

2019 – 2022 National Agreement

Between

Momentive Performance Materials USA LLC

And

IUE-CWA, The Industrial Division

of the

Communication Workers of America, AFL-CIO, CLC

and its

Affiliated Momentive IUE-CWA, CLC Locals

THIS BOOK CONTAINS

2019 – 2022

Momentive IUE-CWA, AFL-CIO, CLC

National Agreement

AND

Wage Agreement

AND

Benefit Agreement

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Preamble

This Agreement (referred to as the **2019 – 2022 Agreement**) is entered into as of the **5th day of October 2018** by and between Momentive Performance Materials USA LLC (hereinafter referred to as the “Company”) and the IUE-CWA, The Industrial Division of the Communications Workers of America, AFL-CIO, CLC (hereinafter referred to as the “Union”), acting for itself and in behalf of each of the below-listed IUE-CWA, AFL-CIO, CLC Locals currently certified as collective bargaining representatives of Company employees (each referred to individually as the “Local”).

The Locals which are initially parties to this National Agreement and the bargaining units represented by such Locals and the Union are listed below:

LOCAL NO.	LOCATION	CLASSIFICATION
359 Waterford, NY		P & M
380	Waterford, NY	Salaried (Technicians)
707 Willoughby, OH		P & M
	(Momentive Quartz, Inc.)	

Article I

Union Recognition

- 1. The Company agrees to recognize the Union on behalf of and in conjunction with its Locals for those bargaining units of Company employees for which the Union or any of its Locals, through National Labor Relations Board certifications, is designated as the exclusive collective bargaining representative of employees within such units for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment.
- 2. Where the Union or any of its Locals through National Labor Relations Board certifications shall have been lawfully designated as the exclusive collective bargaining representative for any additional bargaining units of Company employees, such certified representative shall be recognized as provided above and become a party hereto, and the terms of this National Agreement shall thereupon be applicable to the employees within such unit.

Article II

Union Security

- 1. *Agency Shop*

(a) Subject to applicable law, all employees who, as of the date of this Agreement are members of the Union in good standing in accordance with the constitution and by-laws of the Union or who become members of the Union following the effective date of this Agreement, shall, as a condition of employment, remain members of the Union in good standing insofar as the payment of an amount equal to the periodic dues and initiation fees, uniformly required, is concerned.

(b) Subject to applicable law, all present employees who are not members of the Union and all individuals hired after the effective date of this agreement, shall, beginning on the thirtieth (30th) day following the effective date of this agreement or the thirtieth (30th) day following employment, whichever is later, as a condition of employment, either become and remain members of the Union in good standing insofar as the payment of an amount equal to the periodic dues and initiation fees, uniformly required, is concerned, or in lieu of such Union membership, pay to the Union an equivalent service charge.

▪ 2. *Union Dues or Service Charge Deduction Authorization*

(a) The Company, for each of its employees included within the bargaining units recognized by the Company pursuant to Article I hereof, who individually, in writing, duly authorizes his Company Paymaster to do so, will deduct from the earnings payable to such employee at each pay period the amount designated by the Union (including initiation fee, if any) for such employee's membership in the Local, or the equivalent service charge, and shall remit monthly to the IUE-CWA International all such deductions. Local unions and local management are authorized to negotiate variations from this checkoff procedure with respect to the frequency of dues deductions (including weekly dues deductions), or the equivalent service charge, and to modify checkoff authorization forms in accordance with any such local agreements.

(b) Subject to applicable law, individual authorizations executed after the effective date of this Agreement shall be signed cards in the form agreed to by the Company and the Union.

▪ 3. *Contributions to CWA COPE FUND*

(a) Employee Authorization.

The Company agrees to deduct from the pay of each employee voluntary contributions to the CWA COPE Fund ("CWA-COPE-PCC"), provided that each such employee executes or has executed an "Authorization for Assignment and Check-off Contributions to CWA-COPE-PCC" form and provided further that such authorization has not been revoked.

Deductions shall be made only in accordance with the provisions of and in the amounts designated in said form, together with the provisions of this Section of the Agreement.

A properly executed copy of "Authorization for Assignment and Check-Off of Contributions to CWA-COPE-PCC" form for each employee for whom voluntary contributions to CWA-COPE-PCC are deducted hereunder, shall be delivered to the Company before any such deductions are made. All deductions shall be made pursuant to such properly executed forms for so long as they remain in effect. Such deductions shall be made from the employee's regular pay each pay each pay cycle that the authorization remains in effect.

(b) Termination of Company Obligations.

The Company's obligation to make such deductions shall terminate automatically upon the termination of the employee who signs the authorization, upon written request, or upon his transfer to a job or location not covered by this Agreement.

(c) Remittance to the Union

The Company agrees to remit said deductions monthly to the Union as follows:

(1) The total amount of CWA-COPE-PCC contributions deducted.

- (2) The names, social security number and amounts from whose wages such deductions have been made.
- (3) The Company shall, at the same time remit to the Union its check for the amount shown under item (a) above, care of IUE-CWA, The Industrial Division of the Communications Workers of America, AFL-CIO, CLC (IUE-CWA).

(d) Subject to applicable law, individual authorizations executed after the effective date of this Agreement shall be signed cards in the form agreed to by the Company and the Union.

Article III

Working Conditions

- 1. The Company will continue to provide systematic safety inspections, safety devices, guards and medical service to minimize accidents and health hazards on its premises.

Article IV

Discrimination and Coercion

- 1. Neither the Company nor any of its Shift/Day Leader, , or other agents or representatives, shall discriminate against any employee because such employee is a member, Steward, Officer, or other agent or representative of the Union or of any Local.
- 2. Neither the Union nor any Local, nor any Steward, Officer, or other agent or representative of either, shall intimidate or coerce any employee nor solicit members or funds in the plant during working hours.
- 3. (a) The Company, the Union and its IUE-CWA Locals shall not discriminate against any employee on account of race, color, sex, creed, marital status, familial status, veteran status, age, national origin, ancestry, religion, medical condition, sexual orientation, genetic information or any other characteristic protected by local, state or federal law.

(b) The Company, the Union and its IUE-CWA Locals shall not discriminate against any employee or because of physical or mental disability or because he or she is a disabled veteran in regard to any position for which the employee is qualified.

Article V

Working Hours: Straight Time – Overtime

- 1. (a) *Workweek*

The regular working week for both salaried and hourly rated employees shall be 40 hours per week, 8 hours per day, 5-day week, from Monday to Friday inclusive. The workweek on multiple shifts may be less than 40 hours.

An employee's workday is the twenty-four hour period beginning with his regularly assigned starting time of his workshift, and his day of rest starts at the same time on the day or days he is not scheduled to work. His workweek starts with the start of his regularly assigned work period on Monday of that workweek, except on continuous operations. Upon commencing work on Monday at a newly assigned starting time which is earlier than his starting time during the preceding week, the workday immediately preceding such Monday shall end provided the employee has had a 24-hour period of rest prior to the newly assigned starting time.

Variations in hours of work and schedules of hours of the several shifts, including multiple shifts where the workweek starts late Sunday night and where such hours on Sunday are considered as part of the Monday workday, are subjects for local negotiations.

(b) *Continuous Operations*

Special schedules of hours and overtime will apply (1) on jobs which require continuous operation such as powerhouse attendants and on jobs requiring continuous manufacturing processes such as those which, for reasons of protection of equipment and material, must be run on a 24-hour day and a week-by-week basis, or (2) on process oriented jobs which cannot readily be operated on a non-continuous basis such as chemical, plastic, silicone and glass operations. Existing jobs or processes described in (2), but not currently on continuous operations as of July 1, 1973, may be designated as continuous operations by negotiation and agreement between local management and the Local Union. In the case of jobs described in (2) where new operations or processes are developed or established after July 1, 1973, the Local will be given thirty (30) calendar days notice prior to the designation of such jobs as continuous operations.

(c) When a change is made in the hours of work or working schedules of substantially all employees of a plant or a department thereof, local management will notify the employees of a plant or a department thereof, local management will notify the employees and the Locals respectively affected at least one week in advance of the effective date of such change. When a change is made in the hours of work or working schedules of various individuals or smaller groups of employees, the Shift/Day Leader will give the affected employees and their Union Steward as much notice as possible.

Any grievance resulting from the establishment of a new working schedule will be handled through the regular grievance procedure.

▪ 2. *Overtime – Regular Workweek*

The Company will pay an hourly rated or salaried employee on a nonexempt job for overtime as follows:

(a) At the rate of time and one-half for hours worked either

- (1) In excess of 8 hours in any single workday; or;
- (2) In excess of 40 hours in any given workweek; or
- (3) In excess of 8 hours in any continuous 24 hours beginning at the starting time of the employee's shift or
- (4) After working his regular schedule, if on multiple shifts of less than 8 hours each; or
- (5) On his Saturday.

(b) At the rate of double time for hours worked either

- (1) On his Sunday;
- (2) On his “observed” holiday; or
- (3) In excess of 12 hours in his workday; provided that an employee who shall have worked **13 hours or greater** in any single workday, and who shall be required to continue at work beyond that workday, shall continue to be paid at the double time rate for hours worked until he shall have been relieved from work; or
- (4) Outside the employee’s regularly scheduled shift on a calendar Sunday or calendar observed holiday.

(c) At the rate of double time and one-half hours for hours worked either

- (1) On his holidays listed in Article VII as paid holidays; or
- (2) Outside the employee’s regularly scheduled shift on any of the calendar holidays listed in Article VII as paid holidays; or
- (3) For salaried employees only, for hours worked on an observed holiday or outside the employee’s regularly scheduled shift on any calendar observed holiday.

(d) An employee who is transferred from his regular established shift to another and who is thereafter returned to his original shift during the same week, or during the immediately succeeding week, shall be paid at the rate of time and one-half for the first 8 hours worked following the first such transfer, except where either or both such transfers (i) results from the failure of another employee or employees to report for work; or (ii) is made in connection with a lack of work situation; or (iii) is made at the employee’s request; or (iv) results from an emergency breakdown of equipment or machinery; or (v) is made in connection with an established program of shift rotation; or (iv) for purposes of attending training.

▪ 3. *Continuous Operations*

(a) *Workday - Workweek*

- (1) When any employee on continuous operations has a scheduled workweek of 5 days at work and 2 days off, his first scheduled day off shall be considered as the 6th day of his workweek, and his second scheduled day off whether or not successive, as the 7th day of his workweek. When such working schedule contains a regularly recurring workweek of 6 days at work and one day off, such scheduled day off shall be considered as the 7th day of his workweek and the day immediately preceding as the 6th day of his workweek.

▪ 4. *Overtime – Continuous Operations*

The Company will pay an hourly rated or salaried employee on a nonexempt job for overtime as follows:

(a) At the rate of time and one-half for hours worked either

- (1) In excess of 8 hours in any single workday; or

- (2) In excess of 40 hours in any given workweek; or
- (3) In excess of 8 hours in any continuous 24 hours beginning at the starting time of the employee's shift; or
- (4) On his Saturdays or Sundays if either day is not his 7th day of his workweek; or
- (5) On employee's 7th day of his workweek if such day is neither his Saturday, Sunday or observed holiday; or
- (6) On his Saturdays and Sundays (as a minimum if employee is on a special schedule other than that outlined in 3(a)(1) above).

(b) At the rate of double time for hours worked either

- (1) On the employee's 7th day of his workweek, if such is his Saturday, Sunday, or observed holiday;
- (2) On the employee's 6th day of the workweek if falling on an observed holiday; or
- (3) In excess of 12 hours in his workday; provided that an employee who shall have worked in excess of 13 hours in any single workday, and who shall be required to continue at work beyond that workday, shall continue to be paid at the double time rate for hours worked until he shall have been relieved from work.

(c) At the rate of double time and one-half hours for hours worked on the holidays listed in Article VII as paid holidays.

▪ *5. General*

(a) Listed holidays referred to above shall mean those holidays listed in Article VII of this Agreement.

(b) Each local shall be furnished a list of the observed holiday referred to above.

(c) Computation of overtime shall be in accordance with the day as defined in 1(a) above and shall be allowed under only one of these overtime provisions for any given hours.

(d) All salaried employees if absent for personal reasons other than vacation shall be paid in accordance with the established plan.

(e) In cases where the Company instructs employees to report ahead of schedule and/or remain after the regular schedule to change clothes, etc., employees involved will be paid for such additional time.

▪ *6. Night Shift Differential*

Hourly rated and salaried employees hired on or before September 30, 2002 assigned to recognized second and third shift operations shall have **three dollars (\$3.00)** added to their regularly determined earnings for all work performed on such shifts. Employees hired after September 30, 2002, shall have sixty cents (\$.60) added to their regular hourly rate for all work performed on such shifts until they have accumulated five (5) years of continuous service after which they will receive the **three dollar (\$3.00)** night shift differential. Recognized second and third shifts shall in all cases be those beginning between 12 noon and

3:30 a.m. In exceptional cases the starting time for a recognized second shift may be earlier by mutual agreement between the Local and local management.

▪ 7. *Other Special Payments*

(a) *Early Reporting and Call-In*

- (1) Employees who are called in outside of their regular schedule of hours will be paid at the applicable premium rate, but not less than the equivalent of four hours pay at their straight-time rate.
- (2) Day shift employees who are called back after the end of their regular day shift (or told to report prior to their regular starting time) will be paid at the rate of time and one-half for hours worked outside their regular schedule, up to midnight and at the rate of double time for hours worked after midnight and up to the beginning of the regular day shift.
- (3) Employees on the second and third shifts who are called back after the end of their regular shift (or told to report prior to their regular starting time) will be paid at the rate of time and one-half for hours worked up to the beginning of their regular shift.
- (4) Subsections (1), (2) and (3) above are not applicable where an employee continues to work into the next shift following his normal quitting time.

(b) *Report-in Time*

Employees who report for work in accordance with their regular schedules, and, without previous notice thereof, neither their regularly assigned nor any reasonably comparable work is available, will receive not less than four hours pay at the rate applicable had they worked. This Subsection (b) shall not be applicable where the inability of the Company to supply work is the result of fire, snowstorm, flood, power failure or work stoppage by employees in the same Company location.

(c) *Medical Center Time*

Employees will be paid at their applicable rate for time spent in attending the Company Medical Center for examination or treatment of any injuries arising out of and in the course of their employment, whenever such time would otherwise have been spent by the injured employee on the work assigned to him. Employees who are directed not to return to work as a result of their injury shall be paid at their straight-time rate to the end of their scheduled work shift.

▪ 8. *Division of Overtime*

Overtime shall be divided as equally as proficient operations permit among the employees who are performing similar work in the group. A record of overtime worked by employees (or credited to them) will be maintained by the immediate supervisor of the group and will be available for examination by the appropriate Union Steward upon request.

▪ 9. *Work Schedule Flexibility*

Overtime provisions that would provide that the overtime premium payment be paid only for hours worked in an excess of an employee's regularly scheduled shift may be established by negotiation and agreement between the Company and the Union.

Article VI

Wage Rates

- 1. Any question which affects hourly rates or salary rates of individuals or groups shall be subject to negotiation between the Local and the local management.
- 2. The Company shall furnish the respective Locals concerned with information concerning all hourly and salaried job classifications, definitions, rates and progression schedules, for all jobs included within the bargaining units respectively represented by such Locals. It is understood that the job classifications and definitions referred to above are merely for purposes of identification and general description and do no purport to be all-inclusive or exhaustive of the actual requirements of any job so classified or defined. In addition, upon request of any Local, the Company will furnish to such Local a copy of the currently applicable wage structure for the plant or location.
- 3. When an employee is hired or transferred through the Human Resources Department, he will be given a card showing his job classification, starting rate, rate of progression or progression schedule, if any, job rate, if any, applicable to the job for which he is hired or to which transferred.
- 4. *Step Rates and Progression Schedules*

The Union and the Locals recognize that starting rates, progression rates, and job rates for hourly rated and salaried employees will vary, depending upon the job, its location, and its surrounding circumstances.

The following provisions of this Section 4 are applicable to all hourly rated and salaried employees except draftsmen, apprentices and other trainees participating in an entry-type training program; provided that hourly rated employees hired after August 5, 1991 who have no record of prior GE service, shall be placed on starting rates and progression schedules in accordance with the provisions contained in Section 6 of this Article.

(a) *Hourly Rated Employees*

- (1) All starting, progression and job rates for hourly rated employees will be on steps in accordance with the applicable local wage structure.
- (2) The minimum starting rates for all hourly jobs will be as follows:
 - (a) On jobs with a job rate which is not more than two (2) steps below the top of the one month progression schedule:
Four (4) steps below job rate.
 - (b) On jobs with a job rate which is not more than five (5) steps, nor less than three (3) steps below the top of the one month progression schedule:
Three (3) steps below job rate.
 - (c) On jobs with a job rate which is more than five (5) steps below the top of the one month progression schedule:
Two (2) steps below job rate.

- (3) Applicants fully experienced on jobs of the kind for which hired will begin at a rate not less than two steps below the job rate and will be increased to the job rate in accordance with the applicable progression schedule set forth in paragraph 4 below, except that when the applicant is hired for a job to which the six month progression schedule is applicable, the job rate must be paid at the end of six months.
- (4) Each hourly rated employee will progress on steps from his starting rate to the job rate of his job in accordance with the following progression schedule:

(a) ONE MONTH
PROGRESSION SCHEDULE

Step rates up to, and including, the top of the One Month Progression Schedule in effect at each local plant on October 26, 1969:

One (1) step at the end of each month period.

(b) THREE MONTH
PROGRESSION SCHEDULE

Step rates from one to three steps (inclusive) above the top of the One Month Progression Schedule:

One (1) step at the end of each three month period.

(c) SIX MONTH
PROGRESSION SCHEDULE

Step rates more than three steps above the top of the One Month Progression Schedule

One (1) step at the end of each six month period.

5. The above progression schedules are mandatory for employees on the job.

(b) *Salaried Employees*

- (1) All starting, progression and job rates for salaried employees will be on steps in accordance with the applicable local salaried structure.

- (2) The minimum starting rates for all salaried jobs will be as follows:

- (a) On jobs with a job rate of Grade No. 8 or higher:

Four (4) steps below job rate.

- (b) On jobs with a job rate of Grade Nos. 4 through 7:

Three (3) steps below job rate.

- (c) On jobs with a job rate of Grade No. 3 or lower:

Two (2) steps below job rate.

- (3) Each salaried employee will progress on steps, from the starting rate to the job rate established for that employee's particular job, or to the top of the progression schedule (the Grade No. 11 rate), whichever is less as follows:

(a) **THREE MONTH
PROGRESSION SCHEDULE**

Step rates up to and including
Grade No. 6:

One (1) step at the end of each three month period.

(b) **SIX MONTH
PROGRESSION SCHEDULE**

Step rates from Grade No. 6 up to and including Grade No. 11:

One (1) step at the end of each six month period.

- (4) The above progression schedules are mandatory for employees on the job.
- (5) Any further increase in rate for any salaried employee above the top of the progression schedule, up to the job rate for the employee's job will also be on steps but shall be based solely on the employee's performance on the job. In addition, each such employee will be reviewed at least once a year.
- (6) Applicants fully experienced on jobs of the kind for which hired will begin at a rate not less than two steps below the job rate and will be increased to the job rate within six months for normal performance.
- (7) Subject to the foregoing provisions of this Section 5(b), the job rate shall be paid for normal performance.

(d) *Group Leaders and Instructors*

- (1) Group leaders shall be paid two steps above the highest job rate in the group. If individuals in any group have a preferential rate above the job rate, the leader may be assigned a rate up to two steps above such preferential rate if negotiated locally.
- (2) Rates of instructors and group leaders other than the above shall be negotiated locally.

▪ *5. Notice to Locals of Wage Increases for Hourly Rated and Salaried Employees.*

Whenever a Local's request for a wage increase for an employee within its bargaining unit is denied, the Local shall be advised in advance if the increase is subsequently granted by the Company within six months after such request.

▪ 6. *Starting Rates and Progression Rates and Schedules for Employees Hired After August 5, 1991.*

(a) This Section will apply to hourly employees hired for jobs within a job rate within the one month progression schedule who have no record of prior Momentive service and salaried employees hire for jobs with a job rate within the three month progression schedule who have no record of prior Momentive service. Employees hired after August 5, 1991, who have no record of prior service, may be hired at a minimum of 70% of job rate. Employees will progress in six (6) month steps to job rate in accordance with the following table:

<i>Hiring Rate as Percent of Job Rate</i>	<i>Number of Progression Steps</i>
95	1
90	2
85	3
80	4
75	5
70	6

For the purposes of this Section 6 only, time spent away from a job within the one month progression schedule, up to a maximum of twelve months for any single absence, shall be included in the time required to progress to job rate.

(b) Employees on the above progression schedule who are transferred to higher rated jobs within the one month progression schedule (hourly) or the three month progression schedule (salaried) will have their paid rates adjusted to the same percentage of the new job rate. Time accumulated toward the next progression step will be carried forward and progression timing to the next step will not be affected by such transfer. Employees on the above progression schedule who are transferred to higher rated jobs outside the one month progression schedule (hourly) or the three month progression schedule (salaried) will have their paid rates adjusted according to the other provisions of this Article and Article X.

(c) Employees on the above progression schedule who are transferred to a lower rated job will have their progression schedules adjusted to the same percentage as the new job rate. They will progress to the next higher percentage progression step based on the time accumulated since their last step.

(d) Employees hired under the provisions of this paragraph will progress to the job rate of their assigned job in accordance with the schedules contained therein; the other provisions of this Article and Article X, Transfers, notwithstanding. After completing the initial progression schedule and reaching job rate of the assigned job the other provisions of this Article and Article X will be applicable to subsequent transfers.

Article VII

Holidays

- 1. *Listed Holidays*

New Year's Day	Election Day
Martin Luther King's Birthday	Labor Day
President's Day	Thanksgiving Day
Memorial Day	The day before Christmas Day
Independence Day	Christmas Day

An additional listed holiday is to be designated by each location. (This holiday will be mutually selected by the local union and local management prior to December 31 of the year preceding the year in which the holiday will occur. In the absence of mutual agreement by such December 31, the holiday will be designated by local management.)

Local management and the local union at each plant may agree in writing to substitute a different holiday in place of any of the above-listed holidays for all purposes.

- 2. *Hourly Rated Employees*

(a) An hourly rated employee not on continuous operations will be paid, for each of the above listed holidays not worked up to eight hours at his average straight-time hourly rate as taken from the last periodic statistics available at the time his holiday occurs for a number of hours equal to his regular daily working schedule during such week, providing each of the following conditions are met:

- (1) Such employee has been employed at least 30 days prior to any such holiday.
- (2) Such employee works his last scheduled workday prior to and his next scheduled workday after such holiday within his scheduled workweeks. This condition shall not prevent payment of holiday pay to:
 - (i) an employee who has been absent from work because of verified personal illness for not more than three months prior to the week in which the holiday occurs and who works or reports for the Company's physical examination the next scheduled workday following the holiday; or
 - (ii) an employee who has been continuously absent from work for not more than two weeks prior to the week in which the holiday occurs and who is not at work either or both such workdays due to approved absences for personal illness or emergency illness at home, death in his family, layoff or union activity; or
 - (iii) an employee who is not at work on either or both such workdays solely due to military encampment or jury duty; or
 - (iv) an employee who is absent from work on either the last scheduled workday prior to double consecutive holidays (when such double consecutive holidays have been arranged under the provisions of Section 1 thereof) or his next scheduled workday after such double consecutive holidays (in such case, the employee will be entitled to holiday pay only for the first of such double consecutive holidays if he works the last scheduled workday prior to that holiday, but not the next scheduled workday after the second holiday; and he will be entitled to holiday pay only for the second of such double consecutive holidays if he fails to work the last scheduled workday

prior to the first of such double consecutive holidays but works the next scheduled workday after the second of such double consecutive holidays).

(b) Hourly rated employees on continuous operations will be paid for the above-listed holidays under the above conditions if the holiday falls within their scheduled workweek and they are not scheduled to work on the holiday. If such employee fails to work as scheduled, he will not be paid for the holiday. If, however, such failure to work on the holiday is due to verified personal illness, death in the family, jury duty, or emergency illness at home, the employee will be paid for the holiday if he is otherwise eligible in accordance with all the provisions of Section 2(a) above.

(c) Hourly rated employees who are receiving the night shift differential pursuant to Article V, 6 shall have the same added to any holiday pay received by them under this article.

▪ 3. Any of the above-listed holidays falling on Sunday shall be treated for all purposes under this Agreement as falling on the following Monday and shall for such purposes be observed on that Monday only. In like manner, any of the above-listed holidays falling on Saturday shall be treated for all purposes under this Agreement (including the purposes of Section 2(c) of Article V) as falling on the preceding Friday and shall for such purposes be observed on that Friday only. However, local plant management and a local union may, by local agreement in writing, substitute a day other than the preceding Friday for any such holiday which falls on Saturday.

For an employee on continuous operations, when a holiday falls on his scheduled day off, his next non-premium scheduled workday shall be deemed to be his holiday. In no event will an employee receive the holiday pay or premium more than once for a holiday.

Article VIII

Continuity of Service – Service Credits

▪ 1. *Definition of Terms*

(a) “Continuity of service” designates the status of an employee who has service credits totaling 52 or more weeks.

(b) “Continuous service” designates the length of each employee’s continuity of service and shall equal the total service credits of an employee who has “continuity of service.”

(c) “Service credits” are credits for periods during which the employee is actually at work for the Company or for periods of absence for which credit is granted. (As provided in Section 3.)

(d) “Absence” is the period an employee is absent from work either with or without pay (except a paid vacation period), computed by subtracting the date following the last day worked from the date the employee returns to work. Each separate continuous period away from work shall be treated as a single absence from work.

(e) “Illness” shall Shift/Day Leader mean any medical condition requiring an absence provided such absence is medically required.

▪ 2. *Loss of Service Credits and Continuity of Service*

(a) Service credits previously accumulated and continuity of service, if any, will be lost whenever the employee:

- (1) Quits, dies, resigns, retires or is discharged.
- (2) Is absent from work for more than two consecutive weeks without satisfactory explanation.
- (3) Is absent from work because of personal illness or accident and fails to keep the Company notified monthly, stating the probable date of his return to work.
- (4) Is notified within a year from the date of layoff that he may return but fails to return or to give satisfactory explanation within two weeks.
- (5) Is absent from work without satisfactory explanation beyond any period of any leave of absence granted him by the Company.
- (6) Is absent from work for a continuous period of more than one year for any reason, other than (a) a leave of absence granted in advance, or (b) an absence due to a compensable accident (up to 18 months) or compensable illness (up to 18 months).

(b) Individuals who at the time of layoff had one (1) year of continuous service shall, despite loss of service as a result of such layoff, be retained on the recall list and be eligible for reemployment in accordance with the applicable local procedure for a period of sixty (60) months following layoff or until retirement, whichever occurs first. Similarly, in the case of individuals with the required service absent due to illness or injury, the same extended recall arrangement will be made only if:

- (1) The individual reports promptly to the Human Resources Office for employment upon recovery.
- (2) The individual is otherwise eligible in which case he will promptly thereafter have his name added to the recall list.

Actual recall will be predicated upon the individual meeting the Company health requirements.

(c) If the Company reemploys an employee who has lost service credits and continuity of service because of layoff due to lack of work for more than one year, or because of absence due to illness or injury for more than one year, or because of termination for transfer to a successor employer, then such employee shall have such service credits and continuity of service automatically restored provided that his continuous service at the time of his layoff, termination for transfer to a successor employer, or his first day of illness was greater than the total length of such absence, or if the employee has recall rights under Section 2(b) of this Article, or if the employee is placed under Preferential Placement.

(d) The service record of each employee laid off and reemployed after layoff or reemployed following illness or injury, will be reviewed by the Company at the time of his reemployment and in each case, such employee will be notified as to his service credits and continuity of service, if any.

(e) If the Company reemploys a former employee who had continuity of service at the time of a previous termination of Company employment {and the employee is not eligible for automatic service restoration under Section 2(c)}, the Company shall restore such continuity of service after the employee has completed **eighteen (18) months** of continuous service following reemployment. An employee in the process of service restoration under this section who is laid off and again rehired or recalled shall have all service credits earned following accumulated for the purpose of service restoration under this Section 2(e).

(f) Service restoration provided for in this Section 2 will be contingent upon the employee's full repayment of any of the following lump sum benefits paid under Article XXII: Income Extension Aid under Section 4(b)(1)(iii), Special Voluntary Layoff Bonus under Section 4(c), which occurred within six months prior to the date of reemployment. Such repayment must be made within a reasonable time after rehire. No such repayment is required of benefits paid if the reemployment date is more than one year from the date of the prior termination.

▪ 3. *Service Credits*

Service credits for each employee shall be granted for periods during which the employee is actually at work for the Company, and service credits for absences shall be added to an employee's service, after reemployment with continuity of service or with prior service credits as follows:

(a) Employees when reemployed with prior service credits or continuity of service following absence due to illness, accident, layoff, leave of absence granted by the Company, because of termination for transfer to a successor employer, or due to plant closing, will receive service credits for up to a total of the first twelve months of such absence. Where the absence of an employee, with continuity of service, is due to a compensable accident or compensable illness, and the employee is reemployed without loss of continuity of service, service credits will be granted for the period of his absence, in excess of twelve months up to a maximum of six additional months.

(b) For all other absences of two weeks or less, such employees will receive service credits, but if the absence is longer than two weeks, no service credits will be allowed for any part of such absence.

If an employee who has lost prior service credits or continuity of service is reemployed, he shall be considered a new employee and will not receive service credits (unless all or part of prior service credits are restored) for any time prior to the date of such reemployment.

▪ 4. *Service Carry Over*

For purposes of determining continuity of service, continuous service and service credit, as defined in and referenced throughout this Agreement and any local agreement, the Company will credit transferred employees who accepted employment with the Company as of January 29, 2007, with their then-existing GE service as of the date of transfer to Momentive.

This applies to the extent continuity of service, continuous service, or service credit is relevant for purposes of eligibility, vesting or the calculation of vacation, PI/PB, layoff and similar benefits (but not for the purposes of pension benefit accruals) under any retirement or other employee benefit plan, program or arrangement under this Agreement and/or any local agreement.

The foregoing shall not, however, apply when it could result in any duplication of Company benefits.

Article IX

Vacations

▪ 1. *Paid Vacation Periods*

For hourly and nonexempt salaried employees eligible for Momentive benefits vacation will be earned on a pro rata basis with a fractional portion of the annual vacation period being earned each month subject to the eligibility requirements set forth in paragraph (b) below.

Vacations with pay will be granted in each calendar year (hereinafter called the “vacation year.”) to eligible hourly rated and nonexempt salaried employees as follows:

<i>Years of Continuous Service</i>	<i>Vacation</i>
<1	2 weeks (pro rata)
1	2 weeks
5	2 ½ weeks
7	3 weeks
15	4 weeks
20	5 weeks
30	6 weeks

2. *Eligibility Requirements*

Vacation days are earned on a pro rata basis during the calendar year and eligible employees earn a fractional portion of the annual vacation each month. A prorated portion is earned for any month the employee is on active payroll and works any amount of time during that month.

Subject to management approval, the employee may take all or part of the annual vacation at any time during the calendar year, including additional days the employee may earn at a later date according to the table in paragraph 1(b) including additional days granted as a result of achieving a service milestone.

No employee shall earn vacation while on leave. However if an individual on leave returns directly to active status during the same calendar year, the employee will receive credit for vacation he or she would have earned as if no leave had been taken during the calendar year the leave terminates.

▪ 3. *Determination of Paid Vacations*

(a) *Basic or Guaranteed Vacations*

The basic vacation period of an eligible employee shall be based upon his length of continuous service as of December 31 of the year immediately preceding the vacation year.

(b) *Additional (or Initial) Vacation*

An eligible employee whose continuing accumulation of service credits during a vacation year entitles him to additional vacation under the provisions of Section 1 (or who completes his or her first year of continuous service during the vacation year) will receive such additional vacation (or his or her initial vacation), provided that an employee shall not be entitled to any such vacation in a vacation year unless he shall actually perform work as an active employee of the Company during such vacation year after having qualified for such vacation. EXCEPTION: Where a plant shutdown is scheduled for the last week of the year

employees who would have qualified for vacation payment during this shutdown will receive such payment if they return to work (or report for physical examination and are approved for employment) the first scheduled workday following the shutdown or were at work the last scheduled workday immediately preceding the shutdown.

▪ 4. *Termination of Employment*

An employee who resigns or is terminated, will only be paid out earned but unused vacation. Any vacation time that is taken in excess of the amount which the employee has earned must be reimbursed to the Company. However, if an employee retires, is laid off, becomes disabled or dies, reimbursement is not required.

▪ 5. *Use of Vacation Time for Absences of Employees*

(a) *Leave of Absence*

An employee who is granted a leave of absence may have the first portion of such leave designated as the period of any vacation to which he may then be entitled, if the Manager shall approve.

(b) *Extended Illness, Accident or Layoff*

Subject to management approval, an employee who is absent because of illness or accident, or because he is laid off for lack of work, may elect (except in a plant or part therefore which is scheduled for an annual shutdown) to have the first portion of such absence designated as the period of any vacation to which he may then be entitled. The employee's election to apply unused vacation to extend active service must be made within one week of the beginning of the applicable absence.

(c) *Incidental Absences*

An employee whose absence is excused because of personal illness or accident, or because he is laid off for lack of work, or short workweeks (of ½ day or longer) may (with the Manager's approval) utilize extra vacation time to which he is entitled in excess of the scheduled Shutdown or in excess of two weeks in locations where there is no shutdown for such absences in the form of vacation days. This time may be paid out in units of no less than ½ day periods.

(d) *Other Absences*

Any employee who is absent from work for any reason other than those listed above will not be entitled either to have his vacation scheduled or to receive a vacation allowance during the period of such absence.

(e) *Vacation Payment Guarantee*

An employee whose service is terminated or whose absence from work continues beyond the end of a vacation year and who did not receive in such vacation year the full vacation pay for which he had qualified and not otherwise used, shall receive at the end of the vacation year or upon prior termination of service, a vacation allowance in lieu of any vacation to which he was entitled.

▪ 6. *Computation of Vacation Pay*

(a) *Basic Formulas*

Vacation pay for each week of vacation to which an employee is entitled will be computed by multiplying the appropriate weekly hour-multiplier as determined by Subsection (b) below, by the appropriate rate-multiplier as determined by Subsection (c) below. (Vacation pay for any extra day or half day of vacation to which an employee may be entitled will be determined by (i) dividing by five or ten respectively the weekly hour-multiplier determined for him under Subsection (b) below and (ii) multiplying such daily equivalent by the appropriate rate-multiplier determined by Subsection (c) below.)

(b) *Determination of Weekly Hour-Multiplier*

The weekly hour-multiplier for vacation pay computations for all employees will be 40 hours except as noted in the following paragraphs of this Subsection (b).

(i) *Short Schedules*

The weekly hour-multiplier of an employee whose regular weekly schedule at the time his vacation begins is less than 40 hours will be the greater of either (A) his scheduled hours per week at the time the vacation begins, or (B) his scheduled hours per week during the last fiscal week, as determined by the Momentive fiscal calendar, worked by him during the year preceding the vacation year, but in any event will not be greater than 40 hours.

(ii) *Multiple-Shift Short Schedule*

Notwithstanding the provisions of (i) above, the weekly hour-multiplier for an employee who is on a multiple shift operation and whose regular weekly schedule of hours is not less than 37 ½ hours shall not be less than 40 hours.

(iii) *Extended Schedules*

The weekly hour-multiplier of an employee who shall have worked an average of more than 40 hours per week during the weeks paid in the calendar year which immediately precedes the vacation year will be determined in accordance with the following schedule:

<i>Average Weekly Hours</i>	<i>Weekly Hour-Multiplier</i>
40 but less than 42	40
42 but less than 42.5	42
42.5 but less than 43.5	43
43.5 but less than 44.5	44
44.5 but less than 45.5	45
45.5 but less than 46.5	46
46.5 but less than 47.5	47
47.5 and higher	48 (maximum)

NOTE: For the purposes of the foregoing schedule, average weekly hours will be computed by dividing the total number of hours actually worked by the employee during the weeks paid in said year by the number of weeks in such year, except that the following listed types of time lost from work will be counted as time worked:

- (A) Time spent on union activity;
- (B) A listed or observed holiday;
- (C) Jury duty service;
- (D) Military Service for which service credits are granted under Article XXIII;
- (E) Annual shutdowns and vacation periods;
- (F) Employees' personal absences for which pay is granted;
- (G) Time paid for death-in-family absence;
- (H) Time lost due to a compensable accident or compensable illness.

(iv) *Continuous Operation*

The weekly hour-multiplier of an employee who is, at the time of his vacation, regularly assigned to work on a continuous operation schedule will be the greater of either (a) the number of hours per week he would have been paid up to a maximum of 48 hours, including premium hours for Saturday and/or Sunday, had he worked forty (40) hours on his established regular schedule including Saturday and/or Sunday, on the week or weeks scheduled for vacation or (b) the hours provided by the application of Section 7(b)(iii) above.

(c) *Determination of Rate-Multiplier*

The rate-multiplier for various types of employees will be as follows:

Rate-Multiplier

The greater of:

<i>Type of employee</i>	<i>Current Rate (including night-shift bonus for employees who are regularly scheduled on a night shift)</i>	<i>Year End Rate (including night-shift bonus for employees who are regularly scheduled on a night shift)</i>
<i>Hourly employee</i>	Regular hourly rate in effect at the time his vacation begins.	Regular hourly rate in effect during the last full calendar week worked by him during year preceding vacation year.
<i>Salaried employee</i>	Hourly equivalent of employee's actual straight time salary rate in effect at time vacation begins.	Hourly equivalent of employee's actual straight time salary rate for last week worked by him during year preceding vacation year.

(d) *Payments for Incidental Absences*

The payments described in Section 6(c) will be paid on the same basis as outlined above.

▪ 7. *Scheduling of Vacations*

(a) *Scheduling*

In the event of one or more shutdowns scheduled in any plant within the vacation year, one of such shutdowns will be of no less than two (2) weeks duration and during such Shutdown, the vacation for eligible employees shall be considered to run concurrently. Provided written notice is given to the Local union prior to April 1, this Shutdown may be split into two periods of not less than one (1) week in duration, but in no case shall the combined split periods exceed three weeks. In such cases, local management and the Local may also agree on special rules dealing with vacation eligibility for the subsequent year where one of the mandatory Shutdown periods extends into the last calendar week of the year. Exceptions for certain departments or individuals by reason of the requirements of the business shall be at management's discretion. Individuals required to take vacation during this Shutdown will receive no less than two (2) weeks written notice. With respect to other scheduled shutdown periods, employees entitled to vacation time in excess of two (2) weeks, may elect to take the time off without pay as though on temporary layoff for lack of work and take his remaining vacation time off at some earlier or later date including the week immediately preceding or following the Shutdown period. Vacations taken at times other than during shutdown periods will be scheduled to conform to the requirements of the business at the Manager's discretion. For any vacation pay

during the vacation year, and during which he has no work available, he will be deemed to be on temporary layoff for lack of work.

(b) *Ineligibility for Income Extension Aid*

In the event an employee elects to take time off without pay during a scheduled shutdown period, such employee shall not be eligible for Income Extension Aid for that scheduled shutdown period.

(c) *Postponement or Division of Vacation*

It will not be permissible to postpone vacations from one year to another, or to omit vacations and draw vacation pay allowances in lieu thereof, except with the written approval of the Manager. No vacation shall be divided unless it is of two weeks or more duration, in which case it may, with the consent of the Manager, be divided.

It will not be permissible to draw vacation pay allowances in lieu thereof for days not yet earned under the EAYG method of earning vacation.

▪ 8. *Time of Vacation Payment*

Except as otherwise provided in this Article, vacation allowances for full weeks shall be paid to an employee on or about his last day worked by him prior to the beginning of the vacation scheduled for him (except payments under 6(c)). An employee who earns vacation under the Annual Allotment method and takes his vacation prior to the date upon which he becomes eligible, will receive payment (computed in accordance with Section 7 above) after he becomes eligible. Additional day or days for which an employee may qualify later in the year may be taken at the time of the regular vacation and payment for such time (computed in accordance with Section 7 above) will be made after the employee has qualified.

▪ 9. *Holiday in Vacation Period*

When the vacation period of any employee includes one of the holidays listed in Article VII, an additional day of vacation will be granted with pay, if the holiday occurs during the scheduled workweek of the employee. When the vacation period of a salaried employee includes an observed holiday, an additional day of vacation will be granted with pay, if the holiday occurs during the scheduled workweek of the employee. In either case, the extra day must be taken immediately before or after as an extension of the vacation, except when a holiday(s) falls within a Shutdown period in conformance with Section 8 of this Article.

▪ 10. *Death in Family in Vacation Period*

When an employee on vacation experiences a death in family which would otherwise qualify the employee for leave under Article XXVI, the employee will be entitled to substitute up to two (2) days of death in family leave for days of vacation. Those two (2) days may be subsequently taken as vacation per management approval, or, in the alternative, may be used to extend the vacation period then in progress.

Article X

Transfers

▪ 1. *Hourly and Salaried Employees*

(a) In the case of employees who are laid off from their regular jobs for lack of work, every effort will be made to transfer them to related jobs having an equal rate or to available openings on jobs having a higher rate.

(b) Employees permanently transferred to lower rated jobs will receive either one week's advance notice of such transfer, or payment for the first week's work after transfer at their rate immediately prior to transfer.

(c) An employee who desires a transfer to another shift may so advise his Shift/Day Leader/Shift/Day Leader in writing with a copy to the Human Resources Department. As openings occur in his department on work for which he is presently qualified, consideration will be given his request along with others in accordance with his relative seniority. Such transfers, however, shall not take precedence over the normal upgrading of qualified longer service employees. Exceptions to the above may be made in certain special cases by mutual consent.

This does not supersede any existing local agreement.

▪ 2. *Hourly Rated and Salaried Employees*

An hourly rated or salaried employee when permanently transferred

(a) To a higher rated job will be transferred at a rate commensurate with his qualifications to perform the job to which transferred, but not less than the rate he was paid on the job from which he transferred.

(b) To an equal or lower rated job will be transferred at the lower of the rate he was paid on the job from which transferred or the job rate of the job to which transferred.

▪ 3. Section (2) notwithstanding, an employee who is transferred to a job that he formerly held on a permanent basis will be transferred at not less than the step rate he was paid at the time he held such job.

▪ 4. *Minimum Starting Rate*

In any case where the transfer rate as provided above is less than the minimum starting rate of the job to which transferred, the minimum starting rate will be paid.

▪ 5. *Progression to Job Rate*

If after transfer, an employee is on a progression schedule and receiving less than the job rate of the job to which transferred, he will progress to job rate in accordance with the provisions of Article VI.

Article XI

Reduction or Increase in Forces

▪ 1. Whenever there is a reduction in the working force or employees are laid off from their regular jobs, total length of seniority, applied on a plant, department, or other basis as negotiated locally, shall be the major

factor determining the employees to be laid off or transferred (exclusive or upgrading or transfers to higher rated jobs). However, ability will be given consideration.

Similarly, in all cases of rehiring after layoff, total length of seniority, applied on a plant, department, or other basis as negotiated locally, shall be the major factor covering such rehiring if the employee is able to do the available work in a satisfactory manner after a minimum amount of training.

Where employees have accumulated six months or more of service credits, but have not established continuity of service, seniority will be considered in the above cases.

- 2. Each Local shall negotiate with local management a written agreement covering the layoff and rehiring procedure for the employees represented by the Local.
- 3. Employees who have been or who may be transferred to jobs outside the bargaining units, may be returned to their former classification in the bargaining unit in accordance with their total length of continuous service.

Employees who, after October 3, 1966, are transferred to jobs outside the bargaining units may be returned to their former classification in the bargaining unit in accordance with their total length of continuous service at the time they left the unit plus the number of years outside the unit up to a maximum of five such years outside the unit.

Employees who, after June 30, 1985, are transferred to exempt management jobs outside the bargaining units may be returned to their former classification in the bargaining unit in accordance with their total length of continuous service during the period up to twenty-four (24) months following the first such transfer to a job outside the unit.

Employees who, after June 30, 1991, are transferred to jobs outside the bargaining units may be returned to their former classification in the bargaining unit in accordance with their total length of continuous service during the period up to six (6) months following the first such transfer to a job outside the unit.

- 4. An employee who retires at his or her option as provided in the Company Pension Plan shall cease to have any rights under the provisions of this Agreement. (However this Agreement shall continue to be applicable to retired employees returned to active employment by the Company.)
- 5. Employees will be give at least one week's notice and one week's work at the prevailing schedule before layoffs are made due to decreasing forces.
- 6. An employee with continuity of service out due to illness for a period not exceeding one (1) year, or in the case of a work-related injury or illness, not exceeding eighteen (18) months, who returns to work shall be reemployed on his former job providing he is able to perform the job and normal seniority provisions permit.

Article XII

Union and Local Representatives and Stewards

- 1. *Layoff Deferment*

(a) An employee who is an official of any Local, and who has accumulated six months or more of service credits shall, on written request of the Local, be deferred from layoff (except temporary layoffs) so long as work for which he is qualified is available and so long as the official's duties would permit such layoff deferment under applicable law. Such employee shall displace an employee with less actual seniority on work for which the employee who is a Local official is qualified or, in the event such employee does not have actual seniority to displace any employee, then the employee shall to the extent necessary to defer him from such layoff be deemed to have greater seniority than the shortest service employee in the bargaining unit on work for which the employee who is a Local official is qualified. If the foregoing provisions do not enable a Local official to be deferred from layoff, such official may displace to a higher rated position previously held by such official. Such deferral from layoff will continue only so long as the employee retains his position as an official of any Local. This provision shall apply to a minimum of four and a maximum of six such officials, dependent on the number of employees within such units as follows:

<i>Employees</i>	<i>Union Officials</i>
500 or less	4
501 or more	6

(b) An employee who is a Steward of such Local and who has accumulated six months or more of service credits shall, upon written request of the Local, and if a majority of the group of employees he represents assents as certified in writing by the Local, be deferred from layoff (except temporary layoffs) so long as work for which he is qualified is available among the group of employees he represents. In the event of a layoff affecting the group of employees represented by the employee who is a Steward, such employee shall, in accordance with the applicable local supplement or the local procedures on layoff and displacement, displace an employee within the group who has less actual seniority on work for which the Steward is qualified. In the event the Steward does not have sufficient actual seniority to displace any employee within the group, in accordance with the applicable local supplement or the local procedures on layoff, then such Steward shall be deemed to have sufficient seniority to retain his job classification and age rate within the group. Such deferral from layoff will continue only so long as the employee retains his position as a Steward. This provision shall, in general, apply to a maximum of one Steward for each Company Shift/Day Leader.

(c) Paragraph (a) and (b) hereof shall apply only to those officials whose names, titles and order of precedence, and to those Stewards whose names and sections, have been furnished in writing to the Company prior to the giving of notice of layoff by the Company and shall not apply to any such officials or Stewards who are on leave of absence pursuant to the provisions of Section 2 hereof.

▪ 2. *Leave of Absence*

Upon written request of the Union or any Local:

(a) Employees who are officials of the Union or officers of such a Local, who have at least one year of continuous service, and who represent the Union in its relations with the Company, shall be granted one year's leave of absence by the Company, without forfeiture of prior accumulated continuous service. This provision shall be limited at any one time to not more than 3 (three) officials of the National Union and not more than 1 (one) officer of any Local.

(b) If made at the end of such leave of absence

(1) such leave of absence may be extended yearly.

(2) such employees will be reemployed in work of the same or a similar character in the same or other divisions of the same plant, if qualified therefore, and if entitled thereto on the basis of their prior accumulated continuous service. In the case of employees who are officials of the Union or officers of a Local and who are granted a leave of absence after the effective date of this Agreement, such employees will be entitled (solely for determining their relative seniority for purposes of layoff and rehire under Article XI) to add to their prior accumulated continuous service the total period of any such leave of absence.

▪ 3. *Payment for Time on Local Union Activities*

(a) Unless otherwise provided by local written agreement, employees not on leave of absence pursuant to the provisions of Section 2 hereof will be paid by the Company at their respective rates then prevailing for absences from work while engaged in the following activities on Company premises:

(1) During each fiscal month, the number of weeks in such Momentive Performance Materials fiscal month multiplied by 1 ½ hours per week for those Stewards whose names and sections have been furnished to the Company pursuant to the provisions of Section 1(c) hereof, while engaged in processing grievances at Shift/Day Leader level pursuant to the provisions of Article XIII, Section 2(a).

Where any plant is regularly scheduled on a forty-eight hour per week basis, the above allowances will be based on 2 hours per week.

Payment to Stewards will be made on a weekly basis within the above limits.

(2) Up to a total of eight hours per week (exclusive of time payable under Section 1 hereof) for members of Local Executive Board or for Negotiating Committee members while engaged in processing grievances with representatives of local management pursuant to the provisions of Article XIII, Section 2(b) and 2(c). Such committee members or Executive Board representatives shall be limited to three representatives, unless the number is increased by mutual agreement of the Local and local management. This does not limit the number of Executive Board members and does not prevent meeting of the full Executive Board with local management when such meetings are arranged in advance.

(b) Local management and the local may negotiate a local agreement with respect to payment to local Stewards in excess of the limits provided in (a)(1) above.

(c) Employees requesting payment pursuant to the provisions of Paragraph (a) hereof, shall report all time spent on the handling of grievances to their respective Shift/Day Leader or other immediate supervisors.

Chief Stewards or Executive Committee members in Works where they act as Chief Stewards, will be permitted to contact Stewards in their respective divisions when the officers of the Local deem such contact necessary. They will advise their own Shift/Day Leader(s) before leaving their departments and also contact the Shift/Day Leader in the department which they are visiting before they contact the Steward.

The Company shall report their names, rates of pay and time absent from work to their respective Locals, and shall in no event be required to make any payments pursuant to Paragraph (a) hereof, except to the extent that such reports are approved by such Locals, and such Paragraph (a) is otherwise applicable.

(d) Whenever an OSHA inspection shall occur in a work area that includes employees represented by a Local Union listed in the Preamble, an employee designated by the Union who accompanies the OSHA inspector as the employees' representative will be paid for time lost from work during such inspection.

Article XIII

Grievance Procedure

▪ 1. Grievances may be filed by an employee or group of employees, a Steward or the Local. Grievances of a general nature filed by the Local shall be initiated at the second step of the grievance procedure.

▪ 2. *Steps.* Grievances other than those of a general nature may be processed only by recourse to the following successive steps:

(a) *Step One (Shift/Day Leader level)*

(1) Within a reasonable time after the occurrence or knowledge of the situation, condition or action of Management giving rise to the grievance, the employee affected thereby or his Steward may present the grievance to the employee's Shift/Day Leader or other immediate supervisor. (If presented by the employee, he may also have his Steward present).

(2) Within one working day after such presentation, such Shift/Day Leader or other immediate supervisor shall give to such employee and Steward his decision with respect to such grievance, or shall advise them that additional time for such decision is needed, in which event he shall give them such decision within one week thereafter.

(3) A Steward who submits a written grievance to his Shift/Day Leader shall receive, upon request, a written reply.

(4) If a settlement is not reached between the Steward and his immediate supervisor, the Local may refer the grievance to two representatives of the Local for discussion in the department with representatives of local management for settlement, if possible.

(b) *Step Two (Management Level)*

(1) If a settlement is not reached at Step One, the designated Local official may present to a representative designated by local management, a written statement of such grievance within thirty (30) days of the Company answer at Step One of the grievance procedure giving all pertinent information relative to the grievance and indicating the relief requested, provided, however, that the designated Local official may advise local management that additional time is needed, in which case the Local shall have an additional one week to process the grievance to Step Two. The time limit between Step One and Step Two may be extended by mutual agreement.

(2) Meetings between representatives of the Local and local management shall be arranged at mutually agreeable times for the purpose of discussing such grievances. In those cases where it is mutually agreed by Management and Local representatives that an inspection of the job would be helpful in settling the case, a subcommittee of the Local with Management representatives shall be allowed to make an inspection of the job. Local representatives may include the Business Agent or his assistant or officers of the Local.

Grievances referred to Step Two will be scheduled and discussed as expeditiously as possible, but not later than forty-five (45) days after the grievance has been presented to Step Two. Such time limits may be extended by mutual agreement.

- (3) Upon request, local management will give the Local a written reply, such reply generally to be issued within two weeks following discussion of the grievance on the merits at the Second Step. Any extension necessary to issue a written reply shall be limited to two weeks.

(c) *Step Three (Headquarters Level)*

(1) Any grievance, having been processed through Step Two without satisfactory settlement, may be referred to the National Offices of the Union for submission to the Company's designated representative, who shall arrange meetings for the purposes of discussing such grievances.

Such grievances shall be submitted to the Company not less than two weeks prior to the date of any discussion and not more than three months after the completion of discussions and the final decision of local management at Step Two.

When the Union requests an emergency meeting on a particular grievance or grievances, such a meeting shall take place within one week after the Company receives the request for such an emergency meeting.

The Company shall give its final decision to the Union in writing within a reasonable time after the completion of discussion on any grievance.

The discussions provided for above may, by mutual agreement, be held at the plant location of the Local submitting the grievance, if requested by the Union.

(2) A grievance filed on behalf of a candidate for preferential placement under Article XXII which arises solely due to the failure of Company management at a designated location to select such candidate, where such designated location employs no employees represented by the Union, may be filed at the Headquarters level. A grievance filed on behalf of a candidate for preferential placement under Article XXII which arises solely due to the failure of Company management at a designated location to select such candidate, where the candidate's original location has closed, may also be filed at the Headquarters level, provided the grievance arises following the original location's plant closing date. The Company shall give its final decision to the Union in writing within a reasonable time after discussions with the Union and an opportunity to investigate the facts.

▪ 3. *Discipline Based on Warning Notices*

Before imposing a disciplinary penalty or discharge which is based upon the cumulative effect of written warning notices, the Company will notify the employee concerned one week in advance. The matter may be made a subject for grievance discussions, but such discussions shall not prevent imposition of the penalty pending their final outcome, and in the event it is determined that an employee has been improperly penalized, he will be reimbursed for any loss of wages sustained as a result of the imposition of the penalty.

Article XIV

Strikes and Lockouts

- 1. There shall be no strike, sit-down, slowdown, employee demonstration or any other organized or concerted interference with work of any kind in connection with any matter subject to the grievance procedure, and no such interference with work shall be directly or indirectly authorized or sanctioned by a Local or the Union, or their respective Officers or Stewards, unless and until all of the respective provisions of the successive steps of the grievance procedure set forth in Article XIII shall have been complied with by the Local and the Union. The foregoing exception will not apply if (a) the matter is submitted to arbitration as provided in Article XV, or (b) 12 months shall have elapsed after receipt by the Union of the Company's final decision on the grievance at Step Three, or (c) the Company shall not have received written or telegraphic notice of such strike from the Local more than 24 hours prior to the commencement of such strike, which notice will specify the exhausted grievance over which the strike is being called. Upon receipt by the Company of such a strike notice, the Company and the Union will meet immediately to discuss the dispute and the contemplated action so that management may assess the situation.

- 2. The Company will not lock out any employee or transfer any job under dispute from the local Works, nor will the local management take similar action while a disputed job is under discussion at any of the steps of the grievance procedure set forth in Article XIII, or if the matter is submitted to arbitration as provided in Article XV.

Article XV

Arbitration

- 1. Any grievance which remains unsettled after having been fully processed pursuant to the provisions of Article XIII, and which involves either,
 - (a) the interpretation or application of a provision of the Agreement, or
 - (b) a disciplinary penalty (including discharge) imposed on or after the effective date of this Agreement, which is alleged to have been imposed without just cause, or
 - (c) a nondisciplinary termination occurring after the effective date of this agreement,

may be submitted to arbitration upon written request of either the Union or the Company, provided such request is made within 60 days after the final decision of the Company has been given to the Union pursuant to Article XIII, Section 2(c). For the purpose of proceedings within the scope of (b) above, the standard to be applied by an arbitrator to cases involving disciplinary penalties (including discharge) is that such penalties shall be imposed only for just cause.

- 2. (a) A request for arbitration shall state in reasonable detail the nature of the dispute and the remedy requested. A copy of the request shall be sent to the American Arbitration Association.
 - (b) Within 30 days after receipt of a request to arbitrate, the receiving party will give its response thereto in writing, with a copy to the Association, stating whether or not it believes the stated dispute to be arbitrable. If the receiving party believes the dispute not to be arbitrable, it will state its reasons in reasonable detail.

(c) If the response agrees to the arbitrability of the dispute, the Association will proceed to process the request in accordance with Section 3.

(d) If a response to a request for arbitration disagrees as to the arbitrability of the dispute, either party may request a conference to discuss the arbitrability of the dispute, and seek to resolve the differences between the parties.

▪ 3. (a) When a request for arbitration involves only relief from a disciplinary penalty or discharge alleged to have been imposed without just cause, or involves a dispute which the Company admits to be arbitrable, or when a final court judgment shall have ordered arbitration of a request, the Association shall submit the appropriate matter promptly to one of the Contract Arbitrators listed below for scheduling of a hearing thereon.

The Contract Arbitrators shall serve for the duration of this Agreement. The Association will assign each arbitration case in rotation, in the order of Contract Arbitrators listed below. If a Contract Arbitrator states that he is unable to accept a case, it will be referred to the next Contract Arbitrator in line.

Whenever the number of unresolved arbitration requests assigned to a Contract Arbitrator shall exceed three, any additional requests which would otherwise be assigned to him in order of rotation shall be referred to the next Contract Arbitrator in line.

CONTRACT ARBITRATORS

Lisa Charles	William Nowlin
Larry Dias	Craig E. Overton
Roberta Glick	Joan W. Parker
Lawrence T. Holden	Marsha Saylor
Mark L. Irvings	Jeffrey B. Tener

In all discharge and upgrading cases, the Association shall expedite the handling of such cases as follows:

(i) Request from the Contract Arbitrator, at the time of appointment, two or three proposed alternative hearing dates for hearing days within sixty (60) days of appointment.

(ii) Communicate proposed alternative hearing dates to designated representatives of the parties promptly and secure a firm commitment on a hearing date.

(iii) Schedule agreed upon hearing date in accordance with regular procedure.

(b) Only one request shall be scheduled for the same arbitration hearing, except by mutual agreement of the parties.

(c) In the conduct of an arbitration hearing, the applicable provisions of the Voluntary Labor Arbitration Rules of the Association shall control, except that either party may, if it desires, be represented by counsel.

(d) The dispute as stated in the request for arbitration shall constitute the sole and entire subject matter to be heard by the arbitrator unless the parties agree to modify the scope of the hearing.

(e) In the event that a party initiating a request to cancel or postpone a hearing fails to provide notice to avoid incurring a cancellation fee, and no good cause can be shown for the untimely cancellation, such party shall be responsible for payment of the applicable cancellation fee as set by the arbitrator.

▪ 4. (a) In the event the receiving party has asserted that the dispute contained in a request for arbitration is not arbitrable, the Association shall have the authority to process the request for arbitration and appoint an arbitrator in accordance with the procedure set forth in Section 3 above only after a final judgment of a court has determined that the grievance upon which arbitration has been requested raises arbitrable issues and has directed arbitration of such issues. The foregoing part of this section shall not be applicable if the request for arbitration involves only relief from a disciplinary penalty or discharge alleged to have been imposed without just cause.

(b) In the consideration and decision of any question involving arbitrability (including any application to a court for an order directing arbitration), it is the specific agreement of the parties that:

(i) Some types of grievance disputes which may arise during the term of this Agreement shall be subject to arbitration as a matter of right, enforceable in court, at the demand of either party. (See Section 6 below.)

(ii) Other types of disputes shall be subject only to voluntary arbitration, i.e., can be arbitrated only if both parties agree in writing, in the case of each dispute, to do so. (See Section 7 below.)

(iii) This Agreement sets out expressly all the restrictions and obligations assumed by the respective parties, and no implied restrictions or obligations inherent in this Agreement or were assumed by the parties in entering into this Agreement.

(iv) In the consideration of whether a matter is subject to arbitration as a matter of right, a fundamental principle shall be that the Company retains all its rights to manage the business, including (but not limited to) the right to determine the methods and means by which its operations are to be carried on, to direct the work force and to conduct its operations in a safe and effective manner, subject only to the express limitations set forth in this National Agreement, Local Seniority Supplements executed under the provision of Article XI thereof, and Local Understandings executed in accordance with Section 3 of Article XXI thereof; and it is understood that the parties have not agreed to arbitrate demands which challenge action taken by the Company in exercise of any such rights, except where such challenge is based upon a violation of any such express limitations (other than those set out in Section 7 below).

(v) No matter will be considered arbitrable unless it is found that the parties clearly agreed that the subject involved would be arbitrable in light of the principles of arbitrability set forth in this Article and no court or arbitrator shall or may proceed under any presumption that a request to arbitrate is arbitrable.

(c) If a final judgment of a court has determined that a request raises arbitrable issues, the court's decision shall specify in reasonable detail the issues as to which arbitration is directed. The arbitration shall thereafter proceed only upon the issues specified in such final court judgment and the arbitrator shall have no authority or jurisdiction to consider issues other than those specified.

▪ 5. The powers of an arbitrator shall include the authority to render a final and binding decision with respect to any dispute brought before him including the right to modify or reduce or rescind any disciplinary action taken by the Company but excluding the right to amend, modify or alter the terms of this Agreement, or any Local Understanding.

The expense of the arbitration will be borne equally by both parties.

Individuals who are covered by this Agreement do not have the right to invoke the arbitration procedure on their own initiative. The arbitration procedure can only be invoked by the Company on its behalf or the Union on behalf of the employees.

- 6. (a) Arbitration as a matter of right includes only requests to arbitrate which involve:
 - (i) Disciplinary action (including discharge) or nondisciplinary terminations but with certain expectations spelled out in this article;
 - (ii) The claimed violation of a specific provision or provisions of the National Agreement (with the limitations and exceptions set out in this Article);
 - (iii) The claimed violation of a provision of a signed Local Seniority Supplement entered into in accordance with Article XI, Section 2 of this National Agreement or of a provision or provisions of a Local Understanding entered into in accordance with Article XXI, Section 3 of this National Agreement.

(b) A request for arbitration, in order to be subject to arbitration as a matter of right under the provisions of Subsections (a)(ii) and (a)(iii) above, must allege a direct violation of the express purpose of the contractual provision in question, rather than of an indirect or implied purpose. For example, a request which claims incorrect application of the method of computing overtime pay under the provisions of Section 2 of Article V would be arbitrable as a matter of right, whereas a request which questioned the right of the Company to require the performance of reasonable overtime work, on the claimed ground that Article V contains an implied limitation of that right, would be subject only to voluntary arbitration. A request that Article XI and the appropriate Local Seniority Supplement had been violated by the layoff of a senior employee in preference to a junior employee would be arbitrable as a matter of right but a request that subcontracting of work in the plant while bargaining unit employees are on layoff violated a claimed implied limitation of Article XI and the applicable Local Seniority Supplement would be subject only to voluntary arbitration.

- 7. All requests for arbitration which are not subject to arbitration as a matter of right under the provisions of Section 6 above, are subject only to voluntary arbitration. In particular, it is specifically agreed that arbitration requests shall be subject only to voluntary arbitration, by mutual agreement, if they
 - (a) Involve the existence or alleged violation of any agreement other than those described in 6(a) above.
 - (b) Involve issues which were discussed at national level negotiations, but which are not expressly covered in this National Agreement.
 - (c) Involve claims that an allegedly implied or assumed obligation of this National Agreement has been violated.
 - (d) Involve claims that Article I, or Section 3 of Article IV of this National Agreement has been violated; provided, however, that grievances which claim that a disciplinary action, discharge, upgrading action or transfer action violates Section 3 of Article IV will be subject to arbitration as a matter of right.

- (e) Would require an arbitrator to consider, rule on or decide the appropriate hourly, salary or incentive rate at which an employee shall be paid, or the method (day, salary or incentive) by which his pay shall determined. (See footnote)
 - (f) Would require an arbitrator to consider, rule on or decide any of the following:
 - (i) The elements of an employee's job assignment;
 - (ii) The level, title or other designation of an employee's job classification;
 - (iii) The right of management to assign or reassign work or elements of work. (See footnote)
 - (g) Involve claims of violation of Sections 1 and 2 of Article XI, in locations in which a Local Seniority Supplement has not been signed in accordance with Section 2 of Article XI.
 - (h) Pertain in any way to the establishment, administration, interpretation or application of service credits with the Company, provided that if by Local Understanding a period of less than six months has been agreed upon as the probationary period for new employees, and such Local Understanding is applicable to the particular employee involved, such agreed upon shorter period of time shall be substituted for "six months" in the foregoing; and provided further that nothing in this subsection shall limit the authority of an arbitrator with respect to disciplinary penalties or discharges imposed in violation of Section 1 of Article IV.
- 8. (a) The parties shall refrain from requesting transcripts for those hearings where the submission to arbitration meets the following criteria.
- (i) The interpretation of one or more provisions of the collective bargaining agreement is not involved; and
 - (ii) There is no "procedural" question such as arbitrability or due process; and
 - (iii) There is no claim alleging discrimination in violation of section 3 of Article IV of this Agreement; and
 - (iv) The only issue in a discharge or discipline case is whether the discharge or discipline was imposed for just cause.
- (b) An arbitrator shall give his Award without an Opinion in certain arbitration cases in accordance with the following:
- (i) An Award without an Opinion shall consist of a summary statement by an arbitrator of no more than two pages which briefly sets forth the basis of the Award.
 - (ii) An Award without an Opinion shall be given in all discipline or discharge cases meeting the criteria in Section 8(a), above, under the following procedure:

Footnote: Subsections e, f and g reflect the fact that this National Agreement does not set out specific rates or classifications for jobs, and are designed to confirm the intent of Article VI, Section 1 and Article VI, Section 5 (first sentence) that disputes over individual job classifications, rates of pay, incentive standards, etc., are assigned by the parties to local negotiations, and not to arbitration.

- (1) If the party requesting arbitration believes the grievance meets the criteria, that party would so indicate in its written request for arbitration.
 - (2) If the party requesting arbitration does not indicate in its written request for arbitration that it believes the case meets the criteria, the other party may indicate that it believes the grievance meets the criteria in its written agreement to arbitrate.
 - (3) If the party requesting arbitration indicates that it believes the grievance meets the criteria in 8(a), above, in its request for arbitration, or if the other party so indicates in its written agreement to arbitrate, the Association will instruct the designated arbitrator to issue an Award without an opinion subject to the discretion given the arbitrator in (4) below.
 - (4) If either party disagrees with the indication of the other party (provided for in (1) and (2), above) that the grievance meets the criteria set forth in 8(a), above, that party may request a written Opinion from the arbitrator so long as such request is made before the hearing is closed. When such a request is made by either party, the arbitrator shall rule whether a written Opinion is waived under the criteria set forth in 8(a) above.
 - (5) If evidence is admitted during the hearing at the instance of either party which, in the judgment of the other party, would change the case from one meeting the criteria in 8(a), above, to a case not meeting the criteria, the other party may then demand a written Opinion so long as such demand is made before the oral hearing is closed - notwithstanding prior agreement to waive the Opinion. This provision, however, should not be interpreted in any way to imply that either party would agree to the introduction of evidence at the hearing which would change the nature of the case.
- 9. Any arbitration case between the Company and the Union which is limited to a disciplinary penalty other than discharge is covered by the supplemental procedure set forth below:
- (a) The following rules shall apply in cases covered by this section:
 - (i) The only issue before the arbitrator shall be whether the discipline was imposed for just cause.
 - (ii) There shall be no transcript of the hearing.
 - (iii) There shall be no post-hearing briefs or other written arguments by the parties.
 - (iv) If either party so requests, there shall be a thirty (30) minute recess before any closing argument by the parties.
 - (v) The arbitrator shall render an Award without an Opinion no more than twenty-four (24) hours after the close of the oral hearing.
 - (b) The compensation for an arbitrator for hearing a case under this procedure shall be an amount equal to the arbitrator's normal and customary fee. The arbitrator shall also be entitled to travel expenses in accordance with the regular procedures of the American Arbitration Association.

Article XVI

Posting

The Company will make bulletin boards available for the use of the Locals for the posting of notices. All notices shall be subject to the Manager's approval and he will also arrange for posting.

Article XVII

Notification and Publicity

- 1. The Company agrees to notify the Local and the National Officers of any matter affecting employees generally and concerning which the Union or the Local is the certified bargaining representative and not covered by this Agreement as soon as the Foremen are notified.
- 2. On any grievance or other matter which has been negotiated between the Company and the Union or the Local, the Company will notify the Union or Local of any decision or determination before it notifies the employees affected.

Article XVIII

Financial Support

The Company shall not give financial aid to or otherwise support any labor organization. This, however, shall not prevent both parties to this contract from cooperating and exchanging such information essential for the furtherance of agreeable relations.

Article XIX

Information

- 1. *New Employees – Reengaged Employees*

The Company will provide each Local, from information of record, with a monthly list of newly hired and reengaged employees; the information will consist of name, home address, seniority date, occupation, department, Shift/Day Leader, and checkoff status.

- 2. *Laid Off Employees*

The Company will provide each Local, on a monthly basis, with information on employees laid off for lack of work after notification has been given to the employees; the information will consist of the name, home address of record, continuous service date, occupation, department, and Shift/Day Leader. A list of employees on recall by work location shall also be provided quarterly. The Shift/Day Leader will give to the Steward information on extended layoffs, whenever possible one week before the employee is laid off.

- 3. *Transfers*

The Company will provide each Local with information on transfers which are made through the Personnel Office.

- 4. *Master List of Employees*

Semiannually, the Company, from information of record, will provide the Local with a complete list of all employees then in the bargaining unit and showing the name, home address, continuous service date, seniority date, occupation, department, job rate, clock card number, and checkoff status of each employee on such list.

Article XX

Traveling Time and Expenses

Hourly rated and salaried employees traveling at the request and with the prior approval of the Company will receive:

- 1. Payment at the rates applicable had they worked for all time spent in such travel; provided, however, that where the assignment requires one or more overnight stays, an additional hour's pay at such rates for trip preparation shall be allowed, but no payment shall be made for traveling time between the hours of 6:00 p.m. and 6:00 a.m., or in excess of eight hours in any one day.
- 2. Reasonable expenses for transportation, meals, and hotels wherever necessary. Where travel is by automobile not owned by the Company, such transportation expense shall be at rates equal to those periodically published by the Internal Revenue Service, provided use of such automobile has been specifically approved in advance by the Company.
- 3. Traveling time and expenses shall be itemized and submitted to management for approval.

Article XXI

Local Understandings

- 1. The provisions of this Agreement are subject to all present local understandings, and such understandings will remain in effect unless changed in the manner provided in the following section.
- 2. After the effective date of this Agreement, new local understanding will be recognized and made effective only where set forth in writing and signed by local management and the Local, and approved by the Company and the Union.
- 3. The existence of, or any alleged violation of, a local understanding shall not be the basis of any arbitration proceeding, unless such understanding is in writing and signed by the Company and Union.

Article XXII

Job and Income Security

- 1. *Definitions*

(a) The terms "plant closing" and "to close a plant" mean the announcement and carrying out of a plan to terminate and discontinue either all Company operations at any plant or other facility, or those Company operations which would result in the termination of all employees represented by the Union at that location when those employees do not have displacement rights.

Such terms do not refer to the termination and discontinuance of only part of the Company's operations at any plant or other facility (except as specifically provided in the paragraph above) nor to the termination or discontinuance of all of its former operations coupled with the announced intention to commence their either larger or smaller other operations. Any employees released by such latter changes will be considered as out for lack of work and will be subject to provisions applicable to those on layoff.

Also, such terms do not refer to the transfer or sale of such operations to a successor employer who offers continued employment to Company employees. Company employees who are not offered continued employment by the Company or by the successor employer will be considered as out for lack of work and will be subject to provisions applicable to those on layoff.

(b) The term "plant closing date" means the day when benefits for and terminations of represented employees begin because of a plant closing.

(c) The terms "transfer of work," "to transfer work," and "work transfer" mean the discontinuance of ongoing work at one location coupled with the assignment of the same work to a different location, including subcontracting the same work to another employer, if such assignment of work would directly cause a decrease in the number of represented employees performing such work at the first location.

(d) The term "robot" means a programmable, multi-function manipulator designed to move materials, parts, tools, or specialized devices through variable programmed motions for the performance of a variety of tasks.

(e) The term "automated manufacturing machine" means a device for doing work with minimal or reduced human intervention.

(f) The term "automated office machine" means a device for doing office work which is computer-based and which includes word processing, data processing, image processing, electronic mail or business and engineering graphics devices.

(g) The term "week's pay" as used in this Article XXII, for a salaried employee shall be the higher of (a) the employee's normal straight-time weekly salary (including any night shift bonus) for the last full week worked by him or (b) the employee's normal straight-time weekly salary (including any night shift bonus) in effect during the last full calendar week worked by him during the calendar year preceding the year in which his current termination or layoff began. A "week's pay" for an hourly employee shall be calculated by multiplying the higher of (a) his straight-time hourly rate (including any night shift bonus) which he was paid during the last week worked by him or (b) his straight-time hourly rate (including any night shift bonus) which he was paid during the last full calendar week worked by him during the calendar year preceding the year in which his current termination or layoff began, times the number of hours in the employee's normal workweek, up to 40 hours.

(h) The term "Special Early Retirement Option Offset" shall have the meaning set forth in the Momentive Pension Plan.

▪ 2. *Plant Closing*

(a) *General*

(1) Whenever the Company decides to close a plant, the Company shall give notice of its decision to the Union, the Local or Locals involved, and the employees concerned. Thereafter, as the Company, in the

course of such plant closing, no longer has need for the work then being done by an employee, his employment by the Company may be terminated, subject to compliance with the provisions of this Section 2.

(2) Each employee shall be given at least one week's advance notice of the specific date of his termination.

(b) *Severance Pay*

(1) An eligible employee whose employment is terminated because of plant closing shall be entitled to Severance Pay in a lump sum, for which he is eligible as described below and the full vacation allowance for which he might have qualified for the calendar year in which his employment is terminated and any other accumulated allowances due him, provided that after the announcement of intent to close a plant he:

(i) continues regularly at work at the closing location until the specific date of his termination, or

(ii) fails to continue regularly at work until the specific date of his termination due to verified personal illness, leave of absence, or layoff

(2) An eligible employee will be similarly eligible for Severance Pay and his full vacation allowance if he was laid off or was placed on an approved illness or injury absence prior to the Company's announcement of intent to close a plant and continues on layoff with protected service, or on illness or injury absence with protected service, until the location's plant closing date.

(3) Also eligible for Severance Pay under this Section 2 (b) are former employees of a closed location who in the period from 18 months to 12 months prior to the location's plant closing date were laid off and who broke service prior to such date. Except as provided in this paragraph, such former employees are ineligible for any other benefits payable to active employees affected by a plant closing. The payment of Severance Pay as described herein shall not serve to restore service or otherwise affect the benefit status of such former employees.

(4) Such employee may request that his date of termination be advanced so that he can accept other employment and the local management will give due regard to this request.

(5) Notwithstanding the provision of this Section 2, an employee who is affected by plant closing may elect, prior to the specific date of his termination for plant closing, to be placed on lack of work status. In such event, the employee will be paid benefits under Section 4 below, in lieu of any and all of the benefits set forth in this Section 2.

(6) *Computation of Severance Pay*

(i) An employee with one more but less than fifteen years of continuous service will, in accordance with the provisions set forth above, be eligible for Severance Pay computed on the basis of one and ½ week's pay for each of the employee's full years of continuous service plus 3/8 of a week's pay for each additional 3 months of continuous service at the time of termination; provided that the amount of the Severance Pay benefit as computed under this paragraph shall be subject to a minimum benefit equal to 4 weeks' pay.

(ii) An employee with fifteen or more years of continuous service will, in accordance with the provisions set forth above, be eligible for Severance Pay computed on the basis of two weeks'

pay for each of the employee's full years of continuous service plus ½ of a week's pay for each additional 3 months of continuous service at the time of termination.

(7) *Deferral Election*

An employee who elects to receive Severance Pay in a lump sum may elect to defer payment of half or all of the lump sum until the first month of the year following his termination because of a plant closing. Once made, such election will be irrevocable. Payment shall be made to the estate of any employee electing to defer payment under this Section 2(b)(7) if such employee dies before payment has been made.

(c) *Employment Assistance Program*

To assist employees terminated because of a plant closing to find new jobs and to learn new skills, local management will establish an Employment Assistance Program following announcement of a decision to close a plant. The Employment Assistance Program will include job placement assistance and education and retraining assistance.

(1) *Job Placement Assistance*

- (i) Job Placement Assistance will include job counseling as well as job information services. Examples of such services are counseling in job search and interviewing techniques, identification and assessment of skills, and employment application and resume preparation as well as providing employees information on placement opportunities.
- (ii) Local Union involvement will be encouraged in these activities and local management may also use the expertise and resources of public and private agencies in providing these services.
- (iii) Two (2) employee representatives designated by the Local (one such representative in a plant of less than 300 represented employees) will each be paid by the Company at their respective rate then prevailing, for approved absences from work up to a total of eight (8) hours per week to work with local management in the establishment and operation of the Employment Assistance Program.

(2) *Education and Retraining Assistance*

- (i) An employee with one or more years of continuous service who is terminated as a result of a plant closing will be eligible to receive Education and Retraining Assistance for courses approved by the Company which contribute to or enhance the employee's ability to obtain other employment provided that the employee begins the approved course within one year following termination. Approved courses will normally be given at schools which are accredited by recognized regional or state accrediting agencies and may include:
 - Occupational or vocational skill development;
 - Fundamental reading or numerical skill improvement;
 - High school diploma or equivalency achievement; and
 - College level career oriented courses.
- (ii) An employee will be reimbursed up to a maximum of **fourteen thousand dollars (\$14,000)** for authorized expenses which are incurred within three years following termination provided a passing grade is received in the course. Authorized expenses including verified tuition,

registration and other compulsory fees, costs of necessary books, and other required supplies. However, if tuition or other authorized expenses are covered by government benefits, other employers, or scholarships, the Company reimbursement will not apply to that portion covered by such other plan.

- (iii) An employee who elects to receive benefits under the Income Extension Aid layoff program in lieu of benefits under the Plant Closing section of this Article will not be eligible for Education and Retraining Assistance.

(d) *Optional Local Plant Closing Termination Agreement*

Because the circumstances in a plant closing will vary in terms of employment, location and timing, as well as other local considerations, the Local Union and local management may negotiate a Special Local Agreement covering the plant closing termination procedure for employees represented by the Local. Any such agreement shall be in writing and approved in accordance with Article XXI, Section 2, of this National Agreement.

▪ 3. *Retraining and Readjustment Assistance*

(a) *Rate Guarantee*

An hourly rated or nonexempt salaried employee whose job is directly eliminated by a transfer of work, the discontinuance of a discrete, unreplaced product line, the introduction of a robot, or the introduction of an automated manufacturing or office machine shall be paid on any job to which transferred or recalled in the plant at a rate not less than the regular hourly rate (actual straight time salary rate in the case of nonexempt salaried employees) of the job eliminated for up to **ninety (90)** weeks immediately following the original transfer or layoff. In the event that an hourly rated or nonexempt salaried employee is displaced due to a reduction in force within six months of the Company's decision to subcontract work that would have otherwise been performed by the employee had it not been subcontracted, and where such decision did not reduce the number of represented employees performing ongoing work at that time, such subsequently displaced employee shall be eligible for rate guarantee under this Section 3(a), effective at the time of displacement.

(b) *Special Retirement Bonus*

(1) *Election*

An hourly rated or nonexempt salaried employee who is age sixty (60) or older with fifteen (15) or more years of continuous service and is assigned to a job classification which the Company has announced is expected to be adversely affected by a transfer of work, the discontinuance of a discrete, unreplaced product line, the introduction of a robot, or the introduction of an automated manufacturing or office machine may elect to be considered for termination with a Special Retirement Bonus. This election shall be made within fifteen (15) days following the Company announcement of its decision involving the transfer of work, the discontinuance of a discrete, unreplaced product line, the introduction of a robot, or the introduction of an automated manufacturing or office machine which is expected to result in the elimination of certain jobs.

(2) *Procedure*

Eligible employees electing this option will be designated by their seniority for a Special Retirement Bonus. A termination under this option will be effective and the Special Retirement Bonus will be

paid when a job in the particular job classification to which the eligible employee is assigned is directly eliminated by the previously announced transfer of work, the discontinuance of a discrete, unreplaced product line, introduction of a robot, or introduction of an automated manufacturing or office machine, which directly relates in a net reduction in the total number of employees working in that same job classification.

(3) *Special Payment*

This Special Retirement Bonus shall be **eighteen thousand dollars (\$18,000)**.

(4) *Indirect Bonus Eligibility*

In the event that the number of eligible employees electing this option is less than the number of employees directly adversely affected by the Company's announced action, opportunities to elect Special Voluntary Layoff Bonus under Section 4(c) shall arise, up to the number of positions directly adversely affected by the transfer of work, the discontinuance of a discrete, unreplaced product line, introduction of a robot, or introduction of an automated manufacturing or office machine. To be eligible an employee must be in a classification that is reduced due to displacement as a result of an announced Company action described above, and otherwise meets the criteria established in Section 4(c). Such displacement is hereby deemed to be a reduction of force of indefinite duration.

(c) *Special Placement Procedure*

(1) *Election*

An hourly rated or non-exempt salaried employee whose job is directly eliminated by a transfer of work, the discontinuance of a discrete, unreplaced product line, the introduction of a robot, or the introduction of an automated manufacturing machine or office machine may request a Special Placement from the eliminated job in lieu of placement, displacement or layoff under the regular local layoff and rehiring procedure. The Special Placement request must be made within two (2) working days following notification to the employee of the regular placement, displacement or layoff.

(2) *Placement*

- (i) If a timely request is made, an eligible employee shall be placed, or displaced with seniority, on an available equal or lower rated job classification if the employee has the necessary minimum qualifications for the job; provided the Special Placement would be on a higher rated job than that provided by the regular placement.
- (ii) If an eligible hourly rated employee who has made a timely request is unable to be placed under Section 3(c)(2)(i) above, such employee shall be placed, or displace with seniority, on an equal or lower rated job up to the top of the one month progression schedule without regard to the regular minimum qualifications for the job; provided the Special Placement would be on a higher rated job than that provided by the regular placement.
- (iii) An employee placed under this Section 3(c) is required to achieve normal performance within the time period of the regular progression schedule.

(d) *Optional Local Retraining and Placement Agreement*

Whenever the Company announces a transfer of work, the discontinuance of a discrete, unreplaced product line, introduction of a robot, or introduction of an automated manufacturing or office machine, the Local Union and local management may negotiate a Local Retraining and Placement Agreement.

(e) *Preferential Placement*

(1) *Eligibility*

An hourly rated or nonexempt salaried employee eligible for Severance Pay under Section 2 may elect, prior to the employee's termination for plant closing or layoff, and up to thirty days thereafter to be placed in a Preferential Placement status.

(2) *Election Procedure*

An employee may elect preferential placement at any other facility covered under the jurisdiction of this Agreement. Individuals who have made this election will be placed in Preferential Placement status on their designated termination date for plant closing. Individuals eligible for Preferential Placement may request, following the conclusion of decision bargaining, that their plant closing or layoff date be advanced in order to assume Preferential Placement and accept placement prior to their anticipated plant closing date. Local management shall give due regard to such request.

(3) *Placement Standard*

Individuals in Preferential Placement status will be given preference, to the extent practical, over new hires for job openings at the locations designated by them in order of their length of continuity of service when they possess the necessary job qualifications established by the hiring location. The term "necessary job qualifications" shall be applied based on the upgrade standard for jobs above entry level. For entry level jobs in the One Month Progression Schedule the term "necessary job qualifications" shall be the standard a current employee at the location must meet to be placed in the entry level job.

Notwithstanding the preceding paragraph, Preferential Placement candidates applying for entry level positions in the One Month Progression Schedule with 25 years or more of continuous service shall be provisionally placed in such positions for up to three months. Such candidate must either demonstrate satisfactory progress in performing the entry level duties or perform such duties at a fully satisfactory level by the end of this provisional placement period. Failure to so demonstrate or perform will result in the candidate's removal from provisional placement. The candidate will then continue in Preferential Placement status as if such provisional placement had not occurred. The administrative removal of provisionally placed Preferential Placement candidates shall not be subject to arbitration.

(4) *Benefits While in Preferential Placement Status*

While in Preferential Placement status, an eligible employee will be paid IEA-type layoff benefits subject to the procedures set forth in Section 4(b)(1)(i) of this Article up to the amount of the employee's eligibility for Severance Pay under Section 2 (b)(6) of this Article. If at the end of the

thirty (30) day period the employee does not elect to participate in Preferential Placement, the amount of Severance Pay available under Section 2, less any amount paid in IEA-type benefits, will be paid in lump sum and the employee will terminate service. Such payments shall be in lieu of any and all other benefits set forth in the applicable Section 2 or Section 3 of this Article; provided, however, that an eligible employee may receive reimbursement for authorized expenses incurred pursuant to Section 2 (c)(2) respecting courses registered for within one year, and completed within three years, of the employee's scheduled plant closing date.

(5) *Seniority*

Individuals placed or re-employed under this Section 3(e) will have seniority for the purpose of subsequent layoff, recall upgrading and other seniority purposes at their new location based upon the established seniority procedures and practices at their new location.

(6) *Relocation Assistance*

If an individual who elected Preferential Placement is placed or re-employed under this Section 3 (e) within three (3) years from that individual's designated date of termination for plant closing that employee shall receive a lump sum payment for reimbursement of relocation expenses to the new location of **\$4,250** for individual employees without dependents or **\$8,500** for employees with dependents living in the employee's home (as verified by federal income tax returns). An eligible individual who has elected Preferential Placement is eligible for reimbursement of documented expenses up to **\$425** per visit incurred for the purpose of attending approved selection procedures established by the designated locations.

(7) *Residual Benefits*

If an employee who elected Preferential Placement is not placed or re-employed by the Company within one year from that individual's designated date of termination for plant closing that individual will be deemed to have been terminated as of that individual's respective date of termination for plant closing and paid the Severance Pay the individual would have received under Section 2 (b)(6) if the Preferential Placement status had not been elected, less any IEA-type benefits paid under paragraph 4 of this Section 3 (e). If placed or re-employed from Preferential Placement status, weekly IEA-type benefits need not be repaid in order to restore eligibility for future layoff benefits based on prior service.

(8) *Termination of Preferential Placement Rights at a Selected Location*

An individual on Preferential Placement shall administratively forfeit placement opportunities at a selected location for repeated failure to make good faith efforts to respond to opportunities for placement consideration. Examples of such failure include:

- Rejecting an interview or offer of employment
- Failing to respond to a scheduled selection procedure without adequate notice

(9) *Termination of Preferential Placement Status*

Preferential Placement status will terminate upon the earlier of any of the following occurrences:

- (i) placement at a designated preferential placement location,
- (ii) acceptance of a job offer and failure to report as scheduled without satisfactory explanation,
- (iii) refusal of three preferential placement job offers,
- (iv) the lapsing of **four** years since the election of this status.

Individuals placed under this Section 3(e) and thereafter laid off within eighteen months may, notwithstanding normal eligibility requirements, elect Preferential Placement.

▪ 4. *Income Extension Aid*

(a) *Computation of Income Extension Aid*

- (1) An employee with one or more years continuous service will, in accordance with the provisions hereinafter set forth, have available Income Extension Aid computed on the basis of one week's pay for each of the employee's full years of continuous service plus $\frac{1}{4}$ of a week's pay for each additional 3months of continuous service at the time of layoff.
- (2) If the amount of Income Extension Aid available to any employee as computed in Subsection (a)(1) has been reduced by payments under any of the options below, then, providing he has returned to work from layoff, the total amount available as described in Subsection (a)(1) shall be automatically restored. This Subsection (2) shall not apply where payments have been made under Section 4(b)(1)(iii) or under Plant Closing Section 2 where the employee is rehired within 6 months of termination, except that when an employee makes repayment of benefits paid under Section 4(b)(1)(iii) or Section 2, this Subsection (a)(2) shall apply when he returns to work with respect to a subsequent layoff.

(3) *Minimum Benefit*

The amount of the Income Extension Aid benefit as computed under Section 4(a)(1) shall be subject to a minimum benefit equal to 4 weeks' pay. An employee laid off while in the process of service restoration under Article VIII, Section 2(e) shall qualify for the minimum benefit so long as his or her total service credits (including credits not yet restored) equal 12 months.

(b) *Benefits Available at Layoff*

- (1) An eligible employee laid off for lack of work may elect from the following:

- (i) The employee, while on layoff from the Company and so long as he is unemployed, may elect to receive a weekly payment from the Income Extension Aid payable to him, in such amounts and upon such conditions as set forth in this subsection.

Prior to the exhaustion of his entitlements to federal and state unemployment compensation benefits, the weekly payment shall be in that amount (if any) which, when added to the total federal and state unemployment compensation benefits received for that week, equals seventy-five percent of his weekly pay as defined in Section 1(g), provided, however, that payment shall be made only if the employee has applied for and received unemployment compensation benefits for that week and only if he has provided the Company with satisfactory proof of the total of such benefits received for the week. In the event an employee seeking benefits under this Section 4 is denied unemployment

compensation payment in whole or in part, solely because of a disability arising more than 31 days following layoff rendering the employee unable to work, or due to the receipt of public or private retirement income, because of insufficient earnings to establish unemployment compensation eligibility or because unemployment compensation benefits have been exhausted for the base year, that employee shall be entitled to weekly IEA payment as though there had been no such unemployment compensation disqualification.

After exhaustion of his entitlements to federal and state unemployment compensation benefits, the weekly payment shall be in that amount which equals seventy-five percent of his weekly pay as defined in Section 1(g). Payments shall be made only if the employee certifies that he is still unemployed and they shall continue only until the full amount for which the employee qualifies under Section 4(a) is paid.

Payments (in such amount and upon such conditions as set forth above) may also be made to an employee on layoff while he is unemployed and attending a recognized trade or professional school or training course under the Momentive Individual Development Program, attendance at which makes him ineligible for state or federal unemployment compensation benefits. Percentage changes referenced in this Section 4(b)(1)(i) shall be effective 10/1/97.

- (ii) In any event, at the end of one year on layoff, or upon termination of continuity of service due to voluntary retirement, any balance in the Income Extension Aid available to him not theretofore paid will be paid in a lump sum to the employee.
 - (iii) As a special option, an employee may, with the approval of local management, which approval shall not be unreasonably withheld, elect to receive the total amount of Income Extension Aid and any vacation or other accumulated allowances due, and at the time of such payment, terminate employment and thus forego recall rights.
- (2) Income Extension payments made under Subsections (b)(1)(i) and (ii), above, shall not affect service credits previously accumulated, continuity of service and recall rights. It will not be necessary for an employee to repay any Income Extension Aid payable under said Subsections (b)(1)(i) and (ii) above.
 - (3) In the event an employee elects, as provided for in Section 7(a) of Article IX of this Agreement with respect to a scheduled shutdown period, to take the time off without pay as though on a temporary layoff, the employee shall not be eligible for Income Extension Aid for that scheduled shutdown period.
- (c) *Special Voluntary Layoff Bonus*

Whenever the Company announces an indefinite reduction in force, a Special Voluntary Layoff Bonus opportunity will exist. To be eligible an employee must be age sixty (60 or older, have fifteen (15) years of continuous service, to be in a specific job classification directly adversely affected, and must have filed a request to be considered within fifteen (15) days in advance of the announcement of the indefinite reduction in force. To the extent such requests exceed the number of affected jobs in each classification, selection will be on the basis of seniority. Alternatively, in the even that the number of eligible employees electing this option is less than the number of employees directly adversely affected, secondary opportunities, up to the total number of positions directly adverse affected, shall be available to eligible employees in classifications affected by displacements resulting from the indefinite reduction in force. Employees selected for a Special

Voluntary Layoff Bonus must confirm their acceptance immediately following the Company's offer of the Special Voluntary Layoff Bonus. Employees accepting a Special Voluntary Layoff Bonus will receive a lump sum payment of **\$18,000** in lieu of any other payment under this Article and will terminate service with the Company.

▪ 5. *Notice, Bargaining and Information Requirements*

This Section sets forth the full obligations of the Company with regard to notice, bargaining with and information to the Union concerning plant closing, work transfer, subcontracting and the installation of robots or automated manufacturing or office machines.

(a) *Plant Closing*

(1) *Notice*

The Company will give notice of its intent to close a manufacturing plant a minimum of one year in advance of the plant closing date to the Union, the Local involved and to employees concerned. Such notice will include identification of the plant to be closed, the Local involved and the date when terminations of represented employees because of the plant closing are expected to begin.

(2) *Bargaining*

If the Local requests decision bargaining within ten (10) working days following a Company notice of intent to close a manufacturing plant the Company will be available to meet with the Local within five (5) working days of such request and the bargaining period shall continue for up to sixty (60) calendar days from the date of the Company notice of intent to close the plant unless this period is extended by mutual agreement. The Company will make a decision whether or not to close the plant after this bargaining period.

(3) *Information*

If information is requested by the Local for bargaining provided for in Section 5(a)(2) of this Article, the Company will promptly make the following information available to the Local for such bargaining.

(b) *Transfer of Ongoing Production Work*

(1) *Notice*

The Company will give notice of its intent to transfer ongoing production work a minimum of six (6) months in advance of the effective date of the work transfer to the Local involved. Such notice will include identification of the work to be transferred, the expected decrease in the number of represented employees as a direct consequence of the transfer of work and the anticipated date of the transfer of work.

(2) *Bargaining*

If the Local requests decision bargaining within ten (10) working days following a Company notice of intent to transfer ongoing production work, the Company will be available to meet with the Local within five (5) working days of such request and the bargaining period shall continue for up to sixty (60) calendar days from the date of the Company notice of intent to transfer the

work unless the period is extended by mutual agreement. The Company will make a decision whether or not to transfer such work after this bargaining period.

(3) *Information*

If information is requested by the Local for bargaining provided for in Section 5(b)(2) of this Article, the Company will promptly make the following information available to the Local for such bargaining. The information will specifically include the express reason(s) for intending to transfer the work. Where cost is a significant factor in the Company's intent to transfer the work, the Company will provide the Local with a cost comparison between the production cost of the work to be transferred and the projected cost to the Company of having the work performed elsewhere. Likewise, the Company will also provide the related wages, payroll allowances and employee benefits expenses of represented employees for the work intended to be transferred and of their counterparts who would be assigned the work. This information will be treated as confidential by the Local.

(c) *Transfer of Nonproduction Work*

(1) *Notice*

The Company will give notice of its intent to transfer nonproduction work, or subcontract nonproduction work at the same plant location or elsewhere if such subcontracting of work would directly cause a decrease in the number of represented employees performing such work, a minimum of sixty (60) calendar days in advance of the effective date of the work transfer or subcontracting to the Local involved. In the case of transfers of work or subcontracting that would directly cause a decrease of more than 50 represented employees performing such work, the notice period will be six (6) months. Such notice will include identification of the work to be transferred or subcontracted, the expected decrease in the number of represented employees as a direct consequence of the transfer of work or subcontracting and the anticipated date of the transfer of work or subcontracting.

(2) *Bargaining*

If the Local requests decision bargaining within ten (10) working days following a Company notice of intent to subcontract or transfer nonproduction work, the Company will be available to meet with the Local within five (5) working days of such request and the bargaining period shall continue for up to forty-five (45) calendar days from the date of the Company notice of intent to subcontract or transfer the work unless this period is extended by mutual agreement. This bargaining period shall continue for up to sixty (60) days instead of forty-five (45) days in cases where the subcontract or transfer of nonproduction work would directly cause a decrease of more than fifty (50) represented employees performing such work. The Company will make a decision whether or not to subcontract or transfer such work after this bargaining period.

(3) *Information*

If information is requested by the Local for bargaining provided for in Section 5(c)(2) of this Article, the Company will promptly make the following information available to the Local for such bargaining. The information will specifically include the express reason(s) for intending to subcontract or transfer the work. Where cost is a significant factor in the Company's intent to transfer the work, the Company will provide the Local with a cost comparison between the cost of the nonproduction work to be transferred and the projected cost to the Company of having the

work subcontracted or performed elsewhere. Likewise, the Company will also provide the related wages, payroll allowances and employee benefits expenses of represented employees for the work intended to be subcontracted or transferred and of their counterparts who would be assigned the work. This information will be treated as confidential by the Local.

(d) *Subcontracting of Trades Work at Plant Location*

(1) *Notice*

The Company will give notice to the Local of its intent to subcontract trades work, where the work will be done by a subcontractor at the same plant location or elsewhere and there is no decrease in the number of represented employees performing such trades work, before finalization of the proposed action provided that the work is of a nature that is normally performed by trades workers (maintenance, tool & die, and other similar classifications). Notice will not be required in emergency situations.

(2) *Bargaining*

If the Local requests bargaining concerning such subcontracting, the Company will promptly meet and discuss its plans with the Local. However, in no event will the Company be obligated to withhold the effectuation of the proposed subcontracting for more than twenty-one (21) calendar days from the date of the notification to the Local.

(3) *Information*

If information is requested by the Local for bargaining provided for in Section 5(d)(2) of this Article, the Company will promptly make the following information available to the Local for such bargaining. This information will specifically include the express reason(s) for intending to subcontract the work and, where employment cost is a significant factor, comparative related wages, payroll allowances and employee benefits expenses of represented employees for the work intended to be subcontracted and of their counterparts who would be assigned the work. This bargaining information will be treated as confidential by the Local.

(e) *Installation of Robots or Automated Manufacturing or Office Machines*

With respect to the installation of robots or automated manufacturing robots or automated manufacturing or office machines, the Company will give a minimum of sixty (60) days' notice to the Local involved before the use of a robot or an automated manufacturing or office machine in a work area. Such notice will include a description of the function of the device, identification of the work involved, the expected decrease in the number of represented employees as a direct consequence of the use of the device and the anticipated date of the use of the device.

(f) The Company will notify the Local in writing of its decision to utilize a subcontractor to perform work of the type regularly performed by bargaining unit employees, where the work will be done by a subcontractor at another location and there is no decrease in the number of represented employees performing like work. The notice will give a general description of the work and state the express reasons for subcontracting the work.

▪ 6. *Job Preservation*

(a) *Decision Bargaining Guarantee*

In the event the Company announces its intention to close a plant under Section 5(a), and following decision bargaining the Company retracts or modifies its announced intention based on a counter-proposal offered by the union to preserve jobs, such preserved jobs shall be excluded from further impact under Section 5(a) for the earlier of three years or the duration of this Agreement and, in any case, for at least 12 months. In the event the Company announces its intention to transfer Ongoing Production Work under Section 5(b), or transfer Nonproduction Work under Section 5(c) and, following decision bargaining the Company retracts or modifies its announced intention based on a counter-proposal offered by the union to preserve jobs, such preserved jobs shall be excluded from further impact under Section 5(b) and Section 5(c) for the earlier of three years or the duration of this Agreement and, in any case, for at least 12 months. Following the expiration of the Contract, such preserved jobs shall be subject to subsequent announcements of intent and decision bargaining in conformance with Section 5.

(b) *Job Preservation Meetings*

The Company recognizes the importance of job security to the Union and acknowledges that subcontracting work and introduction of enhanced technology, while enabling the Company to succeed in the many competitive environments in which it operates, may result in a decrease in Momentive Performance Materials jobs. In order to balance competitive realities with the Union's interest in protecting jobs, the Company and Union will establish a dialogue for discussion on Job Preservation in relation, but not limited to, the following:

- Opportunities for job creation
- Potential plant closing, outsourcing/subcontracting and work transfers, including situations where there is no direct decrease in the number of represented employees
- Training for anticipated technology changes
- Work practices and local agreements to increase efficiency
- Investment plans and potential impact on jobs

Local management and the Local will, upon request, meet on a quarterly basis to discuss job preservation opportunities. The parties may include business leadership and/or International Union representatives in the review of job preservation opportunities.

(c) *Job Preservation Guarantee*

In the event that the Company decides not to pursue potential outsourcing and work transfer opportunities as a result of proposals made by the union, the jobs that would have been directly impacted by the potential outsourcing or work transfer shall be excluded from further impact under Section 5 for the earlier of three years or the duration of this Agreement but, in any case, for at least 12 months provided by the Company and the Local agree in writing on specific jobs that were preserved by the union's proposals.

▪ 7. *Vested Rights Under Pension Plan*

The receipt of Income Extension Aid, Severance Pay, or a rate guarantee will not affect any rights the employee or a rate guarantee will not affect any rights the employee may have under the Vesting Provision of the Pension Plan.

▪ 8. *Lump Sum Payments*

Service credits previously accumulated, continuity of service, and recall rights will be lost upon receipt by the employee of an Income Extension Aid payment in lump sum under Section 4(b)(1)(iii), special termination payments under this Article, or payment of Severance Pay under the Plant Closing Section 2. However, an employee eligible for such a payment, who is within one year of reaching optional retirement at age 60 under the Momentive Pension Plan, shall retain such previously accumulated service credits and continuity of service until such employee reaches optional retirement age notwithstanding the receipt of such a payment unless the employee retires before electing optional retirement at age 60.

In the event of a subsequent rehire as a “new” employee within a period of time which does not exceed the length of prior service, service credits, and recall rights previously lost shall be automatically restored provided repayment of the Income Extension Aid is made by the employee within a reasonable time after rehire. No such repayment, however, shall be required if the rehire date is more than one year from the date of termination which resulted from the election of a lump sum payment under Section 4(b)(1)(iii) or the special termination payments under Section 3(b) or Section 4(c).

Service credits, continuity of service, and recall rights lost at termination upon receipt of payments under Plant Closing Section 2, shall be restored automatically without repayment in the event of subsequent rehire more than 6 months after such termination. An employee who having received payments under Plant Closing Section 2, is rehired 6 months or less after he is termination and who has made arrangements satisfactory to the Company providing for repayment shall, during such time as he is not in default of such arrangements and for the purpose only of layoff and recall, be deemed to possess the service credits, continuity of service, and recall rights to be restored to him upon full repayment.

▪ 9. *Non-Duplication*

If any part of an employee’s continuous service is used as the basis for an actual payment under any of the options of the Income Extension Aid or Severance Pay arrangement, that part of his continuous service may not be used again for such purpose, either during that period of layoff or any subsequent period of layoff or plant closing, unless repayment has been made as provided in Section 8, above.

Where an indefinite reduction in force triggers eligibility for benefits under this Article, the designation of individuals who may exercise the benefits under this Article will be based on the integrated order of their seniority so that the number of employees electing benefits does not exceed the net number of positions eliminated.

Employees, eligible for a benefit under this Article either by designation or by election, may exercise only one severance or layoff benefit. Employees who have exercised the Special Early Retirement Option or Plant Closing Pension Option under the Pension Plan shall have the Special Early Retirement Option Offset deducted from any severance or layoff benefit otherwise due under this Article.

▪ 10. *Other*

The provisions of this article shall not be applicable where the Company decides to close a plant or lay off an employee because of the Company’s inability to secure production, or carry on its operations, as a consequence of a strike, slowdown, or other interference with or interruption with work participated in by employees in a Company plant, service shop, or other facility. However, the operation of this section shall not affect the rights or benefits already provided hereunder to an employee laid off for lack of work prior to the commencement of any such strike, interference, or interruption.

▪ 11. *Successor Clause*

The collective bargaining agreement shall be binding upon all parties hereto and their respective successors, purchasers and assignees.

The parties agree that in the event of a sale or transfer, the new employer will agree in writing, as part of any sale and / or transfer agreement to assume the provisions of the existing collective bargaining agreement as practicable, and as permitted under applicable law.

▪ 12. A grievance arising under this article may be processed in accordance with the grievance procedure set forth in Article XIII. However, no matter or controversy concerning the provisions of this article or the interpretation or application thereof shall be subject to arbitration under the provisions of Article XV hereof, except by mutual agreement.

Article XXIII

Military Pay Differential

An employee with 30 days or more of service credits attending annual encampments of or training duty in the Armed forces, State or National Guard or U.S. Reserves shall be granted a military pay differential, computed as set forth below, for a period of up to 17 days of such military service, during each calendar year. The employee shall be granted service credits for such 17 day period or portion thereof during which he is absent. Such military pay differential shall be the amount by which the employee's normal straight time wages or salary, calculated on the basis of a workweek up to a maximum of 40 hours, which the employee has lost by virtue of such absence, exceeds any pay received for such absence from the Federal or State Government, recalculated to exclude the Government pay applicable to Saturdays and Sundays. Saturdays and Sundays shall be counted in the 17 day period. Such items as subsistence, rental, and travel allowance shall not be included in determining pay received from the Government.

An employee with 30 days or more of service credits who does not exhaust the 17 calendar day period during the calendar year for his annual encampment or training duty and who is required during the same calendar year to attend a weekend period of training shall be granted a military pay differential provided that the 17 calendar day period of military service in the same calendar year is not exceeded. Such military pay differential shall be the amount by which the employee's normal straight time pay, calculated on the basis of a non-premium workday, up to a maximum of eight (8) hours, which the employee has lost by virtue of such absence, exceeds any pay received for such day or days of absence from the Federal or State government, recalculated to exclude the Government pay applicable to Saturdays and Sundays. Saturdays and Sundays shall be counted for the purpose of determining the extent to which the 17 calendar days of military service have been utilized in the same manner as annual encampment or training duty.

An employee with 30 days or more of service credits, who is called out by the National Guard or the U.S. Reserves to perform temporary emergency duty (other than duty under an order by the President or Congress activating members or units of the Reserves or National Guard) due to a fire, flood, or domestic civil disturbance, or other such disaster will be paid a military pay differential calculated as described above, for the pay lost by reason of such emergency duty, for a period not to exceed eight weeks in any calendar year and shall be granted service credits for such absence up to eight weeks.

An employee who has less than 30 days service credits may also be absent for the reasons and periods set forth above without deduction of service credits for such absence, but shall not be eligible for the military pay differential.

Employees will be permitted to take a vacation and attend a military encampment at separate times and be granted both a vacation pay allowance and a military pay differential. However, an employee may not receive a vacation pay allowance and a military pay differential for the same period. An employee may, however, receive a military pay differential for the period, if any, by which the time spent in such encampment exceeds such vacation, but not exceeding the maximums specified above.

Service protection will be extended for employees for the duration of military orders pursuant to the Uniformed Services Employment and Reemployment Rights Act (USERRA).

Article XXIV

Retraining Program

- 1. Retraining Programs as appropriate for employees represented by each Local are subject to negotiations between the Local and local management. Any written agreements covering such Retraining Programs are subject to approval by the Union and the Company.
- 2. No matter or controversy concerning the provisions of this article or any local retraining agreement shall be arbitrable except by mutual agreement.

Article XXV

Jury Duty

- 1. When an hourly paid employee is called for service as a juror, he will be paid upon proof of service the amount of straight-time earnings lost by him by reason of such service, up to a limit of 8 hours per day and 40 hours per week.
- 2. When a salaried employee is called for service as a juror, he will continue to be paid his normal straight-time salary during the period of such service.
- 3. Similar pay as specified in Section 1 and 2 will be granted to an employee who loses time from work because of his appearance in court pursuant to proper subpoena, except when he is either a plaintiff, defendant, or other party to the court proceeding.

Article XXVI

Absence for Death in Family

An hourly paid employee with 30 days or more of service credits who is absent from work solely because of the death and funeral of his or her spouse, child, stepchild, stepbrother, stepsister, foster child (if living in the employee's home), **legal guardian, individuals cared for by an employee who is his/her legal guardian**, grandchild, step grandchild, son-in-law, daughter-in-law, parent, stepparent, grandparent, step grandparent, grandparent-in-law, brother, brother-in-law, sister, sister-in-law, mother-in-law, or father-in-law, will be compensated, on the basis of his average straight-time earnings, for the time lost by him from his regular schedule by reason of such absence, for three days for each such absence and up to eight hours per

day. In the event of death of the employee's spouse, child, parent or stepparent, stepchild or foster child, an additional two days absence (up to eight hours per day) shall be allowed.

Article XXVII

Sick and Personal Pay

- 1. An hourly employee with one or more years of continuous service, absent because of (a) personal business, or (b) personal illness for which weekly disability benefits are not payable under Momentive Performance Material's Insurance Plan, or under Workmen's Compensation, will be paid Sick and Personal Pay for each absence of an hour or longer, up to the number of hours applicable in accordance with the following schedule:

<i>Continuous Service</i>	<i>Maximum Hours of Sick and Personal Pay for Each Calendar Year</i>
1 through 9 years	16 Hours
10 through 14 years	24 Hours
15 through 24 years	32 Hours
25 years and over.....	40 Hours

Sick and Personal Pay for absences of an hour or longer shall be compensated based on the actual scheduled hours of work during which the employee was absent, not to exceed the above maximums based on continuous service.

An employee may seek approval from his Manager to utilize Sick and Personal Pay for absences due to an observed holiday or temporary layoff. Management approval, as provided herein, will not be unreasonably withheld. An employee is expected to notify his Manger in advance of the absence whenever possible, in order that the Manager may have an opportunity to arrange for a replacement or to reschedule the work.

- 2. *Accumulation of Sick and Personal Pay*

An employee who has any unused Sick and Personal Pay remaining at the end of a calendar year may elect during the Open Enrollment Period of each year to accumulate such unused Sick and Personal Pay, up to a maximum of two hundred and forty hours (240) hours, and have such pay carried forward to the following calendar year for use in the event of approved absences. Absent such an election, all unused Sick and Personal Pay attributable to the current year will be paid as an allowance in February at the rates in effect during the pay period including December 31 of the prior calendar year including, if applicable, night shift bonus for employees who are regularly scheduled on a night shift. Notwithstanding anything to the contrary in Section 1, an employee who is otherwise eligible for Short Term Disability benefits under Momentive's Life, Disability and/or Medical Plans may be retained at fully pay during an extended absence due to illness or injury, to the extent possible, by combining any accumulated pay under this Section with Short Term Disability benefits. Such an employee may restore eligibility for Sick and personal Pay earned and expended in a given year to the extent such pay was expended for an absence that was later determined to be covered by Short Term Disability or Workers' Compensation Benefits by repaying the net amount of pay received in the same calendar year. If an employee is unable to repay because of hardship, management may approve the employee's request to take time off without pay for subsequent absences which would otherwise qualify for payment of Sick and Personal Pay and are within the eligibility schedule set forth in Section 1.

- 3. *Rate of Pay*

The rate of pay applicable to absences covered under this article will be current normal straight-time hourly earnings in effect when last at work prior to the absence, including night shift bonus for employees who are regularly scheduled on a night shift.

▪ 4. *Maximum Hours*

(a) The maximum Sick and Personal Pay hours payable for any one day of approved absence will be the number of hours in the employee's established regular daily schedule for the day of absence not to exceed his total eligibility.

(b) The maximum hours of Sick and Personal Pay payable to an employee in a calendar year will be the maximum number of Sick and Personal Pay hours based on the employee's continuous service as stated in Section 1.

In addition, any unused Sick and Personal Pay up to a maximum of 240 hours carried over from the preceding calendar year, will be available for payment of approved absences.

When the hours of an employee's established regular daily schedule are changed to less than six (6) hours per day during the course of a calendar year, the maximum Sick and Personal Pay hours payable to such employee for that calendar year will be adjusted by determining the proportion of the maximum Sick and Personal Pay hours used by the employee prior to such change, (based on the regular daily schedule of work hours in effect before the change) and then reducing by the same proportion the employee's revised maximum hours based on the regular daily schedule of work hours in effect after the change.

▪ 5. *Sick and Personal Pay Allowance*

When an employee is terminated because of a plant closing or the sale of a business to a successor employer and the successor employer does not have a similar sick and/or personal pay benefit, the employee will receive an allowance in lieu of any unused sick and/or personal hours. Similarly, an allowance in lieu of any unused sick and/or personal hours will be paid if an employee retires, dies, quits, resigns, is discharged, breaks continuity of service due to layoff or is approved for a leave of absence of 12 months or more. Such allowance will be paid the earlier of termination or twelve months following removal from the active payroll.

Article XXVIII

Upgrading and Job Posting

▪ 1. *Standard for filling open jobs and upgrading*

The Company will, to the extent practical, give first consideration for job openings and upgrading to present employees, when employees with the necessary qualifications are available. In upgrading employees to higher rated jobs the relative seniority of those employees found qualified for such upgrading shall be the controlling factor. For leader and training positions, the most qualified candidate as determined by the Company, will be the controlling factor in selecting the candidate for the position.

When filling a job opening by upgrading, a request for the open job by an employee in a different, equal rated job classification or a higher rated job classification shall be treated as though it were a request to be considered for a higher rated job classification if the job opening affords the employee with an immediate or

future higher earnings opportunity; provided that the employee has not previously so transferred during the same calendar year.

▪ 2. *Local Negotiations*

Because the product mix, organization complexity, and other circumstances vary in the plant locations covered by this agreement and to improve the opportunity for upward mobility of all employees represented by the Union and to continue to assure an equal opportunity for such employees to express their interests in and be considered for upgrading to job openings without regard to race, color, sex, creed, marital status, familial status, age, disability, veteran status, national origin, ancestry, religion, sexual orientation, genetic information, or any other characteristic protected by local, state or federal law, local management and the Local Union shall negotiate a written upgrading agreement for each of the locations listed in the Preamble. In order to implement the provisions of Section 1, above, it is the intent of the parties that such agreement would provide for advance notice of job openings which are to be filled by upgrading where practical. Such agreement shall be approved in accordance with Article XXI, Section 2, of this National Agreement and shall not alter any obligation or right not to fill an opening by upgrading nor shall it limit any right an employee or the Union may have under Article XIII, XIV, and IV of this National Agreement to protest a selection.

Article XXIX

Responsibility of the Parties

The parties recognize that, under this Agreement, each of them has responsibilities for the welfare and security of the employees:

- (a) The Company recognizes that it is the responsibility of the Union to represent the employees effectively and fairly;
- (b) Subject only to any limitations stated in this Agreement, or in any other agreement between the Company and the Union or a Local, the Union and the Locals recognize that the Company retains the exclusive right to manage its business, including (but not limited to) the right to determine the methods and means by which its operations are to be carried on, to direct the work force, and to conduct its operations in a safe and effective manner.

This article does not modify or limit the rights of the parties, or of the employees, under any other provisions of this Agreement or under any other agreement between the Company and the Union or the Locals, nor will it operate to deprive employees of any wage or other benefits to which they have been or will become entitled by virtue of an existing or future agreement between the Company and the Union or a Local.

Article XXX

Issues of General Application

This Agreement, the **2019 - 2022 Settlement Agreement**, the **2019 - 2022 Wage Agreement**, and the **2017 – 2019 Benefit Agreement** between the parties are intended to be and shall be in full settlement of all issues which were the subject of collective bargaining between the parties in national level collective bargaining negotiations in **2018**. Consequently, it is agreed that none of such issues shall be subject to collective

bargaining during the term of this Agreement and there shall be no strike or lockout in connection with any such issue or issues; provided, however, that this provision shall not be construed to limit or modify the rights of the parties hereto under Article VI, Section I, and Article XIV of this Agreement.

Article XXXI

Duration of Agreement

This National Agreement shall be effective as of **June 26, 2019** between the Company, the Union and each of the IUE-CWA, AFL-CIO, CLC Locals now certified as the representative of Company employees, as set forth in the Preamble to this Agreement, and shall continue in full force and effect to and including the **27th day of June 2022**, and from year to year thereafter unless modified or terminated as hereinafter provided.

Article XXXII

Modification and Termination

(a) Either the Company or the Union may terminate this National Agreement by written notice to the other not more than ninety days and not less than sixty days prior to **June 27, 2022** or prior to **June 27th** of any subsequent year. Not more than 15 days following receipt of such notice, collective bargaining negotiations shall commence between the parties for the purpose of considering the terms of a new agreement, and a proposal for a revision of wages which may be submitted by either the Company or the Union.

(b) If either the Company or the Union desires to modify this National Agreement, it shall, not more than ninety days and not less than sixty days prior to **June 27, 2022**, or to prior to **June 27th** of any subsequent year, so notify the other in writing. Not more than 15 days following receipt of such notice, collective bargaining negotiations shall commence between the parties for the purpose of considering changes in this National Agreement, and a proposal for revision of wages which may be submitted by either the Company or the Union.

If settlement is not reached by **June 27, 2022**, or prior to **June 27th** of any subsequent year, this National Agreement shall continue in full force and effect until the tenth day following written notice given by either the Company or the Union of its intention to terminate such Agreement, during which time there shall be no strike or lockout.

Article XXXIII

Notices

All notices given under this provisions of this Agreement shall be in writing and shall be sufficient if sent by mail addressed, if to the Union to IUE-CWA, The Industrial Division of the Communications Workers of America, AFL-CIO, CLC, 2701 Dryden Road, Dayton, Ohio, 45439 or to such other address the Union shall furnish the Company in writing; and if to the Company to **Momentive Performance Materials, 260 Hudson River Road, Waterford, New York 12188** or to such other address the Company shall furnish the Union in writing.

Dated: **October 5, 2018**

IUE-CWA

2019 – 2022 Wage Agreement

The Company will provide general wage and salary increases as follows:

1) General Increases

<u>Effective Date</u>	<u>Increase</u>
Ratification Bonus**:	
October, 2018	\$750.00
January, 2019***	\$750.00
January, 2020***	\$750.00
January, 2021***	\$750.00
June 24, 2019	One Percent (1.0%) applied to rates in effect on June 23, 2019
June 22, 2020	Two percent (2.0%) applied to rates in effect on June 21, 2020
June 21, 2021	Two percent (2.0%) applied to rates in effect on June 20, 2021

** Only employees that are employed with the Company as of the date of ratification would be eligible for the Ratification Bonus. No newly hired employee following the date of ratification would be eligible for any portion of the Ratification Bonus. Bargaining Unit employees will have the opportunity to defer the ratification bonus into either a 401(k) account or an HSA (provided they have an HSA as of the date of payment). Any deferral of the Ratification bonus will be done on a non-Company matching basis. Deferral of the Ratification Bonus into either an employee's 401(k) or HSA is subject the annual limits set by the Internal Revenue Service.

*** The Ratification Bonus payments will be made no later than the second pay period of January in each respective year indicated above. Bargaining Unit members that retire between the date of ratification and January 31, 2021, will be eligible to receive any unpaid installments of the Ratification Bonus described above provided that the Bargaining Unit member follows the Company's normal process to retire (including filling out an Intent to Retire Form, etc.) and officially ends their employment with the Company. Employees that voluntary resign or are involuntary terminated for cause would not be eligible for any unpaid installments of the ratification bonuses. Ratification Bonus payments made as a result of retirement are payable as a lump sum only.

2) Cost-of-Living Adjustments

The Company will provide a lump sum payment equal to fifteen cents (\$0.15) times all hours paid on or before the following dates:

<i>Payment On or Before</i>	<i>Measurement Period</i>
July 17, 2020	June 2019 through May 2020
July 16, 2021	June 2020 through May 2021
April 22, 2022	June 2021 through February 2022

NOTE: The amounts stated for salaried employees throughout the Wage Agreement are based on a normal workweek of 40 hours.

3. The pay increases herein provided shall be applicable to all employees (both hourly paid and salaried) in bargaining units certified to the Momentive-IUE/CWA, AFL-CIO, CLC or its affiliate Momentive-IUE/CWA, AFL-CIO, CLC Locals as of **June 26, 2019**, which, as of that date, are listed in the Preamble of the **2019 – 2022** Momentive-IUE/CWA, AFL-CIO, CLC National Agreement.

The Provisions of the Wage Agreement shall continue in full force and effect between the parties hereto, to and including **June 27, 2022**.

IUE-CWA

2019 – 2022 Benefit Agreement

I. RETIREMENT PLAN BENEFITS

A. Defined Benefit Pension Plan

On December 31, 2013, participation in The Momentive Performance Materials, Inc. Pension Plan was closed to new participants covered by a collective bargaining agreement with IUE-CWA.

General Terms of Defined Benefit Pension Plan:

- (1) Employees who participate in the Defined Benefit Pension Plan are also eligible for an employer match equal to 50% of the first 7% of the employee’s contribution into his/her 401(k).
- (2) Regular and Special Supplements amounts continue without expiration.
- (3) SERO/PCPO continue without expiration.
- (4) Integration level will be set at \$75,000 during the 2019-2022 Agreement and will escalate in \$5,000 increments for each successive contract period, until all participants have retired.
- (5) The Defined Benefit Pension Plan is frozen to new entrants.

General Terms of Defined Contribution Plan:

As outlined below.

B. Defined Contribution Plan (401(k))

Employees who have not elected to remain in the Defined Benefit Pension Plan by November 1, 2013, or are new hires after the one-time election period, will receive the features of the Defined Contribution Plan.

- (1) Freeze Defined Benefit Pension program for all applicable employees effective December 31, 2013 at the then-current integration level of \$55,000.
- (2) Provide Employer paid Annual Retirement Contribution for employees as of December 31, 2013, according to the following schedule:

Years of Service	Contribution %
0-4	3.00%
5-9	3.5%
10-14	4.00%
15-19	5.00%
20-24	6.00%
25+	7.00%

- (3) Provide an employer matching contribution equal to 100% of the first 5% of employee contributions.

(4) Bargaining unit employees who receive an ARC payment will be eligible for an additional Company Achievement Match. When Global Momentive attains its annual incentive targets, eligible employees will be provided an additional \$0.25 for each dollar of employer match received, up to a maximum of 1.25%

(5) Vesting:

Company Matching Contributions:

Employees hired prior to 1/1/2014 will vest immediately

Employees hired 1/1/2014 or after will vest after 3 years of service

Annual Retirement Contribution:

100% vested after 3 years of service

Company Achievement Match:

100% vested after 3 years of service

II. HEALTH and WELFARE BENEFITS

A. Medical

Align with Momentive Standard health care design, and premium cost share percentages, subject to the following:

In the event that any projected increase in premium cost share percentages by impacted salary tiers will be more than 5% year over year in the Consumer Health Plan 250 or the Consumer Health Plan 500, the Company will notify the Union prior to implementation of such a change and, as soon as reasonably practicable following the Union's request, meet with the Union to bargain over the implementation of such premium cost share increases. If subsequent to these negotiations, the parties fail to come to an agreement, the premium cost share increase will be limited to a 5% increase and any additional increase will not be implemented during the life of this agreement. However, in the event that Bargaining Unit does not agree to a cost share percentage above 5%, the Bargaining Unit premium cost share percentages would be based on their own collective experience and their own salary tier structure rather than the experience and salary tier structure of the larger Company population.

For example, assume the premium cost share percentage for the CHP 250 for 2018 was 16.2% for the \$50,001 to \$75,000 salary band. The corresponding 2019 premium cost share percentage for the CHP 250 will be no more than 21.2% for the same salary tier.

2019 Weekly Premiums – Non-Tobacco, No Working Spouse Surcharge

	Consumer Choice 250	Consumer Choice 500
Under \$50,000*		
Employee Only	\$16.85	\$15.23
Employee + Spouse/DP	\$44.08	\$39.92

Employee + Child(ren)	\$38.54	\$34.85
Employee + Family	\$61.85	\$56.08
\$50,001-\$75,000*		
Employee Only	\$26.54	\$24.46
Employee + Spouse/DP	\$59.54	\$54.23
Employee + Child(ren)	\$52.38	\$47.77
Employee + Family	\$81.46	\$74.08
\$75,001-\$100,000*		
Employee Only	\$31.38	\$28.85
Employee + Spouse/DP	\$69.92	\$63.69
Employee + Child(ren)	\$61.38	\$56.08
Employee + Family	\$96.00	\$87.46
\$100,001+*		
Employee Only	\$36.46	\$33.23
Employee + Spouse/DP	\$80.31	\$73.15
Employee + Child(ren)	\$70.62	\$64.38
Employee + Family	\$110.77	\$100.62

*Based on annual pay defined as Normal Straight Time Annual Earnings

In-Network Medical Plan Provisions for 2019

	Consumer Choice 250	Consumer Choice 500
	In-Network	In-Network
Base Company HSA funding	\$250 individual \$500 family	\$500 individual \$1,000 family
Matching Company HSA funding (\$0.50 on every dollar)	Up to \$250 individual or \$500 family	Up to \$500 individual or \$1,000 family
Annual Deductible*	\$1,750 individual \$3,500 family	\$3,000 individual \$6,000 family
Preventive Care	Covered at 100% – no cost to you	
Office Visits	20% after deductible	20% after deductible
ER	20% after deductible	20% after deductible
Urgent Care	20% after deductible	20% after deductible
Most Other Care	20% after deductible	20% after deductible

Out-of-Pocket Maximum**	\$3,500 individual \$7,000 family	\$6,000 individual \$12,000 family
PRESCRIPTION DRUG COVERAGE THROUGH EXPRESS SCRIPTS		
	Consumer Choice 250 / Consumer Choice 500	
	In-Network	
Retail (30-day supply)		
Generic	20% after medical plan deductible (no deductible for preventive drugs in-network***)	
Formulary (preferred brand)		
Non-Formulary (non-preferred brand)		
Mail Order/Mail Order at Retail (up to 90-day supply)		
Generic	20% after medical plan deductible (no deductible for preventive drugs in-network***)	
Formulary (preferred brand)		
Non-Formulary (non-preferred brand)		
Specialty medications (30-day supply)		
Out-of-Pocket Maximum	Combined with medical out-of-pocket maximum; no separate pharmacy out of pocket maximum	
Mail order required for maintenance medications after three retail fills. After your third retail fill, you will pay 100% of the cost if you do not fill through mail order or "mail order at retail" program.		

*For family coverage, no one in the family is eligible for the coinsurance benefit until the family coverage deductible is met.

**For family coverage, individuals are capped at the individual Out-of-Pocket Maximum

***In accordance with the third-party pharmacy benefit manager's preventive drug list

B. Dental

1. The Company-paid Scheduled Rate Plan will continue to be provided through the life of the 2019-2022 Agreement, at no additional cost. The current rate schedule will be preserved.
2. 2019 will continue with the same dental options, as noted below:

	High PPO	Basic PPO	Scheduled Dental
Annual Deductible	N/A	\$50 per person; \$150 per family	Benefits based on fixed schedule of services

Annual Maximum Benefit	\$2,000 per person	\$1,000 per person	
Preventive Care	100% with no deductible	100% with no deductible	
Basic Care	80%	75%	
Major Care	50%	50%	
Orthodontia	50% up to \$2,000 per child (up to age 19)	Not covered	

2019 Weekly Dental Contributions

Employee Only			Employee Plus Spouse/DP			Employee Plus Child(ren)			Employee Plus Family		
High PPO	Basic PPO	Scheduled Plan	High PPO	Basic PPO	Scheduled Plan	High PPO	Basic PPO	Scheduled Plan	High PPO	Basic PPO	Scheduled Plan
\$3.23	\$2.45	No Cost	\$7.03	\$4.93	No Cost	\$7.90	\$5.08	No Cost	\$13.24	\$8.04	No Cost

C. Long Term Disability

Continue to provide Company-sponsored benefit at 50% benefit, effective January 1, 2019.

Employees have the opportunity to purchase an additional 10% at employee expense.

Employees will not be required to show evidence of insurability for the buy-up level, as long as they enroll when first eligible.

D. Pass-Through Benefit Language

The Company shall make available to employees represented by the Union, the health insurance including pharmacy benefits, vision, dental and defined contribution plan(s) and long-term disability program offered to the non-bargained employees of the Company, as they may be amended or changed in accordance with their terms. The parties agree that the specific provisions and procedures governing eligibility, enrollment, benefit coverage and carriers for health insurance, vision, dental and defined contribution plan(s) and long-term disability program shall be the same as the plans and programs provided to other Momentive employees. Consistent with past and current practice, any changes relating to the administration or operation of these plans and programs, or changes necessary to comply with the terms of the plan or applicable law (including, without limitation, changes necessary to comply with the Affordable Care Act and to avoid the imposition of excise taxes pursuant to the Affordable Care Act) that are applied to other Momentive employees will apply equally to the employees covered by this Agreement. For any other material changes to the design or benefits provided through these plans and programs, the Company will notify the Union prior to the implementation of such changes and, as soon as reasonably practicable following the Union's request meet with the Union to bargain over the

implementation of any such changes to said plans/program relevant to the employees covered by this Agreement. If, subsequent to these negotiations, the parties fail to come to an agreement the changes will not be implemented during the life of this agreement.

E. Employee Paid Voluntary Benefit Programs

1. Critical Illness

Eligible employees may elect to purchase Critical Illness coverage, which would pay out a lump sum cash payment in the event a covered individual is diagnosed with a covered critical illness. The benefit can provide reimbursement for additional expenses such as medical co-pays, transportation to treatment centers, childcare, rent/mortgage and more to help ease the financial impact of having a critical illness. This is in addition to the \$2,000 policy that is company-paid, upon enrolling in a Momentive medical option.

2. Group Accident

Eligible employees can elect coverage under the Accident plan, which pays out a cash benefit in the event of a covered accident, such as, a concussion, break, fracture and more. The benefit can be used to pay for medical expenses, childcare, rent/mortgage, bills, or whatever the participant wants.

3. Legal Plan

Eligible employees may enroll in the Legal Plan and may receive access to a range of legal services, including will preparation, real estate matters, document review and preparation, certain family matters and court appearances.

4. Discounted Auto, Home & Life Insurance Protection

Eligible employees may take advantage of the auto, home and pet insurance discount program.

The benefits herein provided shall be applicable to all employees (both hourly paid and salaried) in bargaining units certified to the Momentive-IUE/CWA, AFL-CIO, CLC or its affiliate Momentive-IUE/CWA, AFL-CIO, CLC Locals as of **October 5, 2018**, which, as of that date, are listed in the Preamble of the **2019 – 2022** Momentive-IUE/CWA, AFL-CIO, CLC National Agreement.

The Provisions of the Benefit Agreement shall continue in full force and effect between the parties hereto, to and including **June 25, 2022**.

IN WITNESS WHEREOF the parties have caused their names to be subscribed to this Agreement by their duly authorized representatives this _____ day of _____, **2018**.

IUE-CWA, THE INDUSTRIAL DIVISION
OF THE COMMUNICATIONS WORKERS
OF AMERICA, AFL-CIO, CLC

MOMENTIVE PERFORMANCE
MATERIALS
