. This was done to ensure the agreements are applied uniformly and consistently across all locations and to prevent attempts at whipsawing.

Warranty Work

In an effort to preserve work and gain new jobs, our bargaining team gained agreement that management will advise the local union not only of the type and duration of warranties on equipment referenced in paragraph 183(d), but must provide full disclosure, including a training and transition plan for skilled-trades personnel to assume these responsibilities.

This applies to both current and future warranties for plant equipment. As currently agreed, the UAW may pursue alleged abuses of this understanding through the provisions on subcontracting.

Paragraph 183 Strengthened

Our bargaining team demanded more advanced input into decisions regarding the subcontracting of UAW work and greater opportunities to obtain additional new work. As a result, a uniform advanced discussion process was agreed to with an outside contractor checklist that must be used in all instances where subcontracting of skilled-trades maintenance, tool, die or weld tool work is contemplated.

The checklist provides the local union with a complete review of all the relevant factors related to the contracting which must be fully considered before a contract is awarded.

In addition, where agreements can be reached, management should pursue the easibility of using excess employees from Area Hire plants on project work under review.

Alternative Work Schedules for Skilled Trades

During these negotiations, there was considerable discussion over the issue of improving competitiveness through adopting best practices for skilled-trades maintenance operations. As a result, the parties agreed to consider alternative schedules for skilled-trades maintenance work.

It was agreed that local parties may jointly develop alternative work schedules unique to their location. If the schedule is agreed, the parties will also develop a process of implementation after approval by the UAW GM National Skilled Trades and Apprentice Committee.

100 New Apprentices

The UAW bargaining team was successful in gaining a commitment from GM to hire 1,500 new apprentices over the term of the agreement.

Computers to Support Apprenticeship Program

To retain the integrity and confidentiality of the apprentice program, while ensuring the administrative functions, the UAW insisted that the apprentice chairmen receive a computer with the apprentice administrative program software.

No Consolidation of Apprenticeable Classifications

Our bargaining team successfully resisted the corporation's attempt to consolidate the apprenticeable trades. Local unions will be encouraged as before to review existing work rules and will have the opportunity to develop self-managed skilled-trades teams.

Joint Training Funds

The UAW and GM agreed that Joint Training Funds shall cover a National Apprentice Conference for the purpose of educating and updating Local Apprentice Committees.

Whipsawing Prevented on Normal and Historical Work

Our bargaining team was successful in retaining the normal and historical work function for local unions by establishing parameters around what is appropriate for discussion at the local level.

Precision Toolboxes for Retrained Journeypersons

Journeypersons permanently re-assigned to a different apprenticeable skilled-trades classification will receive an appropriate precision toolbox if it is required within their new classification. This toolbox will not duplicate any similar toolbox that the member may have received under the terms of any other national or local provisions.

Tool Allowance

\$350 Allowance for Tools for Retrained Journeypersons

At the insistence of UAW negotiators, it was agreed that current journeypersons being voluntarily re-trained for a different apprenticeable trade will receive a \$350 allowance at the midpoint in his/her training program for purchase of tools unique to the new trade and required to perform job assignments. This allowance will not duplicate any similar allowance/grant that the employee might subsequently receive.

Tool Allowance - New EIT

Employees permanently placed as an Employee-in-Training (EIT) for the first time after the proposed agreement goes into effect will receive a maximum allowance of \$500 to purchase tools, books and supplies. An initial \$200 will be provided at the time of the EIT placement. An allowance of \$100 will be paid during each six months of continuous work until the total allowance is exhausted.

Tool Allowance Adjustment

Effective Sept. 15, 2007, each journeyperson in a skilled-trades job classification will receive a tool allowance of 20 cents per hour added to the base rate.

Additional One-Time Increase in Apprentice Tool Allowance

Apprentices entering the program after the proposed contract goes into effect will receive a one-time tool allowance of \$200 to be distributed in \$25 installments for each of the eight periods of the program. Current apprentices will receive a prorated portion of the \$200 based on their remaining training periods.

For example, an apprentice with one training period remaining will receive one payment of \$25. An apprentice with five training periods remaining will receive \$25 each period, for a total of \$125.

Retraining Tool Allowance

During these negotiations, UAW bargainers raised concerns that management is not fulfilling attrition replacements in many non-apprenticeable classifications, leaving the classifications susceptible to subcontracting.

To prevent subcontracting of these work functions, it is suggested that the local parties review their current non-apprenticeable skilled trades to discuss folding them into an apprenticeable trade(s). Skilled-trades workers affected by the change would be eligible for a \$700 tool allowance.

68 Holidays Over Four Years

A total of 68 holidays will be provided to UAW GM workers over the four-year term of the proposed agreement. The tentative agreement again retains the two national Election Days negotiated in the previous agreement.

Veterans Day will be observed on Friday the first two years of this agreement and on Monday in the third and fourth years.

The tentative agreement also maintains the Monday after Easter, the Monday commemorating the birthday of the late Rev. Martin Luther King Jr. and the paid Christmas through New Year's shutdowns.

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

2007-2008

Nov. 16, 2007	Veterans Day (Observed)
Nov. 22, 2007	Thanksgiving
Nov. 23, 2007	Day after Thanksgiving
Dec. 24, 2007	} Christmas Holiday Period
Dec. 25, 2007	
Dec. 26, 2007	
Dec. 27, 2007	
Dec. 28, 2007	
Dec. 31, 2007	
Jan. 1, 2008	
Jan. 21, 2008	Martin Luther King Jr. Day
Mar. 21, 2008	Good Friday
Mar. 24, 2008	Day after Easter
May 23, 2008	Friday before Memorial Day
May 26, 2008	Memorial Day
(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing)	
July 4, 2008	Independence Day
Sept. 1, 2008	Labor Day

2008-2009

Nov. 4, 2008	Federal Election Day
Nov. 14, 2008	Veterans Day (Observed)
Nov. 27, 2008	Thanksgiving
Nov. 28, 2008	Day after Thanksgiving
Dec. 24, 2008	} Christmas Holiday Period
Dec. 25, 2008	
Dec. 26, 2008	
Dec. 29, 2008	
Dec. 30, 2008	
Dec. 31, 2008	
Jan. 1, 2009	
Jan. 2, 2009	
Jan. 19, 2009	Martin Luther King Jr. Day
April 10, 2009	Good Friday
April 13, 2009	Day after Easter
May 22, 2009	Friday before Memorial Day
May 25, 2009	Memorial Day
(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing)	
July 3, 2009	Independence Day (Observed)
Sept. 7, 2009	Labor Day

2009-2010

Nov. 16, 2009	Veterans Day (Observed)
Nov. 26, 2009	Thanksgiving
Nov. 27, 2009	Day after Thanksgiving
Dec. 24, 2009	} Christmas Holiday Period
Dec. 25, 2009	
Dec. 28, 2009	
Dec. 29, 2009	
Dec. 30, 2009	
Dec. 31, 2009	
Jan. 1, 2010	
Jan. 18, 2010	Martin Luther King Jr. Day
April 2, 2010	Good Friday
April 5, 2010	Day after Easter
May 31, 2010	Memorial Day
(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing)	
July 5, 2010	Independence Day (Observed)
Sept. 6, 2010	Labor Day

2010-2011

Nov. 2, 2010	Federal Election Day
Nov. 15, 2010	Veterans Day (Observed)
Nov. 25, 2010	Thanksgiving
Nov. 26, 2010	Day after Thanksgiving
Dec. 24, 2010	} Christmas Holiday Period
Dec. 27, 2010	
Dec. 28, 2010	
Dec. 29, 2010	
Dec. 30, 2010	
Dec. 31, 2010	
Jan. 17, 2011	Martin Luther King Jr. Day
Apr. 22, 2011	Good Friday
Apr. 25, 2011	Day after Easter
May 30, 2011	Memorial Day
(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing)	
July 4, 2011	Independence Day
Sept. 5, 2011	Labor Day

Improvements to the ADAPT Program

The ADAPT program (Accommodating Disabled People in Transition), Document 121, was further enhanced. ADAPT is a voluntary program that enables workers with disabilities or restrictions to be retained at work, or returned to work from sick leave or workers' compensation leave to a job within their physical abilities.

Increased emphasis will be placed on job searches for seniority employees. A joint review process will be implemented at each UAW-represented facility to identify work that can be performed by the UAW workforce with restrictions and/or disabilities.

A training and certification process to improve job-related skills for the ADAPT representatives will enhance their ability to place seniority employees with disabilities or temporary restrictions in meaningful work.

A formalized process will be developed to document statements of undue hardship and unreasonable accommodation. In cases where an employee cannot be placed, management must justify that job modification is unreasonable or an undue hardship to the corporation.

Transition for Sanitation Workers

Past and ongoing whipsawing by GM reduced both the number and the

wages of sanitation workers in UAW GM facilities. The proposed agreement allows GM to exit specific sanitation functions by January 2009. UAW GM workers who currently occupy these jobs will be offered opportunities to transition to other work in their facility. If no alternative jobs are available, the worker will be "red-circled" and the job vacated through attrition.

In allowing GM to rely on contractors for sanitation work, we have won a commitment that these contractors will pay their workers well above a living wage and respect their right to join the UAW.

Job Offers to Delphi Workers

GM confirmed that Delphi workers will be made job offers in accordance with the UAW-Delphi-GM Memorandum of Understanding Delphi Restructuring.

Legal Services Maintained

Your negotiators ensured that the Legal Services Plan was maintained in this agreement. All current plan benefits will continue unchanged.

Measures will be implemented to improve the process of applying for Social Security Disability Insurance benefits (SSDIB) through the Legal Services Plan.

Sale of Business

GM reconfirmed to the union that any sale of an operation as an ongoing business would require the buyer to assume the 2007 UAW-GM Collective Bargaining Agreement. The company agreed to do so in the case of any such sale during the term of the agreement.

AOL Discount Discontinued

The current program that provides AOL Internet service at discounted rates will be discontinued. UAW GM active and retired workers have the option to maintain their AOL accounts and e-mail addresses at standard prices.

Dues: A Constitutional Matter

Dues are determined by UAW Constitutional action and are not a subject of negotiations. Dues are based on the principle that they reflect each worker's cash income, normally two hours pay per month. Lump-sum cash payments are subject to dues because they too represent cash income, and are assessed at the traditional rate of 1.15 percent, which is equivalent to two hours pay per month. As a result, the 1.15 percent dues rate will be applied to settlement bonuses, performance bonuses and profit-sharing payments.

Duration and Ratification

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

The new agreement, if ratified, would run for four years and would expire at midnight Sept. 14, 2011.

UAW GM Report

This report was prepared for the UAW General Motors Department, Vice President and Director Cal Rapson, by the UAW Public Relations and Publications Department. This is a summary of the tentative agreement. In all cases, the actual contract language will apply.



UAW bargainers review contract proposals. Marathon bargaining sessions are needed to hammer out a new agreement at General Motors.

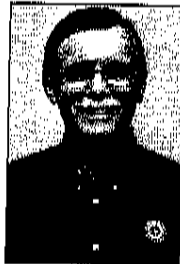
UAW 2007 National Negotiating Team at General Motors



Curson



Mason



Gettelfinger



Rapson



Bernath



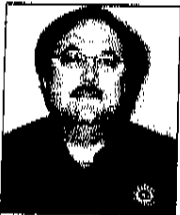
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Grimes



Fedak



McKiddy



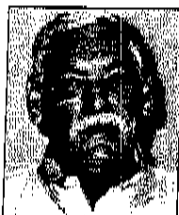
Stoker



Kelly



Dohner



Freeman



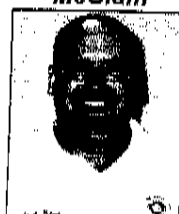
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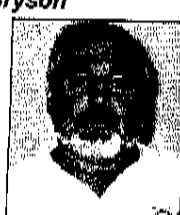
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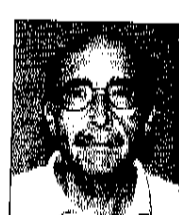
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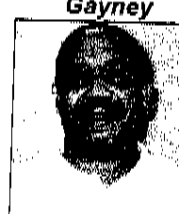
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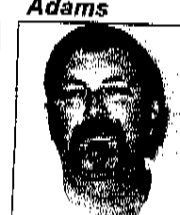
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Gayney



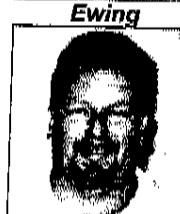
Adams



Mull



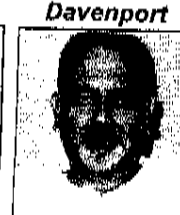
Owen



Ewing



Davenport



Teachenor

This is the UAW national negotiating team at General Motors whose determined efforts, along with those of the UAW General Motors Department and other UAW professional and technical staff produced a new tentative agreement for UAW members at GM. **Ron Gettelfinger** is president of the International Union, UAW. **Cal Rapson** is vice president and director of the UAW General Motors Department. **Garry Mason** is top administrative assistant to Gettelfinger. **Dave Curson** is director of UAW special projects. **Garry Bernath** is top administrative assistant to Rapson. **Paul Mitchell** is administrative assistant to Rapson. **Ron Bieber**, **Greg Fedak**, **Mike Grimes**, **Rick McKiddy** and **Cindy Suemnick** are assistant directors of the UAW GM Department. **Tim McClain** is director of the UAW Health and Safety Department. **Dan Sherrick** is UAW general counsel. **Chuck Gayney** is director of the UAW Social Security Department. **Linda Ewing** is director of the UAW Research Department. **Stan Stoker** is administrator of the Umpire and Review Staff. **Bill Freeman**, **Mark Kelly**, **Kris Owen** and **David Shoemaker** are coordinators of the UAW GM Department. **Bill King** is chair of the UAW GM National Negotiating Committee, chair of Local 659 and represents Subcouncil 6, stamping. **Judith Bryson** is recording secretary of the UAW GM National Negotiating Committee, president of Local 2123 and represents Subcouncil 3, powertrain. **Fred Adams** is chair of Local 909 and represents Subcouncil 3, powertrain. **Chuck Davenport** is chair of Local 2404 and represents Subcouncil 1, service parts operations (SPO). **John Dohner Jr.** is chair of Local 95 and represents Subcouncil 2, truck assembly. **Larry Erickson** is chair of Local 160 and represents Subcouncil 6, skilled trades. **Dan Maloney** is president of Local 1097 and represents Subcouncil 5, components. **Harold Meinecke** is chair of Local 651 and represents Subcouncil 5, components. **John Melton** is chair of Local 31 and represents Subcouncil 2, car assembly. **Jim Mull** is chair of Local 735 and represents Subcouncil 3, powertrain. **Matt Teachenor** is chair of Local 1292 and represents Subcouncil 4, stamping.