



UAW - CHRYSLER

OCTOBER 2011

Highlights

- \$4.5 billion of direct investment into UAW represented facilities to produce new models and upgraded vehicles and components, adding 2,100 new jobs and protecting current jobs. Details on page 14.
- \$3,500 ratification lump sum paid in two checks: \$1,750 upon ratification and \$1,750 after Chrysler achieves financial stability. Details on page 6.
- \$500 annual Performance Bonus paid in June 2012, 2013, 2014, and 2015
- \$500 annual Quality Bonus paid in 2012, 2013, 2014, and 2015.
- Up to \$1,000 possible Upside Bonus paid annually based on achieving WCM metrics
- New annual profit sharing program with greater transparency paid in March 2012, 2013, 2014, and 2015 based on 85 percent of Chrysler Global Modified Operating Profits before interest and special payments
- Unlimited \$25 office visits, annual physicals, no increases in prescription drugs.
- Tuition Assistance Program reinstated.
- SUB pay replenished.



The 2011 UAW National Negotiating Committee

A message to UAW members at Chrysler

Less than three years ago, Chrysler was teetering on the edge of bankruptcy as our nation was thrown into the worst economic crisis since the Great Depression. Today, we are proud to say that, because of the sacrifice and dedication of our UAW Chrysler members, the company has turned the corner. Through this agreement, we have made significant progress in ensuring that Chrysler workers are rewarded for their role in the company's turnaround success.

We are proud of our union and the UAW Chrysler National Negotiating Committee, especially given Chrysler's fragile economic position. This tentative agreement paves the way for added jobs and investment in plants and communities left in turmoil in the wake of the country's economic collapse. We were able to secure current jobs and add an additional new 2,100 during the term of this agreement.

The agreement also includes a significant commitment from Chrysler to invest directly in our plants, and in engineering and design to bring new and upgraded models that will be produced in our plants. \$4.5 billion will be invested directly into retooling and upgrading plants.

UAW members sacrificed when the company was struggling, and this agreement ensures that our members will be secure in their jobs and will share in Chrysler's return to prosperity when that is achieved. While new jobs, investment and new products for our plants are the most important components of a secure future for our members, we were also able to make important gains in both income and benefits in this tentative agreement.

The tentative agreement includes a ratification bonus of \$3,500, half paid in 2011 and half in 2012; \$1,000 in annual Quality and Performance bonuses; and up to \$1,000 in an annual "Upside Bonus" paid annually on achieving World Class Manufacturing (WCM) metrics. Another important gain is the strong improvements we made in transparency and simplicity in the profit sharing plan. Additionally, we were able to win back our Tuition Assistance Program.

We are extremely proud of the job that was done by the entire UAW Chrysler National Negotiating Committee. We employed new strategies and tactics in these difficult economic times. Your negotiating team fought successfully not only to beat back the corporation's attempt to weaken our contract, but also to win major improvements we all can be proud of.

This document summarizes the tentative agreement the UAW has reached with Chrysler. Please review it carefully, and go to www.uaw.org to review the entire agreement. And we urge you to vote "YES" in favor of ratification.

In solidarity,

Bob King, president
International Union, UAW

General Holiefield vice president and director
UAW Chrysler Department

Growing the Salaried Bargaining Unit

New customer call center jobs

After extensive discussions, the company agreed that as the current third-party commercial agreements expire, Chrysler will consider in-sourcing a service contract customer call center to the Office and Clerical Salaried Bargaining Unit. The move could return up to 200 jobs to the salaried bargaining unit.

The company will provide the third party commercial agreement contract expiration dates to the president of UAW Local 889.

SBU gains “Neutrality” letter

The union has been approached on numerous occasions by salaried non-union employees inquiring about how to join the UAW. The union was successful in negotiating a salary “neutrality” letter with the company. This letter conveys that the company will remain neutral in a salaried employee union organizing drive, will give the union access to these employees and will send them a copy of a letter recognizing “that it is in our mutual interest (company) to respect a decision by our employees who wish to seek union representation” and “that there will be no negative consequences for employees who exercise their rights to support union representation.”

Sourcing administration

Our bargaining team entered this set of negotiations knowing that outsourcing discussion and notification in the areas of engineering, office and clerical was not functioning properly. The union made the point that by the time the notification was received at the national level, the design and engineering work had already been outsourced. The company has now agreed to engage our union leadership at the unit level. Updates to the current sourcing administration manual will also reflect involving our International UAW Salaried Coordinator throughout the development process.

Bargaining unit insourcing review

During these negotiations, the UAW identified hundreds of specific work assignments throughout the salaried work areas that the union recognizes as bargaining unit work that is currently being performed by contractors and other non-union employees. The company has agreed to hold bi-weekly meetings with the vice president and director of the UAW Chrysler Department or his designee, the director of Union Relations and the appropriate management personnel to review these work assignments. Where this work can be performed competitively, the work will be returned to the union and the required manpower will be hired.

Temporary employee health care

During this round of negotiations our Salary Bargaining Unit Team faced many challenges, and one that we never faced before, representing dues-paying Salary Temporary employees. The negotiators tackled the issues of representation and benefits, and the proposed new agreement delivered on both. A Supplemental Agreement (S-2) was crafted which defines employment rights, and Letter 13 which provides entitlement to much needed health care coverage. Features of the health care coverage are as follows:

Upon ratification of the proposed agreement all Temporary Salary employees currently on roll shall be eligible for medical coverage on the first day of the eighth month of service. The employee will be automatically enrolled in the Standard Care Network (SCN) Medical Plan which includes Hospital, Surgical, Medical, Hearing, and Prescription Drugs. The employee must contact Benefits Express to enroll eligible dependents.

Current Temporary Salary employees on roll at the time of ratification, who have not reached eight months of active service at the point of ratification, will be included in the enhanced coverage the beginning of January 2012.

Any future Temporary employees shall be governed by the language in the National Agreement Letter 13 and Supplement Agreement S-2.

SBU Improvements

Tooling analysis group (TAG)

Within 30 days of ratification, the company has agreed to meet with the union to discuss historical bargaining unit work being performed by the newly created TAG Group. The discussion will center on reassigning the gauge work back to the bargaining unit or assigning new, added value work to the bargaining unit.

Die design resource allocation

The company discussed at great length the need for retaining die design work within the company as critical to the core competency of Advanced Stamping Manufacturing Engineering. The proposed agreement provides a means for allocating additional salary bargaining unit designers to die design work.

Metrology laboratory

During these negotiations, the union and management had extensive conversations regarding the use of Salaried Bargaining Unit employees within the Metrology Labs. The union strongly believes that Dimensional Analysis of the vehicle or component parts has historically been the work of Salaried Bargaining Unit (SBU) employees. The Union held firm that the expertise in this area is held by SBU members and should be valued by the corporation. In addition, SBU employees are the real stakeholders in the company and are committed to ensuring the highest quality standards for the products we build.

The company's concerns were that flexibility and efficiency were needed in order to continue our path to World Class status. The union argued that our employees are the most efficient, and with the addition of the 311 classification, will be the most flexible of SBU employees in the industry. The company agreed that the Chrysler Metrology Labs would

become part of the bargaining unit. Additionally, when high peaks occur, the company will add Unionized Salaried Temporary workers to the Metrology Labs.

Product design concept vehicles

Our negotiators secured Concept, SEMA and Show Car builds notification in Product Design Office as well as Scientific Labs by developing language requiring discussion and retaining this work in-house as long as it can be performed competitively.

Trenton south nursing program

UAW nurses will now staff the new Trenton South Engine Plant provided that the service is competitive with the current third-party provider.

Tool stores pilot

Within 90 days of contract ratification, the company has agreed to create a pilot program for the Salaried Bargaining Unit Office and Clerical Tool Stores position at a location to be determined. This pilot will be evaluated over a one-year period using defined measurable criteria established for the tool stores operation. If at the end of the one-year evaluation the pilot proves to be competitive, the company will consider the expansion of this model to additional tool stores operations.

Office and clerical classification consolidation

Both sides engaged in much discussion regarding flexibility and efficiency. The union proposed a progressive classification consolidation and wage structure for the Office and Clerical workforce. Within 90 days of ratification of the proposed agreement, the union and company will meet to discuss the union's proposal.

Union supplier relations

Our negotiators gained language that provides additional insight into key sourcing opportunities involving UAW-represented suppliers. Subject to all applicable laws, this language will improve communications, training and supplier selection for UAW-represented suppliers.

Veterans new vehicle purchase discount

Our negotiators were successful in obtaining a \$500 cash allowance for our veterans, in addition to the employee discount, toward the purchase, or lease of an eligible vehicle. Eligibility for this program will include active and retired military (honorable discharge and 20 years of service required) and retired military reserve (honorable discharge and 20 years of service required).

Employee-retiree new vehicle purchase/lease program

The program will now provide UAW Chrysler active employees, retirees and surviving spouses the opportunity to obtain six Control Numbers to extend to friends and extended family members under the Friends program for preferred pricing.

Tuition assistance program to be reinstated

The Tuition Assistance Program for UAW Chrysler members will be reinstated by Jan. 1, 2012. The UAW Chrysler National Training Center Joint Activities Board will meet after ratification to develop a plan for implementation.

EAP representative membership

After ratification, the Joint Activities Board will discuss and select an External Professional Association membership for Employee Assistance Program representatives. The association will support program initiatives, education and training.

Seniority gains within plant locations

Under the previous agreement, employees with the same seniority date could not displace lesser seniority employees with the same hire date unless they had one day more seniority. Now employees can displace lower seniority employees without having one day greater seniority, allowing them to utilize in-plant tie breakers to level plant seniority.

Improvements in relocation eligibility

The relocation allowance was improved by expanding eligibility for relocation allowance to all Chrysler represented workers living in the same household.

The union negotiated an enhanced relocation option for nonvoluntary transfer of workers. Workers can now receive a new relocation allowance up to a maximum of \$30,000 that includes a \$4,800 initial payment to cover miscellaneous, upfront cash expenditures. If a worker continues to be employed at the new location, the following schedule of additional payments will be made at the anniversary of their start date:

- After one year: \$5,200.
- After two years, \$10,000.
- After three years, \$10,000.

Workers may choose the modified enhanced relocation, and exercise their recall and return to former community rights after six months of employment at the new location.

Sourcing financial data communication

Our discussions focused on improving transparency in the bid process and to improve the mechanism to bring work back in-house. As a result, our negotiators were successful in improving transparency with the Make/Buy process. The Company has committed to providing an overview

of all items used in the study to source work. By improving the commitment on joint communication, the union can better understand the process and more effectively identify positive business cases for bringing work in-house.

Local technical training committee

During these negotiations, a great deal of discussion focused on the current status of the Local Technical Training Committees (LTTC).

The UAW and the company agreed to modify the expanded roles and responsibilities of the LTTC as required, to meet the current and future operating conditions and facility needs such as tracking salaried and skilled trades training in the Technical Education Development System.

The union and the company will meet within 90 days after the ratification of the agreement to review current LTTC duties.

UAW negotiates gains by extending Chrysler vehicle discounts to members at supplier plants

Under the proposed agreement, UAW Chrysler workers have additional means of positive exposure for Chrysler products. An extension of the Employee New Vehicle Purchase/Lease program will now include UAW part suppliers.

The discount will include new, used and leased products.

This buying power will help support good-paying union jobs and provide job security for UAW Chrysler members.

Employment rights for active duty military

Currently our contract is consistent with the following legislation to protect us in the event the laws are changed: Americans with Disabilities Act of 1990 as amended, Vocational Rehabilitation Assistance Act of 1973 and the Vietnam Era Veteran's Readjustment Act of 1972 and 1974. The proposed contract will be changed to include protection offered under the Uniformed Services Employment and Reemployment Rights Act of 1994.

Our negotiators and the company discussed the issue of employment opportunities. The Employment and Reemployment Rights Act of 1994 was added to protect the civilian employment of non-fulitime military service members in the United States called to active duty. This language has also been modified to include the Uniformed Services, which covers all seven U.S. service branches; Army, Marine Corps, Navy, Air Force, Coast Guard, Public Health Service Commissioned Corps and NOAA Commissioned Corps.

Payroll direct deposit

All payments to employees will be made by direct deposit to a financial institution the employee chooses. If direct deposits are restricted by state regulations, payments will be mailed to the employee's address of record. Pay stubs will be available electronically for viewing and printing.

Voluntary Identity Theft Coverage

Our negotiators gained new language on employee-paid voluntary identity theft coverage. This is a self-paid optional insurance program funded by employee contributions.

Engineering long-term temporary

The company has agreed to pull forward and convert 24 temporary engineering employees to permanent full-time status. The company will continue to review existing engineering workforce requirements and the company's overall business plan for the possibility of converting additional employees.

Notice of open job opportunities within the unit

The company expressed its commitment to communicate open Salaried Bargaining Unit opportunities by providing access and instruction to the Open Position Notice system to the local president/unit chairperson in order to give constituents an opportunity to apply.

Salaried bargaining unit placement election to hourly

In the event of an indefinite layoff of UAW Salaried Employees, they will now have the option of returning to their previous hourly positions and have displacement rights based on seniority.

Duration and ratification

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

The new agreement, if ratified, will run for four years and will expire at midnight Sept.14, 2015.

No Social Security age creep patch

Current and future retirees who were born during or after 1950 will no longer receive the age creep patch after age 62 years and one month because of the underfunded status of the pension fund.

Legal Services plan

All current plan benefits will remain in force until Dec. 31, 2013. At that time, any pending legal matters will be processed to their conclusion.

World Class Manufacturing

During these negotiations, the union and management had extensive discussions regarding World Class Manufacturing (WCM) and have agreed that a full-fledged partnership in WCM is necessary. In order to achieve a joint partnership, it is necessary to implement WCM strictly as designed.

This implementation requires that the local parties assign UAW-representatives, including Salaried Bargaining Unit personnel as co-pillar leads. Accordingly, at each facility covered by this agreement, a Local World Class Partnership Council (LWCPC) will be utilized as a means to facilitate and promote joint implementation.

This council will consist of 10 members equally divided between both parties as outlined within the agreement. The objective of LWCPC is to accelerate and improve the systematic full implementation of WCM. Additionally, it is agreed that World Class Manufacturing and the application of this language will supersede all previous employee participation programs.

New Performance Quality and Ratification Bonus

Schedule of Bonuses		
Type	Amount	Date
Ratification	\$1,750	Within 30 days of ratification
Ratification	\$1,750	Upon Achievement of financial metrics
Performance Bonus	\$500	Annually in June, 2012, 2013, 2014 and 2015
Quality Bonus*	\$500	Annually in 2012, 2013, 2014 and 2015
Profit Share	Amount TBD	March 2012, 2013, 2014 and 2015
<i>*Metrics to be set by Chrysler after review with UAW</i>		

Chrysler workers “share in the upside” with new profit sharing plan

The fundamental principle underlying any profit sharing plan is its ability to provide UAW-represented members at Chrysler with a real opportunity to “share in the upside” of Chrysler’s success. This means sharing in a meaningful portion of the profits made on vehicles produced or sold in North America, while at the same time ensuring a high level of transparency and consistency in the profit sharing calculations by closely linking them to the operating results that management utilizes and reports to the investment community and the Securities and Exchange Commission (SEC).

To accomplish these goals, our current UAW-Chrysler Profit Sharing Plan has been streamlined and strengthened. In the chart are some of the differences between the current profit sharing program and the one your negotiators at Chrysler crafted and won:

Profit Sharing Plan Improvements		
	Current Plan	New Plan
Plan Definition	U.S. Profits only	Expanded to ALL North American Profits
Transparency	Not a publicly reported figure and difficult to verify	Based on profit figure reported publicly to investors and the government
Formula	Very complex	Easy to understand
Profit Measure	Significant interest expense and "non-operating" charges reduce plan profits	Profits are not reduced by interest expense and non-operating charges resulting in larger plan profits

Currently, Chrysler’s only publicly reported profit figure is worldwide profit. 85 percent of Chrysler’s profits come from North America, so our new profit sharing formula simply takes the publicly reported profit figure and multiplies it by 85 percent.

For example, if Chrysler reports worldwide profits of \$3 billion, the North American profit figure for profit sharing would be \$2.55 billion (\$3 billion x 85 percent). In this case, the maximum payout would be \$2,500. The profit sharing formula is based on hours worked, paid on a maximum of 1,850 compensated hours.

The following simplified payout table provides for increasing profit-sharing payouts as Chrysler’s profits derived from North America increase.

Members who have more than 1,850 compensated hours will receive the maximum payout. Members who have less than 1,850 hours will receive a prorated payout based on the proportion of their compensated hours to 1,850.

This agreement also shows a strong on-going commitment to protect the healthcare benefits of our retirees. The UAW and Chrysler are in the process of addressing the company's accounting, tax, legal and other concerns. Once these concerns are addressed, 10% of profit sharing will be diverted to the UAW Retiree Medical Benefits Trust.

Profits \$Billions		Maximum Payout	Profits \$Billions		Maximum Payout
-	< 1.25	0	6.50	< 6.75	6,500
1.25	< 1.50	1,250	6.75	< 7.00	6,750
1.50	< 1.75	1,500	7.00	< 7.25	7,000
1.75	< 2.00	1,750	7.25	< 7.50	7,250
2.00	< 2.25	2,000	7.50	< 7.75	7,500
2.25	< 2.50	2,250	7.75	< 8.00	7,750
2.50	< 2.75	2,500	8.00	< 8.25	8,000
2.75	< 3.00	2,750	8.25	< 8.50	8,250
3.00	< 3.25	3,000	8.50	< 8.75	8,500
3.25	< 3.50	3,250	8.75	< 9.00	8,750
3.50	< 3.75	3,500	9.00	< 9.25	9,000
3.75	< 4.00	3,750	9.25	< 9.50	9,250
4.00	< 4.25	4,000	9.50	< 9.75	9,500
4.25	< 4.50	4,250	9.75	< 10.00	9,750
4.50	< 4.75	4,500	10.00	< 10.25	10,000
4.75	< 5.00	4,750	10.25	< 10.50	10,250
5.00	< 5.25	5,000	10.50	< 10.75	10,500
5.25	< 5.50	5,250	10.75	< 11.00	10,750
5.50	< 5.75	5,500	11.00	< 11.25	11,000
5.75	< 6.00	5,750	11.25	< 11.50	11,250
6.00	< 6.25	6,000	11.50	< 11.75	11,500
6.25	< 6.50	6,250	11.75	< 12.00	11,750
			>=12.0		12,000

Performance Bonus

Our Negotiators won performance bonuses of \$500 for each year of the agreement. The \$500 will be paid to each eligible employee in June of each year of the agreement. Additionally, employees at locations that have achieved or maintained Bronze, Silver, Gold or World Class status as of their most recent audit (30 days or more prior to the payment date will have an Audit Score Adjustment Factor applied to their Performance Bonus payment - see table below).

Location Status	Audit Score Adjustment Factor		Audit Score Adjustment Factor	Adjusted Performance Bonus Award
Bronze	125%	x	\$500	\$625
Silver	150%	x	\$500	\$750
Gold	175%	x	\$500	\$825
World Class	200%	x	\$500	\$1,000

Health care benefits improved, expanded and protected

Health care reform continues to be at the center of national debate from the kitchen table to the halls of Congress. Nearly 50 million people remained uninsured in 2010, and many Americans find their health benefits slashed or eliminated. Health care reform will remain a hot-button issue in today's political climate and one that the UAW will continue to strongly support. The UAW believes that access to affordable and quality health care is a moral right for all. The UAW has been a constant champion for health care reform and strongly supports the Patient Protection and Affordable Care Act (PPACA), signed into law by President Obama in 2010.

During this round of negotiations, it was a priority of the union to maintain benefits and negotiate enhanced health care coverage that would supply our members with above-standard care and provide a direct tie-in with the PPACA.

Prescription drug coverage

The UAW Chrysler bargaining team held firm on no new increases in health care prescription drug costs for the life of the proposed agreement. The team was also able to expand the maintenance drug list.

Office visits

Effective Jan. 1, 2012, modifications to health care for hourly active employees and their dependents will be provided with unlimited office visits by in-network providers at a \$25 co-payment per visit. Also, an annual wellness physical will be included and paid in full.

Coverage will expand to include an urgent care benefit at participating providers with a co-payment of \$50, and emergency services now also carry a co-payment of \$100 if the patient is not admitted to the hospital for treatment.

Increased coverage for hyperbaric oxygenation treatment

Outpatient hyperbaric oxygenation treatment will now include the following conditions: diabetic wound care, chronic refraction osteomyelitis, osteoradionecrosis and soft tissue radionecrosis.

Pre-hospice

Coverage for pre-hospice consists of evaluation, consultation, education and support services with a lifetime maximum of 28 visits prior to the enrollee electing hospice care. Pre-hospice coverage allows concurrent continuation of curative treatment until the enrollee is ready to forego curative care.

Hospice

UAW Chrysler members will now be eligible for hospice if life expectancy is 12 months or less (changed from six months). There is a lifetime maximum of 365 days which may be extended through case management. It was previously 210 days.

Hearing Aid Coverage

- Expanded hearing aid coverage to include diagnostic testing.
- A Hearing Aid Network will also be implemented that will allow two hearing aids every three years within a \$2,000 maximum benefit structure.

Physical, occupational and speech therapy benefit expanded

Enrollees are entitled to now receive physical therapy, occupational and speech therapy services provided in a

doctor's office setting in addition to all PTO therapy facilities. Diagnosis codes for physical therapy will also be expanded to include things such as wound therapy and debridement.

Improved dental care coverage

Dental care coverage was upgraded so that UAW Chrysler hourly members now receive composite resins for all fillings when restoring posterior teeth, regardless of surface. Additionally, enrollees at risk for oral cancer or with unresolving oral lesions or ulcerations, will now have coverage for one brush biopsy per calendar year.

Other improvements include:

- Single tooth, endosteal implant with coverage up to 50 percent of cost and subject to the annual maximum.
- Enrollees will now receive one occlusal guard, covered up to 90 percent and subject to annual maximum, every five years instead of just one in a lifetime.

Fluoride trays for patients undergoing radiation therapy treatment for head and neck will now be covered at 100 percent.

VEBA

This agreement shows a strong, ongoing commitment to protect the health care benefits of our retirees. The UAW and Chrysler are in the process of addressing the company's accounting, tax, legal and other concerns. Once these concerns are addressed, 10 percent of the Profit Sharing Fund will be diverted to the UAW Retiree Medical Benefits Trust.

Health care benefits provided under Patient Protection and Affordable Care Act made contractual

On March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act (PPACA) health care reform bill. The PPACA gives access to insurance for over 30 million Americans with numerous provisions to take effect over several years and broadens private and public health insurance coverage, including increasing coverage of pre-existing conditions.

With the additional coverage provided because of the PPACA, the UAW negotiated the following additions to the health care program for hourly active employees and their dependents:

Expanded coverage with PPACA

During this round of negotiations, Chrysler Hourly active workers will now be provided with up to five

well-baby visits for children from 13 months of age through 35 months of age. Within a calendar year, for children ages 36 months through age 17, one well-child visit is allowed.

Additional coverage includes an annual, routine physical exam per calendar year for enrollees age 18 or older. All female enrollees will be provided with annual, routine gynecological exams.

Cholesterol screening coverage has been expanded to include children ages 24 months to 21 years, in addition to men over the age of 35. Screenings will also be provided for men, ages 21 to 35, with potential increased risk of coronary heart disease, and at-risk women over the age of 20.

In addition, specified lab services will now be covered including one abdominal, aortic aneurysm by ultrasound per lifetime, osteoporosis

screenings for women and infectious screenings for all enrollees.

There were also gains in prenatal care with the addition of prenatal screenings, infectious screenings, and consultations regarding healthy diet, breastfeeding and tobacco use. Newborns will now be eligible for developmental screening and evaluation up to age 30 months, along with prevention screening at birth for congenital hypothyroidism, metabolic/hemoglobin, phenylketonuria and sickle cell.

Preventative services and care was expanded to include infectious screenings, autism screening, obesity screening, blood pressure screening and depression screening. These preventative services are covered as part of the routine physical exam and not separate, billable items per the carrier.

Diabetes self management education/training

Diabetes is a serious and costly disease that is among the most prevalent chronic conditions experienced by our members and their families. It is also known that the disease progression is controllable in many cases.

This new benefit breaks new ground for our members with assistance in avoiding serious complications of diabetes and in better managing its progression.

Effective Jan. 1, 2012, in-network coverage for diabetes self management education and training will be provided for members and their dependents enrolled in a Chrysler-sponsored health plan prescribed by a physician, nurse practitioner or physician assistant.

The service would be provided for members with:

- Type 1, Type 2, pre-gestational and gestational diabetes.

- Inadequate glycemic control.
- Change in treatment either from no diabetes medication to any diabetes medication or from oral medications to insulin shots.
- High risk for complications.
- Amputation of lower limbs for endocrine, nutritional and metabolic disorders.
- Skin grafts and wound debridement for endocrine, nutritional and metabolic disorders.
- Nutritional and miscellaneous disorders related to diabetes.

The program provides:

- One year of initial training with a certified diabetes educator. Follow up and refresher education and training with a certified diabetes educator in subsequent years when a new prescription is written based on medical necessity.
- Nutrition counseling as a part of diabetes self-management and education training.

Retiree health care

Retiree health care benefits are controlled by the Voluntary Employee Beneficiary Association, or VEBA, which is administered by an independent board of trustees and is not part of the UAW Chrysler collective bargaining agreement. The VEBA board holds regular meetings to assess retiree health care benefits and will keep you informed as progress is made toward finding solutions to health care concerns expressed by UAW Chrysler retirees.

Improvements in Supplemental Unemployment Benefits (SUB)

SUB calculation

The complexity of the SUB formula has confused our membership since its inception. Previously, SUB calculation varied from employee to employee, but

in the tentative agreement, the union secured language that benefits employees by calculating average SUB benefits on a flat rate. The formula of 95 percent of take-home pay minus

\$30 equals, on average, 74 percent of a worker's gross weekly pay. As a result of these negotiations, the following charts detail exactly what the weekly SUB pay rate is for each employee:

Base Weekly Salary

Under-	=	\$586.00
\$587.00	=	\$637.00
\$638.00	=	\$688.00
\$689.00	=	\$739.00
\$740.00	=	\$790.00
\$791.00	=	\$841.00
\$842.00	=	\$892.00
\$893.00	=	\$943.00
\$944.00	=	\$994.00
\$995.00	=	\$1,045.00
\$1,046.00	=	\$1,096.00
\$1,097.00	=	\$1,147.00
\$1,148.00	=	\$1,198.00
\$1,199.00	=	\$1,249.00
\$1,250.00	=	\$1,300.00
\$1,301.00	=	\$1,351.00
\$1,352.00	=	\$1,402.00
\$1,403.00	=	\$1,453.00
\$1,454.00	=	\$1,504.00
\$1,505.00	=	\$1,555.00
\$1,556.00	=	\$1,606.00
\$1,607.00	=	\$1,657.00
\$1,658.00	&	over

Regular SUB Benefit

-	=	\$433.64
\$434.38	=	\$471.38
\$472.12	=	\$509.12
\$509.86	=	\$546.86
\$547.60	=	\$584.60
\$585.34	=	\$622.34
\$623.08	=	\$660.08
\$660.82	=	\$697.82
\$698.56	=	\$735.56
\$736.30	=	\$773.30
\$774.04	=	\$811.04
\$811.78	=	\$848.78
\$849.52	=	\$886.52
\$887.26	=	\$924.26
\$925.00	=	\$962.00
\$962.74	=	\$999.74
\$1,000.48	=	\$1,037.48
\$1,038.22	=	\$1,075.22
\$1,076.96	=	\$1,112.96
\$1,113.70	=	\$1,150.70
\$1,151.44	=	\$1,188.44
\$1,189.18	=	\$1,226.18
\$1,226.92	=	

SUB during state system waiting weeks

For those members who are serving a waiting week within the benefit year under a state unemployment system, any such member will remain eligible for regular SUB benefit while on a qualifying or non-qualifying layoff (except for separation of vacation shut down).

* Prorated for incremental amounts on the basis of the employee's highest wage rate in the previous 13 weeks.

Job Security/SUB duration was a major battle in negotiations. Management took a hard line position and resisted replenishing the weeks of SUB. The UAW remained steadfast in fighting to get these benefits restored and was successful in winning SUB replenishment. Any employee who used SUB credits during the life of the 2009 contract modifications will have SUB credits replenished.

Addendum to Chrysler 2009 Modification

Traditional Employees

1-10 years 26 weeks SUB / 26 weeks TAP
 10-20 years 39 weeks SUB / 39 weeks TAP
 20+ years 52 weeks SUB / 52 weeks TAP

New Hire Employees

1-3 years 13 weeks SUB
 3+ years 26 weeks SUB

Replenished



2011 - 2015 Contract

Traditional Employees

1-10 years 26 weeks SUB / 26 weeks TAP
 10-20 years 39 weeks SUB / 39 weeks TAP
 20+ years 52 weeks SUB / 52 weeks TAP

New Hire Employees

1-3 years 13 weeks SUB
 3+ years 26 weeks SUB

New Hire Improvements

Deferred Pay plan

New hire employees hired prior to this agreement are covered under the Chrysler Group LLC Cash Balance Plan for hourly rate employees. Effective March 31, 2012, the Cash Balance Plan will be terminated and the company will begin making weekly contributions into employee accounts in the Hourly Deferred Pay Plan (HDPP).

New hire HDPP and retirement contributions

- Rollover opportunities will be made available for transfer of lump-sum distributions from the Cash Balance Plan to the HDPP. New hire employees hired prior to the effective date of this agreement will receive company contributions equal to 6.4 percent of eligible weekly earnings into the HDPP.

- For new hire employees and all skilled trades workers hired after the effective date of the agreement the

New hire life benefits

Your UAW bargaining team fought for language that will provide protection for UAW Chrysler new hire members during crucial times of need. Life and disability benefits are a necessity in protecting and providing income to families when they need it the most.

Under the proposed agreement, new hire employees shall be eligible for basic life insurance and extra accident insurance on the first day of employment. Active new hire employees will be provided with basic life insurance coverage in the amount of \$45,000. The company will provide extra accident insurance in the amount of \$22,500.

Your negotiators were successful in gaining language that provided new hire employees with company-provided life insurance after leaving the company. New hire workers with 10 or more years of seniority, and who are at least 55 years of age

company will contribute an amount equal to 4 percent of eligible weekly earnings into the HDPP.

- New hire employees will receive \$1 per hour up to 40 hours per week in company contributions into the HDPP.

Health Care improvements for new hire workers

After much resistance from the company, the UAW was able to negotiate major benefit improvements to the new hire health care program, including:

- Unlimited \$25 co-pay office visits.
- Annual wellness physicals.
- No emergency room or urgent care center co-pay for new hire employees.

at the time of separation from the company, will now be eligible for continuation of \$15,000 in basic life insurance coverage and \$7,500 in extra accident coverage. Work-related death benefits will be based on extra accident insurance at \$22,500.

Mental health care and substance use disorder treatment

New rules that expand the Mental Health Parity and Addiction Equity Act will go into effect Jan. 1, 2012. This legislation enhances members' negotiated benefits and broadens coverage to our members in need of mental health care and substance use disorder treatment. This comprehensive program removes the danger of restrictions on appropriate care. All limitations in mental health or substance use disorder less than the Hospital, Surgical or Medical Benefit are now equal.

With this new program, inpatient mental health/substance use disorder care is expanded from 45 days to 365 days and renewable after 60 days of nontreatment. Outpatient mental health and substance use disorder visits with a panel provider are covered at 100 percent for visits 1 through 20, 75 percent for visits 21 through 35 and a maximum \$25 co-pay for visits 36 and over.

Dues: A Constitutional Matter

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

Mopar

Based on the merger of Fiat and Chrysler, more work was acquired such as the Magneti Marelli parts line distribution throughout the Mopar distribution network, and the warehousing of Fiat, Maserati and Alfa Romeo parts (being placed in certain Mopar locations), resulting in 149 workers added to the Mopar team.

The company committed to in-source jobs that had been previously outsourced. In the first quarter of 2011, Mopar launched a new process design for the shipment and handling of referrals shipped from National Parts Distribution Center (PDC) locations. It is expected that redistribution through the U.S. Field PDC network would amount to 2.4 million cross-dock lines a year flowing through the U.S. Field PDC network, which had been previously managed by United Parcel Service.

Mopar has in-sourced the packaging of several commodities which include headlamps and wheels and is presently reviewing the in-sourcing of other commodities into the Center Line and Marysville, Mich., facilities.

New team to address sourcing concerns

Sourcing concerns will be discussed between UAW International representatives and the MOPAR management team. This team will meet on a quarterly basis to share sourcing direction and opportunities to grow the business within the MOPAR network, and address member concerns, especially as they apply to Tracy Industries, Packaging and Memphis Core Center.

Insourcing

The company will review areas in which there might be insourcing opportunities into the MOPAR distribution network, possibly creating more jobs for our members.

Dedicated delivery service

New contract provisions will help the union know in advance about route changes in Dedicated Delivery Service, especially as it relates to the amount of staffing needed for shift changes and workforce adjustments. These discussions will take place at the local level to meet standards of the joint agreement on World Class logistics.

Product discounts

An expanded Mopar Parts Purchase program will continue for our eligible active and retired members. The program provides a 25 percent discount off the dealer list price on Mopar Genuine parts, remanufactured parts and performance parts and accessories. The buying power will help support good-paying, union jobs and provide job security for UAW Chrysler members.

Mopar World Class Logistics Steering Committee

To ensure the success of the Mopar Parts organization, a World Class Logistics Steering Committee was established consisting of the International UAW and Mopar senior management.

Also, a local World Class Partnership Council was established at each Mopar facility consisting of representatives from the local union and plant management to lead the necessary changes to transform their location into World Class Logistics operations.

Suitable employment

Suitable employment will help our members better navigate the challenging requirements often faced when on layoff and applying for state unemployment benefits. Under the tentative agreement, job offers must meet a requirement of providing at least 80 percent of the employee's most recent hourly or salaried base rate of pay. If a member's job offer is not considered suitable employment, the member will remain eligible for SUB plan benefits, subject to a reduction equal to the amount of the weekly state benefit.

Union Benefit Representative in closed labor market areas

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



UAW Chrysler Department clerical support, all members of OPEIU494

Health and Safety

Training, research and leadership were focal points when it came to health and safety discussions. Among the many complex topics discussed were ergonomics, industrial hygiene, new technology, contractor safety, emergency response teams, joint health and safety research, and training.

Significant improvements were gained in current programs, along with language in new areas to keep our members safe and healthy on the job. The tentative agreement also reflects resistance against any attempt to circumvent the joint process, and a commitment to continued partnership in sharing best safety practices throughout the industry will continue.

Funding for health and safety training and research

Updated language supports the continuation of joint health and safety training activities at the local and national levels. The company agreed that in the event the fund is depleted, health and safety training and research will be paid for when approved by the Joint Activities board, through national training funds.

Joint health and safety leadership

The UAW and Chrysler agree to work together and with other recognized leaders, such as the National Safety Council, in workplace health and safety to explore innovative methods of sharing best safety practices and training wherever possible.

Other health and safety gains include:

- Voluntary CPR training for employees.
- Increased UAW involvement in air monitoring and industrial hygiene activities, including improvements in maintaining and checking ventilation systems that protect workers.
- Alternate UAW health and safety representatives for Mopar locations.
- Certification training and annual refresher training for UAW health and safety representatives.
- Significant improvements in ergonomics, utilizing improved ergonomic tools used in analyzing and evaluating jobs, in addition, increased emphasis on fixing jobs in need of ergonomic corrections.
- Improved “working alone” protections.

Disability/Group Insurance

Disability/partial benefit for members on alternative work schedules

This benefit will make it easier to calculate partial disability weeks for members on alternative schedules.

Life Insurance

Employee optional group life and accident insurance

A dependent child may remain on the employee’s policy until the dependent turns age 26.

Optional and dependent life insurance

No increase in premiums through 2015.

Optional group life

Existing participants will have an opportunity to apply for one level increase of coverage by completing a brief questionnaire.

Dependent group life Insurance

The level of spousal coverage for newly-eligible employees, without evidence of insurability, will increase from \$35,000 to \$40,000. Coverage for dependent children is expanded to age 26.

Optional group accident

Coverage for dependent children is expanded to age 26.

New products, jobs protected

\$4.5 billion in investment and new products

Your negotiating team has consistently heard our members demanding more job security because members understand that without product for our plants, our futures are not secure.

This tentative agreement adds another 2,100 new jobs and protects current jobs. All of the new jobs will be added during the term of this new contract. These new jobs will be added to communities across America where people have been struggling to recover from our nation's economic turmoil

The UAW Chrysler proposed agreement also includes \$4.5 billion of investment to produce new models and upgraded vehicles and components by 2015, which will be invested directly into retooling and upgrading plants.

Plant	Product
Belvidere Assembly Plant	Estimated plant investment of approximately \$600M; Estimated 2,400 jobs retained; Continue production of current Dodge Caliber, Jeep Patriot and Jeep Compass through planned product life-cycle; New vehicle loading based off Compact United States Wide (CUSW) platform.
Sterling Heights Assembly Plant	Estimated plant investment of approximately \$850M; Estimated 2,200 jobs retained; Continue production of Dodge Avenger, Chrysler 200 and Chrysler 200 Convertible through planned product life-cycle; New vehicle loading based off Compact United States Wide (CUSW) platform.
Kokomo Area Plants	Estimated plant investment of approximately \$1,300M; Estimated 3,500 jobs retained; Continue production of current products through planned product life-cycle; New Front Wheel Drive 9 Speed - 948 TE transmission and new Rear Wheel Drive 8 Speed - 845RE transmission.
GEMA Engine Plant	Estimated plant investment of approximately \$300M; Estimated 350 jobs retained; Continue production of WGE Engine and FIRE engine through planned product life-cycle.
Toledo Machining Plant	Estimated plant investment of approximately \$100M; Estimated 550 jobs retained; Continue production of current Steering Columns, FWD and RWD Torque Converters through planned product life-cycle; Production of new/next generation Steering Columns, FWD and RWD Torque Converters.
Trenton North Engine Plant	Estimated plant investment of approximately \$100M; Estimated 250 new jobs created; Re-utilize portion of Trenton North Engine Plant to produce an incremental volume of 3.8L V-6 increase of 150,000 units.
Additional Investment	The Company plans to further invest approximately \$1.3 Billion across multiple manufacturing facilities. This investment will retain an approximately 1,000 jobs and may add up to an additional 1,850 new jobs. It is mutually understood that the product, investment and employment levels detailed above are contingent upon consumer demand generating sustainable and profitable volumes.

63 Holidays Over Four Years

A total of sixty-three holidays will be provided to UAW Chrysler workers over the four-year term of the proposed agreement. The tentative agreement retains the two national Election Days negotiated in previous agreements. Veterans Day has been maintained. The tentative agreement also maintains the Monday commemorating the birthday of the Rev. Dr. Martin Luther King Jr. and paid Christmas through New Year's Day shutdowns.

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

2011-2012

Nov. 14, 2011	Veterans Day (Observed)	
Nov. 24, 2011	Thanksgiving	
Nov. 25, 2011	Day after Thanksgiving	
Dec. 26, 2011	} Christmas Holiday Period	
Dec. 27, 2011		
Dec. 28, 2011		
Dec. 29, 2011		
Dec. 30, 2011		
Jan. 2, 2012		(Observed)
Jan. 16, 2012		Martin Luther King Jr. Day
April 6, 2012	Good Friday	
May 28, 2012	Memorial Day	
July 4, 2012	Independence Day	
Sept. 3, 2012	Labor Day	

2012-2013

Nov. 6, 2012	Federal Election Day
Nov. 16, 2012	Veterans Day (Observed)
Nov. 22, 2012	Thanksgiving
Nov. 23, 2012	Day after Thanksgiving
Dec. 24, 2012	} Christmas Holiday Period
Dec. 25, 2012	
Dec. 26, 2012	
Dec. 27, 2012	
Dec. 28, 2012	
Dec. 31, 2012	
Jan. 1, 2013	
Jan. 21, 2013	Martin Luther King Jr. Day
Mar. 29, 2013	Good Friday
May 27, 2013	Memorial Day
July 4, 2013	Independence Day
Sept. 2, 2013	Labor Day

2013-2014

Nov. 15, 2013	Veterans Day (Observed)
Nov. 28, 2013	Thanksgiving
Nov. 29, 2013	Day after Thanksgiving
Dec. 23, 2013	} Christmas Holiday Period
Dec. 24, 2013	
Dec. 25, 2013	
Dec. 26, 2013	
Dec. 27, 2013	
Dec. 30, 2013	
Dec. 31, 2013	
Jan. 1, 2014	
Jan. 20, 2014	Martin Luther King Jr. Day
April 18, 2014	Good Friday
May 26, 2014	Memorial Day
July 4, 2014	Independence Day
Sept. 1, 2014	Labor Day

2014-2015

Nov. 4, 2014	Federal Election Day
Nov. 14, 2014	Veterans Day (Observed)
Nov. 27, 2014	Thanksgiving
Nov. 28, 2014	Day after Thanksgiving
Dec. 24, 2014	} Christmas Holiday Period
Dec. 25, 2014	
Dec. 26, 2014	
Dec. 29, 2014	
Dec. 30, 2014	
Dec. 31, 2014	
Jan. 1, 2015	
Jan. 2, 2015	
Jan. 19, 2015	Martin Luther King Jr. Day
April 3, 2015	Good Friday
May 25, 2015	Memorial Day
July 3, 2015	Independence Day
Sept. 7, 2015	Labor Day

UAW 2011 National Negotiating Committee at Chrysler



Browning



Fields-Jacobs



King



Holiefield



Williams



Bressler



Ewing



Nicholson



Mickens



King



Hardy



Suemnick



Mitchell



Penn



Peralta



Motley



Reid



Elder



Boruff



Fain



Holiefield



White



Frantzen



Morrast



Ridgway



Brenner



Hughes



Hagler

This is the UAW Chrysler National Negotiating Committee whose determined efforts, along with those of the UAW Chrysler Department and other UAW professional and technical staff, produced a new tentative agreement for UAW members at Chrysler: **Bob King**, president, International Union, UAW; **General Holiefield**, vice president and director, UAW Chrysler Department; **Dennis Williams**, UAW secretary-treasurer; **Wendy Fields-Jacobs**, executive administrative assistant to King; **Chuck Browning**, administrative assistant to King; **Tim Bressler**, top administrative assistant to Holiefield; **Keith Mickens**, **Virdell King** and **James Hardy**, assistant directors, UAW Chrysler Department; **Cindy Suemnick**, administrative assistant to King and directs the UAW Health and Safety Department; **Troy Davis**, **Todd Penn**, **Roy Hamilton**, **Patrick Peralta**, **Darrell Motley**, **Gary Reid**, **LaChandra White** and **Marlene Holiefield**, coordinators, UAW Chrysler Department; **Linda Ewing**, director of the UAW Research Department. **NEGOTIATORS: Rich Boruff**, chair, UAW Chrysler National Negotiating Committee, president of Local 685, represents Subcouncil 3 (engine/axle); **Shawn Fain**, vice chair, UAW Chrysler National Negotiating Committee, plant shop chair of Local 1166, represents Subcouncil 4 (skilled trades); **Parrish Elder**, recording secretary, UAW Chrysler National Negotiating Committee, committeeperson of Local 869, represents Subcouncil 2 (stamping); **Kenneth Morrast**, plant shop chair, Local 7, represents Subcouncil 1 (assembly); **Matt Frantzen**, committeeperson, Local 1268, represents Subcouncil 1 (assembly, out of state); **Rodney Ridgway**, committeeperson, Local 1435, represents Subcouncil 5 (miscellaneous); **Freddie Hughes**, plant shop chair, Local 2360, represents Subcouncil 6 (parts); **Tom Brenner**, president, Local 889, represents Subcouncil 7 (office and clerical); **Jeff Hagler**, president, Local 412, represents Subcouncil 8 (engineering). **PRESIDENT'S STAFF: Susanne Mitchell**, director, UAW Social Security Department; **Michael Nicholson**, general counsel, UAW Legal Department; **Eric Perkins**, director, UAW Strategic Research Department; **John Rupp**, assistant director, UAW Health and Safety Department (*not pictured*); **Randy Brackett**, International representative, UAW Research Department (*not pictured*).



Perkins



Davis



Hamilton