

Inter Office

Vehicle Operations Oakville Assembly Complex

February 10, 2011

To:

All Non-Skilled Trades Employees

Subject:

Retirement Incentive Opportunities

Pursuant to restructuring actions associated with the closure of the St. Thomas Assembly Plant in the third quarter 2011, Ford Motor Company of Canada, Limited is offering retirement incentives to eligible OAC employees. Employees identified as having met the eligibility criteria can expect to have an information package mailed to their home address.

Retirement opportunities to eligible employees are planned for **October 1**, **2011**. Actual release dates either <u>prior to</u> or <u>following</u> October 1, 2011 will be predicated on operational requirements. Employees will be notified by management if they fall under these circumstances.

Key dates in this process are as follows:

February 25 Retirement Incentive Program – Employee Interest form due

February 27 Retirement information session at CAW Local 707 Union Hall

March 11 Retirement Incentive Program – Employee Declaration form due

Eligible employees who decide to accept a retirement incentive are encouraged to make their intentions known, in advance of the deadline, by returning their forms to the Labour Relations Office, as soon as possible.

Congratulations, in advance, to those who elect to pursue, and are ultimately awarded an incentive to retire under this program.

Labour Relations

Post: Take Down: February 10, 2011 March 17, 2011



Inter Office

Vehicle Operations
Oakville Assembly Complex

February 10, 2011

To:

All Non-Skilled Trades Hourly Employees

Subject:

Special Termination of Employment Program (STEP)

Pursuant to restructuring actions associated with the closure of the St. Thomas Assembly Plant in the third quarter 2011, Ford Motor Company of Canada, Limited is offering separation incentives to <u>non-retirement</u> eligible employees at OAC. The separation incentive is based on completed years of service, as of the date of separation, as follows:

Years of Seniority ^{/a} (as of separation date)	Amount ^{/b} (before taxes)
1 but less than 5	\$ 50,000
5 but less than 8	\$ 75,000
8 or more	\$100,000

No prorating of service will apply; only complete years of seniority as of the date of separation will be used to determine the amount of the STEP payment.

Separation dates for those employees approved under the STEP provisions will commence March 2011 utilizing a phased approach. The actual separation date will be determined by the Company consistent with operational requirements. It is anticipated that all separations will be completed by October 1, 2011.

Additional information and instructions regarding STEP will be mailed to non-retirement eligible employees. If you wish to apply for a separation incentive under the STEP provisions, please return your application to Labour Relations no later than 12 noon on Friday, February 25, 2011.

Labour Relations

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[/]b Subject to the eligibility, terms and conditions of the program.