



# UAW-FCA US LLC

## CONTRACT SUMMARY: HOURLY WORKERS

SEPTEMBER 2015



CONTRACT SUMMARY



*The 2015 UAW National Negotiating Committee*

Dear Brothers and Sisters:

Your bargaining committee is pleased to present these highlights for your review, debate and vote. In these pages, you will see that we won tremendous gains. Thank you for standing with us throughout this process because your support gave us strength at the bargaining table and your solidarity helped us reach our goals.

Two of those goals were to find a way to address the dual wage structure and preserve our quality medical benefits in the face of health care costs that are skyrocketing and projected to go higher. We felt a tremendous responsibility to achieve all of our bargaining goals and hope you will be pleased with the many improvements we won in this round of negotiations.

Back in 2007, we understood why we had to negotiate a dual wage structure to address the historically dire financial problems Chrysler (and the other two Detroit automakers) went through at the time. But that was then and this is now. Our sacrifices, hard work, and quality production helped the company get on firmer financial ground. Now “it’s our time” to share in those gains.

As a result, your bargaining committee has taken a thoughtful and strategic approach to addressing this inequity over time in a way that allows the company to continue to invest in our plants, develop new product and keep our jobs secure. This new wage schedule takes into account seniority on the job and creates a structure that can be built upon in the next round of bargaining.

Additionally, we are proud that this tentative agreement establishes a strong foundation to protect our high quality health care and reduce costs in an innovative and sustainable way. Health care costs are rising. It’s a problem for the company, it’s a problem for us, and it’s a problem for our nation. Knowing that there is no realistic way for us to protect our quality health care and cut costs, we proposed the trailblazing idea to create a health care cooperative (co-op) to provide medical benefits for active employees in the same way that we had the foresight to establish a Voluntary Employee Beneficiary Association (VEBA) in 2007 to protect health care for UAW retirees.

Working together, our union, the company and the VEBA can structure a co-op that protects the medical benefits we deserve, cuts costs through the savings available from a bigger pool of participants – including the employees of the other two Detroit automakers – and generates savings that can be channeled into other areas of our compensation and the business for our ultimate job security.

It was an honor to represent you at the bargaining table. We are proud of this total agreement and recommend its support.

In solidarity,

**Dennis Williams, President**  
International Union, UAW

**Norwood Jewell, Vice President and Director**  
UAW Chrysler Department

### HIGHLIGHTS OF THE PROPOSED 4-YEAR AGREEMENT WITH FCA US:

- Eligible members receive a \$3,000 ratification bonus.
- Traditional employees receive two 3 percent general wage increases, plus two 4 percent lump sums. Total guaranteed compensation is \$19,000 in straight-time earnings.
- In-progression employees receive general wage in-
- creases based on seniority, creating a maximum wage of \$25.35. Total guaranteed increased compensation is up to \$25,000 over the course of the agreement.
- Other bonuses: All employees have the opportunity to earn bonuses with potential payouts between \$4,000 and \$13,000.
- A new health care co-op that is designed to maintain quality benefits and control costs for employees and the company.
- Profit-sharing improved for all employees; additional improvements for in-progression employees.
- For the first time, employees will be permitted to use vacation in one-day increments.
- Sixty-four paid holidays over the term of the agreement. Easter Monday restored.
- New Legal Services Plan
- Significant alternative work schedule changes.

IT'S OUR TIME!

# Significant improvement in wages, and other compensation for traditional employees

Your bargaining committee negotiated significant pay increases.

## Ratification Bonus

The company agreed to provide an up-front lump sum payment of \$3,000 to each eligible member on the active roll on the effective date of this agreement, in recognition of services that will be performed over the contract period and as part of the wage increase negotiations secured in the tentative agreement.

## General Wage Increases

Traditional employees will receive **two 3 percent general wage increases.**

The first will take place upon ratification and the second increase will be in September 2017. Over the term of this agreement those wage increases will generate approximately \$11,000 in additional straight time earnings.

## Lump Sums

In addition to general wage increases, traditional employees will receive **4 percent lump-sum bonuses** in the second and fourth year of the agreement totaling approximately \$5,000.

## Upside Earnings

Beyond the guaranteed wage increases and bonus payments there are

additional opportunities for upside earnings for both traditional and in-progression employees. These bonuses are tied to quality metrics, WCM, skilled trades metrics and productivity audit scores. Although they are not guaranteed, the potential payouts range from **\$4,000 to \$13,000** per employee over the life of the agreement.

## Team Leader Premium

The team leader premium will be increased by \$.50 per hour for traditional employees.

Examples of Traditional Wage Increases			
	Assembler	Tool & Die	GW I %
<b>Base Rate-Contract End</b>	28.05	32.71	
1st-year base rate increase	0.84	0.98	3.0%
<b>End 1st-year base rate</b>	28.89	33.69	
3rd-year base rate increase	0.87	1.01	3.0%
<b>Base Rate-Contract End</b>	29.76	34.70	

Example of 4% Lump Sum Bonuses		
	Assembler	Tool & Die
September - 16	2,404	2,803
September - 18	2,476	2,887



*UAW President Dennis Williams and Norwood Jewell, Vice President of the union's Chrysler Department, at the handshake with FCA kicking off negotiations.*



**UAW Chrysler negotiators discuss concerns from the membership that should be addressed in contract talks.**

2015 Wage Increase		
Base Rate		Amount of Increase
less than	28.17	0.84
28.17	28.49	0.85
28.50	28.83	0.86
28.84	29.16	0.87
29.17	29.49	0.88
29.50	29.83	0.89
29.84	30.16	0.90
30.17	30.49	0.91
30.50	30.83	0.92
30.84	31.16	0.93
31.17	31.49	0.94
31.50	31.83	0.95
31.84	32.16	0.96
32.17	32.49	0.97
32.50	32.83	0.98
32.84	33.16	0.99
33.17	33.49	1.00
33.50	33.83	1.01
33.84	34.16	1.02
34.17	34.49	1.03
34.50	34.83	1.04
34.84	35.16	1.05
35.17	35.49	1.06
35.50	35.83	1.07
35.84	36.16	1.08
36.17	36.49	1.09
36.50	36.83	1.10
36.84	37.16	1.11
And so on		

2017 Wage Increase		
Base Rate		Amount of Increase
less than	28.50	0.85
28.50	28.83	0.86
28.84	29.16	0.87
29.17	29.49	0.88
29.50	29.83	0.89
29.84	30.16	0.90
30.17	30.49	0.91
30.50	30.83	0.92
30.84	31.16	0.93
31.17	31.49	0.94
31.50	31.83	0.95
31.84	32.16	0.96
32.17	32.49	0.97
32.50	32.83	0.98
32.84	33.16	0.99
33.17	33.49	1.00
33.50	33.83	1.01
33.84	34.16	1.02
34.17	34.49	1.03
34.50	34.83	1.04
34.84	35.16	1.05
35.17	35.49	1.06
35.50	35.83	1.07
35.84	36.16	1.08
36.17	36.49	1.09
36.50	36.83	1.10
36.84	37.16	1.11
37.17	37.49	1.12
And so on		

# In-Progression Economics

## In progression workers narrow the gap in wages; second profit-sharing check possible

Since 2007, In-Progression employees have received lower starting wages for production jobs within our facilities. In 2011 bargaining, we raised wages for current and future employees. In 2015, your bargaining committee built on those gains and went even farther towards narrowing the gap in wages and benefits.

This contract raises the starting rate for new hires to \$17 and puts existing and future employees on a path to \$25.35. These wage increases will generate total compensation of up to \$25,000 over the term of the agreement.

Wage increases over the term of the agreement will be based on years of service at the time of ratification.

### Team Leader Premium

The team leader premium for In-Progression employees will be increased by \$1.50 per hour.

### Upside profit sharing

An additional component of compensation is upside profit sharing. When FCA is highly profitable, new hires will receive a second profit sharing payout ranging from \$1,000 to \$4,000 depending on the level of profitability. (See profit sharing for full details).

### 401(k) Improved

All In-Progression employees will now receive a 6.4 percent 401(k) contribution.

Years of service at ratification	Wage upon ratification	Upon anniversary date in each year of the contract			
		2015-2016	2016-2017	2017-2018	2018-2019
Less than 1	\$17.00	\$18.00	\$19.50	\$21.00	\$22.00
1 - <2	\$18.00	\$19.50	\$21.00	\$22.00	\$23.00
2 - <3	\$19.50	\$21.00	\$22.00	\$23.00	\$24.00
3 - <4	\$21.00	\$22.00	\$23.00	\$24.00	\$25.35
4 - <5	\$22.00	\$23.00	\$24.00	\$25.35	\$25.35
5 - <6	\$23.00	\$24.00	\$25.35	\$25.35	\$25.35
6 - <7	\$24.00	\$25.35	\$25.35	\$25.35	\$25.35

## Negotiators win the opportunity for workers to qualify for additional bonuses

In addition to guaranteed wages and lump sum bonuses, the following metric based bonuses are available during the term of the agreement. The WCM Award is paid one time upon the achievement of each status. The other bonuses can be earned annually if the target metrics are met.

Award	Potential Payout
Quality Award	\$500 - \$1,500
JD Power	\$250 - \$500
Skilled Trades Bonus	\$500 - \$1,500
WCM Award	\$1,000 - \$5,000

### WCM Award Increases

During the 2015 negotiations the UAW gained an increase in the World Class Manufacturing Award. WCM award payments shall be made to eligible employees assigned to those locations in the year in which they achieve Bronze, Silver, Gold or World Class status, based upon the location's World Class Manufacturing Level Audit Score. These payments will be made to each eligible employee in such years in accordance with the following table:

WCM Level Audit Score	WCM Award Payment
Bronze	\$1,000
Silver	\$2,000
Gold	\$3,000
World Class	\$5,000

# Bargaining team wins \$5.3 billion in new investment commitment over the life of the contract

During these negotiations FCA US committed to approximately \$5.3 billion in investment over the course of this agreement that are designed to ensure optimal utilization of all of the company’s U.S. facilities and provide job growth. The investments are contingent on consumer demand and the company’s ability to generate sustainable and profitable vehicle volumes for all of its U.S. facilities.

The investment commitments are:  
**Assembly Division: \$3.4 billion.**  
**Powertrain Division: \$1.5 billion.**  
**Stamping Division: \$315 million.**  
**Mopar Parts Distribution Center Operations: \$34 million.**

## Skilled Trades Award

The UAW won significant payment awards for skilled trades. The UAW-represented skilled workforce is recognized as making significant contributions toward the company’s competitiveness. The UAW has gained a commitment for a Skilled Trades Award payment based on Professional Maintenance (PM) audit scores at their locations.

Professional Maintenance (PM) Audit Score	Skilled Trades Award Payment
1	\$0
2	\$500
3	\$750
4	\$1,000
5	\$1,500

## Restoration of historical Sunday double-time pay

The UAW Chrysler bargaining committee was successful in its fight to restore double-time pay for time worked on Sundays. Members will now be compensated **double time for time worked on Sunday** regardless of hours.

## V-CAP won’t be deducted in same pay period as union dues

Negotiators won language that prevents V-CAP and union dues deductions from being deducted in the same pay period.

## Vacation and Paid Absence Allowance pay

Members can now conveniently request vacation pay and Paid Absence Allowance at any time throughout the payment year by utilizing the Kiosk or Dashboard Anywhere.

## Bereavement Pay

Acknowledging the unfortunate nature and inevitable grief associated with the death of a loved one, the parties have agreed to no longer mandate that an employee attend the funeral services of a loved one to qualify for bereavement pay. Under the terms of the 2015 Agreement, employees will only be required to submit documentation and

substantiation of both a loved one’s passing and their respective relation.

In addition, when circumstances exist that cause the funeral services of a loved one to be delayed, employees may request to have their bereavement leave scheduled to correspond with the dates of the funeral service.

## UAW secures pension benefit restoration and protections

In 2006, Congress passed the Pension Protection Act (“PPA”), which imposed several regulatory burdens and requirements on defined benefit pension plans, including the FCA US-UAW Pension Plan. Among the PPA’s significant burdens was a requirement that pension plans adopt language providing for the suspension of certain pension benefit payments or pension benefit accruals should the plan’s funding level fall below certain thresholds. The PPA further provides that employers are not required to restore lost benefit accruals or make pensioners whole for losing out on certain suspended pension benefits once a pension plan’s funding returns to specified levels.

In response to this threat to retirement security the PPA poses to our pension benefits, the union secured groundbreaking protections for our members and their pension benefits.



# Profit-sharing plan formula improved

Base Profit Sharing for all Permanent UAW Employees	Plus	Upside Bonus for “In Progression” Employees
\$800 for every 1.0% in profit margin generated by the Company in North America*		When North America profit margins reach 8.0%, an additional bonus for In Progression Employees is generated
*Once 2.0% margin is achieved		8.0% to 8.9% = \$1,000 9.0% to 9.9% = \$2,000 10.0% and above = \$4,000

The new profit-sharing plan formula of \$800 per 1% profit margin remains simple and transparent, utilizing publicly available numbers that the company reports to the government, investors, and the general public. In addition, In Progression employees are eligible for up to an additional \$4,000 at higher profit margin levels.

Under base profit sharing, all eligible UAW members will now receive \$800 for each 1% of profit margin gener-

ated by FCA in North America. This improvement in the formula generates higher payouts for UAW members. For example, in 2014 the payout was \$2,750 under the old formula. If this new formula were in effect for 2014 the payout would have been \$3,280, or \$530 higher (Profit margin in North America was 4.1%, and 4.1 multiplied by \$800 equals \$3,280). Consistent with the 2011 agreement, a maximum payout is paid to any UAW member who was compensated

for 1,850 hours or more during the year. If a UAW member ends up with less than 1,850 compensated hours during the year, he/she would receive a pro-rated portion of the maximum payment.

The new profit-sharing plan will become effective as of 1/1/2016 (first payment in early 2017). The payout in early 2016 will be based on the profit-sharing plan from the 2011 agreement.



*Negotiators review proposed contract language that they later presented to the company.*

The following table illustrates what profit-sharing payouts would be under several different profit margin levels:

<b>Future Year Profit-Sharing Example Payout Illustration</b>				
<b>North American profit margin</b>	<b>5.5%</b>	<b>6.5%</b>	<b>8.0%</b>	<b>9.0%</b>
Profit sharing per 1% margin	\$ 800	\$ 800	\$ 800	\$ 800
Profit sharing - maximum for Traditional Employees*	\$4,400	\$ 5,200	\$ 6,400	\$ 7,200
Upside profit sharing for “In Progression” Employees*			<u>\$ 1,000</u>	<u>\$ 2,000</u>
Profit sharing - maximum for “In Progression” Employees*			\$ 7,400	\$ 9,200
*Maximum payout assumes Employee reached at least 1,850 hours or more during the year				

Base profit sharing still has the existing maximum payout cap of \$12,000. However, that cap does not apply to the upside profit sharing for In Progression employees. For example, if the North American profit margin was 10.5%, base profit-sharing would be \$8,400, and upside profit sharing would be \$4,000, for a total payment for In Progression employees of \$12,400.

For the first time, temporary employees who have at least 1,040 compensated hours during the year are now eligible for modified profit sharing.

## **What is profit margin and why does it make sense for our profit sharing plan?**

*Profit margin is a key metric commonly used by management and the investment community as a tool for measuring financial performance of companies, including FCA. Since companies like FCA put a lot of emphasis on increasing its profit margin, it makes sense that our profit sharing plan is aligned with this metric.*

***Profit Margin = Profit divided by Sales***

# Benefits

## Health Care Co-op

In recognizing that stable and secure benefits are vital to the economic security of every family, the importance of improving the quality and lowering the cost of negotiated health care benefits is critical. In order to explore innovative ways to improve the delivery of these benefits and continue to maintain and improve quality, a Health Care Co-op will be established. The Co-op will focus on improving health care benefits in a manner that increases quality, lowers cost, produces less waste, and provides better patient care and outcomes.

Programs that may be implemented through the co-op may be educational or may create incentives to use particular providers or sites of care, prescription drugs, or other health care benefits in a way that does not diminish overall benefit levels or impose additional costs or any other barriers to clinically-appropriate care.

Members will always have an option to maintain current benefit levels by choosing to have care delivered within a network or at a Center of Excellence.

## Disability/Life Insurance Improvements

The UAW bargaining team understands the importance of financial security for members and their families, and have negotiated gains in optional group life insurance plans for all active UAW members. To help make the plans as affordable as possible, negotiators bargained successfully for premium decreases through 2019.

Coverage limits have been enhanced for optional life insurance. The mem-

ber's coverage amount, without providing evidence of insurability, has increased to \$200,000. In addition, the level of dependent coverage for eligible spouses will increase from \$40,000 to \$100,000, and from \$40,000 to \$80,000 for eligible children, without evidence of insurability. There will now be a noticeable separation in coverage between spouse and children for optional coverage for dependent group life insurance.

## 401 (k) Plan Maintained with Enhancements

To help members weather future financial difficulties, our bargaining team negotiated loan availability for members who have previously defaulted.

## Legal Services Plan Benefits are Back

- Your bargaining committee succeeded in negotiating a new Taft-Hartley plan jointly administered by union and company plan trustees. The benefit shall start immediately upon regulatory approvals.
- Eligible participants include all UAW-represented employees and retirees, and now In-Progression employee retirees and their surviving spouses, as well.
- The company's annual funding obligation will be \$2.2 million.
- Benefits covered under the new plan include a variety of legal services handled as "office benefits" (meaning no court appearances) such as preparing wills and handling residential real estate matters including deed filings, credit reporting, uncontested legal matters, document preparation and continuation of a program assisting with filing for Social Security Disability benefits. The Social Security Disability program has been expanded to include UAW-represented retirees.

## 3/2/120 Alternative Work Schedule Pay Improved

Your negotiating committee raised concerns with the company about 3/2/120 Alternative Work Schedule members being paid straight time for Saturday work. The committee won agreement from the company that 3/2/120 Alternative Work Schedule employees who are regularly scheduled to work **Saturdays will be paid time and one quarter** for Saturday hours.

## 4x10 Alternative Work Schedule Improved

During bargaining, the union raised concerns about members on 4x10 Alternative Work Schedules being forced to work multiple, consecutive Fridays. After much debate, your bargaining committee was successful in securing language that limits the number of consecutive Fridays that members can be required to work.

## Improving Member Health Through New Wellness Program

The health care of the membership is always a priority. Your bargaining committee negotiated the introduction of a new Wellness Program that will be piloted to provide members with a foundation for better health. The introduction of a new Wellness Program will give members an opportunity to have better managed care and more resources to manage chronic conditions.

## Reinstated Chrysler Scholarship Program for Dependent Children

In order to advance our children's opportunities in today's competitive job market it's our duty to assure higher education is made affordable to all students. During these negotiations the **UAW-Chrysler NTC Scholarship Program for Dependent Children** has been successfully reinstated for active UAW-represented FCA US LLC employees to an annual amount of **\$1,500**.

## Lasik Surgery

In a continuous effort to enhance the negotiated health care benefits for our members, there will now be a \$295 amount allowed toward Lasik vision surgery. Lasik is a popular vision correction surgical procedure using a laser.

## SUB Fund Replenished to Reinforce Job Security

Job security was a major focus during negotiations. Your bargaining team fought hard on this issue and was successful in replenishing and maintaining the SUB fund.

They also gained acceptance by the company that any employee who used SUB credits during the life of the 2011 contract will have SUB credits replenished, and the SUB calculation and waiting weeks will remain the same. Bargainers also won the addition of enhanced job security language for members facing non-qualified, non-counter layoffs, and for members affected by non-volume related layoffs.

## Hearing Aid Benefits

The UAW recognized the importance of hearing coverage to our membership. In understanding the continued need for this important benefit, the UAW has negotiated hearing benefits to provide savings on state-of-the-art digital hearing aids to our members.

## Union Benefit Representative in Closed Market Areas

An acceptable level of representation will continue to be allowed in locations where plants were closed. UAW Benefit Representatives will continue to be assigned to assist retirees in Huntsville, Ala., Kenosha, Wis., St. Louis, Mo., Newark, Del., and Twinsburg, Ohio.

## EAP

### Alternate EAP Representative

Significant improvements were gained in the 2015 negotiations. The UAW continues to provide a high level of quality assistance to our members. To support and serve our members, the Vice President and Director of the UAW Chrysler Department will appoint an **alternate EAP Representative** in each facility to perform the duties of the full-time EAP Representative in their absence.

### Excise Tax Implications

The parties discussed the excise tax imposed on high cost employer sponsored health care plans. In the case where a plan is expected to be impacted by the tax, the company and the UAW will meet and discuss plan design option changes to bring the cost under the tax threshold similar to the process identified in the existing C-14 letter. If the plan will be subject to the tax, members in the plan can only be subject to a maximum \$400 deductible for single coverage or \$800 for family coverage, if they voluntarily elect to remain in the plan.

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# Sourcing

## Sourcing Leadership Conference

The new language establishes an annual Sourcing Conference to provide continuous educational opportunities for our members on building successful business cases. The scope of the conference makes it a proactive approach to growing and educating our membership.

## Moratorium on Outsourcing

The UAW and FCA discussed the importance of job security as it relates to work and investment commitments. As a result of these discussions, a sourcing moratorium including agreed upon core and processed work will be in effect for the entirety of the 2015 Collective Bargaining Agreement.

## Supplier Relations Commitment

The Supplier Relations Letter commits to fostering a culture of collaboration between Purchasing and the UAW which will drive accountability and results. It enables the UAW to continue to focus on retaining and expanding supplier membership through strategic partnership initiatives.

# Skilled Trades

## Broken or Damaged Tools Language Improved

The negotiating team was successful in improving the language regarding the replacement of personal tools of skilled trades' employees that are broken or damaged on the job. The maximum amount expended for the repair or replacement of any one tool was increased from \$350 to \$450. Also, the procedure for replacement of broken or damaged tools was improved. The Maintenance Center Manager (or designee) will be responsible to address such issues.

## Improved Full Utilization Language

Letter 209 "Full Utilization of Language," was strengthened by adding language that was deleted during 2011 negotiations, while also adding new language to address the issue of utilizing skilled trades employees who are assigned to an Alternative Work Schedule work pattern.

These additions state that, "the following additional considerations may also bear on the definition of full utilization," and also that "the parties agreed the definition of full utilization may not necessarily be limited to skilled trades employees working five (5) days per week, eight (8) hours per day but is not necessarily seven (7) days per week, twelve (12) hours per day but may not extend to daily, weekend and other overtime periods, when outside contractors are on the plant premises and are performing work customarily and historically performed by UAW bargaining unit personnel."

## Improved Apprentice Language

During 2015 negotiations, the parties agreed that the company will place approximately 150 apprentices during 2016 and during each subsequent year of the agreement the company will similarly provide continued growth of the apprentice program.

The FCA US – UAW National Apprentice Committee will review apprentice placement opportunities annually and make adjustments in recognition of skilled trade's needs, business conditions and the operational ability to accommodate the growing number of apprentices.

Also addressed by the negotiating teams was an improvement to Section 19, Related Training of the Provisions Pertaining to Apprentices. Currently when apprentices attend class during their normally scheduled shift, the hours are not being considered as compensated hours in the calculation of overtime. Your negotiating team was successful in changing the language so that time spent in actual school attendance during the week's regularly scheduled work hours will be considered as compensated hours in the calculation of overtime pay when the employee works the sixth or seventh day of the work-week and has not experienced lost time.

On a daily basis, when an apprentice works and also attends related training during working hours, the combined hours will be utilized up to 40, to ensure that he/she is not disadvantaged for overtime purposes.

## Outside Contracting Language Improved

Improvements to Letters 34 and 50 were gained to further assist the union in keeping work in-house. Regarding Letter 34, the union negotiators raised concerns regarding the importance of maintaining and providing sufficiently operable equipment and machinery in order that the skilled trade's workforce can successfully perform their jobs with maximum efficiency while promoting job security. Also the period of days a contractor has to start a project was reduced from 35 to 30.

Letter 50, on Outside Contracting Review Team, was improved with the goal of ensuring compliance of the advance notification provisions of any work the company intends to contract out by requiring the Skilled Trades Commit-

teeperson and maintenance manager at each location to jointly report on the compliance status of the Outside Contract Review process at the Local World Class participation Meetings (LWCP). Additionally, the Employee Relations Department and the International Union, UAW will communicate the requirements regarding the Outside Contracting Review Team by the end of the first quarter of 2016.

## Improved "Special Provisions Pertaining to Skilled Trades Employees" Language

Regarding Section 3, language was added that states an eligible seniority skilled trades employee, who was laid off and assigned to such a J-1 status may, prior to obtaining exercisable seniority in his current classification, request a transfer back to his or her former skilled trades classification provided that:

- An open position in that employee's former skilled trades classification exists at his or her current work location or at his or her home location from which they were most recently transferred to the current position, and,
- The skilled trades opening is in a base and non-eliminated skilled trades classification, and
- There are no seniority employees in that trade currently on layoff, and
- There are no other employees with superseding contractual rights to that open position, and
- The transferring employee has sufficient skills to perform the duties of the open position, and
- Local management and corporate Employee Relations approve the transfer, and
- Such transfer does not adversely affect the efficient operations in any of the affected work areas.

# Skilled Trades

## Skilled Trades Classification Structure

During 2015 negotiations the merits of using additional classifications to more effectively align the skills of our workforce was addressed. Upon contract ratification, skilled employees will be assigned to one of three work groups and into one of 10 classifications.

SKILLED TRADES CLASSIFICATION STRUCTURE											
Electrical Work Group		Mechanical Work Group			Tool & Die Work Group						
TRAIN UP TO A LEVEL 3 WITHIN WORK GROUP		TRAIN UP TO A LEVEL 3 WITHIN WORK GROUP			TRAIN UP TO A LEVEL 3 WITHIN WORK GROUP						
Electrician	Repairer Welder Equipment <sub>1</sub>	Pipefitter	Millwright	Machine Repair	Tool Maker	CNC	CMM <sub>3</sub>	Die Maker	Die Welder <sub>2</sub>		
Electrician	Repairer Welder Equipment	Pipefitter	Millwright	Machine Repair	Tool Maker	CNC Machining Technician		Die Maker			
Repairer Welder Equipment		Pipefitter - Plumber	Sheet Metal Worker		Tool Maker - Jig & Fixture Builder	Keller Machine Operator		Die Maker - Die Cast			
		Pipefitter/Spray Gun Repair	Millwright / Welder								
			Welder Maintenance								
Eliminated/Protected Classification Alignment											
Recording Instrument Maint. & Repair		Repairer - Portable Pneumatic Tools	Carpenter/ Painter		Tool/Fixture/ Machine Repair Tech	Inspector Form Cutters		Layout Inspector	Pattern Maker - Wood		
		HVAC	Carpenter		Grinder-Cutter	Pattern Maker - Wood		Layout Metal & Wood			
			Painter & Glazier Maintenance		Cutter Grinder	Saw-Do-All Tool Room Only		Inspector Layout & Sample Check*			
			Mechanic -Trailer Repair		Inspector Gauge Surveillance	Pattern Repairer Foundry Patterns					
<b>1. Welder Repair Classification will apply to FCA US LLC Stamping Plants only, attritional openings will be filled by the electrician base trade.</b> <b>2. A limited number of Die Makers may be trained up to a level 4 in Die Welding. The Local Parties will submit recommendations to the National Parties for review and concurrence.</b> <b>3. CMM attritional openings will be filled by candidates with a Tool Maker or Die Maker base trade.</b>			Brickmason & Cement Finisher		Tool Maker - Tool & Gauge Inspection						
			Crane Operator- Locomotive		Grinder -Tool Room						
			Furnace Repair		Tool & Cutter Grinder						
					Machine Operator - Tool, Die & Maint.						
Stand-Alone Classifications											
Boiler Repair	Repair-Compressor	Compressor Operator	Engineer - Steam	Boiler Operator	Sewage Disposal Plant Operator	Energy Center Operator	Mechanic Diesel - Mechanic Truck- Tractor	Mechanic Gas & Electric Jitney	Powerhouse & Maintenance	Mechanic-Refrigeration & A/C (CTC Only)	

Train to Level 4 consistent with WCM Principles within specific trade.

Employee's remaining in these Classifications (placed prior to 1/1/12) require no additional STR Training and will not combine with any overtime Equalization Group.

# More Protections in Health and Safety

## Working Alone

Significant improvements were incorporated into the language on working alone. New language will require the company to provide written procedures for situations where someone is concerned about their safety when working alone. If written procedures are not currently available, joint leadership will determine the appropriate safety measures to implement until procedures have been completed.

## Fall Protection

Given the fact that falls continue to be one of the leading causes of workplace fatalities, your negotiating team worked with the Company to draft new language regarding the implementation of a comprehensive managed fall protection program. This new language would require each location to conduct a fall hazard survey for every activity where a worker may be exposed to a fall hazard. Once the survey is completed, those activities would have fall protection procedures put in place.

## Jointly Review Company Policies

Updated language regarding Company safety policies will require a joint review of any proposed changes to any policy. The most significant component of the language would require this review to take place prior to policy implementation. The gain for our members is preventing the Company from reducing workplace safety and health protections through policy changes.

## Emergency Response Teams

The UAW and the Company discussed new language regarding Emergency Response Teams. Upon ratification, each facility will select volunteers willing to take an active role in responding to workplace emergencies. Corporate Medical Operations and Corporate Se-



*The UAW Chrysler Health and Safety Subcommittee negotiated enhanced measures to keep our members safe on the job.*

curity Services will train team members so they'll have a better understanding of the potential emergencies that can impact the workplace and can take the right steps to lessen the effects of these emergencies. If a disaster happens, team members can apply the training learned in the classroom and during exercises to give critical support to co-workers in their immediate area until help arrives. When help does arrive, they can provide useful information to responders and support their efforts, as directed, at the incident site.

## Health and Safety Review Boards

Your bargaining team discussed communication as an important part of an effective health and safety program. The team identified three review boards as critical in keeping communication ongoing. There is a board at each plant level to address local safety issues, a board at each division level to address unresolved issues from the plant level, and one special board to address serious injuries and fatalities. The individuals identified as part of these boards bring a broad range of expertise and experience to assist with identifying hazards

and finding solutions. The improved communication will reduce accidents, benefit production and contribute to the sense of teamwork in our facilities.

## Ergonomics

You expressed concerns regarding continuous modifications to workstation procedures affecting ergonomics, and your negotiators were listening. With ratification to this agreement, your ergonomics team will now have the opportunity to review workstation changes prior to implementation. This review process will give your team the ability to work with engineers and jointly address potential ergonomic risks before an injury occurs.

## Alternate Health and Safety Representative

Recognizing the importance of having your health and safety representative on the job for your protection, the Company agreed to allow the alternate health and safety representative to fill in for the safety representative after just one day of absence. This is a significant improvement to the previous agreement that required a full week of absence before allowing the replacement.

Photo credit/Rebecca Cook

## Specialized Safety Training

Training was once again a priority during negotiations. Because of constant changes in our industry, specialized training is required to stay current with the latest developments, skills, and new technologies. Specialized training is a way for your safety representatives to keep abreast of their fields. With the new contract provision, your appointed safety representatives will receive spe-

cialized training in Safety, Ergonomics, and Industrial Hygiene to better prepare them to address workplace safety conditions.

## Lactation Rooms

Becoming even more common are nursing mothers returning to work after just six to twelve weeks. These mothers need a dedicated place where they can comfortably and efficiently express milk and store it in the workplace.

Since 2010, federal law requires a reasonable break time for lactation.

Employers must provide a place, other than a restroom, that is shielded from view and free from intrusion from co-workers. As a result of negotiations, the Company has agreed to provide for a private and secure room with a table, chair, electrical outlet and wastebasket in a room that is properly maintained on a regular cleaning schedule.

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# Promotion Opportunities for Wage Groups

Your bargaining committee discussed at length the importance of a career path with advancement opportunities for non-skilled employees in conjunction with the establishment of wage groups and negotiated positive wage growth for transfers.

This career path will allow non-skilled seniority employees to transfer to other wage groups and allow temporary employees to become full-time within their labor market area.

A non-skilled seniority employee who has been at their current location for at least a year may request to be considered for advancement. Temporary employees seeking full-time status at their current location may also

request to be considered for advancement, and indefinitely laid-off seniority employees will be first to fill openings in the labor market area.

Manufacturing locations with full-time openings will be staffed in this order, after contractual provisions have been applied:

- 1) Parts Distribution Center & Axle operations full-time seniority employees
- 2) Temporary employees in the current location

Parts Distribution Center & Axle locations with full-time openings will be staffed in this order, after contractual provisions have been applied:

- 1) Manufacturing operations full-

time seniority employees

- 2) Temporary employees in the current location

Transfer provisions have also been negotiated for temporary employees, and it is recognized that the plant from which an employee is released must do so consistent with the maintenance of quality and efficiency.

Negotiators also acknowledged that employees may wish to return to their former location. Such requests will be considered on a case-by-case basis.

The company agreed that any concerns about problems implementing these transfers can be brought up by the union and/or company, and will be resolved by mutual agreement.

## Attendance Procedure

### Improved Contract Language on absenteeism

After much resistance from the company, the UAW was successful in separating tardies from the attendance policy. We were also successful in eliminating the 12- and 24-month lock periods, as well as the job posting restriction. Absences will be counted in a rolling 12-month period. Discipline not issued within 14 days of the occurrence will be void. Current spouse and dependent children are now covered for short-term absences due to outpatient surgery, medical procedures, and conditions that require emergency room service for serious and uncontrollable circumstances. Effective 45 days following notice of

ratification of this agreement, the most recent occurrence (excluding Step 7) will be modified to a non-counter in the procedure.

### Progressive Discipline Guidelines for Absences

- 1st Absence ---- Verbal Warning (Counseling)
- 2nd Absence ---- Written Warning and (Counseling)
- 3rd Absence ---- One-Day Disciplinary Layoff
- 4th Absence ---- Five-Day Disciplinary Layoff
- 5th Absence ---- Thirty-Day Disciplinary Layoff
- 6th Absence ---- Discharge

### Tardy Procedure

The procedure below will be followed after two tardies in a rolling 12-month period of active on-roll employment.

### Progressive Discipline Guidelines for Tardies

- 1st Tardy ---- Verbal Warning (Counseling)
- 2nd Tardy ---- Written Warning and (Counseling)
- 3rd Tardy ---- One-Day Disciplinary Layoff
- 4th Tardy ---- Five-Day Disciplinary Layoff
- 5th Tardy ---- Thirty-Day Disciplinary Layoff
- 6th Tardy ---- Discharge

# Miscellaneous

## Vacation one day at a time won

During bargaining, the UAW adamantly communicated its displeasure with the membership's inability to schedule earned vacation entitlement hours one day at a time. After much debate, the union was successful in securing contractual language that will allow all members to be able to schedule **vacations one day at a time** if a member so desires.

## Improved language to Correct Pay Shortages

Pay shortages of four (4) hours or more will be processed by corporate payroll services via the 24-hour pay shortage process. This includes shortages related to Paid Absence Allowance (PAA), holidays, jury duty, short-term military duty, bereavement pay, etc.

## Equal Treatment for All

During this round of bargaining the union expressed the importance of the parties both maintaining and strengthening policies that ensure the equal treatment of all employees. The union secured language that ensures that employees are not discriminated against because of their gender identity, expressions or preferences.

## Modified Enhanced Relocation Allowance Plan

Your negotiating team secured new language that will provide an additional \$20,000 to indefinitely laid-off employees transferred involuntarily to an out of labor market area placement under the provisions of Letter 247 Placement and Workforce Utilization.

- Members will now receive up to a maximum of \$50,000, of which \$10,000 will be provided as a signing bonus for miscellaneous up-front expenses. An additional \$20,000 will be paid to the member at the new location, with the possibility of another \$10,000 after one year, and an additional \$10,000 after the second year.

## Rideshare Program

The union and FCA agree that helping employees find ride sharing opportunities will enhance the quality of life for our members. By promoting and providing information on rideshare transportation services this will help reduce commuter stress and expense, alleviate parking congestion, and promote fuel conservation measures.

## Short-Term Military Duty

UAW members, who serve in the armed forces and work an alternative work schedule, will now be paid for their normally scheduled work day (Saturday and Sunday). Those on short-term active military duty will now be **compensated for up to thirty (30) scheduled working days** in cases of a public emergency. This is an increase of fifteen (15) days from the previous agreement.

## Armed Services Vacation Eligibility

The union recognizes and appreciates our members who serve in the armed forces and it is our belief that they should not be adversely affected while serving our country. To this end, we negotiated language that ensures that a member who enters into or returns to work in a U.S. plant from military service, and would have at least one year of seniority on May 1 of the vacation eligibility year in which his/her military service begins or ends shall receive credit for each pay period he would have otherwise been at work.

## Fee-Free Prepaid Payroll Visa Card Option

Members who do not subscribe to direct deposit will be issued a Prepaid Payroll Visa Card.

## Language Won Concerning Dundee and Trenton Engine Plants

During this round of negotiations the union raised concerns to the company about locally enforced past practices and understandings that conflict with the National Agreement. After lengthy discussions at the bargaining table the parties agreed that all conflicting practices and agreements shall operate consistent with the 2015 National Agreement.

## Third Party Suppliers

The bargaining team raised concerns with the company about services provided by third-party suppliers at Trenton Engine and Dundee Engine plants that are currently being provided by FCA employees in other company facilities.

Negotiators successfully obtained a company agreement to insource specific third-party work to FCA employees upon expiration of the applicable commercial agreement, and to insource specific work before contract expiration if no operational or financial barriers were present.

## Overtime Improvements

Your bargaining committee raised concerns about the overused plant "exception" at Dundee Engine Plant, extending overtime further than intended beyond its 2011 critical implementation to meet strong market demand for engines produced at the plant. After discussions about the concerns with the company, they agreed to explore ways to remove the (M-02) exception and provide employee relief from forced, contractual overtime while maintaining volume requirements.

The company agreed to, within 90 days of the effective date of the 2015 Production, Parts & Maintenance Agreement, develop a plan to achieve those goals. The company also agreed that after that plan is developed, any future (M-02) exception will be established when the union and the company agree to the exception.

# Miscellaneous

## Seven Day Operations

Your UAW bargaining team fought for improved language for our Seven Day Operations. This includes **double time pay** for holidays worked and the ability to convert the holiday pay to their PAA allowance. This language will eliminate the disparity between our Seven Day Operators and other members.

## Holiday Pay

### Eligibility Clarification

Stronger language was negotiated to clarify that disciplinary layoff will not adversely impact an employee's eligibility for holiday pay.

### Call-in and Call-back Pay

The negotiating team was successful in **increasing Call-in and Call-back Pay to fifty percent (50%)** of your normally scheduled shift, or four (4) hours whichever is greater. We also clarified that compensation will be at **premium time on premium days**.

### Current Retirees

The UAW has a proud tradition of remembering our retirees. We are pleased to convey that we've been able to bargain a \$1,000 car voucher for every current retiree. In addition, retirees will once again be able to utilize the newly negotiated Legal Services Plan.

### UAW FCA Hourly Report

This report describes highlights of the agreement negotiated by the UAW 2015 National Negotiating Committee at FCA US LLC.

This is a summary of the tentative agreement. In all cases, the actual contract language will apply.

### 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 2.5 hours of straight time pay per month. Lump-sum cash payments are subject to dues because they also represent cash income, and are assessed at the rate of 1.44%, which is equivalent to 2.5 hours of straight time pay per month.

### 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, will run for four years and will expire Sept. 14, 2019.

## 64 holidays over four years; Easter Monday restored

Your bargaining committee worked hard to maintain and restore key holidays with an understanding of the importance of time spent with family and friends to celebrate holidays. As a result, members will now receive the Monday after Easter Sunday as a holiday. Members will also now observe Veterans Day on the actual day of national observance. When Veterans Day falls on a Saturday, the holiday will be observed the Friday before and the Monday following when it falls on a Sunday.

### 2015-2016

Nov. 11, 2015	Veterans Day
Nov. 26, 2015	Thanksgiving
Nov. 27, 2015	Day after Thanksgiving
Dec. 24, 2015	} <b>Christmas Holiday Period</b>
Dec. 25, 2015	
Dec. 28, 2015	
Dec. 29, 2015	
Dec. 30, 2015	
Dec. 31, 2015	
Jan. 1, 2016	
Jan. 18, 2016	Martin Luther King Jr. Day
Mar. 25, 2016	Good Friday
Mar. 28, 2016	Day after Easter
May 30, 2016	Memorial Day
July 4, 2016	Independence Day
Sept. 5, 2016	Labor Day

### 2016-2017

Nov. 8, 2016	Federal Election Day
Nov. 11, 2016	Veterans Day
Nov. 24, 2016	Thanksgiving
Nov. 25, 2016	Day after Thanksgiving
Dec. 26, 2016	} <b>Christmas Holiday Period</b>
Dec. 27, 2016	
Dec. 28, 2016	
Dec. 29, 2016	
Dec. 30, 2016	
Jan. 2, 2017	
Jan. 16, 2017	
April 14, 2017	Good Friday
April 17, 2017	Day after Easter
May 29, 2017	Memorial Day
July 4, 2017	Independence Day
Sept. 4, 2017	Labor Day

### 2017-2018

Nov. 10, 2017	Veterans Day (Observed)
Nov. 23, 2017	Thanksgiving
Nov. 24, 2017	Day after Thanksgiving
Dec. 25, 2017	} <b>Christmas Holiday Period</b>
Dec. 26, 2017	
Dec. 27, 2017	
Dec. 28, 2017	
Dec. 29, 2017	
Jan. 1, 2018	
Jan. 15, 2018	
Mar. 30, 2018	Good Friday
April 2, 2018	Day after Easter
May 26, 2018	Memorial Day
July 4, 2018	Independence Day
Sept. 3, 2018	Labor Day

### 2018-2019

Nov. 6, 2018	Federal Election Day
Nov. 12, 2018	Veterans Day (Observed)
Nov. 22, 2018	Thanksgiving
Nov. 23, 2018	Day after Thanksgiving
Dec. 24, 2018	} <b>Christmas Holiday Period</b>
Dec. 25, 2018	
Dec. 26, 2018	
Dec. 27, 2018	
Dec. 28, 2018	
Dec. 31, 2018	
Jan. 1, 2019	
Jan. 21, 2019	Good Friday
April 19, 2019	Day after Easter
April 22, 2019	Memorial Day
May 27, 2019	Independence Day
July 4, 2019	Labor Day
Sept. 2, 2019	Labor Day

# Notes

# Notes

# Notes

# 2015 UAW National Negotiating Committee at FCA US LLC



**Browning**



**Williams**



**Jewell**



**Adams Johnson**

**Chuck Browning**, executive administrative assistant to Williams  
**Dennis Williams**, president, International Union, UAW  
**Norwood Jewell**, vice president/director, UAW Chrysler Dept.  
**Nancy Adams Johnson**, top administrative assistant to Jewell



**Loasching**



**Foster**



**Davis**



**King**

**Amy Loasching**, administrative assistant to Williams  
**Miguel Foster**, administrative assistant to Jewell  
**Troy Davis**, assistant director, UAW Chrysler Dept.  
**Virdell King**, assistant director, UAW Chrysler Dept.



**Ganatra**



**Kelly**



**Mitchell**



**Dickow**

**Niraj Ganatra**, general counsel, UAW Legal Dept.  
**Jennifer Kelly**, director, UAW Research Dept.  
**Susanne Mitchell**, director, UAW Social Security Dept.  
**Mark Dickow**, Local 140, president, bargaining chair, Subcouncil 1



**Roe**



**English**



**Guinan**



**Ferro**

**Jim Roe**, Local 12, unit chair, Subcouncil 1  
**LaShawn English**, Local 1264, president, Subcouncil 2  
**William Guinan**, Local 685, committeeman, Subcouncil 3  
**Joe Ferro**, Local 212, skilled trades, Subcouncil 4



**Jarema**



**Godlewski**



**Brenner**



**Hagler**

**Jeff Jarema**, Local 212, president, Subcouncil 5  
**Mike Godlewski**, Local 75, president, Subcouncil 6  
**Tom Brenner**, Local 889, president, Subcouncil 7  
**Jeff Hagler**, Local 412, president, Subcouncil 8