
2008 AAM - UAW

CONTRACT SETTLEMENT AGREEMENT



Special Procedure - Contracting of Work, Production Standards or New Jobs

[See Par. (46)(1)]
[See App. F, ~~F2~~]

(42a) Grievances charging a violation of the Corporation's express commitments set forth in Paragraph (183a), (183b), (183c), (183e) and Appendix F-1 shall be handled in the following ~~manner~~: grievance procedure.

(1) When a grievance arises involving the above, it shall be reduced to writing on forms provided by the Corporation, signed by the Chairperson of the Shop Committee or the Shop Committeeperson involved, and referred to the Shop Committee at Step Two of the grievance procedure. The grievance may then be processed in the grievance procedure though Step Four under the terms of the National Agreement, ~~unless the Director of the AAM Department of the International Union elects otherwise as provided in Paragraph (42a)(2) below.~~

(2) If the grievance is appealed to Step Four, the parties will seek expedited arbitration with the objective that the case will be arbitrated within thirty (30) days of the date of Notice of Appeal to the Umpire, ~~written notice will be given to advise the Director of Labor Relations of the Corporation of any case which the Director of the AAM Department of the International Union has elected to refer back to the Appeal Committee. Thereafter, the bargaining procedure provided in Paragraph (117) may then be applicable.~~

(42b) When a grievance charging a violation of the Production Standards or New Jobs section of Agreement is appealed to Step Four, the parties will seek expedited arbitration with the objective that the case will be arbitrated within thirty (30) days of the date of Notice of Appeal to the Umpire.

SUBMITTED TO UAW: APR 15 2008

INITIALED BY PARTIES: EB JMA

(64)(e) If the associate is laid off for a continuous period equal to the seniority which the associate had acquired at the time of such layoff period or, ~~in the case of an associate with less than one (1) year of seniority, eighteen (18) months or,~~ in the case of an associate with ~~one two~~ (12) or more years of seniority, thirty-six (36) months whichever is longer; however, an associate whose seniority is so broken shall, for a period of ~~sixty thirty-six (6036)~~ months beginning with the associate's last scheduled work day prior to being laid off, retain a right to be rehired in accordance with the seniority date the associate had established at that plant as of such last day scheduled. An associate who is rehired, and who reacquires seniority at the same plant, pursuant to Paragraph (57), within ~~sixty thirty-six (3660)~~ months immediately following the last day worked prior to the layoff during which the associate's seniority was broken by virtue of this Paragraph (64)(e) shall have the new seniority date adjusted by adding an amount equal to the seniority which the associate had acquired at that plant as of such last day worked.

For the purpose of computing the period for breaking seniority only, the first day of that period will be the next otherwise regularly scheduled work day after layoff. In the case where the next otherwise regularly scheduled work day is a Monday holiday as listed in Paragraph (203) that Monday will be considered the first day of that period.

[See Par. (95), (98b), (111c)]

[See App. A; K,II(E)]

[See Doc. 20]

APR 12 2008
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SUBMITTED TO UAW: _____

INITIALED BY THE PARTIES: SB KFT

WORKING HOURS

(For the purposes of computing overtime premium pay)

[See Par. (71), (101)(i), (127)(d)(3)]

[See Memo Overtime]

[See Doc. 83]

(81) For the purpose of computing overtime premium pay, the regular working day is eight hours and the regular working week is forty hours.

(82) Associates will be compensated on the basis of the calendar day (midnight to midnight) on which their shift starts working, for the regular working hours of that shift. Their working week shall be a calendar week beginning on Monday at the regular starting time of the shift to which they are assigned. Associates assigned to the third shift who begin their workweek prior to Midnight on Sunday evening will be considered to have started their workweek on Monday. Each consecutive shift worked during third shift hours will be considered a consecutive day of work in the workweek.

[See Par. (87)(1)]

{See App. J, (I)(E)(4)}

{See Dec. 2}

[See CSA #11]

(83) Hourly associates will be compensated as follows:

Straight Time

~~(84)(a) For the first eight hours worked in any continuous twenty-four hour period, beginning with the starting time of the associate's shift.~~

(84)(ba) For the first forty hours worked or compensated in the associate's working week, less all time for which daily, Saturday, Sunday or holiday overtime has been earned. Compensated hours shall include all hours which were excused per Paragraph 109 provided the receipt of full hourly compensation is verified.

[See Par. (109)]

(84)(eb) For time worked during the regular working hours of any shift which starts on the day before and continues into a specified holiday or a Saturday.

Time and One-Half

[See Dec. 1; 4]

~~(85)(a) For time worked in excess of eight hours in any continuous twenty-four hours, beginning with the starting time of the associate's shift, except if such time is worked on a Sunday or holiday when double time will be paid as provided below.~~

~~(85)(b) For time worked or compensated in excess of forty hours in the associate's working week, ~~less all time for which daily, Saturday, Sunday or holiday overtime has been earned.~~ Compensated hours shall include all hours which were excused per Paragraph 109 provided the receipt of full hourly compensation is verified.~~

[See Par. (109)]

~~(85)(c) For time worked on any shift which starts on Saturday.~~

Double Time

~~(86) For time worked on calendar Sunday and for time worked on each holiday specified in Paragraph 203. ~~during the first eight (8) hours worked on any shifts that start on Sundays and on each holiday specified in Paragraph (203); for time worked on the calendar Sunday or specified holiday in excess of the first eight (8) hours worked on any shift that starts on Sunday or one of the specified holidays; and for time worked on a Sunday or specified holiday in excess of eight (8) hours worked on a shift which starts the previous day and runs over into Sunday or one of the specified holidays.~~~~

[See Par. (82)]

[See Par. (213)]

[See Doc. 2;3;4] [See CSA #11]

Continuous Seven-Day Operations (Non-Alternative of Flexible Work Schedules) **Exceptions to Above Overtime Payment**

~~(87) Associates working in necessary continuous seven-day operations whose occupations involve work on Saturdays and Sundays shall be paid time and one-half for work on these days only for time worked or compensated in excess of eight hours per day or in excess of forty hours in the associate's working week, for which overtime has not already been earned, except as otherwise provided in Paragraph (1) below. Compensated hours shall include all hours which were excused per Paragraph 109 provided the receipt of full hourly compensation is verified.~~

[See Par. (109), (206)]

~~(87)(1) Such associates shall be paid time and one-half for hours worked on the employee's sixth work day in the week.~~

[See Par. (82)]

~~(87)(2) Such associates shall be paid double time for hours worked on the 7th work day in the calendar week if the 7th work day results from being required to work on their scheduled~~

~~(101)(a)(3) Effective March 15, 2004, each associate in a skilled trades job classification which qualifies for journeyman status under the provisions of Paragraph 178 of this Agreement shall receive a tool allowance adjustment of thirty (30) cents per hour added to the base rate, except each associate in a "Skilled" Apprentice job classification shall receive that wage increase, if any, which is applicable in accordance with the provisions of the Apprentice Rate Schedule set forth in Paragraph (151) of the Agreement.~~

[See Par. (178 and 151)]

APR 14 2008

SUBMITTED TO UAW: _____

INITIALED BY THE PARTIES: EB / OMA

(98) New associates hired on or after the effective date of this Agreement, who do not hold a seniority date in any AAM plant and are not covered by the provisions of Paragraph (98b) below, shall be hired in accordance with the following wage schedule: at a rate equal to seventy (70) percent of the maximum base rate of the job classification. Such associates shall receive an automatic increase to:

[See Par. (99), (101)(g)]
 [See Dec. 87]
 [See CSA #10]

~~(1) seventy five (75) percent of the maximum base rate of the job classification at the expiration of twenty six (26) weeks.~~

~~(2) eighty (80) percent of the maximum base rate of the job classification at the expiration of fifty two (52) weeks.~~

~~(3) eighty five (85) percent of the maximum base rate of the job classification at the expiration of seventy eight (78) weeks.~~

~~(4) ninety (90) percent of the maximum base rate of the job classification at the expiration of one hundred and four (104) weeks.~~

~~(5) ninety five (95) percent of the maximum base rate of the job classification at the expiration of one hundred and thirty (130) weeks.~~

~~(6) the maximum base rate of the job classification at the expiration of one hundred and fifty six (156) weeks.~~

<u>Grade</u> <small>(increases each 26 weeks)</small>	<u>Production New Hire Progression</u>	<u>Skilled Trades New Hire Progression</u>	<u>Market Area Hire-In Rate Range</u>
1	\$11.50	\$22.00	
2	\$12.00	\$22.50	
3	\$12.51	\$23.00	
4	\$13.02	\$23.50	
5	\$13.53	\$24.00	
6	\$14.04	\$24.50	

The Parties agree that hire rates above Grade 1 shall require mutual agreement. The progression rates in this table shall continue with \$0.51 per hour for Production associates and \$0.50 per hour for Skilled Trades associates increases each 26 weeks until the new hire reaches the maximum base rate of the job classification.

Such an associate who is laid off prior to acquiring seniority and who is re-employed at that plant within one year from the last day worked prior to layoff shall receive a rate upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the associate prior to layoff. Upon such re-employment, the credited rate

Night Shift Premiums

(89) A night shift premium on night shift earnings, including overtime premium pay hours, will be paid to associates who held seniority prior to the 2008 National Agreement for time worked on shifts according to their shift of record as follows: scheduled to start in accordance with the following chart:

<u>Schedule Shift of Record Starting Time</u>	<u>Amount of Regular Shift Premium</u>	<u>Amount of Conditional Shift Premium</u>
1. On or after 11:00 AM and before 7:00 PM <u>Second</u>	Five percent <u>\$0.55</u> per hour	Ten percent for all hours worked after 12 midnight when such associate is scheduled to work more than nine (9) hours and until or beyond 2:00 AM
2. On or after 7:00 PM and on or before 4:45 AM <u>Third</u>	Ten percent <u>\$0.80</u> per hour	
3. After 4:45 AM and before 6:00 AM	Ten percent until 7:00 AM	
4. On or after 6:00 AM and before 11:00 AM	None	Five percent for all hours worked in excess of eight (8) when such associate is scheduled to work twelve (12) or more hours.

In applying the above night shift premium provisions, associates shall be paid the premium rate, if any, which attaches to the associate's shift of record they work on a particular day.

A shift premium on shift earnings, including overtime hours, will be paid to associates hired on or after the effective date of the 2008 National Agreement for time worked in accordance with the following schedule:

<u>Shift of Record</u>	<u>Amount of Regular Shift Premium</u>
<u>Second</u>	<u>\$0.50 per hour</u>
<u>Third</u>	<u>\$0.75 per hour</u>

[See Par. (87)(6), (101)(i), (205), (205a)]

AMU
DM

(101)(e) The Cost of Living Allowance provided for in Paragraph (101)(d) shall be added to each associates hourly wage rate and will be adjusted up or down as provided in Paragraphs (101)(g) and (101)(h) paid in one lump sum for the applicable lump sum calculation period. Such payment shall be based on the applicable sum of each quarterly Cost of Living Allowance amount multiplied by compensated hours for that quarter in accordance with the following paragraphs.

Compensated hours shall be defined as all hours worked plus all paid time-off hours contained in the 2008 National Agreement. To be eligible for the Cost of Living Allowance lump sum payment, the associate must have seniority as of the effective date of the quarterly adjustment.

Additionally, a seniority associate, who has not participated in a voluntary buyout program, shall become eligible for a lump sum payment as herein defined. An associate who retires during the lump sum calculation period defined in (101)(g) and who, but for retirement would have been eligible, shall qualify for the lump sum payment.

In the case of a seniority associate who is otherwise eligible for the Cost of Living Allowance and who dies during the lump sum calculation period defined in (101)(g), such payment will be made based on the associate's compensated hours. The Cost of Living Allowance shall be paid to their duly appointed legal representative, if there be one, and, if not, to the spouse, parent, children or other relative or dependents of such associate as the Corporation in its discretion may determine.

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SUBMITTED TO UAW: _____


INITIALED BY THE PARTIES: SB / OMA

Methodology for COLA Calculation

	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
Quarterly Adjustment	\$0.22	\$0.10	\$0.22	\$0.10
Diversion	\$0.12	\$0.12	\$0.12	\$0.12
Applicable COLA	\$0.10	\$0.00	\$0.10	\$0.00
Sum of Quarterly COLA	\$0.10	\$0.10	\$0.20	\$0.20
Compensated Hours	500	500	500	500
COLA Calc for Quarter	\$50.00	\$50.00	\$100.00	\$100.00
Total Lump Sum Payment				\$300.00

Agreed to by the Parties:





(101)(f) The Cost of Living Allowance will be determined in accordance with changes in the official Consumer Price Index for Urban Wage Earners and Clerical Workers (current series), (CPI-W) (for all items, less medical care, not seasonally adjusted) (United States City Average) published by the Bureau of Labor Statistics (1982-1984=100). The table in Paragraph (101)(h) provides for a one cent (\$.01) adjustment in the Cost of Living Allowance payable sequentially for each 0.08, 0.08, 0.08, 0.08, 0.08 and 0.09 change in the Index with the sequence of changes being repeated thereafter so as to produce an average adjustment over time of one cent (\$.01) for each 0.08159 change in the Index. The parties will utilize the Engineering Method of Rounding (if the leftmost of the digits discarded is five (5) followed by zeros, the preceding digit is increased by one if it is odd and remains unchanged if it is even).

[See Dec. 87]

APR 18 2008

SUBMITTED TO UAW: _____

INITIALED BY THE PARTIES: JRA / DMA

(101)(g) During the period of this Agreement, adjustments in the Cost of Living Allowance shall be made at the following times:

**Effective Date
of Quarterly Adjustment:**

**Based Upon Three-Month
Average of the Consumer
Price Index For:**

March 31, 2004-2008 and at three
calendar month intervals
thereafter to December-September
5, 2011.

November, December, 2003, January,
2004 November, December 2007 and
January 2008 and at three-calendar month
intervals thereafter to May, June, July,
2011.

First pay periodbeginning
on or after: June 7, 2004 and at
three-month-calendar-month
intervals thereafter to September
3, 2007.

February, March, April, 2004, and at three-
calendar-month-intervals thereafter to May,
June, July, 2007.

~~In no event will a decline in the three-month average Consumer Price Index below 175.26
provide the basis for a reduction in the wage scale by job classification. The annual lump sum
payments will be made in accordance with the following schedule:~~

Payable
Paid on the first pay day in July of each
year, except for 2011

Lump Sum Calculation Period
For the period March 3, 2008 through May 25,
2008 and reset table to \$0.00
For the period May 26, 2008 through May 31,
2009 and reset table to \$0.00

For the period June 1, 2009 through May 30,
2010 and reset table to \$0.00

Paid during the pay period containing
December 5, 2011

For the period May 31, 2010 through November
27, 2011 plus \$50.00

In determining the three-month average of the Indexes for a specified period, the computed average shall be rounded to the nearest 0.01 Index Point.

~~In no event will a decline in the three-month average Consumer Price Index below 175.26
provide the basis for a reduction in the wage scale by classification.~~

[See Par. (101)(d), (101)(e), (101)(h)]

[See Par. (101)(j), (101)(k), (190)]

[See CSA #10]

SUBMITTED TO UAW: APR 18 2008

INITIATED BY PARTIES: JRA / AMA

(117) Any term of this Agreement to the contrary notwithstanding, ~~During~~ during the life of this Agreement, the Union will not cause or permit its members to cause, nor will any member of the Union take part in any sit-down, stay-in or slow-down, in any plant of the Corporation, or any curtailment of work or restriction of production or interference with production of the Corporation. The Union will not cause or permit its members to cause nor will any member of the Union take part in any strike or stoppage of any of the Corporation's operations or picket any of the Corporation's plants or premises during the life of this Agreement ~~until all the bargaining procedure as outlined in this Agreement has been exhausted, and in no case on which the Umpire shall have ruled, and in no other case on which the Umpire is not empowered to rule until after negotiations have continued for at least five days at the third step of the Grievance Procedure and not even then unless authorized by the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, and written notice of such intention to authorize has been delivered to the Labor Relations Staff of the Corporation at least five (5) working days prior to such authorization.~~ The Union will not cause or permit its members to cause or will any member of the Union take part in any strike or stoppage of any of the Corporation's operations or picket any of the Corporation's plants or premises because of any dispute or issue arising out of or based upon any provisions of this Agreement, including but not limited to Paragraphs 78-79, 102, 183, health and safety, local issues, the Pension Plan, Life and Disability Benefits Program, Health Care Program, Supplemental Unemployment Benefit Plan, Profit Sharing Plan, Personal Savings Plan or Legal Services Plan; nor will the Union authorize such a strike, stoppage, or picketing. In case a strike or stoppage of production shall occur, the Corporation has the option of canceling the Agreement at any time between the tenth day after the strike occurs and the day of its settlement. The Corporation reserves the right to discipline any associate taking part in any violation of this Section of this Agreement.

[See Par. (46), (78b)]

~~[See App. F2]~~

~~[See CSA #12]~~

SUBMITTED TO UAW: APR 15 2008

INITIALED BY PARTIES:  

Apprentice Wage Rates

(151) For associates beginning or returning to the Apprentice Program on or after the effective date of this Agreement, the straight time hourly wage rates (exclusive of Cost-of-Living Allowance and shift premium) shall be the rates set forth in the following Apprentice Rate Schedule:

<u>Hourly Apprentice Training Rate*Period</u>	<u>Hourly Rate</u>
1st 916 Hours	\$21.08 68% of maximum rate of Journey person classification
2 nd 916 Hours	21.21 72%
3rd 916 Hours	21.21 plus 9% of "Rate Difference" 76%
4th 916 Hours	21.21 plus 20% of "Rate Difference" 80%
5th 916 Hours	21.21 plus 33% of "Rate Difference" 84%
6th 916 Hours	21.21 plus 48% of "Rate Difference" 88%
7th 916 Hours	21.21 plus 66% of "Rate Difference" 92%
8th 916 Hours	21.21 plus 86% of "Rate Difference" 96%

~~*The "Rate Difference" shall be determined by subtracting the sum of \$.20 and the Hourly Rate for the 2nd 916 Hours from the maximum rate established in the Local Wage Agreement for the journeyman/woman classification for which the apprentice is in training. Resultant rates shall be rounded to the nearest 1 cent.~~

~~Notwithstanding the foregoing provisions, seniority associates transferred to apprentice training, shall be transferred at their current rate or the rate of \$24.84 per hour, whichever is lower, provided, however, that in no event will their 1st Period Rate be lower than a rate of ten cents (10¢) over the 1st Period Hourly Rate set forth above. Upon their completion of that 1st Period, they shall be paid a rate of \$23.58 or their first period rate, whichever is higher, and if retained, shall be paid such rate until they qualify for a higher rate in accordance with the Apprentice Rate Schedule.~~

The straight time hourly wage rates for individual apprentices shall be determined only in accordance with the provisions of this Paragraph (151).

[See Par. (99), (132), (137)(d), (181a)]
 [See CSA #25]

MAY 02 2008

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INITIALED BY THE PARTIES:

(191)(a) An eligible associate who has worked at least 26 pay periods in the eligibility year shall be entitled to the following vacation entitlement:

For an Eligible Associate With Seniority of	Hours of Vacation Entitlement
Less than one year	40
One but less than three years	80
Three but less than five years	100
Five but less than 10 years	120
Ten but less than fifteen years	140
Fifteen <u>or more</u> years	160
Twenty <u>or more</u> years	200

Associates who acquired 200 hours of vacation entitlement as of August 1, 2008 under the terms of the 2004 Agreement shall continue to be eligible for a maximum of 200 hours of vacation entitlement. Associates who are not eligible for 200 hours of vacation entitlement as of August 1, 2008 shall have a maximum vacation entitlement of 160 hours.

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INITIALED BY THE PARTIES:  / DMA

Vacation Time Off Procedure

(202) Management recognizes the desirability of providing vacation time off with pay, up to the vacation entitlement to which the associates' seniority will entitle them on December 31 of the current year, in a manner that preserves the maintenance of efficient operations while giving consideration to the desires of the associate.

~~(202)(a) During each year of this Agreement, the Corporation has designated the following days to be included in an Independence Week Shutdown period:~~

~~2004~~

~~Tuesday, July 6 - Independence Week Shutdown Day
Wednesday, July 7 - Independence Week Shutdown Day
Thursday, July 8 - Independence Week Shutdown Day
Friday, July 9 - Independence Week Shutdown Day~~

~~2005~~

~~Tuesday, July 5 - Independence Week Shutdown Day
Wednesday, July 6 - Independence Week Shutdown Day
Thursday, July 7 - Independence Week Shutdown Day
Friday, July 8 - Independence Week Shutdown Day~~

~~2006~~

~~Monday, July 3 - Independence Week Shutdown Day
Wednesday, July 5 - Independence Week Shutdown Day
Thursday, July 6 - Independence Week Shutdown Day
Friday, July 7 - Independence Week Shutdown Day~~

~~2007~~

~~Monday, July 2 - Independence Week Shutdown Day~~

Tuesday, July 3 - Independence Week
Shutdown Day

Thursday, July 5 - Independence Week
Shutdown Day

Friday, July 6 - Independence Week
Shutdown Day

(202)(b~~a~~) During February of each year, the local Management will notify the Shop Committee of its decision to schedule a one or two week the week before or the week after the Independence Week Shutdown period as a Plant Vacation Shutdown Week. One of the Vacation Shutdown Weeks, if scheduled, will include the week in which the Independence Day Holiday occurs. The other Vacation Shutdown Week, if scheduled, will occur the week immediately preceding or following the week in which the Independence Day Holiday occurs.

(202)(e~~b~~) In addition, during February of each year, the local Management will notify the Shop Committee which productive operations, if any, will be scheduled to operate during the Independence Week Shutdown Period and which productive operations, if any, will be scheduled to operate during the Vacation Shutdown Week(s). Unforeseen circumstances may require subsequent changes in these announced schedules and will be reviewed with the Shop Committee as soon as is practicable.

~~(202)(d) Associates who are not scheduled to work during any portion of the Independence Week Shutdown Period shall be paid up to eight (8) hours of pay for each of the Independence Week Shutdown Period days they are not scheduled to work, up to a maximum of thirty two (32) hours, which will be calculated on the basis of the associate's regular rate of pay, plus attached night shift premium, not including overtime, as of the associate's last day worked prior to the Independence Week Shutdown period provided:~~

~~(1) The associate has seniority in any American Axle plant as of the date of each of the Independence Week Shutdown Days,~~

~~(2) The associate is on the active rolls and would otherwise have been scheduled to work if it had not been observed as an Independence Week Shutdown Day,~~

~~(3) The associate works their last scheduled work day in the pay period prior to and their next scheduled work day in the pay period after the pay periods of Independence Week Shutdown and Plant Vacation Shutdown Week.~~

~~Associates shall receive such pay in the pay period following the Independence Week Shutdown Period.~~

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~~(202)(e) Failure to work either their last scheduled work day in the pay period prior to or their next scheduled work day in the pay period after the pay periods of the Independence Shutdown and any consecutive Plant Vacation Shutdown Week will disqualify the associate for Independence Week Shutdown pay for the two (2) Independence Week Shutdown days which follow or precede such scheduled work day.~~

~~(202)(f) Associates who are scheduled to work during the Independence Week Shutdown Period, including the Independence Day holiday shall be entitled to up to eight (8) hours of Additional Time Off with pay up to a maximum of forty (40) hours in lieu of the Independence Week Shutdown Period pay for each day worked provided:~~

~~(1) The associate has seniority in any AAM plant as of each day of the Independence Week Shutdown Period;~~

~~(2) The associate is scheduled to report for work during any of the days, and~~

~~(3) The associate reports for and performs such scheduled work on those scheduled days or is absent pursuant to the provisions of Paragraphs (218) or (218)(b).~~

~~The Additional Time Off will be scheduled in accordance with local plant practice.~~

~~(202)(g) Eligible associates who, as of the next eligibility date, have not used their entire Additional Time Off, shall be paid the unused portion in accordance with Paragraphs (193)(a) and (193)(b).~~

(202)(hc) Management at each plant will establish a procedure whereby associates, during February, may make application in writing for vacation time off, indicating first, second and third choices. If a Vacation Shutdown Week(s) is scheduled, the dates of shutdown are to be included in the associate's vacation schedule. In the event more associates apply for time off than can be spared from the job at a given time, plant seniority will be the basis for resolving priority of applications for time off, except that applicants working on jobs which usually operate when the plant is shut down during such periods as model change, plant rearrangement, plant vacation shutdown or inventory will be given first consideration for time off during periods other than shutdown period.

(202)(id) Each associate will be given a written disposition of their vacation time off request. Approved vacation time off, exclusive of the time identified as a Vacation Shutdown Week(s), will not thereafter be canceled or changed without the mutual consent of Management and the associate. If an associate's approved vacation time off scheduled for a Vacation Shutdown Week(s) is canceled or changed, the associate may reschedule their vacation in accordance with local plant practice.

(202)(je) An active seniority associate who is not scheduled to work during the Vacation Shutdown Week(s), shall use any available Vacation Entitlement hours starting with the

HOLIDAY PAY

(203) Associates shall be paid for specified holidays and the holidays in each of the Christmas holiday periods as provided hereinafter:

1st Year

April 9, 2004	Good Friday
April 12, 2004	Day After Easter
May 28, 2004	Friday Before Memorial Day
May 31, 2004 <u>26, 2008</u>	Memorial Day
July 5, 2004 <u>4, 2008</u>	Independence Day (Observed)
September 6, 2004 <u>1, 2008</u>	Labor Day
November 2, 2004	Federal Election Day
November 15, 2004 <u>14, 2008</u>	Veterans' Day (Observed)
November 25, 2004 <u>27, 2008</u>	Thanksgiving
November 26, 2004 <u>28, 2008</u>	Day After Thanksgiving
December 24, 2004 <u>24, 2008</u>	Christmas Holiday Period
December 27, 2004 <u>25, 2008</u>	Christmas Holiday Period
December 28, 2004 <u>26, 2008</u>	Christmas Holiday Period
December 29, 2004 <u>2008</u>	Christmas Holiday Period
December 30, 2004 <u>2008</u>	Christmas Holiday Period
December 31, 2004 <u>2008</u>	Christmas Holiday Period
<u>January 1, 2009</u>	Christmas Holiday Period
<u>January 2, 2009</u>	Christmas Holiday Period
<u>January 17, 2005</u> <u>19, 2009</u>	Martin Luther King, Jr. Day

2nd Year

March 25, 2005 <u>April 10, 2009</u>	Good Friday
March 28, 2005 <u>April 13, 2009</u>	Day After Easter
May 27, 2005	Friday before Memorial Day
May 30, 2005 <u>25, 2009</u>	Memorial Day
July 4, 2005 <u>3, 2009</u>	Independence Day
September 5, 2005 <u>7, 2009</u>	Labor Day
November 8, 2005	Local Election Day
November 14, 2005 <u>16, 2009</u>	Veterans' Day (Observed)
November 24, 2005 <u>26, 2009</u>	Thanksgiving
November 25, 2005 <u>27, 2009</u>	Day After Thanksgiving
December 26, 2005 <u>24, 2009</u>	Christmas Holiday Period
December 27, 2005 <u>25, 2009</u>	Christmas Holiday Period
December 28, 2005 <u>2009</u>	Christmas Holiday Period
December 29, 2005 <u>2009</u>	Christmas Holiday Period
December 30, 2005 <u>2009</u>	Christmas Holiday Period
December 31, 2009	<u>Christmas Holiday Period</u>
January 2, 2006 <u>1, 2010</u>	Christmas Holiday Period
January 16, 2006 <u>18, 2010</u>	Martin Luther King, Jr. Day

3rd Year

April 14, 2006 , 2010	Good Friday
April 17, 2006 —————	Day After Easter
May 29, 2006 <u>31, 2010</u>	Memorial Day
July 4, 2006 <u>5, 2010</u>	Independence Day
September 4, 2006 <u>6, 2010</u>	Labor Day
November 7, 2006 —————	Federal Election Day
November 13, 2006 <u>15, 2010</u>	Veterans' Day-(Observed)
November 23, 2006 <u>25, 2010</u>	Thanksgiving Day
November 24, 2006 <u>26, 2010</u>	Day After Thanksgiving
December 25, 2006 <u>24, 2010</u>	Christmas Holiday Period
December 26, 2006 <u>27, 2010</u>	Christmas Holiday Period
December 27, 2006 <u>28, 2010</u>	Christmas Holiday Period
December 28, 2006 <u>29, 2010</u>	Christmas Holiday Period
December 29, 2006 <u>30, 2010</u>	Christmas Holiday Period
December 31, 2010 —————	Christmas Holiday Period
January 1, 2007—————	Christmas Holiday Period
January 15, 2007 <u>17, 2011</u>	Martin Luther King, Jr. Day

4th Year

April 6, 2007 <u>22, 2011</u>	Good Friday
April 9, 2007 <u>25, 2011</u>	Day After Easter
May 28, 2007 <u>30, 2011</u>	Memorial Day
July 4, 2007 <u>2011</u>	Independence Day
September 3, 2007 <u>5, 2011</u>	Labor Day
November 6, 2007 —————	Local Election Day
November 16, 2007 <u>XX, 2011</u>	<u>Veteran's Day (Observed); Date of Holiday to be determined by the parties by no later than November 1, 2011</u>
November 22, 2007 <u>24, 2011</u>	Thanksgiving Day
November 23, 2007 <u>25, 2011</u>	Day After Thanksgiving
December 24, 2007 <u>26, 2011</u>	Christmas Holiday Period
December 25, 2007 <u>27, 2011</u>	Christmas Holiday Period
December 26, 2007 <u>28, 2011</u>	Christmas Holiday Period
December 27, 2007 <u>29, 2011</u>	Christmas Holiday Period
December 28, 2007 <u>30, 2011</u>	Christmas Holiday Period
December 31, 2007 —————	Christmas Holiday Period
January 1, 2008—————	Christmas Holiday Period
January 21, 2008 <u>16, 2012</u>	Martin Luther King, Jr. Day

APPENDIX F-1

AMERICAN AXLE & MANUFACTURING, INC.

~~February 25, 2004~~2008

~~Mr. Cal Rapson~~Jimmy Settles
Vice President and Director
AAM UAW Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. ~~Rapson~~Settles:

During these negotiations the Union discussed with the Corporation issues regarding contracting out of work.

During the course of previous negotiations, the Union ~~complained~~ stated that in certain instances the work force in maintenance and tool and die trades particularly was reduced through attrition and then work was contracted out to the point where there was insufficient manpower available within the plant to perform the work; that in certain instances AIT's were reduced to production jobs and work in their trades which they historically performed and which they were capable of performing was subsequently contracted out for extended periods without recalling the AIT's to the skilled trades jobs from which they had been reduced; and that in certain instances skilled trades associates were permanently laid off and new work which they had historically performed was contracted out for extended periods, instead of recalling these associates to their jobs.

The essential elements in the complaints registered by the Union went to the question of job security.

During these National Negotiations, the parties reviewed the competitive advantage of AAM's talented skilled trades workforce and the need to focus the activities of skilled trades associates on maintaining AAM's equipment and equipment tooling. Discussed were the Union's concerns for the integrity of the apprenticeable trades, the job security of the skilled trades workforce, and the content of skilled trades work assignments, and the status of work functions ~~historically~~ performed by the bargaining unit.

At times it is not practicable for the Corporation to do the work itself, and it must, as in the past, reserve the right to decide whether it will do particular maintenance, tool and die and engineering skilled trades work, or contract it out. The Union recognizes that in making such decisions the Corporation must consider, among other things, the efficiencies and economies involved, the need for specialized tools and equipment, special skills, the necessity of meeting production schedules, model change, plant rearrangement deadlines, and focusing resources to improve product competitiveness. In our discussions we agreed that associates' jobs should not be eliminated by reason of a practice of contracting out, and we agreed that existing employment opportunities of seniority associates should not be unnecessarily reduced by reason of management contracting out work. ~~The Corporation, moreover, states that it is its policy to fully utilize its seniority associates, under circumstances in which it is reasonable and~~

~~practicable to do so, in the performance of work which they have historically performed to produce its product and perform its services.~~

While AAM intends to provide this opportunity to its skilled trades workforce, the parties agreed that prolonged schedules involving substantial overtime were not in the best interest of associates or the Corporation and, as a result, AAM must consider the availability of its skilled workforce, to include refusal rates, when planning projects and scheduling potential overtime. The parties are expected to work out acceptable means by which Management will have reliable information as to the hours associates will work when planning such work schedules.

Accordingly, the Corporation states that it will make a reasonable effort to avoid contracting out work which adversely affects the job security of its associates and that it will utilize various training programs available to it, whenever practicable, to maintain employment opportunities for its associates consistent with the needs of the Corporation.

Very truly yours,

Patrick J. Paige John Jerge
Vice President, Human Resources

[See Par. (42)(a), (183)(a)-(e)]
[See App. F, F2]
{See Dec. 58}

AM y
DMA

See Memorandum of Understanding World Class Skilled Trades

APPENDIX F-2

~~AMERICAN AXLE & MANUFACTURING, INC.~~

February 25, 2004

~~International Union, UAW
Solidarity House
8000 East Jefferson Avenue
Detroit, Michigan 48214~~

~~Attention: Mr. Cal Rapson
Vice President and Director
AAM UAW Department~~

Gentlemen:

~~During the current negotiations the parties discussed the special procedure for processing subcontracting grievances as provided by Paragraphs (42)(a) and (46).~~

~~The parties agreed that should the Director of the AAM Department of the International Union elect to handle such a case pursuant to Paragraph (42)(a)(2), and refer it back to the Appeal Committee for negotiation pursuant to Paragraph (117), such negotiations shall be limited to the issues defined in the written record of the case.~~

~~Very truly yours,~~

~~Patrick J. Paige
Vice President, Human Resources~~

[See App. F, F1]

MEMORANDUM OF UNDERSTANDING
ATTENDANCE/LOCAL ATTENDANCE PROCEDURES
VACATION RESTRICTED (VR) USAGE

During these negotiations, the Parties discussed the local efforts to improve attendance at the plants covered by this National Agreement since the founding of AAM in 1994. Despite numerous revisions to local attendance programs, the results continue to fall far short of world class absenteeism levels of 2%. In these discussions over the past 13 years, the Parties have established procedures which have resulted in reductions in net controllable absenteeism. However, these programs have failed to address the serious manufacturing problems created through VR "Call-Ins." The Parties recognize that this problem is masked in the Corporation's absenteeism data due to its description as "contractual" absenteeism, when, in fact, this form of absenteeism is unplanned, resulting in added costs through missed production schedules and overtime. This form of absenteeism has been documented as a significant issue on Mondays and Fridays and days before and after holidays, regardless of the workweek. While Local Attendance Procedures have addressed the VR "Call-Ins" related to holidays, the Monday / Friday VR "Call-In" problem as discussed during negotiations continues to be a major area of concern to the Parties.

Accordingly, after extensive discussion during National Negotiations, the Parties have agreed to continue the current VR "Call In" system as part of the Local Attendance Procedures, with the following modification:

- VR "Call-Ins" can only be used three times in a calendar year for Monday and Friday absences, excluding locally negotiated "black-out" dates.

Further, in documented circumstances where manufacturing operations experience delayed startups as a result of VR "Call-Ins", the Local Parties shall meet to discuss the issue and make necessary modifications. Failing resolution at the Local level, a review by the National Parties shall occur and corrective actions shall be discussed. In such case, the VR "Call-In" system may be further restricted or eliminated, such that VR entitlement would be administered in accordance with Paragraph 194.

Additionally, associates hired after the effective date of this Agreement shall have the application of VR administered solely in accordance with Paragraph 194 of the Agreement, without application to any local attendance procedure provisions or application of the corrective action phase described above.

~~Based on this, the Parties have agreed to a two pronged approach which is intended to result in bona fide improvements in attendance within our facilities.~~

~~Accordingly, the Parties agreed that the local union and management teams will continue to make changes to local attendance programs with the goal of achieving 2% net controllable absenteeism on average, on an annual basis, as measured against 2003 year end absenteeism rates. Local procedures, including changes made subsequent to the effective date of this agreement, shall continue in effect if the following conditions are met:~~

-
- ~~a). Net Controllable absenteeism must progress towards a two percent (2%) level within — a maximum of six (6) months of the effective date of this Agreement, and,~~
 - ~~b). By the end of 2004, reach and maintain a maximum level of two percent (2%) net controllable absenteeism, on average.~~

~~Should a local attendance program not conform to the terms of a) or b) above, the following National Agreement Attendance Procedure will be instituted one month following that determination. Notwithstanding the above, it is understood that the Local Parties may agree to implement this procedure before the end of 2004.~~

~~Upon implementation of the National Agreement Attendance Procedure, associate disciplinary records will be converted to the equivalent step of disciplinary action as shown in the following attendance corrective action steps.~~

~~FURNISHING WORK ELEMENTS - STANDARDS CASES~~

~~Inter-Organization~~

~~AMERICAN AXLE & MANUFACTURING, INC.~~

DATE: ~~February 25, 2004~~

SUBJECT: ~~Furnishing Work Elements -
Standards Cases~~

TO: ~~All General Managers
All Personnel Directors~~

~~During current negotiations, AAM informed the International Union, UAW that it was its intention to republish the Corporation's letter concerning Furnishing Work Elements - Standards Cases. The text of that letter is as follows:~~

~~"During past negotiations the parties discussed at length the Union's charges that there were occasions when the work elements of a job requested by the Committeeman pursuant to Paragraph (79) were not furnished in a timely manner."~~

~~"The Corporation and the Union have reaffirmed their mutual determination to adhere to the spirit and intent of Paragraph (79). In addition, there is agreement that in nearly all cases a more expeditious settlement of grievances can be reached when there is prompt and full exchange of pertinent information. In this regard the text of Paragraph (79) of the AAM-UAW National Agreement provides that the work elements of a job in dispute will be furnished 'without undue delay.' It is recognized by the Union that there will be occasions when due to production acceleration, volume of production standards grievances filed, etc., the information requested by the Committeeman cannot be furnished as promptly as under normal circumstances."~~

~~"We have advised the Union that the words 'without undue delay' mean as soon as reasonably possible under circumstances existing at the time the request is made for the work elements of the job."~~

~~_____ Patrick J. Paige
_____ Vice President, Human Resources~~

SUBMITTED TO UAW: APR 14 2008

INITIALED BY PARTIES: *JP* *DMA*

Doc No. 54

~~ASSOCIATE TRANSFER OR RE ASSIGNMENT~~

~~Inter-Organization~~

~~AMERICAN AXLE & MANUFACTURING, INC.~~

Date: ~~February 25, 2004~~

Subject: ~~Transfer or Re Assignment of~~
~~Associates~~

To: ~~All Personnel Directors~~

~~During the negotiations resulting in the 2004 UAW-AAM National Agreement, the parties discussed the claim raised by the Union prior to March 1, 1994, regarding associates being transferred or re-assigned to 'less-desirable' jobs because they initiated complaints regarding production standards or discipline. In addition, in the case of probationary associates, the Union stated that some were separated because they initiated production standards complaints.~~

~~It is important for AAM to retain its right to transfer associates in order to maintain and improve efficiency in our operations. It is also important to respect the right of associates to file legitimate grievances regarding production standards or disciplinary action.~~

~~The International Union has been advised that we do not consider it proper to transfer, re-assign or separate associates because they file such grievances.~~

~~It is expected that this position will be given your full support and that of your Management organization.~~

~~Patrick J. Paige
Vice President, Human Resources~~

~~[See Par. (76), (79)(b)]~~

APR 12 2008

SUBMITTED TO UAW: FEB 20 2008

INITIALED BY PARTIES: ES/DMA

288

Doe No. 55

~~IMPLEMENTATION OF PRODUCTION STANDARDS SETTLEMENTS~~

~~AMERICAN AXLE & MANUFACTURING, INC.~~

February 25, 2004

~~Mr. Cal Rapson
Vice President and Director
AAM-UAW Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214~~

Dear Mr. Rapson:

~~In the course of current negotiations the Union has alleged that in some cases the solution agreed upon in settlement of production standards grievances was not implemented in a timely fashion. The Union has also alleged that in certain cases settlements agreed upon were violated.~~

~~In the course of these negotiations we have reaffirmed our mutual determination to avoid misunderstandings in this area in the future. In that connection, we have adopted the following informal procedure for use in cases in which it is alleged that a settlement of a work standards grievance has not been implemented in a timely manner, or that after implementation the settlement has been violated:~~

- ~~1. The complaint may be reviewed by the Chairperson of the Shop Committee and Plant Personnel Director.~~
- ~~2. If not resolved, the Chairperson may submit his statement of the case in writing to the Plant Personnel Director spelling out the details of the complaint.~~
- ~~3. The Plant Personnel Director shall submit a written reply within one (1) working day of receipt of the written statement.~~
- ~~4. If the matter is not resolved within three (3) working days after the Personnel Director's written reply, the Chairperson of the Shop Committee may submit a written report of the disputed case to the AAM Department of the UAW in which case the Plant Personnel Director, after notice by the Chairperson of the Shop Committee of such submission, will submit a written report to Corporate Labor Relations.~~
- ~~5. If these parties are unable to resolve the dispute, it may then be reviewed by the AAM Department of the UAW with the AAM Labor Relations Staff where it will be resolved.~~

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See P 183(d)

Doc No. 58

**SUBCONTRACTING IMPLEMENTATION
PARAGRAPH (183)(d)**

AMERICAN AXLE & MANUFACTURING, INC.

February 25, 2004

Mr. Cal Rapson
Vice President and Director
AAM-UAW Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Rapson:

During the current negotiations the UAW complained that procedures set forth in Paragraph (183)(d) are not being satisfactorily implemented by Management in many instances.

This letter is intended to clarify the intent and purpose of this provision:

1. ~~The "advance discussion" except where time and circumstances prevent it, will take place "prior to letting the contract for the performance of maintenance and construction work," before any decision has been made as to whether the work should be contracted out. The "advance discussion" will include information as to "why Management is contemplating contracting out the work." It is evident that except as noted above, since Management is only "contemplating contracting out the work" when the "advance discussion" takes place, Management should not have made any decisions concerning whether or not to contract out the work before such "advance discussion" is held.~~
2. ~~Management should advise the local Union of the "nature, scope and approximate dates of the work to be performed and the reason or reasons (equipment, manpower etc.), why Management is contemplating contracting out the work." The Corporation has referenced "manpower, skills, equipment and facilities" and also whether the Corporation "can do the work competitively in quality, cost and performance and within the projected time limit." Since any or all of these conditions may be entailed in the determination as to whether a particular contract should be let out or not, it is necessary that Management advise the local Union in the "advance discussion" concerning the item or items which are relevant to the decision making.~~
3. ~~If in the "advance discussion" it is clear that Management is only "contemplating contracting out the work" and if in addition all the pertinent information as noted above is supplied to the local Union, then local Union representatives will be given a better opportunity "to comment on~~

Management's plans" and will also give an opportunity to Management "to give appropriate weight to those comments in the light of all attendant circumstances."

~~In addition the Union complained that in certain instances plant Management requested and contracted for maintenance service on leased equipment, and extended warranty arrangements or service contracts were being purchased which impacted the job security of seniority associates in skilled trades classifications. Management stated that, while Paragraph (183)(b) covers the "fulfillment of normal warranty obligations by the vendor", warranty arrangements that extend beyond those customarily provided or the obtaining of service contracts are not covered by these provisions. Rather, such arrangements or service contracts covering work normally and historically performed by represented skilled trades associates are to be considered in the same manner as contracts for the performance of maintenance work and such decisions are covered by the provisions of Paragraph (183)(c) of the National Agreement. The local plant Managements will be advised accordingly.~~

~~Very truly yours,~~

~~Patrick J. Paige
Vice President, Human Resources~~

~~{See Par. (42)(a)}
{See App. F-F2}~~

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RMU
DMA

Doc No. 91

SALE OF BUSINESS

AMERICAN AXLE & MANUFACTURING, INC.

~~February 25, 2004~~ Date

~~Mr. Cal Rapson~~ Jimmy Settles
Vice President and Director
AAM-UAW Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. ~~Rapson~~ Settles:

During these negotiations, the Union requested the Corporation to agree that any sale of an operation as an ongoing business would require the buyer to assume the 2004-2008 AAM-UAW Collective Bargaining Agreement, excluding the operations of linkages, stabilizer bars, hubs and spindles. The Corporation agreed to do so in the case of any such sale during the term of the 2004-2008 Agreement.

Very truly yours,

~~Patrick J. Paige~~ John E. Jerge
Vice President, Human Resources

MAY 16 2008

SUBMITTED TO UAW: _____

INITIALED BY THE PARTIES: SB / GMA

WORK ASSIGNMENTS - SKILLED TRADES
AMERICAN AXLE & MANUFACTURING, INC.

~~February 25, 2004~~2008

Mr. ~~Cal-Rapson~~Jimmy Settles
Vice President and Director
AAM-UAW Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. ~~Rapson~~Settles:

During these National Negotiations, the parties discussed at length the necessity for the Corporation to become competitive in all aspects of the business. Among the issues discussed were the existing skilled trades classification structure, work rules, and past practices.

~~With regard to the skilled trades classification structure, the Union expressed concern over apprenticeable skilled trades classifications being consolidated. In this regard, the Corporation observed that it will not dictate consolidation. The Parties share a mutual desire to have the most flexible workforce in the industry. Therefore the Parties strongly encourage each location to review their current classification structure for the purpose of obtaining world class benchmarks. apprenticeable skilled trades classifications to its plants. The Corporation advised, however, that they intend to rely on the currently apprenticeable skilled trades classifications as the basis for our skilled classification structure moving forward. Competitive advantages of a review of skilled trades classifications at any American Axle & Manufacturing, Inc., facility must be weighed and determined by the local parties in view of all attendant circumstances at that location. Appropriate training plans necessary to accomplish any consolidations must be submitted in a timely manner for approval by the AAM-UAW Skilled Trades and Apprentice Committee.~~

With regard to work rules and past practice, the Corporation stated that many plants feel hampered in their efforts to enhance competitiveness in today's environment by historically restrictive practices which originated at a time when competition was less threatening. In recent years, the Corporation has experienced competitive pressures and financial losses that have required the parties to address uncompetitive work practices. ~~Given recent improvements in the area of job security, the need for such stringent work rules and delineation of job responsibilities has been reduced.~~

~~Therefore, the National parties concur that local Management and local Unions shall review existing work rules and practices, especially in the area of Lines of Demarcation, to insure that only those necessary to protect the safety of associates, the integrity of the skilled trades, and the efficiency of operation in today's competitive environment are carried forward. Incidental, overlapping, and other minor access type work is encouraged and should be discussed and handled locally consistent with sound business judgment. This~~

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RMU
DMA

~~review will be completed within 180 days of the effective date of this Agreement and all modifications shall be implemented within thirty days thereafter.~~

Therefore, the Parties concur that local management and the local unions have reviewed and will be strongly encouraged to continue to review existing work rules and practices, specifically in the area of Lines of Demarcation, to eliminate situations that cause unnecessary delays or inefficiencies.

If either of the local parties feel that abuses of the spirit and intent of this document exist, they may request the issue be reviewed via plant entry by appropriate representatives of the AAM Department of the International Union, UAW and the AAM Labor Relations Staff.

Very truly yours,

~~Patrick J. Paige~~ John E. Jerge
Vice President, Human Resources

[See Par. (182)]
[See CSA #12]

310

PMU
OMA

Doc No. 120

PLANT CLOSINGS AND SALE MORATORIUM
AMERICAN AXLE & MANUFACTURING, INC.

February 25, 2004

Mr. ~~Cal Rapson~~ Jimmy Settles
Vice President and Director
AAM-UAW Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Mr. ~~Rapson~~ Settles:

In response to your expressed concern about job security in our negotiations and discussions regarding this subject, please be advised that during the term of the new Collective Bargaining Agreement, the Corporation will not close, nor partially or wholly sell, spin-off, split-off, consolidate or otherwise dispose of in any form, ~~any present the Detroit Gear & Axle or Cheektowaga Pplant~~, or business unit constituting a bargaining unit under the Agreement.

In this regard, it is understood that conditions may arise that are beyond the control of the Corporation, e.g., act of God, and could make compliance with this commitment impossible. Should such conditions occur, the Corporation will review both the conditions and their impact on a particular location with the Union.

Should it be necessary to close a plant constituting a bargaining unit, the Corporation will attempt to redeploy associates to other locations and, if necessary, utilize the "Special Programs" identified in Appendix K of the AAM-UAW National Agreement or may utilize other incentivized attrition programs as agreed to by the Corporate Leadership Council.

Very truly yours,

~~Patrick J. Paige~~ John E. Jerge
Vice President, Human Resources

MAY 16 2008

SUBMITTED TO UAW: _____

INITIALED BY THE PARTIES: EB / JERJE

2008 D120 02 051108 enm

312

RELIEF TIME - MANUFACTURING PLANTS

AMERICAN AXLE & MANUFACTURING, INC.

~~February 25, April 12 2004~~2008

Mr. ~~Cal Rapson~~Jimmy Settles
Vice President and Director
AAM-UAW Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. ~~Rapson~~Settles:

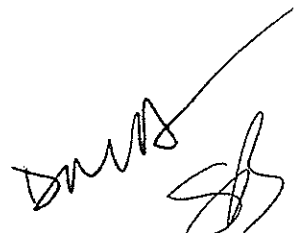
Relief time on ~~manual~~ all operations which are continuous and which cannot be left unattended and on certain other operations that the Corporation determines are likewise of such a nature as to give the associates no control over their ability to leave the operations to tend to personal needs, shall be ~~twenty-three (23)~~ fifteen (15) minutes before lunch and ~~twenty-three (23)~~ fifteen (15) minutes after lunch on a regular eight (8) hour shift, making a total of ~~forty-six (46)~~ twenty (20) ~~thirty (30)~~ minutes.

Relief time on manual operations which can be left unattended and where the associates have control over their ability to leave the operations to tend to personal needs shall be ~~twelve (12)~~ minutes before lunch and ~~twelve (12)~~ minutes after lunch on a regular eight (8) hour shift, making a total of ~~twenty-four (24)~~ minutes.

The amount of relief time as specified above shall be modified accordingly for a shift other than a regular eight (8) hour shift. In addition, as a matter of policy, the first hour at the start of the shift and the first one-half hour after lunch are not ordinarily scheduled as relief periods. Any local relief practices which are not inconsistent with the total amount of relief time provided herein may be continued.

The parties have agreed to continue the following informal procedure to address complaints regarding this subject.

1. The complaint may be raised by the Chairperson of the Shop Committee directly with the Plant Personnel Director.
2. If not resolved, the Chairperson may refer the problem to a representative of the International Union, UAW who may request a meeting with a member of the Corporate Labor Relations Staff to discuss the complaint and take appropriate action.

Handwritten signatures and initials in the bottom right corner of the page.

FULL DISCLOSURE

AMERICAN AXLE & MANUFACTURING, INC.

February 25, 2004~~8~~

Mr. ~~Cal Rapson~~ Jimmy Settles
Vice President and Director
AAM-UAW Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. ~~Rapson~~ Settles:

During these negotiations the Union cited several instances where Management delayed in providing information requested by the Union during the processing of a grievance. In response, Management assured the Union that they fully support the principle of full disclosure. The principle of full disclosure has been discussed in several Umpire decisions dating back to 1941. Management fully supports the principles outlined in those decisions.

Further, ~~while the UAW and AAM relationship has a short history dating back to 1994, the Parties recognize that the AAM-UAW National Agreement has origins from the GM-UAW National Agreement. Therefore, Management is in agreement with the Union~~ the parties agree that the Umpire, as outlined in the Grievance Procedure Section of this Agreement, will only consider GM-UAW and/or AAM-UAW umpire the entire collection of U.S. labor arbitration decisions as precedent.

Very truly yours,

Patrick J. Paige
John J. Jerge
Vice President, Human Resources

SUBMITTED TO UAW: APR 12 2008
INITIALED BY PARTIES: PPU DMA

Doc No. _____

NEW

AMERICAN AXLE & MANUFACTURING, INC.

JOB SECURITY COMMITMENTS

[Date]

Mr. Jimmy Settles
Vice President and Director
AAM Department
International Union, UAW
8000 East Jefferson Avenue
Detroit Michigan 48214

Dear Mr. Settles:

During these negotiations the Parties discussed the issue of job security for UAW members employed by AAM. The UAW expressed its view that job security for UAW members over the term of this agreement is and will continue to be a top priority for the Union. AAM recognizes that a commitment to job security for UAW members provides an advantage to AAM by helping foster their full commitment to the long-term success of AAM.

However, higher fuel prices and government regulation have created unprecedented change in the U.S. automotive industry, resulting in a shifting of consumer demand to more fuel-efficient vehicles. This has created a difficult business environment for AAM as sales of vehicles with little or no AAM content gain market share at the expense of vehicles with higher AAM content.

Most recently, due to severe and negative business decisions by AAM's largest customer, AAM has been forced to take necessary restructuring actions. While unfortunate, these restructuring actions are undertaken with the dual objective of securing jobs for UAW members where possible, and providing retirement incentives, early retirement options, buyout programs, and additional plant closing benefits in locations where the facility is slated for closure.

This Agreement provides economic changes and work-rule modifications intended to reduce AAM's cost structure for seniority associates who receive buydown compensation. The Parties believe that these actions, combined with the incentives described above, will allow AAM to align its workforce levels with lower customer demand for full-size and mid-size truck and SUV driveline components.

MAY 11 2008

MAY 16 2008

JMA
SB

AAM recognizes the high level of sacrifice required by UAW members to make these changes and is committed to the job security of all UAW members at the Detroit Gear & Axle and Cheektowaga locations.

In order to fulfill this commitment, AAM agrees to extensive product placements in these facilities, supported by an estimated investment of \$170 - \$200 million. These product sourcing commitments are contained in Attachment A, which represents certain new and successor programs that AAM will produce at the Detroit Gear & Axle and Cheektowaga plants.

The Parties also discussed the opportunities to increase job security for UAW members by aggressively seeking to procure new work from existing and new customers by taking advantage of the improvements towards a market-competitive cost structure of the new labor agreement.

In this regard, AAM agrees to provide Corporate support to its UAW National Agreement facilities when there is an opportunity to make a business case for any new business programs that can be bid competitively under the existing labor agreement structure. If the UAW facility has the lowest bid, it will be awarded the work on a competitive basis.

AAM will rescind all pending product outsourcing notices at the Detroit Gear & Axle Plant and Cheektowaga, as of the date of this Agreement. AAM also agrees to consider insourcing of previously outsourced products and components beyond those referenced in Attachment A through a timely application of the new sourcing process agreed to in Appendix S. The Parties will meet within 120 days of ratification of the Agreement to discuss the opportunities to competitively insource such work.

Very truly yours,

John E. Jerge
Vice President Human Resources

SUBMITTED TO UAW: _____

INITIALED BY THE PARTIES: SB / DMA

MAY 11 2008

MAY 16 2008

Job Security
 \$170 - \$200 Million in Potential Investment
 Attachment A

Plant	Products
<u>Detroit Gear & Axle</u>	<p>Maintain 9 current Product Programs through the current agreement.</p> <p>Some axle components and assembly will be resourced to accommodate the addition of three (3) axle programs through the current agreement.</p> <p>Add replacement program for Next Generation Heavy Duty Pick-Up rear axles through the current agreement.</p> <p>AAM will continue to invest in the facility for the purposes of associate training and skill set development, improving quality/warranty, maintaining the facility, supporting current / future product programs and facilitating productivity initiatives.</p>
<u>Cheektowaga</u>	<p>Maintain 13 current Product Programs through the current agreement.</p> <p>Add two (2) new differential gear programs through the current agreement.</p> <p>Add three (3) differential gear replacement programs through the current agreement.</p> <p>Add NSG Forging capability</p> <p>Expand Cheektowaga facility</p> <p>AAM will continue to invest in the facility for the purposes of associate training and skill set development, improving quality/warranty, maintaining the facility, supporting current / future product programs and facilitating productivity initiatives.</p>

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MAY 02 2008 *DMR*
 CONFIDENTIAL *SB*

Doc No. _____

NEW

AMERICAN AXLE & MANUFACTURING, INC.

[Date]

Mr. Jimmy Settles
Vice President and Director
American Axle Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Settles:

Subject: Neutrality

We have had previous discussions with you regarding the Union's efforts to organize hourly non-represented production and maintenance associates traditionally represented by the Union elsewhere in American Axle U.S. subsidiaries and affiliates.

Please be advised that American Axle and its U.S. subsidiaries and affiliates respect associates' rights regarding union representation. American Axle has a positive and constructive relationship with the UAW as well as its many other unions. American Axle is committed that it will remain neutral during a UAW organizing campaign directed at hourly production and maintenance associates traditionally represented by the Union elsewhere in American Axle's U.S. subsidiaries and affiliates facilities. American Axle also recognizes that associates are permitted to express their views and opinions regarding union representation provided their actions are lawful and conducted in accordance with Company policies.

American Axle, on behalf of itself and its subsidiaries and affiliates at which American Axle is the employer, agrees to recognize the UAW as the bargaining representative of hourly production and maintenance associates traditionally represented by the union elsewhere in American Axle U.S. subsidiaries and affiliates in an appropriate unit the Union seeks to represent, upon a showing, pursuant to a card check conducted by a third party, that a majority of such associates have expressed their desire to be represented by the Union. It is agreed by the parties that any such facilities organized by the Union pursuant to this understanding will not be covered under the 2004 UAW-American Axle Agreement or any successor agreements, except by mutual agreement of the parties.

MAY 16 2008

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American Axle, on behalf of its U.S. subsidiaries and affiliates, agrees not to take any retaliatory actions against any of its associates, or any facility, based upon a decision of the associates to join a Union. American Axle also agrees that, upon request by the Union, it will send a copy of the attached letter to such hourly production and maintenance associates at any of its U.S. subsidiaries or affiliates' facilities the Union seeks to represent. We will provide the UAW with an opportunity to address such associates during a meeting to be conducted on the facilities premises during work time.

Further, American Axle U.S. subsidiaries and affiliates will, if requested by the Union, give the Union limited access to such associates in non-work areas, during non-work time, provided such access is not disruptive to the operations of the facility. In addition, it will provide the Union, upon request, with a list of such associates and their job classifications.

American Axle and the Union agree that associates are best able to make decisions on representation when the decision is based on accurate information as opposed to inaccurate or misleading information. American Axle on behalf of its U.S. subsidiaries and affiliates agrees it will not comment in a negative manner about the Union.

In the event the Union is aware of any actions by American Axle U.S. subsidiaries or affiliates, or its agents, that are viewed as anti-union, or if the Union has a concern that American Axle or its U.S. subsidiaries or affiliates, or its agents, are acting in a manner that is inconsistent with this letter, the issue may be presented to the Corporation for review.

Very truly yours,

John E. Jerge
Vice President Human Resources

MAY 16 2008

SUBMITTED TO UAW: _____

INITIALED BY PARTIES: JB / DMA

NEW

To: _____ [Appropriate Corporation] Associates

From: _____ [Plant Manager]

Subject: _____ Associates Rights Regarding Union Representation

[Corporation] recognizes that associates have the right to support union representation. The Corporation fully respects this right.

We also recognize that it is in our mutual interest for [Corporation] to respect a decision by our associates who wish to seek union representation.

For these reasons, we have agreed that, if a majority of our production and maintenance associates sign authorization cards indicating a desire for union representation, we will immediately recognize the union chosen by our associates. We will also immediately undertake efforts to building a constructive relationship with that representative.

I can assure you that there will be no negative consequences for associates who exercise their rights to support union representation.

We would like to establish a positive relationship with the UAW so that we do not have division in our plants that would in any way divert our focus from our mutual goals. We respect the UAW, and they respect us.

SUBMITTED TO UAW: _____

MAY 11 2008

INITIALED BY PARTIES: EB / DMVA

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Doc. No. _____

NEW

MEMORANDUM OF UNDERSTANDING

WORLD CLASS SKILLED TRADES WORKFORCE

[Date]

Mr. Jimmy Settles
Vice President and Director
American Axle Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

AAM and the UAW recognize and value the fact that our skilled trades workforce is among the most talented, highly-trained workforce in the industry. Additionally, the Parties recognize that the majority of our skilled trades associates were hired with cross-functional skill sets and capabilities. The skilled trade workforce must be provided opportunities in the workplace to use these skill sets and capabilities and maximize their full potential, including support of preventive, predictive and planned maintenance activities.

Additionally, during these negotiations, the Parties discussed at length the necessity of becoming U.S. market competitive in the assembly of axles and driveshafts, component machining and metal forming operations. Since 1994, tremendous economic change has occurred in the Tier 1, Tier 2, and Tier 3 automotive supplier industry reflected in changing customer preferences away from full size trucks and SUV's, the significant decline in market share of our primary customers and an increase in the number of direct competitors on U.S. soil.

Historically, skilled trades work assignments were evaluated on the basis of a definition reflecting "normal" and "historic" practices which originated at a time when competition was less threatening. Recently, AAM has experienced unprecedented competition and financial losses requiring the Parties to address uncompetitive work practices. The Parties recognize that these practices may no longer be applicable to the rapidly changing requirements of the U.S. automotive supply industry, unless such practices improve the competitiveness of the plant operations. Based on these discussions, the Parties acknowledge that immediate and significant change is necessary to improve the sustainability of plants covered by the Master Agreement, thereby leading to improved associate job security. To survive in this increasingly competitive market, a work

environment and mind set of continuous improvement and work rule flexibility must be achieved.

The major elements of skilled trades work rule flexibility include movement to a core work focus, reduced classifications, overlapping work assignments, thus minimizing lines of demarcation, and the elimination of uncompetitive past practices. During their negotiations, the Local Parties have addressed these work rule flexibility issues. The focus going forward must be on successful implementation at the plant level. To support local implementation, the CLC shall evaluate progress at least annually and shall provide resources to assist whenever necessary. Additionally, the Local Parties are encouraged to share "best practice" information regarding implementation and CLC evaluations will similarly be used for this purpose. One such best practice is the use of alternative work schedules for maintenance crews that allow work schedules of 40 hours that include Saturday and Sunday work for straight time pay which may be considered. The Parties are encouraged to consider such approaches to reducing cost and maximizing operational flexibility.

Additionally, to support the above objectives, it is understood that overlapping and incidental work assignments must no longer limit trades capabilities, but rather provide an opportunity to utilize these skills to broaden the expertise of skilled trades. Existing work rules and practices that are necessary to protect the safety of associates and the efficiency of operation in today's competitive environment will be carried forward. Therefore, lines of demarcation between trades will be minimized. Furthermore, the work assignments of production associates will incorporate certain maintenance tasks that can be safely assigned with the implementation of standardized work pursuant to the AAM Manufacturing System.

AAM and the UAW's joint goal is to provide a work environment that best utilizes our skilled trades workforce to their optimum potential. Additionally, AAM will continue to rely on our skilled trades workforce and focus their efforts, innovation and abilities on maintaining and improving our core work products and processes. With regard to potential subcontracting decisions, the Local Parties have committed to use a Competitive Analysis process that comprehensively addresses opportunities for additional work and skilled trades utilization.

Further, the Parties share a mutual desire to have the most competitive, highly trained and flexible skilled trades workforce in the industry and, therefore, support each plants' efforts to transition the skilled trades classification structure of up to four (4) classifications: Electrical Technician, Mechanical Technician, Toolmaker/Tool and Die and Facilities Technician. In support of these skilled trades classifications, the AAM-UAW Skilled Trades and Apprentice Committee will develop appropriate apprentice training schedules.

The Corporate Leadership Council (CLC) will review and monitor the Local Parties efforts to improve skilled trades work rule flexibility, focus on products and processes core to AAM, and train their skilled trades workforce in the new classifications. These reviews will be ongoing and will be a topic of discussion at all CLC meetings. In

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addressing implementation issues, the Local Parties may request assistance of the CLC. Furthermore, the CLC will audit each plant's performance in these initiatives. Finally, it is understood that the commitments expressed in this MOU shall modify or replace any understandings and/or agreements to the contrary contained in this Agreement or any Local Agreement.

[See P. 182, 183(a-e), App. F,
App. F-1, Doc. 63]

SUBMITTED TO THE UAW:

~~MAY 02 2008~~

INITIALED BY THE PARTIES:

~~RMU/DMA~~

RMU
DMA

Doc. No. _____

NEW
EXISTING NONSTRATEGIC SKILLED TRADES WORK
AMERICAN AXLE & MANUFACTURING, INC.

Date

Mr. Jimmy Settles
Vice President and Director
AAM-UAW Department
International Union, UAW
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Settles:

As a result of extensive discussions and a review of the Corporation's competitive position, the parties are in agreement to strongly encourage each location to address certain skilled trades work assignments. The local parties should jointly explore opportunities to exit those work elements in a manner most conducive to their operation, and reassign the skilled trades associates to work more in line with the manufacturing and engineering process while reducing the need for subcontracting.

The following is a list of work assignments appropriate for the local parties to discuss. It is understood that an agreement to exit the identified work elements will be accomplished through a jointly agreed upon transition process.

Any additional work assignments identified by the local parties must be agreed to by the National Parties.

Furthermore, as discussed between the parties, the intent of this document is that implementation of the commitments contained herein shall not result in the immediate and/or direct layoff of skilled trades associates.

Construction

- Building construction – projects including refurbishing offices, restrooms, cafeterias, mezzanines, classrooms, auditoriums
- Demolition of buildings – whole and partial (once bargaining unit has completed their recognized pre demolition work)
- Decommissioning of a building (non environmental): After all plant requested assets have been removed and an auction has been conducted (if applicable) – and remaining assets are sold to a demolition contractor

Painting/Glazing

- Signage/stenciling, facility/building painting, structural/equipment/production aids painting, aisle/parking lot striping, rack/container painting, piping, platforms

Carpentry

- Crating, hanging signs/banners, platforms, benches, catwalks, racks, tables, drywall
- Repair/replace office furniture, tables, cabinets

Building Envelope Maintenance

- Major repairs/replacement: walls, floors, windows, doors (e.g., dock, roll-up doors, pedestrian)

- Roofing, fencing, railroads, parking lots (excluding snow removal), roads, outdoor lighting/electrical

Specialty Maintenance

- Elevators/escalators, fire system maintenance and installation
- Fixture re-lamping/replacement
- All Asbestos/PCB maintenance, remediation and removal.
- Major HVAC repairs/replacement
- Machine overhauling, rebuilding and/or retooling

Certified Welder Maintenance

- Certified welding shall be contracted when there is no certified welder on site

Hi Voltage Electrical Distribution

- 13,200 Voltage and above

Building Mechanical

- Repair of plant-wide utility distribution systems (natural gas, compressed air, steam, water, condensate, trade waste lines, manufacturing fluids)

Building Electrical

- Repairs of building electrical systems

Crane hoist repair/inspection

- Repair/replacement of overhead cranes, hoists

It is understood that certain situations may occur wherein portions of work described above may be completed by bargaining unit associates in order to address minor or unexpected maintenance situations.

The Parties recognize that the above items represent opportunities in addition to items that may have already been identified in local discussions. Additionally, the Parties agree that changes brought about by attrition (normal and/or incentivized) may assist the Parties in evaluating additional competitive work opportunities.

Furthermore, as the workload requirements exceed the remaining resources, the work will be exited and not subject to the subcontracting provisions of AAM-UAW National Agreement.

In the event the local parties are unable to reach an agreement on the identification of non-strategic work and/or the process for reassigning skilled trade associates, either party may refer the matter to the AAM-UAW Skilled Trades and Apprentice Committee as directed in the skilled trades/indirect labor audit for resolution.

Very truly yours,

John E. Jerge
Vice President, Human Resources

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