

AGREEMENT

Between

DIAMOND CHAIN COMPANY

and

UNITED STEEL, PAPER AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED
INDUSTRIAL AND SERVICE WORKERS
INTERNATIONAL UNION

AFL-CIO-CLC

on behalf of

LOCAL UNION NUMBER 1999
SEPTEMBER 29, 2013

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AGREEMENT

This Agreement (effective **September 29, 2013**) is entered into between Diamond Chain Company, Indianapolis, Indiana, or its successor (hereinafter referred to as the "Company") and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC, on behalf of Local Union Number 1999 (hereinafter referred to as the "Union").

Witnesseth that:

Whereas, the Union was certified by the National Labor Relations Board on April 20, 1943, as the representative of "all production and maintenance employees of the Company, excluding Superintendents, Supervisors, Assistant Supervisors, Foremen, Assistant Foremen, Office Clerical, and Plant Protection Employees," as their representative for the purpose of collective bargaining,

Whereas, pursuant to such request by the Union, the parties have renegotiated the current collective bargaining agreement and agreed to a replacement collective bargaining agreement to take effect on **September 29, 2013** ;

Now, therefore, it is agreed by and between the parties hereto as follows:

ARTICLE I
RECOGNITION

Section 1. The Company recognizes the Union as the exclusive bargaining agency for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment or other conditions of employment, for the production and maintenance employees of the Company, excluding Superintendents, Supervisors, Assistant Supervisors, Foremen, Assistant Foremen, Office Clerical, and Plant Protection Employees.

Section 2. The term "employee" as used in this Agreement shall mean an employee within the unit represented by the Union as bargaining agency as described in Section 1. Whenever the term "employee" is used, it shall refer to both male and female employees, and any other terms expressed in male form shall also apply to female employees.

Section 3. Employees who, upon December 15, 1965, were members of the Union in good standing in accordance with the Constitution and By-Laws of the Union and those employees who have thereafter become members shall, as a condition of employment, maintain their membership in the Union in good standing by prompt payment of dues during the term of this Agreement. New employees who are hired after the effective date of this Agreement shall, as a condition of employment, become members of the Union upon completion of their probationary period set forth in Section 1 of Article V of this Agreement and shall thereafter maintain their membership in the Union in good standing by prompt payment of dues during the remainder of the term of this Agreement.

If any present or future member of the Union is deprived by the Union of his membership for any reason other than the non-payment of Union dues, such employee shall not be subject to

discharge by reason of the provisions of this Section of this Agreement and the failure of the Company to discharge such employee shall not subject it to any claim by the Union of a breach of this Agreement by the Company. **The above provision shall be implemented to the extent permitted by applicable law.**

Section 4. The Company, for all employees who submit individually signed authorizations, which authorizations shall not be irrevocable for more than one (1) year, shall deduct Union dues or their equivalent from their pay each week and remit the same each month to the International Treasurer of the Union.

The amount of pay deducted from each paycheck of an employee pursuant to this Section shall be in accordance with the method agreed upon by the Company and the Union and put into effect February 1, 1989, or such other amount as may hereafter be specified by the International Treasurer of the Union.

Section 5. As required by applicable law, neither the Company nor the Union will, in the administration and application of the terms of this Contract, discriminate against any employee based on race, color, sex, creed, religion, national origin, participation in military service, disability, or age with respect to any term or condition of employment. The Company and Union shall comply with all applicable Federal and State laws.

Nothing in this Agreement shall be applied or interpreted to restrict either party from acting to comply with their obligations under the Americans With Disabilities Act, including, where necessary, providing reasonable accommodation to disability. It is further agreed that the Union will not discriminate in regard to Union membership.

When the masculine or feminine gender is used in any job title or in any provisions of this Agreement, it is used solely for the purpose of illustration and is not, in any way, intended to designate the sex of the employee eligible for the position or benefits provided by this Agreement.

Section 6. The Company will pay up to 40 hours total each week for time spent in the investigation, presentation and adjustment of grievances. The following union officials will share such hours at the union's discretion: President, Secretary, Grievance Chair, Grievers, Safety Chair and Stewards. Any such individual wishing to leave his/her job to engage in such Union business, is to request permission which permission will not be withheld unless work situations require the employee union official remain in his/her job. **Where operational requirements permit, the Company will, upon receipt of a request in writing by the Union not less than ten (10) calendar days in advance, allow reasonable time off without pay to not more than five (5) employees designated by the Union to participate in Union activities. In the event the requested period of time off to participate in Union activities consists of two (2) days or less and is limited to one (1) employee, then the Union will make a written request for such leave without pay at least one business day in advance of such leave.**

Time spent by these Committee members in the Second, Third and Fourth Steps of the grievance procedure or any meeting called by the Company shall be governed by the provisions of Section 1 of Article VI but shall not be counted toward the hours' limitations set forth above.

Section 7. The Company will provide the Union an office adequate for conducting union business, a desk, and seating for four (4) people.

ARTICLE II
HOURS OF WORK
PREMIUM PAY, ETC.

Section 1. The normal workweek shall begin at 7:00 a.m. Monday morning and a workday shall be the twenty-four (24) hour period beginning at 7:00 a.m. The normal shift-hours shall be: 7:00 a.m. to 3:30 p.m. --first shift; 3:30 p.m. to 12:00 midnight -- second shift; and 11:00 p.m. to 7:30 a.m. -- third shift, except that the Company may designate some other hours as the normal shift-hours on a department or special group basis.

Section 2. The Company will pay time and one-half for time worked by an employee in excess of eight (8) hours in any one workday, or on Saturday if the employee works all of his/her hours scheduled throughout the normal workweek. If the employee does not work all of his/her scheduled work hours, the Company will pay time and one-half for hours worked over forty (40) in a normal workweek. Hours that are paid in accordance with the contract during the workweek shall be considered as hours worked for overtime purposes.

Section 3. Each employee shall receive double-time for work performed on Sunday provided that the Company shall not be obligated to provide an employee work on Sunday of a week in which he has been absent (even though work is being provided for other employees) if he has been absent in two (2) of the six (6) weeks preceding the Sunday in question and worked on Sunday of each of the two (2) workweeks in which the absences occurred. This requirement of double-time for work performed on Sunday shall not be applicable to second or third shift employees who work on Sunday in lieu of the immediately preceding Saturday or a regularly scheduled workday, nor shall such requirement be applicable for work performed on Sunday as the first shift worked on an assignment to the third shift unless the Company makes such assignment for the convenience of the Company.

For the purpose of this Section, Sunday shall be the workday beginning at 7:00 a.m. Sunday morning and ending at 7:00 a.m. Monday morning.

Section 4. For the purpose of this Section, Saturday shall be the workday beginning at 7:00 a.m. Saturday morning and ending at 7:00 a.m. Sunday morning.

For third shift employees who are scheduled to work on Sunday night in lieu of the preceding Friday, Friday will replace Saturday and Saturday will replace Sunday in the application of Sections 3 and 4 of this Article. Work performed after 7:00 a.m. on Friday by such employees as an extension of their regular shift shall not be considered Saturday work for time and one-half purposes and work performed after 7:00 a.m. on Saturday by such employees to complete their regular shift shall not be considered Sunday work for double-time purposes.

Work performed by first shift employees at or prior to 7 a.m. on Monday mornings or the day following a holiday as an extension of their regular shift shall not be considered Sunday or holiday work for double-time purposes. Work performed by third shift employees at or prior to 10:45 p.m. on Sunday evening as an extension of their regular shift shall not be considered Sunday or holiday work for double-time purposes.

Section 5. **Company may schedule a four (4) day, ten (10) hour work schedule as a regular work shift after notifying employees in the department five (5) workdays prior to the change in schedule. A four day work week is defined as occurring on the consecutive days of Monday through Thursday of a week.**

Any hours worked by an employee working a four (4) day ten (10) hour work schedule working beyond ten (10) hours, Saturday or Sunday, shall be voluntary. Any hours voluntarily worked on a 6th work day in a work week will be paid double time rate if the employee has worked all their scheduled hours.

In the event the Company wishes to cancel 10-hour shifts and change to an 8-hour per day, 5-day work week it may do so by providing notice of not less than five (5) work days.

Whenever a holiday occurs while employees are working a four (4) day, ten (10) hour work schedule, such employee(s) will be paid ten (10) hours holiday pay and such holiday hours will be included in the calculation of weekly overtime.

Notwithstanding any other provisions of this Article the Company may operate the Heat Treat Department using four (4) groups to cover a seven (7) day work schedule. Two (2) groups will be assigned to the first shift on a regular ten (10) hour or regular twelve (12) hour shift and two (2) groups will be assigned to the second shift on a regular ten (10) hour or regular twelve (12) hour shift. One (1) group on each shift shall work four (4) days, be off four (4) days; come back in for four (4) days, be off four (4) days, etc.

1. Double-time shall be paid for work performed on Sunday.
2. Pay for holiday pay, vacation pay, funeral pay and jury pay shall be paid at ten (10) hours per day and shall be at straight-time except jury pay shall be in accordance with Article II, Section 11 of this Agreement. For this purpose four (4) days at ten (10) hours pay each shall constitute a week of vacation both for pay purposes and time off.
3. The Company will pay time and one-half for time worked by an employee in excess of forty (40) hours in any one workweek. Solely for the purpose of determining pay under this Section, hours paid and applicable to this workweek as holiday pay, vacation pay, clinic visits, jury duty, funeral pay, any other time paid by the Company and approved absence due to Union business shall be counted as hours worked.
4. This plan shall operate a minimum of three (3) months and must end at the end of a complete cycle, unless mutually agreed upon between the Company and Union.
5. Employees will be assigned to groups by qualifications and seniority.

6. An employee who is displaced by the discontinuance of this plan shall be entitled to exercise shift preference by seniority within his classification.
7. Other departments shall not be affected by this plan unless mutually agreed upon between the Company and Union.

Section 6. Overtime premiums are not to be pyramided, i.e., the same time will not be used more than once as a base on which overtime premium is computed.

Section 7. Daily overtime will first be offered to volunteers within the Department qualified to perform the available overtime work by seniority. If volunteers from the department do not fill the overtime needs, then the Company will seek qualified volunteers utilizing the “Plant Wide Overtime Policy” by plant seniority. If there are no qualified volunteers for the overtime, then the Company may require the least senior qualified employee working in the department to work the overtime. No employee shall be required to work more than two (2) hours beyond his/her eight (8) hour shift. The following provisions shall be applicable to overtime distribution:

1. When the Company deems it necessary to perform operations on an overtime basis, employees will be selected for work by the Company according to the following rules:
 - (a) When the Company plans the need for overtime in advance, employees shall be notified as soon as practical that they will be needed but no later than the end of the shift immediately preceding the shift on which they are to work overtime. Employees, who will be scheduled to work overtime on Saturday or Sunday, will be informed before the end of their regular shift on Thursday. If a change in such scheduled overtime occurs, the Company will notify the affected employees as soon as practical.
 - (b) Supervision will not be required to transfer employees between shifts for the purpose of distribution of overtime.

- (c) Weekend overtime will be offered by seniority to qualified employees within the department. If there are not sufficient qualified volunteers from within the department, then the Company will offer the overtime to qualified volunteers utilizing the “Plant Wide Overtime Policy” by plant seniority. If there are not sufficient volunteers to work overtime,, then the Company will assign the weekend overtime to the least-senior qualified employees working in the department.
2. Employees will be penalized for any failure to work overtime assignments except that employees will not be penalized if such failure is due to one of the following:
- (a) Death in the immediate family.
 - (b) Overtime falling during any vacation period or on the Saturday or Sunday preceding an employee’s vacation.
 - (c) Intermittent military service.
 - (d) Absence from work which is the direct result of a work related injury, and is not paid by the Company, if such injury occurs between the time the employee is assigned the overtime and the start of such proposed overtime; and inability to work has been certified by a Company appointed physician.
3. Employees shall not be penalized for call-in overtime if refused.
4. Employees failing to work an accepted overtime assignment after having notified the Company at least **two (2)** hours **before the end of their regular shift on Thursday** shall not be subject to provisions set forth in the “Overtime” section of the attendance policy. Employees using approved vacation time shall not receive any attendance points for overtime hours not worked when adjacent to the vacation time.
5. Overtime will be assigned to seniority employees in preference to probationary, unless all qualified seniority employees on the shift in the department have been offered the overtime

except where determined otherwise pursuant to Item A below or in the event the entire department is scheduled for overtime.

A. If a clear violation of an established policy governing distribution of overtime occurs in the assignment of work and if the aggrieved employee brings the error to the attention of the supervisory person who made the assignment **in** a reasonable amount of time prior to the performance of the overtime worked and it is not corrected, the remedy for the error will be the payment for the amount of time scheduled to be worked by the employee given the erroneous assignment, except in the case of an employee brought in to work just long enough to complete a specific task or tasks. The remedy for the error in such a case shall be the payment for the amount of time actually worked by the employee given the erroneous assignment.

B. In all other cases, the remedy for errors in overtime distribution will be for the Company to assign make-up overtime work rather than to give make-up pay. An employee offered make-up overtime will be given at least twenty-four (24) hours' advance notice of the make-up overtime assignment. A violation which results from a bona fide difference of opinion as to the applicability or interpretation of an overtime policy or a contract provision shall not be considered a "clear violation" and the make-up pay remedy will not apply.

Make-up overtime is defined as overtime, which would otherwise not have been available. Such overtime shall be scheduled at a mutually agreeable time between the employee and his/her supervisor and must be taken within 30 working days of the Union's acceptance of the make-up overtime remedy. By mutual agreement, the 30 working day time period can be extended if no make-up overtime is available.

Section 8. Employees who qualify for full holiday pay will be paid eight (8) hours pay at their regular straight-time hourly rate including night-shift premium **unless working a “four/ten” schedule.** Seniority employees who qualify for full holiday pay on a particular holiday shall be the following:

- (1) Those who work the last scheduled working day prior to and the next scheduled working day after such holiday.
- (2) Those who were on layoff at the time of the holiday and such layoff began during the workweek in which the holiday fell or during the workweek preceding the workweek in which the holiday fell.
- (3) Those who were on layoff at the time of the holiday but are recalled from layoff and return as scheduled during the workweek in which the holiday fell but after the holiday or those who are recalled and return as scheduled on a Monday after a Friday holiday.
- (4) Those who are absent on the working day prior to or after a holiday but are able to provide evidence satisfactory to the Company that such absence was due to death in the immediate family or to the employee's own illness or serious illness in his immediate family provided that such absence, because of the employee's or his family's illness, began in the workweek in which the holiday falls or during the workweek preceding the week in which the holiday falls or began on the next scheduled working day after the holiday.

Employees who receive night-shift premium on the last scheduled working day prior to the holiday or the next scheduled working day after such holiday shall have their shift premium included in holiday pay for such holiday.

During the term of this contract the following days shall be considered holidays for the purpose of this Section:

(July 4th - 3rd shift will observe July 4th evening as the holiday)

2013
November 28, 29
December 23, 24, 25, 26, 27

2014
January 1
May 26
July 4
September 1
November 27, 28
December 22, 23, 24, 25, 26

2015
January 1
May 25
July 3
September 7
November 26, 27
December 21, 22, 23, 24, 25

2016
January 1
May 30
July 4
September 5

Work performed by a third shift employee after 7:00 a.m. on these days to complete his regular shift shall not be considered as work performed on a holiday.

For the purpose of this section the holiday shall be the twenty-four (24) hour period beginning at 7:00 a.m. on the holiday. Paid holidays falling on Sunday shall be observed on Monday. Paid holidays falling on Saturday shall be observed on Friday.

If an employee works on a holiday, he will receive two (2) times pay for the hours worked in addition to pay at his regular basic rate for the number of hours holiday pay for which he qualifies.

Section 9. An employee who reports for work at the beginning of his regular shift without having been notified not to report but for whom no work at his regular job is available will be offered at least four (4) hours employment at some other work at his regular hourly base rate of pay.

This provision shall not apply when the lack of work is due to a labor dispute, fire, flood, or other cause beyond the control of the management.

An employee who is called in to work on special call without advance notice that work has been scheduled for him will not be required to do work unrelated to that which he was called in to do, and such employee will receive the greater of his straight-time regular hourly wage rate multiplied by four (4), or pay for the work actually performed at any applicable premium rate.

Section 10. When an employee is required by the Company to remain on the job while his equipment is idle because of power failure or break-down of equipment, the Company will pay to such employee his regular pay during the time that it requires him to remain on the job. In such cases, the employee may be assigned to other duties. The Company will pay a second shift bonus to any employee who, during any one workday, has the majority of his hours worked occurring after 3:00 p.m. The Company will pay a third shift bonus to any employee, who, during any one workday, has the majority of his hours worked occurring after 11:00 p.m. Shift premium for such an employee shall be applicable for all hours worked during that workday. Work performed after 7:00 a.m. by a third shift employee as an extension of his regular shift shall, for all portions of this Section only, be considered as having occurred during the workday on which the shift started.

Section 11. Night shift bonus for those who were employees as of September 16, 1983 was frozen for each labor grade using the dollar equivalent of 5% or 10% of the maximum rate for the labor grade (September 16, 1983 plus 35¢ COLA roll in). The employee will receive the frozen bonus for the classification in which he is classified. If he is reclassified to another classification he will receive the frozen bonus for that classification (listed below). Employees hired after September 16, 1983 will receive a second shift bonus of 40¢ per hour and a third shift bonus of 50¢ per hour.

Night Shift Premium

For Employees Hired Prior To 09/16/83

CLASSIFICATION	2 nd	3 rd
General Labor/Operators	.422	.844
Material Handlers	.446	.892
Inspection	.473	.947
Operator/Set-up	.473	.947
Operator/Set-up/Troubleshoot	.473	.947
Skilled Trades	.533	1.066

Section 12. The Company will pay an employee who serves on a jury during his regular hours of scheduled work, the difference between the amount of jury pay he receives from public funds and the amount of his basic wages for each day of jury duty occurring during his regularly scheduled forty (40) hour workweek. If the time spent on jury service in any one day is four (4) hours or more, the employee will be excused from his entire shift on that day. In the case of second and third shift employees, this will apply to his shift following his jury service. If the time spent on jury service in any one day is less than four (4) hours, the employee will be excused for the actual time spent on jury service plus two (2) hours travel time allowance. In the case of third shift employees, an employee scheduled to report for jury duty at or prior to 9 a.m. following their shift shall be excused from work two (2) hours prior to the normal end of their shift.

Section 13. The Company shall provide up to **five (5)** full days of pay to an employee, including probationary employees, for absence because of the death and funeral of the employee's mother, father, son, daughter, spouse, stepmother, stepfather, step-son, or stepdaughter. **Up to three**

(3) full days of pay will be provided for the death and funeral of the employee's grandparent, or step grandparent, grandchildren, brother, sister, current mother-in-law, current father-in law, current step-mother-in law, or current step father-in-law. Such payment shall be made only for time lost from the employee's regular shift on regularly scheduled workdays. Paid time off must be utilized during the fourteen (14) day period immediately following the relative's death. Payment for such absence shall be contingent upon the employee's attendance at the funeral.

One (1) full day of pay will also be provided to an employee for absence because of the death and funeral of an employee's **current brother-in-law, and current sister-in-law contingent upon the employee's attendance at the funeral.**

The Company will provide one (1) unpaid travel day for those on funeral leave for one (1) day as specified above. Employees are only eligible for this travel day if the funeral they are attending is out of State. Employees must provide written documentation of this out of State funeral.

ARTICLE III

WAGES

Section 1. The Company agrees to pay wages for each of the six classifications by **direct deposit** as follows **for the duration of contract**:

Classifications	1/1/12	7/7/2014	10/5/2015
General Labor/Operators	\$15.63	\$16.13	\$16.63
Material Handlers	\$16.14	\$16.64	\$17.14
Inspection	\$16.40	\$16.90	\$17.40
Operator/Set-up	\$16.66	\$17.16	\$17.66
Operator/Set-up/Troubleshoot	\$17.43	\$17.93	\$18.43

Classification	9/30/2013	9/29/2014	9/28/2015
Skilled Trades	\$23.02	\$24.42	\$26.02

Upon ratification prior to September 30, 2013, of this agreement all active bargaining unit employees except skilled trades will receive a onetime lump sum payment of \$1500.00.

Section 2. Employees hired after ratification of this contract in all classifications except Skilled Trades, will start at a training wage of \$1.50 less than the hourly rate for their classification. The hourly rate will increase by .25 cents every 6 months until there is parity.

ARTICLE IV
VACATIONS

Section 1. The Company will grant one (1) week's paid vacation to each eligible employee, who, during the Vacation Period, shall have been in the employ of the Company for a period of not less than one (1) year nor more than three (3) years; two (2) weeks to employees with three (3) but less than ten (10) years; three (3) weeks to employees with ten (10) but less than twenty (20) years, and four (4) weeks to employees with twenty (20) or more years.

In case a holiday occurs during any part of an employee's vacation, such employee will not receive any additional vacation pay or time off at the time of his vacation, but will be entitled to a card from the Company indicating that he is entitled to one (1) day's pay or one (1) day off with pay at some time in the six-month period following his vacation, provided any such day off shall be arranged with the approval of the employee's supervisor. Payment will be made in the first pay period practicable following surrender of the card to the Company. If no such surrender is made within the six-month period, the one (1) day's pay will be paid in the first pay period practicable following the end of the six-month period.

In determining the length of employment for eligibility to vacations, the rules governing seniority will apply, when not in conflict with any provisions of this Article.

Employees will be permitted to schedule all weeks vacation on a one (1) day at a time or half-day basis provided, however, that the use of such individual days of vacation shall be applicable only to days off arranged with the advance approval of the employee's supervisor.

Employees may utilize vacation time in increments of 2 and 4 **or 5** hours (1/2 days) as follows:

1. One-half day vacations will be used for the first **half** of the shift, or the last **half of the shift** only.

2. Employees taking the first **half** of the shift may not clock in and start work prior to the end of the **half of the shift** without supervisory approval. Employees so approved will be paid for all hours worked plus **half day of** vacation pay. Vacation paid hours shall count as hours worked for overtime or other purposes.

3. Employees may utilize up to 16 hours of vacation time in increments of 2 hours.

4. Employees may utilize day at a time or partial vacations under the following guidelines:

- ◆ Partial and whole single day vacations are to be administered the same way by all departments.
- ◆ Such time off must be arranged with the advanced approval of the employee's supervisor.
- ◆ Whole single days and partial vacations will not be subject to the Department's vacation guidelines. The more notification given, the more likely half and whole single day vacations will be granted. Management reserves the right to refuse partial and whole day vacations based on department staffing and business or customer requirements. This is especially true where vacations are requested just prior to the beginning of the shift.
- ◆ For best results, employees should communicate their request for a whole or partial day vacation directly with the Department Supervisor. Second and third shift employees should contact the shift superintendent. Leaving a message with **a Supervisor** will not ensure that vacation time will be granted.

5. Vacation days which are not used by the end of the Vacation Period will be paid out to the employee by the following January 31st of each year.

Section 2. In computing vacation pay, the employee's rate shall be his basic hourly rate of pay in effect the week **preceding** the week in which his vacation actually occurs; and one (1) week shall be forty (40) hours. The vacation pay shall be computed by multiplying the employee's rate referred to above by forty (40) in the case of employees entitled to one (1) week's vacation with pay; eighty (80) in the case of employees entitled to two (2) weeks' vacation with pay; one hundred twenty (120) in

the case of employees entitled to three (3) weeks' vacation with pay; and, one hundred sixty (160) in the case of employees entitled to four (4) weeks' vacation with pay. Employees for whom night-shift premium pay is in effect during the week preceding the week in which the vacation actually occurs will have their shift premium included in the rate used for vacation pay.

An employee who is on a vacation upon the effective date of a general wage increase will have the remainder of his vacation pay adjusted as of such effective date.

Employees entitled to one (1) or two (2) weeks' vacation pay will be paid, in addition to their regular vacation pay, a one hundred dollar (\$100) vacation bonus to be paid at the same time as the first full week of regular vacation pay.

Employees entitled to three (3) or four (4) weeks' vacation pay will be paid, in addition to their regular vacation pay, a one hundred fifty dollar (\$150) vacation bonus to be paid at the same time as the first full week of regular vacation pay.

Section 3. In order to be entitled to a vacation an individual must be an employee on December 31 **preceding** the current vacation period; must have worked 1040 hours during the vacation- eligibility period.

An employee who quits, or goes on military leave of more than thirty (30) days' duration, who is otherwise eligible for vacation pay, shall receive the vacation pay for the then current vacation period at the time of quit, or military leave. An employee who is terminated for cause will receive no vacation pay.

An employee who is laid off for lack of work, retires, goes on sick leave or is absent because of injury, who is otherwise eligible for vacation pay, shall be entitled to receive, at his request, the vacation pay for the then current vacation period at the time of layoff, retirement, sick leave or absence because of injury.

Section 4. The Vacation Period shall be the fifty-two (52) week period starting with the first Monday in the calendar year. Insofar as possible, vacations shall be granted at the time desired by the employee with preference being given to seniority employees within the department, but the final right to designation of vacation time is exclusively reserved by the Company in order to insure the orderly operation of the plant. Employees will be afforded the opportunity to schedule vacation time during the vacation period.

In distributing vacations, the Company shall permit 12% of total personnel receiving regular full-week vacations to be absent from the department each week of the year.

Section 5. During an emergency the Company may require employees to forego all or part of their vacations, but in such case, the Company will pay vacation pay, in addition to any wages actually earned, for such part of the vacation as is not actually taken. If an employee is required by the Company to forego his vacation, he may have such vacation rescheduled at a later date in the vacation period.

Section 6. Employees utilizing FMLA leave in increments of five (5) whole days or less (excluding partial days) will be required to utilize vacation time until vacation benefits have been fully utilized. In addition, an employee on sick leave (S & A) or worker's compensation leave of absence will be required to concurrently run such leaves of absence utilizing FMLA leave.

ARTICLE V

SENIORITY

Section 1. Seniority shall mean the length of an individual's employment within the bargaining unit adjusted as provided below:

- (a) Seniority begins on the date of latest employment by the Company provided that during the first one hundred forty (140) calendar days the employee will be a probationary employee and will not be deemed to have any seniority and the retention of probationary employees shall be at the discretion of the Company.
- (b) After the initial one hundred forty (140) calendar days, seniority is established and shall accumulate during an employee's absence under the following conditions:
 - (1) During any layoff period, seniority for the purpose of this Agreement shall be accumulated for the length of the employee's seniority at the time such layoff began to a maximum of **three (3)** years.
 - (2) During an employee's absence due to his own illness or disability, seniority for the purpose of this Agreement shall be accumulated for the length of the employee's seniority at the time such absence began to a maximum of **two (2)** years.
 - (3) During absence on account of disability as the result of injuries entitling the employee to compensation under the Indiana Workers' Compensation Act.
 - (4) During the first ninety (90) days of continuous absence on voluntary and approved leave of absence.
 - (5) Officers or members of the Local Union who are given full-time employment by the Local or International Union shall be granted an indefinite leave of absence during which time they shall retain and accumulate seniority. No more than two (2) employees shall be absent from the plant on such leave of absence at any one time.

The Company shall be permitted to permanently fill the open job created by an employee taking such leave. Any employee returning to work from leave may exercise seniority rights as though returning from layoff status, and if no open job is available may replace the least senior employee currently working by plant-wide seniority. Employees taking leave on this basis shall be provided medical, dental and life insurance benefits on the same basis and at the same contribution rate as active employees for a period no longer than two (2) years from the date the leave starts. An employee who has been on leave and returns to active employment status must remain on active employment status for a six (6) consecutive month period before being eligible for medical, dental and life insurance benefit continuation as defined in this Section.

(c) Established seniority shall not accumulate while an employee is absent in excess of the limitations set forth in sub item (b) of this Section.

(d) Seniority shall terminate for any one of the following reasons:

- (1) If the employee quits;
- (2) If the employee is discharged;
- (3) If the employee is absent without leave for three (3) consecutive working days without notifying the Company at any time either during such three (3) days or previously during his continuous period of absence, unless he presents satisfactory excuse for the failure to notify the Company;
- (4) If the employee fails to report for work following layoff by the Company, termination of sick leave status, or other leave of absence within five (5) consecutive working days after he has been notified by Certified Mail or

telegram at his last address appearing upon the Company records, unless he has reasons for failing to do so which are satisfactory to the Company.

(5) Seniority shall be terminated for any employee who is laid off continuously for more than the length of his seniority at the time such layoff began or **thirty six (36)** months, whichever is less; provided, however, that the following officers of the Local Union shall retain seniority during their terms of office, while on continuous layoff for a period of **thirty six (36)** months: President/Unit President, Vice President/Unit Secretary, and Chairman of the Grievance Committee.

(6) Seniority shall be terminated for any employee who is continuously absent on account of illness or disability for more than the length of his seniority at the time such absence began or **twenty four (24)** months, whichever is less.

(e) In the event an employee who has acquired seniority within the bargaining unit is transferred to a job with the Company outside the bargaining unit and thereafter is returned to the bargaining unit, his seniority date upon reentering the bargaining unit shall be established by crediting him with the amount of seniority he had upon leaving the bargaining unit plus seniority credit, up to a maximum of one (1) year, for such employment outside the bargaining unit. An employee returning to the bargaining unit after the time limits of this section will be treated as a new hire in all respects except pension.

Such return to the bargaining unit for an employee remaining outside the bargaining unit as of September 17, 1983, shall not be to a job classification if there are bargaining unit employees on layoff who are qualified to perform that job classification. An employee who

transfers to a job with the Company outside the bargaining unit after September 17, 1983, but before September 25, 2004, shall, after having remained outside the bargaining unit for five (5) consecutive years, lose his bargaining unit seniority. An employee who transfers to a job with the Company outside the bargaining unit on or after September 25, 2004, shall after having remained outside the bargaining unit for twelve (12) consecutive months, lose his bargaining unit seniority.

In the event an employee who has acquired seniority within the bargaining unit is transferred in lieu of layoff to a job with the Company outside of the bargaining unit, his seniority shall be governed by the provisions of sub item (b) (l) of this Section as if he had been laid off.

Section 2. A roster of all employees showing the seniority of each, will be kept in the Human Resources Office, **and made available upon request of the union.**

Section 3. The word department as used in this Article shall mean the unique accounting cost center.

An employee's seniority in any department shall be determined in the same manner as the general seniority described in Section 1 Employees who have successfully bid to another department shall be moved to their approved department and job within 30 working days. Such movement shall be for a trial period of 3 consecutive working days, and afterward if the move cannot be completed at this time the employee will return to his original department until released permanently to the new job. The employee may elect to withdraw his job bid request at any time up to and including the end of the day of the three-day trial period. Failure to withdraw the job bid request within this time period will result in the transfer being completed.

The maximum time for an employee to be released for a permanent job bid shall be **one (1)** month for General Labor/Operators and **five (5)** months for jobs in all other classifications. In such

cases, the waiting period shall begin from the date the bid job was accepted. **The purpose of this time period is to allow for the training of a replacement employee.**

No employee shall be compelled to accept a bid from one department to another against his will, unless the employee has accepted a bid to another department and has completed his three (3) day trial period.

Section 4.

A. Seniority shall govern shift preference, except that the exercise of shift preference may not impair the efficiency or productivity of any shift or department, nor shall one employee displace another because of seniority except in circumstances described in B. below.

B. In the case of reduction of force in a department, an employee who is displaced by the discontinuance of their job shall be entitled to exercise shift preference by seniority within their classification. If all jobs in the department within their classification have been discontinued for reasons other than technological or process modifications, such displaced employee shall be entitled to exercise shift preference by seniority within the classification to which they have been assigned.

Section 5.

A. Filling Vacancies - Permanent vacancies or new jobs will be posted on a Job Bid Sheet, listing the **department**, job classification and shift, **for a period of forty eight (48) hours**. Employees are eligible to bid on a job as long as it is posted, even beyond **forty eight (48) hours**. Posted bid sheets will be used for job filling for no longer than 10 working days. Employees who are absent because of illness, personal reasons, or on vacation and who will have returned by the time the job is filled, may have their names entered by their **Supervisor**, provided that prior to the posting of the Job Bid Sheet they had notified the Manager of their desire to bid on such a job should it be opened. Such pre-bid notices shall be in writing, shall be limited to three (3) jobs which are

listed in the order of the employee's preference, may be changed at any time, and will not be valid for more than one (1) year from the date of filing with the Manager.

The Company, in line with efficient plant operation, will fill permanent vacancies or new jobs by promoting employees considering the following factors:

- (1) Skill, applicable job knowledge and dependability
- (2) Seniority;

Where the qualifications described in (1) are relatively equal between such employees, factor (2), seniority, shall govern. In filling jobs posted, the Company will only be required to give consideration to those employees who have signed the applicable Job Bid Sheet while posted, but shall not be prohibited from considering other employees. **The company will give preference to department employees before employees outside the department.** The Company will post the name(s) of employees awarded jobs from the job bidding process within fifteen (15) working days from removal of the posting sheet.

Lateral or downgrade bids (bidding to move to a different job classification in the same or lower labor grade) for such employees to fill such permanent vacancies or new jobs will be granted within limits as follows:

1. Individual employees may exercise the right to lateral or down-bid within their assigned department a maximum of one time in a three-year period which begins effective the date a lateral or down-bid is granted. The Company, at its sole discretion, may grant exceptions to this three-year limitation and if granted, such exceptions shall apply to limits in Item 2 below.
2. Limits on the maximum number of employees who will be granted lateral or down-bids are established by department. The Company will be required to grant no more than a maximum of 10% of employees in a department (base line of January 1 of each year rounded to the nearest whole number) lateral or down-bid assignments each calendar year, with the

provision that in any event a minimum of two employees per department will have the option to lateral or down-bid per calendar year in those departments where 10% of total employees yields a number less than two. Once the 10% of base line limit is met or exceeded, further lateral or down-bid opportunities shall be solely at the Company's discretion. If an employee is granted more than one lateral or down bid by the Company, then the additional lateral or down bids within the year will not apply to the 10% limit. Seniority shall prevail within these limits on individual job postings.

3. Lateral or down-bids resulting from layoffs or employees bidding to certain specific jobs for training for designated and posted jobs which are in a higher classification shall be exempted from the maximum limitations in Item 2 and the limits imposed by Item 1. Lateral and down-bidding rights do not apply to individuals holding any Skilled Trades in the Maintenance, Machine Shop, Machine Repair, Inspection and Development Lab Departments. Lateral and/or down-bid moves by any skilled trades employee shall be at the sole discretion of the Company.

4. The maximum time for an employee to be released for a permanent job bid shall be **one (1)** months for General Labor/Operators and **five (5)** months for jobs in all other classifications. In such cases, the waiting period shall begin from the date the bid job was accepted. **The purpose of this time period is to allow for the training of a replacement employee.**

The Company may limit such plant wide moves for an employee to one (1) in a period of **twelve (12)** months. Effective September 29, 2007, under circumstances where an employee's existing department is being eliminated for whatever reason, the **twelve (12)** month limit will be given appropriate consideration and will be waived by the Company. To receive consideration for an opening, employees must sign the bid sheet.

For the purpose of limitation in this Section, **twelve (12)** month period shall start with the date of acceptance of the job by the employee.

If the opening is still not filled, the company shall fill such vacancy or new job in such manner as it may determine, including offering plant wide job openings to employees with less than one (1) year of seniority.

C. Layoff -When a reduction in force occurs in a department, the permanent employee with the least seniority shall be the first to be laid off, provided that the remaining senior employees are qualified **as documented on the training matrix** to do the work available.

The Company will not hold out of seniority for layoff purposes an employee assigned to a job in the General Labor/Operators classification. Employees scheduled to be laid off from a department shall first be given preference in filling vacancies in other departments.

In case an employee is to be laid off out of his department by seniority, the Company will transfer him to a job then held by an employee in another department who has less seniority than the above mentioned employee, provided the employee to be so transferred in lieu of layoff has the necessary skills, qualifications and abilities **as documented on the training matrix** to perform the work available in the department to which he is being transferred.

Employees so transferred shall be assigned the rate appropriate for the job to which they are transferred, retaining their seniority, and remaining as temporary employees of the new department.

In connection with the transfer to other departments of employees who have been laid off out of their departments, the Company will not continue the assignment of a senior employee to a job in a lower labor grade than his regular labor grade for a period of more than two (2) work weeks while a temporary employee having less seniority than such senior employee is working on a job in a higher classification which the senior employee has the necessary experience to perform.

D. Recall from Layoff - Following a layoff, employees who have been laid off out of the plant will be recalled to work in the order of their plant wide seniority, if they possess the skills,

qualifications, and abilities **as documented on the training matrix** to do the work available. Such recalled employees will be placed at work in the departments where work is available after employees who are then needed in their regular departments have been returned to their regular departments in the order of their seniority dates. Employees who have been recalled from layoff out of the plant to a department other than their regular department will be considered temporary employees in the department to which they are assigned until such time as they are returned to their regular department or are awarded a plant wide job bid **or twelve (12) months elapses. After twelve (12) months the temporary department becomes the employees home department.** An employee who has been assigned out of his department in connection with a reduction in force will be required to accept the first opportunity offered to him to return to his regular department provided he is qualified to do the work available. No new employee shall be hired until all qualified available employees with seniority are back to work. Employees so recalled shall be given the rate appropriate for the classification to which they are assigned.

At the time a job is eliminated due to a technological or process modification, retention of the employee whose job is eliminated will be in accordance with regular layoff procedure except the Company will waive the necessity for having the required experience to do the job within the department. Such person will, if necessary, be given a reasonable training period for other work within the department. **Failure to become qualified in a reasonable training period will invoke standard layoff language.**

In the event a full-time job, and its related equipment, is transferred from one department to another, for reasons other than technological or process modifications, and if there is an employee regularly assigned to the job at the time of transfer, he will be given an opportunity to transfer with the job. If the employee assigned to the job declines the transfer, other experienced and qualified employees will be offered a transfer on the basis of seniority. Seniority of these employee(s) will be

as outlined above. If all experienced and qualified employees refuse a transfer, the job will be filled from the personnel in the department to which the job was transferred.

When a new job or vacancy is created by transfer of work, operation or process from one department to another due to technological or process modifications the assignment of personnel to fill such job will be made as follows:

Openings necessitated in the department to which such transferred functions are placed will first be offered to employees in that department with the skills qualifications and ability to do the job, then, if openings still exist, they will be filled by offering appropriate plant wide job bids, on the basis of skills, qualifications, and ability and seniority.

“Qualified to do the work available” as used herein shall be based on the individual possessing the skills, qualifications, and abilities to do the work as documented on the Training Matrix.

Section 6. Temporary layoffs, not in excess of **fifteen (15) working days per contract year**, caused by shortages in supply of gas, coal, oil, electricity, steel or other materials, or breakdown, fires, floods, **operational requirements**, or other emergency may be made without reference to seniority. **No employee shall be impacted by this section more than five (5) days per calendar month.**

Section 7. Any employee who is drafted or volunteers for service in the Armed Services of the United States and who is honorably discharged there from will be accepted for re-employment by the Company, in accordance with the provisions of Section 9 of the Uniform Services Employment and Reemployment Act (USERRA) of 1994, as amended, without any loss of seniority.

Section 8. In the event a department is working a holiday(s), employee(s) chosen to work the holiday shall be by seniority within the affected department, provided the employee(s) is qualified to do the work available.

The term “seniority” as used herein shall refer to plant seniority of all employees within the affected department, including those who are there on temporary transfers. The application of this section may require interchange of such qualified employees between shifts. Employees chosen to work on a holiday will be required to remain on their shift, if work is available for them on their regular shift.

Section 9. Employees of the Company who are veterans shall, upon application to the Company, be granted leave of absence up to twelve (12) months for the purpose of taking schooling or training under the provisions of the Servicemen’s Readjustment Act of 1944 and such leave of absence may be extended by mutual agreement between the Company and the employee.

Employees of the Company having at least three (3) years seniority shall, upon sixty (60) days advance application to the Company, be granted an educational leave of absence up to twenty-four (24) months for the purpose of enrolling in and attending, as a full time student, a high school which meets accreditation standards of the Indiana Board of Education or an equivalent accreditation agency for full attendance in another state or for the purpose of enrolling in and attending, as a full time student, a college or university accredited to offer an Associate degree, a Bachelor's degree or a degree higher than a Bachelor's degree by the North Central Association of Colleges or its equivalent accreditation organization in another area of the country. No more than two (2) employees (selected by seniority order of applicants) from any one (1) department shall be gone on such educational leave at any one (1) time. An employee who had at least three (3) years seniority at the time of his leave of absence pursuant to this Section shall, upon application, receive one (1) renewal of such leave for a period not in excess of two (2) years.

The seniority of employees on leave of absence pursuant to this section shall be governed by the provisions of Section 1 of this article.

Section 10. If the Company removes a seniority employee from his regular job temporarily and transfers him to a job in a higher Classification, which is temporarily vacant, such employee will be paid a rate appropriate for all hours worked in the higher classification provided such assignment is of a duration of two (2) consecutive hours worked.

Paid holidays will be included if the individual would normally have been performing the higher rated work had the day not been designated as a holiday.

Section 11. In the event a department is working a reduced work week schedule of less than forty (40) hours per week, employees chosen to work additional hours (not including overtime) shall be by seniority within the affected department, provided the employee is qualified to do the work available.

The term "seniority" as used herein shall refer to plant seniority of all employees within the affected department including those who are there on temporary transfers. The application of this section may require interchange of such qualified employees between shifts.

Section 12. Situations sometimes occur which make it necessary to move personnel, work to be performed, and/or equipment between departments on a short-term basis. This may be done in combinations of activities. In contrast to personnel moves formally referred to as temporary transfers or permanent transfers, such moves of personnel shall be referred to as loaned employees.

A. Employees temporarily loaned to another department will be treated as if they were formally on temporary transfer to that department during the tenure of the transfer. They will be subject to immediate return to their permanent department. When selecting these employees, our normal practice will be to use the junior qualified person(s). In those cases where this is not feasible, the Union will be advised promptly.

B. Transfers of personnel pursuant to this section are handled on a case-by-case basis with the duration of a single incident limited to twenty-eight (28) calendar days, unless the Company and Union mutually agree to an extension of more than 28 days.

C. When work to be performed is transferred to another department, that work becomes the right and responsibility of the department, which receives the work. The work may be subject to recall to the original department on immediate notice.

D. At times, a department may utilize the equipment and/or tools of another department to do a job. This is a borrowing of the equipment/tools and will be considered as a temporary transfer of the equipment/tools.

E. Loaned employees will not be placed in a department having employees temporarily transferred to another department in lieu of layoff, without first having offered those laid off employees the opportunity to be loaned back to their permanent department if they are qualified to do the work required.

Section 13. When the Company determines the need to train employees, outside of their primary job assignment, employees will be selected for training by seniority from among those employees indicating their desire to train by signing a voluntary signup sheet.

ARTICLE VI

ADJUSTMENT OF GRIEVANCES

Section 1. Should any employee or group of employees consider that he, she or they have a grievance, work shall not be suspended but an earnest effort shall be made to settle such grievances as herein provided. Grievances, within the meaning of this Article, shall consist of disputes about working conditions, about the interpretation and application of particular clauses of this Agreement to a particular employee or group of employees, and about all alleged violations of this Agreement. No grievance shall be entitled to consideration unless it is filed by the end of the seventh working day following the day upon which occurred the event out of which the grievance arose except for the following events which have special time limits for filing:

Pensions (See Pension Language)

Suspension or discharge (See Article VI, Section 2)

For those "events" which the Union or the employee learns of only through written notification by the Company, the seventh working day period shall begin upon the receipt of such written notification. With regard to grievances pertaining to an alleged violation of reclassifying an employee to a lower rated job classification but being allowed to hold a higher hourly rate for 30 days, the seven working day period for filing a grievance shall begin upon the receipt by the employee of a written notice of reclassification. With regard to grievances pertaining to an alleged violation concerning the awarding of a job classification for which an employee had bid, the seven working day period for filing a grievance shall begin at the time the department posts a notice identifying the employee who has been awarded the job. With regard to grievances pertaining to an alleged violation concerning the awarding of a transfer to another department for which an employee had filed a transfer request, the seven working day period for filing a grievance shall begin the day

on which the Company posts a notice, identifying the name of the employee who has accepted the transfer. The effort to settle all grievances which are subject to this procedure shall be made pursuant to the following steps:

FIRST, between the aggrieved employee or employees and the Supervisor of the Department involved. The appropriate Shop Steward may be present at this step of the procedure if requested by the employee. The supervisor will notify the employee and the appropriate shop steward on that shift of the time and place at which the grievance will be discussed. If such grievance is not satisfactorily adjusted by the end of the fourth (4th) working day following the day upon which the grievance is presented, then

SECOND, in order for grievances to be considered in Step 2, it shall be appealed in writing, on the form mutually agreed upon by the Company and the Union, specifying the exact Contract provisions alleged to be violated and a brief description of the facts in order to identify the grievance, by the Grievance Committee Chairperson to the Manager of Human Resources. Grievances will be accepted by the Company only if the grievance is signed by the employee or employees affected by the alleged violation unless that alleged violation affects a large number of employees and the Union therefore files it as a "Policy Grievance." Grievances will be accepted by the Company only if the aggrieved employee or employees have completed the first step of the grievance procedure with the Supervisor of the Department. A grievance properly appealed to the Second Step shall be discussed in an attempt to settle it at a meeting between representatives or executives of the Company, not to exceed five (5) persons, as the Company may designate, and not more than five (5) members of the Union, or alternate representatives designated by the Chairman of such Committee. The aggrieved employee may be present if requested by the Company or the Grievance Committee, provided that in discharge cases, the employee must be present and in the event the employee is absent from the meeting because of an emergency the meeting shall be

postponed. Second step meetings shall be held on the second and fourth Tuesdays of each month and special meetings may be held to consider discharge cases when they arise more than one (1) week before the next regular meeting. At all such meetings, minutes shall be kept, transcripts of which will be available to the Company and to the Union. Grievances which have been processed through the first step and have been advanced by the Union to the second step shall automatically be placed on the docket for the next second step meeting. In the event second step meetings in addition to those specified above are necessary such meetings will be held at times mutually arranged by the parties.

The Company will notify the Union in writing of its decision within ten (10) working days following the second step meeting. If the Company fails to notify the Union in writing of its decision within such ten (10) working days, the matter shall be considered settled in favor of the aggrieved employee.

Within ten (10) working days following the date the Company notifies the Union of its second step decision the Union shall notify the Company in writing if the Union wishes to advance the grievance to the third step. If the Union fails to notify the Company in writing within such ten (10) day period of its desire to advance the grievance to the third step, the matter shall be considered settled in favor of the Company and not subject to further appeal.

Within thirty (30) working days following receipt of a notice in writing by the Union of its desire to advance a grievance to the third step, the Company will make a concerted effort to schedule a third step meeting at a time and place agreeable to both the Company and the Union. Except for grievances on suspension or discharge, such meetings shall not be held within the period four (4) weeks prior to the start of contract negotiations and extending to four (4) weeks following the conclusion of negotiations.

THIRD, it shall be considered at a meeting between representatives or executives of the Company and representatives of the National Organization and the Union and a member or members of the Grievance Committee. The aggrieved employee may be present at such meeting if requested by the Company or the Grievance Committee. Whenever there are grievances which have been advanced by the Union to the third step, such meetings shall be held once during each calendar month.

Inability of either side to have an individual present at such meeting who is crucial to its presentation shall be considered sufficient grounds for an automatic extension of ten (10) working days. Such ten (10) working day period may be extended by mutual written agreement of the Company and the Union.

The Company will notify the Union in writing of its decision within ten (10) working days following the third step meeting. If the Company fails to notify the Union in writing of its decision within such ten (10) working days, the matter shall be considered settled in favor of the aggrieved employee.

FOURTH, within ten (10) working days following the date the third step decision is given to the Union, the Union shall notify the Company by **email**, if the Union desires to have the matter settled by appeal to an impartial umpire. Upon receipt of such **email** from the Union, the Company and the Union shall within fifteen (15) working days following the receipt of such **email** jointly submit the matter to the American Arbitration Association. In the event the matter is jointly submitted to the American Arbitration Association, the Association shall proceed with the arbitration of the matter pursuant to the Rules of the Association. Only grievances or disputes which are within the definition of grievances set forth in Section 1 of this Article and have followed the proper grievance steps shall be subject to the arbitration provision of this Agreement, and the arbitrator shall be bound by the provisions of this Agreement and shall not have the power to add to, subtract from

or vary from any of the terms of this agreement. The arbitrator's findings shall be final and binding and whose compensation and expenses shall be paid equally by the Union and the Company.

A representative of the Human Resources Department may be present during any of the foregoing steps. Any grievance not appealed from the decision made in the first step of this procedure within four (4) working days after such decision, shall be considered settled on the basis of the last decision and not subject to further appeal. Any grievance not appealed from the decision made in the third step of this procedure within ten (10) working days after such decision, shall be considered settled on the basis of the last decision and not subject to further appeal.

It is agreed that nothing contained herein shall abridge or abolish the right of any individual employee or group of employees at any time to present grievances to the Company.

The Company shall pay **a maximum of three** members of the Grievance Committee at their regular rates of pay for regular working hours spent at a meeting held for the consideration of grievances in accordance with the second and third steps described above. Meetings of the Grievance Committee with employees shall not be held during working hours nor shall time spent therein be compensated by the Company except that the Company will allow up to twenty (20) minutes for members of the Grievance Committee prior to each specific grievance discussed in any second or third step meeting.

The Grievance Committee herein referred to shall consist of not more than ten (10) employees, designated by the Union.

Section 2. In the event that an employee is suspended for misconduct or is discharged and who feels an injustice has been done them, they may immediately present the written grievance provided in the second step of the Grievance Procedure in Section 1 of this Article. If it should be decided in the course of the procedure provided in said Section that the discharge or suspension was unjust, the Company shall reinstate the discharged or suspended employee with the matter of whether the

employee receives pay for time lost or the amount thereof to be determined by the parties or the Arbitrator, as the case may be. The Company will notify an officer of the Union or the Chairperson of the Grievance Committee in writing as promptly as practical but not later than the end of the working day following the day upon which such employee is suspended or discharged. No such grievance shall be considered if not filed by the end of the fifth working day following the day upon which such employee is suspended or discharged. The discharged employee must be present in person at the meeting held to consider their case under the second step or the discharge becomes final.

Section 3. An employee who is laid off and asserts that their lay-off was in violation of the provisions of this Agreement shall have recourse to the Grievance Procedure provided in Section 1 of this Article, and if the matter shall be determined in favor of such employee, they shall be reimbursed at their regular rate of pay for time lost on account of such layoff less any monies earned by them at other occupations during the time lost.

Section 4. Any individual employee who feels aggrieved about the refusal of the Company to permit him/her to return to work or who feels aggrieved about the discontinuance of his/her Sickness and Accident Weekly Insurance Benefits or sick leave status following an examination by a physician designated by the Company or insurance carrier shall be permitted to present the matter as a grievance. Such grievances shall be presented in writing directly to the fourth step of the grievance procedure. Such grievance shall be arbitrated pursuant to the following special procedure:

- (a) The employee will present him/herself for examination promptly at a time designated by the Company physician or by a physician designated for this purpose by the Company. If the grievance is not satisfactorily adjusted then,
- (b) The employee will present him/herself for examination promptly at a time designated by a physician who shall be selected by the Company physician and by

the employee's physician who is in disagreement. The medical opinion of such impartial physician, after examination of the employee and consultation of the other physicians involved, shall decide the dispute. The Company and the Union shall share the fees and expenses of such impartial physician equally. In such disputes involving Sickness & Accident Weekly Benefits, the Company will request the insurance carrier to continue Sickness & Accident Weekly Benefits, if available, during the period of time required to resolve the dispute and will also request continuation of such benefits, if available, in the event the impartial physician gives his medical opinion that the employee is disabled so as to prevent his/her working. Any employee who feels aggrieved about any other processing of an insurance claim by the insurance carrier shall be permitted to present the matter directly to the second step of the Grievance Procedure.

ARTICLE VII
SAFETY AND HEALTH

Section 1. The employer shall make reasonable provisions for the safety and health of its employees at the plant during the hours of employment. In addition to all protective devices required by law, such safety devices and protective equipment as determined necessary by the Department Supervisor, **Manager of Safety, Health and Environmental** and **Union Safety Representative** shall be provided by the employer. On such jobs where it is required by law or has been determined necessary that protective clothing or devices be worn or used, it will be mandatory that the employee wear or use such safety devices or protective clothing. The Chairman of the Union Safety Committee shall be notified of each regularly scheduled meeting of the Safety Committee and shall be entitled to attend and participate in such meetings. A determination that it is necessary to wear or use protective clothing or devices shall be subject to the grievance procedure.

Section 2. Periodic physical examination of all employees may be required. The physical examinations herein provided for shall be at the expense of the Company.

In the event an employee returns from sick leave and presents a statement from his physician approving him to return to work and the Company rejects such doctor's statement and requires the employee to be examined by a Company appointed physician, the Company will on each such occasion pay such employee for time lost from work for travel time going for such examination, waiting in the physician's office for examination, for examination time and for travel time returning to Company premises, providing the employee is then able to work.

If the resulting medical opinion is not available by the start of the work day following such examination, the Company will request the insurance carrier to continue Sickness & Accident Benefits, if available, until such medical opinion is received. If Sickness & Accident Benefits have

been exhausted, the Company shall compensate the employee at the same rate as Sickness & Accident Benefits while waiting for the medical opinion.

Section 3. In areas where it is necessary to provide gravity ventilation for the removal of toxic fumes or contaminating dust particles, the installation of such systems will meet the requirements as specified by law or Underwriters Laboratories. In addition to the Chairman of the Union Safety Committee, the Union may appoint an employee in each department as that department's Safety Representative. A monthly safety inspection of each department will be made by the Department Supervisor or his designated representative in company with the Department Union Safety Representative. A form shall be provided to record the findings of the inspection. The inspection report of each department will be reviewed at the regular meeting of the Safety Committee to determine if corrective action is indicated and to implement such action, when necessary.

The Company will continue to appoint and train members of **first responders** annually. All training costs will be borne by the Company. The names of employees who are **first responders will be kept in the safety and health department.**

Section 4. In the event an employee sustains a work related injury which, in the opinion of the Company appointed physician, renders him unable to continue work on his current work assignment, the Company will:

1. Pay the employee at the employee's appropriate rate including night shift premium for the remainder of his scheduled work for the shift on which the work injury occurred, provided the employee is declared by the physician to be unable to perform any available work, or

2. Provide appropriate work for the employee for the remainder of his regular hours of scheduled work on the shift on which the work injury occurred, provided the employee is declared able to perform work on restricted basis and the Company is able and willing to provide such restricted work. Pay for such restricted work shall be at the employee's straight time hourly rate

including any applicable night shift premium. If such placement in another department continues beyond the balance of one shift, the employee will continue to receive his straight-time hourly rate including any applicable night shift premium for not more than five (5) days of work. If such placement in another department occurs after the original date of injury, the employee will continue to receive his straight-time hourly rate including any applicable night shift premium for not more than five (5) days of work. The maximum number of work days an employee may work out of his regular department and receive his regular straight-time hourly rate including any applicable night shift premium shall be five (5) plus the remainder of his regular hours of scheduled work on the shift on which the injury occurred. If the assignment continues for a period longer than such five (5) days, the employee's rate of pay shall be adjusted to such rate applicable for the job to which the employee is assigned.

Placement of such employee in a department other than the one in which he had been working shall be deemed as not in violation with any layoff or recall provision of Article V of this Agreement. Such assignments shall have the status of a temporary transfer. If the Company is not able and willing to provide such restricted work for the remainder of the shift, the employee will be paid in the same manner as that outlined in Paragraph 1 of this Section.

When an employee returns from medical leave greater than twelve (12) months, they will be placed in the open position in which they can safely perform the essential job functions within their department. If an open position does not exist, the employee will be placed in a position in which they can safely perform the essential functions in their department and displace the least senior employee in the department. If an employee can't be accommodated in their department, accommodation will be evaluated throughout the plant and the employee will displace the least senior employee in the department in which an appropriate position is found. This will become their home department. The employee will have the opportunity to bid to

another position based on the bidding process outlined in this contract. The employee will be able to move to the bid position if he/she can safely perform the essential functions of the job.

ARTICLE VIII

SKILLED TRADES

Section 1. It is agreed that the Union will appoint a committee of not more than three (3) members to consult with representatives of the Company with respect to the conduct of its Apprenticeship Program. It is agreed that the Company will maintain Apprenticeship Programs applicable to Maintenance Mechanic (Journeyman), Electrician (Journeyman), Millwright-Maintenance (Journeyman), Plumber, Pipe fitter & HVAC Technician (Journeyman), Toolmaker (Journeyman), and Machinist Repairman (Journeyman). "Journeyman" as used in this Agreement shall include only those employees of Diamond Chain Company who, at the time of apprentice placement, are classified as Journeymen or Lead **person** in the specific craft to which the apprenticeship is applicable, with Machinist-Welder, Construction & Repair being included within the Machinist Repair **person** (Journeyman) category and Plumber & Pipe fitter (Journeyman) being included within the Plumber, Pipe fitter & HVAC Technician (Journeyman) category for such purpose. **The Company will determine the number of apprentices in each particular program as justified by the business.** The Company will not hire an outside employee as a Maintenance Mechanic (Journeyman), Millwright-Maintenance (Journeyman), Plumber & Pipe fitter (Journeyman), Plumber, Pipe fitter & HVAC Technician (Journeyman), Toolmaker (Journeyman), Machinist Repairman (Journeyman) or an Electrician (Journeyman) unless such employee has completed a Bureau of Apprenticeship Training approved Apprentice program in the craft or has at least eight (8) years of related experience which qualifies him to perform the work of a Journeyman in the craft except that for Machinist, Class B or Machinist, Class A four (4) years of related experience shall be required.

All apprentices shall receive an appropriate certificate upon satisfactory completion of such program.

Section 2. NON-APPRENTICESHIP JOBS. Those craft jobs not subject to the apprenticeship, more specifically, Painter-Mason, Maintenance; Machinist-Welder, Construction and Repair; Inspector-Dies, Gauges, and Tools; Electronic Technician; Experimental Mechanic; Experimental Machinist; and Development Mechanic, shall be filled in the following manner: (Electronic Technician may be filled according to (f) below or in the following manner as indicated.)

- (a) By qualified employee(s) within the department through normal job posting procedures.
- (b) Openings for Electronic Technician will be posted in the Maintenance Department.
Successful bidders must have completed an apprenticeship for, or currently hold the position of, or be fully qualified to hold the position of Journeyman - Industrial Electrician or Journeyman - Maintenance Mechanic.
- (c) Openings for Development Mechanic will be posted in the department per the current contract. If the job is not filled, then employees holding the following classifications shall be eligible for transfer:
Machinist-Welder, Construction and Repair, or Machinist Repair, Journeyman or Lead man, Machine Repair or Toolmaker, Class A, Journeyman or Toolmaker, Lead man, and who can provide documentation or otherwise verify that their experience and/or training qualifies them to perform work in:
 - 1. Basic Electricity
 - 2. Basic AutoCAD
 - 3. Hydraulics

will not be required to take instruction in any or all of these areas in which they can document their competency. However, they will be required to serve 2,000 hours on-the-job training before being reclassified to Development Mechanic classification.

If no valid transfer requests are on file from the above classifications, then Article VIII, Sections 2-e and 2-f, of the contract will be followed. No employee holding the Development Mechanic classification shall be qualified to hold the classification of Toolmaker Class A, Journeyman or Toolmaker, Lead man, unless they are a B.A.T. certified toolmaker or have completed a Diamond Chain Toolmaker apprenticeship or have eight (8) years of related experience outside of Diamond Chain in the craft.

- (d) The Company will not hire an outside employee or transfer an employee for said positions unless that employee has completed a relevant Bureau of Apprenticeship Training approved Apprenticeship Program in the craft or has at least eight (8) years of related experience which qualifies him to perform the work of a journeyman in said craft.
- (e) Should a qualified person not be available, then the job will first be offered to those employees certified to the current apprenticeship list in the same manner as any apprenticeship.

Section 3. Management reserves the right to select candidates for the apprenticeship program. Factors considered may include but are not limited to items such as aptitude testing and employment record. The Company will determine a graduated pay schedule establishing rates of pay to reach parity within the 4 year apprenticeship program.

ARTICLE IX

NO INTERRUPTIONS IN PRODUCTION

Section 1. It is agreed that the Union and its members individually and collectively will not, during the term of this Agreement, cause or take part in any strike, sympathy strike, unfair labor practice strike, picketing, sit-down, stay-in, slow down, or other curtailment of production or interference with the work of any kind in or about the Company's plant or premises or during working time. Neither the International nor the Local Union shall be held liable for any violation of this section committed by individual employees or individual members of the Union unless such violation has been caused, promoted, encouraged, or prolonged by the Union or its officers. The Union agrees that in order to not have caused, presented, encouraged, or prolonged such activity, the Union will, if such activity occurs by individual employees or members, immediately disavowal such activity and shall request that employees engaging in such activity immediately cease such activity. Individual employees shall not be liable for suit for damage for breach of this section, but the Company reserves the right to discharge or otherwise discipline any employee taking part in, or participating or encouraging in any way in any violation of this section of the Agreement, regardless of whether each employee is disciplined in the same manner. Correlative of this provision, the Company agrees not to engage in a lockout.

ARTICLE X
GENERAL PROVISIONS

Section 1. If the Company initiates the removal of an employee from his regularly assigned job, and transfers him to a job in a lower classification in the same department, the reclassification to the lower rated job shall be delayed during the first forty-five (45) calendar days on the assigned lower rated job.

Section 2.

- A. If an employee is scheduled to work overtime for as much as four (4) hours before or four (4) hours after his regular eight hour shift, he will be given an eighteen (18) minute break period during such overtime, or
- B. An employee who is scheduled to work two (2) or more, but less than four (4) hours overtime before or after his regular shift will be permitted a ten (10) minute break period immediately prior to or after his regular shift, whichever is the case.

Section 3. The Company will pay an annual tool allowance in the gross amount of four hundred dollars (\$400.00) to each Skilled Trades employee meeting all of the following requirements:

- (1) Active employee as of October 1st who has not retired or otherwise separated from service on or before October 1st;
- (2) Worked all or some part of each of a total of 36 weeks of the 52 week period **preceding** the week of which October 1st is a part. Weeks of paid vacation shall count as a week worked for purposes of this requirement.

The Skilled Trades allowance shall be paid in the first practicable pay period during the month of October.

Section 4. Effective January 1 of each year, employees whose combined absence and tardiness

is equal to or less than 3 combined incidents (as defined by the absence policy) for the full prior year, and who worked some part of a minimum of 36 weeks during the year will be entitled to receive an extra 8 hours of vacation. These employees will be issued a special card similar to vacation day-at-a-time cards, and such cards will be utilized in the same fashion as day-at-a-time vacation. Employees may elect to submit the card for the 8 hours' pay at their base rate and shift premium, if any; in effect the week the card is submitted. These cards will be issued no later than February 1st.

ARTICLE XI
PENSION PLAN

Section 1. Effective as of January 1, 2014, during the term of this Agreement, the Diamond Chain Employees' Pension Plan, which is a Supplement to the AMSTED Industries Incorporated Defined Benefit Pension Plan, continue **as described below:**

With regard to existing employees:

- a) **No new or rehired employees will participate or resume participation in the pension plan.**
- b) **Employees hired after 1/1/09 will have their pension frozen December 31, 2013 to include multiplier and shall not accumulate any further benefit service towards their pension calculation. Effective 1/1/2014, these employees will receive a 3% contribution to their 401k plan in the first year of the contract, a 3% contribution and 1% match during the second year of the contract, and 3% contribution and 2% match during the third year of the contract.**
- c) **Employees hired before 1/1/2009 will have their pension multiplier frozen and shall continue to accumulate benefit service towards their pension calculation. Effective 1/1/2014, these employees will receive 1% match to their 401k plan in the first year of the contract, 2% match during the second year and third year of the contract.**

For the purposes of this agreement the term “Benefit Service” shall mean service credited against the pension multiplier and “Vesting Service” shall mean service for the purposes of qualifying for a specific benefit under the pension plan.

For current employees eligible to retire (meeting pension requirements and having 15 years of service) prior to October 1, 2016 will be eligible for a taxable \$3,000 lump sum retirement

incentive payment separate from their pension. A copy has been attached and is made a part hereof, subject also to such conditions and restrictions.

Section 2. The provisions of the Pension Plan are subject to and contingent upon the Company's obtaining and/or retaining approval by the Commissioner of Internal Revenue that the Pension Plan and its related trust maintained in connection with the Pension Plan shall be or continues to be qualified within the meaning of Section 401 of the Internal Revenue Code and exempt from tax within the meaning of Section 501 of the Internal Revenue Code.

Section 3. In the event that during the term of this Agreement the Employee Retirement Income Security Act of 1974 or other applicable law or regulation requires any change in the provision of benefits under the Pension Plan, the Company shall be free to make such required adjustments, but shall, whenever it is possible, meet with the Union to discuss such changes.

ARTICLE XII

SEPARABILITY OF PROVISIONS

AND CONFORMITY WITH LAW

Section 1. If any section, clause or provision hereof shall be or become invalid or unenforceable by reason of any law of the State of Indiana or of the United States the remainder of the contract shall not be affected thereby but shall remain in force and effect.

Section 2. If any of the provisions of this Agreement conflict with any law of the State of Indiana, or of the United States, such law will supersede the provisions of this Agreement with which it conflicts.

Any provision of this Agreement concerning wage or benefit increases which cannot be placed in effect under Federal wage control laws or regulations will not be placed in effect except to the extent it is lawful to do so.

The Union and the Company will meet to discuss any clause or provision of this Basic Agreement, which may be affected by any Federal, State or other law.

ARTICLE XIII
MANAGEMENT

Section 1. All rights to manage all aspects of the business are reserved exclusively to the Company except as are limited by an express provision of the Agreement. Otherwise, nothing in this Agreement is intended to limit the Company's rights to manage its business including but not limited to the right to supervise and direct its workforce, to establish new jobs, to increase or decrease or curtail the number of jobs through layoff or to otherwise, to relocate temporarily or permanently all or part of the work which has been performed by the bargaining unit to another location, to discontinue part or all of the operations, to subcontract particular aspects or components of the work to an outside subcontractor or to a contractor who performs duties in the plant as needs arise, to change materials or equipment, to schedule and assign work to be performed, to hire, rehire, recall, transfer or layoff employees according to the needs of the business as determined by the Company, and to discipline or discharge employees for cause.

The Company shall have the unilateral right without first bargaining to establish, implement and maintain, and from time to time to modify rules, policies, and regulations to ensure orderly operations and to regulate employee discipline, conduct and attendance, including but not limited to rules, policies, and regulations related to drug and alcohol use, and safety and testing, it being understood that such rules, policies, and regulations shall be reasonable and shall not be inconsistent, or in conflict with, any provisions of this Agreement. Any changes made by the Company to existing rules, policies and regulations, as well as any new rules, regulations or policies promulgated by the Company including but not limited to rules, regulations, or policies regarding safety, conduct, drugs and alcohol, and attendance, will be communicated to the union at least fourteen (14) calendar days prior to implementation and if requested, the Company will discuss such new or changed rules, regulations, or policies, with the Union during the fourteen (14) day period

before implementation by the Company. Further, any such new or modified rule, regulation, or policy, will not become effective until five (5) calendar days after copies have been furnished to the Union.

If the Union believes a new or modified rule, regulation or policy is unreasonable as implemented then the Union shall have the right to grieve the reasonableness of such implemented rule, regulation or policy.

Section 2. RESTRICTIONS ON SALARIED EMPLOYEES- Production and maintenance work is to be accomplished by hourly bargaining unit employees. Salaried employees may perform production/maintenance work in very limited circumstances, as follows:

- A. Instructing employees in training – a supervisor/foreman may perform operations to provide instruction. The employee being trained must be working directly with/observing the supervisor/foreman. This should be done only for the time needed to train the employee to accomplish the duties. Routine training will be assigned to other hourly employees providing a qualified hourly employee is available. Resolving problems may require assistance to an hourly employee from time to time – again, this is to include direct participation and involvement of the employee.
- B. Employees not available for work. In certain circumstances, if no qualified hourly employees are reasonably available to perform critically needed work, supervision may perform production work. Before doing this, departmental employee resources should be utilized, to the extent reasonably possible, including offering overtime to qualified departmental employees. Before doing work on this basis, the supervisor will notify a Union steward or official of the Union of the circumstances and listen to any reasonable alternative he/she suggests (if this is reasonably possible at the time). The Manager –

Human Resources should also be notified. If the Union steward, official of the Union or Human Resources personnel is not available, notification shall take place after the fact at the earliest possible time.

- C. Emergency situations resulting from accidents, unanticipated breakdown of critical equipment, system failures, or other instances where equipment repair is urgently needed, or failure to take action will result in further damage. Foremen/supervisors should attempt to have hourly employees do the work, including call-in overtime, to the extent reasonably possible, but may otherwise perform work. Typical situations involving this would be fires, electrical outages, breakdowns on weekends, after hours, etc., or other times when qualified hourly employees cannot reasonably be obtained.
- D. Filling critically needed customer orders. Customer service foremen/supervisors may perform order-filling work in urgent circumstances, where otherwise a customer shipment would be made late, and when hourly employees are not available to perform the work including call-in overtime to the extent reasonably possible. This may happen infrequently without notice during after hours or weekend/holiday situations where the need was not anticipated, or hourly employees were not available.

During normal operations, every effort will be made to fill critical orders using available departmental employees, including scheduling of overtime. Before performing work on this basis, supervisors/foremen will notify the Union representative and consider any alternatives he/she may present.

- E. Miscellaneous movement of items. Foremen/supervisors may move product/materials to accomplish inspection of product or getting needed supplies to an hourly employee, etc. This type of work should be minimal.

- F. Holding, positioning objects, assisting with troubleshooting mechanical/electrical problems etc. Foremen/Supervisors are permitted to assist or instruct an assigned bargaining employee.
- G. Programming production equipment computers, controllers, robots, Eddy Current devices etc. Work to create, modify or input programs requiring skills specific to this task may be accomplished by foremen/supervisors or engineers. Every reasonable effort should be made to train bargaining unit personnel to do routine items of this nature as business requirements warrant.
- H. Some movement of materials in offices, setup of meetings, etc., have been and will continue to be done by salaried employees and/or hourly employees as assigned. Salaried employees also check orders for accuracy of items packed or selected for packing and periodically check accuracy of inventories.
- I. Inventory and Pre-Inventory. Salaried employees also are substantially involved in work for the annual inventory, including pre-inventory. Salaried employees may identify and mark items, put small quantities of loose parts away, or put small sections of chain or individual chains or parts in scrap cans, usually consisting of items weighing ten pounds or less. Salaried employees should not perform weighing operations, pull and/or put away buckets, skids or boxes, or pull product, parts etc. for weighing or do substantial sorting. However, during plant inventory, salaried employees may perform such activities on a limited basis as hourly employees opt to leave.

ARTICLE XIV

TERMINATION OF AGREEMENT

Section 1. This Agreement (effective **September 29, 2013**, shall continue in effect through **October 1, 2016**, and shall automatically be renewed for additional periods of one (1) year each from year to year thereafter unless either or both parties hereto shall give the other notice in writing at least sixty (60) days prior to **October 1, 2016**, or at least sixty (60) days prior to any subsequent anniversary thereof of a desire for changes or termination. Such notice shall be given by **email to the address furnished by the union and company.**

In Witness Whereof, the parties have executed this Agreement by subscribing their names at Indianapolis, Indiana, this 29th day of **September 2013**.

United steel, Paper and Forestry,
Rubber, Manufacturing, Energy,
Allied Industrial and Service
Workers International Union
AFL-CIO-CLC, LOCAL 1999

DIAMOND CHAIN COMPANY

By: Kelly Ray Hugunin
Chuck Jones
Mike Hensley
Chuck Davis
James Pennington
Gary Davis

By: Wayne Luce
Scott West
Susan Schroeder

United steel, Paper and Forestry,
Rubber, Manufacturing, Energy,
Allied Industrial and Service
Workers International Union

AFL-CIO-CLC

By: Leo W. Gerard
Stan Johnson
Tom Conway
Fred Redmond
Jim Robinson
Wayne A. Dale
James C. Adcock

INSURANCE AGREEMENT

This Amendatory Insurance Agreement (effective January 1, 2014) is entered into between Diamond Chain Company, Indianapolis, Indiana, or its successor (hereinafter referred to as the "Company") and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC, on behalf of Local No. 1999 (hereinafter referred to as the "Union").

Witnesseth that:

Whereas, the Union is the certified bargaining representative of "all production and maintenance employees of the Company, excluding Superintendents, Supervisors, Assistant Supervisors, Foremen, Assistant Foremen, Office Clerical, and Plant Protection Employees," and the Company and the Union have negotiated and reached agreement concerning a program of insurance benefits to be provided in part by the Company and in part by participating employees.

Now, therefore, it is agreed between the parties hereto as follows:

ARTICLE I

Definitions

Section 1 - The term "basic agreement" means the general collective bargaining agreement between the Company and the Union concerning wages, other benefits, hours of employment and other terms and conditions of employment and any agreement supplemental thereto which is in effect at any particular time during the term of this Insurance Agreement.

Section 2 - The term "employee" means any employee of the Company who, during the term of this Insurance Agreement, shall be in the bargaining unit covered by the Basic Agreement as such unit is defined in such Basic Agreement.

ARTICLE II

Benefits

Section 1 – Effective with the ratification of this agreement, in the course of their negotiations resulting in the execution of this Insurance Agreement, the parties have discussed and agreed upon the provisions of an insurance program, including Group Life Insurance, Accidental Death and Dismemberment Insurance, Weekly Sickness and Accident Benefits, and Supplemental Workers' Compensation Benefits for employees shall be made available on the **ninetieth (90th)** calendar day **of employment**.

Medical Insurance coverage and Dental Insurance for employees and certain eligible dependents of employees shall also be made available on **ninetieth (90th)** calendar day **of employment**.

Section 2 - Effective as of January 1, 2014, and during the term of this Agreement, the Medical Insurance and Dental Insurance shall be made available as amended and as outlined in their respective Summary Plan Descriptions, (hereinafter referred to as "SPD"), subject to such conditions and restrictions as appear in the SPD, and further subject to the standard policy conditions of the provider.

Section 3 – MEDICAL INSURANCE-ACTIVE EMPLOYEES - Effective as of January 1, 2014, the Medical Insurance as outlined in the SPD, shall be made available to eligible active employees, as defined in Article II, Section 1, for themselves and their eligible dependents, using the basis of the required co-payments for such insurance benefits as outlined in Section 4. The Company shall provide at least one open enrollment period per year and employees may change plans, add or drop dependents, or enroll in previously waived coverage during this period.

Section 4 – Effective January 1, 2014, and thereafter for the life of this Agreement, the Company shall offer to employees and eligible dependents **comprehensive medical (which will**

mirror the Health Plus Plan or its equivalent, available to Amsted salaried, non-bargaining employees), Rx, vision and dental benefits for eligible active hourly employees. Effective January 1, 2014, and each January 1st thereafter this will include, all requirements, plan design and provisions (for example: tobacco credit/surcharge, fitness credit, spousal surcharge, H.S.A. seed money administration, health risk assessment for employee and spouse.) The seed money will be \$500 for Employee Only and \$1000 for all other tiers for each year of the contract. The Company may make modifications to the plan design and or benefit level so long as the modified plan is substantially comparable to the January 1, 2014, Amsted active salaried plan.

The insurance rates will be deducted on a weekly basis. Rates will be adjusted on January 1st of each year, **but no rate will increase by more than ten percent (10%) in year one, fifteen percent (15%) in year two and three, from the preceding year's rates.**

Section 5 - Employees who are hired after September 25th, 2004, will not be eligible for any medical benefits upon their retirement.

Section 6 – Effective 1/1/10 the Company will no longer provide or make available medical benefits for any retirees age 65 or older or any retiree eligible to be covered by Medicare/Medicaid.

Section 7 – Eligible **current and future** retirees under the age of 65 will **default to the Health Plus Plan or its equivalent available to Amsted salaried, non-bargaining retirees.** Effective January 1, 2014 and each January 1st thereafter, this will include-plan design, requirements and provisions until they are age 65 or Medicare eligible. **But no rate will increase by more than ten percent (10%) of the appropriate monthly premiums in year one, fifteen percent (15%) in year two, and fifteen (15%) in year three, from the preceding year's rates.** Commencing January 1, 2016 retirees will have the option to withdrawal from the Amsted insurance. Such retiree or surviving spouse choosing to withdraw will be entitled to a lump sum payment of \$200.00 for each month the retiree is away from age 65 to a maximum of \$8000.00 to assist the

retiree in purchasing other insurance options. Should the retiree withdrawal from Amsted's Medical Insurance they may retain Amsted Life Insurance. In addition, the Amsted salaried, non-bargaining retiree \$5000 and \$10,000 high deductible plans will be offered if available with cost sharing contributions, requirements, plan design and provisions mirroring the salaried non bargaining employee plans. Dental coverage will also be offered mirroring the salaried, non-bargaining cost sharing contributions, plan design, requirements and provisions. For employees who retire after December 31st, 2005, the Company contribution cannot exceed one hundred and fifty percent (150%) of the amount contributed by tier for retiree coverage on January 1, 2005. In the event the monthly premium cost of a retiree or a retiree and his eligible spouse is greater than the retiree's contribution and the maximum Company contribution, the retiree will be responsible for contributing the additional difference. (Eligible as defined by the Amsted policy as 15 years of service or more.)

Section 8 - COMPREHENSIVE DENTAL-ACTIVE EMPLOYEES (INCLUDES DEPENDENTS) - Effective as of January 1, 2014, the Comprehensive Dental Insurance as amended and as outlined in the SPD, shall be available to employees and eligible dependents. The employee will contribute toward the cost of their dental coverage on the basis as the Amsted Active Salaried Plan for 2014. Premium increases will be capped at 10% per year in 2015 and 2016.

Section 9 - COMPREHENSIVE MEDICAL-LAID OFF EMPLOYEES AND DEPENDENTS - Comprehensive Medical Insurance will be made available through Diamond Chain's COBRA Administrator to laid-off employees. Premium rates will continue at active employee/dependent rate for six (6) months. After the conclusion of the six (6) month period, the premium rate will be the full COBRA rate. The laid-off employee's medical coverage provided on this basis will be terminated on the date when the employee becomes eligible for

medical insurance coverage in other employment **or COBRA eligibility expires whichever occurs first.**

Section 10. In the event of the death of an active employee who, at the time of death, was eligible for retirement and immediate commencement of a pension under the normal retirement, 60/15 retirement or 55/30 retirement eligibility provisions as defined by the Pension Agreement, the Company shall continue medical insurance coverage for the spouse only of such employee as though the employee had separated from service and retired effective the first day of the month following the month during which the employee died. Such benefits will be provided on the same contribution basis as normally required.

Section 11. The Company will provide medical insurance to employees who start their short-term disability on or after September 25, 2004; on the same basis as active employees up to a maximum of two (2) years beginning with the first day the disability begins.

Section 12 - SICKNESS AND ACCIDENT WEEKLY BENEFIT - Effective as of September 29, 2013, the Sickness and Accident Weekly Benefit shall be Three Hundred **Fifteen** Dollars (\$315.00) per week **for 2014 and increase \$5.00 each year for the life of the contract.**

Sickness and Accident Weekly Benefits for employees shall be made available as amended and as outlined in the Summary Plan Description. The maximum time for an employee to receive Sickness and Accident Weekly Benefits is Twenty-six (26) weeks in any **rolling twelve (12) months.**

Employees are not eligible for Sickness and Accident benefits for any day they receive holiday pay, holiday make-up pay, or vacation pay from the Company.

Section 13 - SUPPLEMENTAL WORKERS' COMPENSATION DAILY BENEFIT - The Company will provide without cost to employees as defined in Article V, Section 1 of the Basic Agreement a Supplemental Workers' Compensation Daily Benefit in the amount by which the Sick

and Accident Daily Benefit applicable to such employee under the provisions of this Insurance Agreement exceeds the weekly benefit to which the employee is entitled under the Indiana Workers' Compensation Act.

The Supplemental Workers' Compensation Daily Benefit will be paid by the Company to the employee at the time of payment of the employee's Workers' Compensation benefit for any given day, and shall be paid for each day up to a maximum of twenty-six (26) weeks (including the initial day) during which the employee's compensable injury renders him unable to work. When and if it is determined that the first full day of lost time due to a compensable injury rendering him unable to work is not payable under the Indiana Workers' Compensation Act, the Company will pay the injured employee an amount equal to the full Sick and Accident Daily Benefit applicable to such employee under this Insurance Agreement.

Section 14– BASIC LIFE INSURANCE - During the term of the Agreement and subject to the conditions and restrictions in the Life Insurance SPD, the Company will continue to contribute to Basic Group Life Insurance on the basis hereinafter set forth:

The amount of Basic Group Life Insurance coverage provided by the Company at its expense shall be **Forty** Thousand Dollars (\$40,000) for each employee as defined in Article V, Section 1, of the Basic Agreement. **Increasing to \$42,000 January 1, 2015 and \$45,000 on January 1, 2016.**

SUPPLEMENTAL LIFE INSURANCE – During the term of this Agreement and subject to the provisions and restrictions in the Supplemental Life Insurance SPD, each employee who has completed his probationary period as defined in Article V, Section 1, of the Basic Agreement can elect to purchase during each open enrollment Supplemental Life Insurance coverage of 25%, 50%, 75% and 100%.

Such basic group life insurance coverage will automatically cease on the date employment is terminated, whether voluntarily or involuntarily, or upon retirement under the Company's pension

plan. In the event an employee retires during the term of this Agreement, and has not collected benefits under the Accidental Death and Dismemberment, Supplemental Optional Accidental Death and Dismemberment or the Permanent and Total Disability provisions of the Life Insurance SPD, and becomes a Pensioner within the meaning of the Pension Agreement between the Company and the Union, the Company shall provide the pensioner with Basic Group Life Insurance coverage entirely at the Company's expense provided such Pensioner is insured under the Company's Group Life Insurance program immediately prior to becoming a Pensioner. The amount of such retiree life insurance shall be Three Thousand Five Hundred Dollars (\$3,500.00).

Section 15 – BASIC ACCIDENTAL DEATH AND DISMEMBERMENT AND PERMANENT AND TOTAL DISABILITY INSURANCE - During the term of this Agreement and subject to the provisions in the Life Insurance SPD, the Company will continue to contribute to the Basic Accidental Death and Dismemberment Insurance and Permanent Total Disability Insurance on the basis hereinafter set forth:

The amount of Accidental Death and Dismemberment and Permanent Total Disability Insurance coverage provided by the Company at its expense shall be **Forty** Thousand Dollars (\$40,000) for each **eligible** employee as defined in Article V, Section 1 of the Basic Agreement. **Increasing to \$42,000 January 1, 2015 and \$45,000 on January 1, 2016.**

SUPPLEMENTAL OPTIONAL ACCIDENTAL DEATH AND DISMEMBERMENT – During the term of this Agreement and subject to the provisions and restrictions in the Supplemental Optional Accidental Death and Dismemberment SPD, each **eligible** employee as defined in Article V, Section 1, of the Basic Agreement can elect to purchase during each open enrollment Supplemental Optional Accidental Death and Dismemberment coverage of \$25,000 or \$50,000.

Such Basic Accidental Death and Dismemberment, Supplemental Optional Accidental Death and Dismemberment, and Permanent Total Disability Insurance coverage will automatically cease

on the date employment is terminated, whether voluntarily or involuntarily, or upon retirement under the Company's pension program.

Section 16– EMPLOYEE ASSISTANCE PROGRAM (EAP) – Effective as of January 1, 2014 the Company will provide an Employee Assistance Program for each employee as defined in Article V, Section 1 of the Basic Agreement.

Section 17 – Additionally the following benefits will be available to this group: VSP Vision or its equivalent, Arag legal or its equivalent, Flexible Spending and Dependent Care Account.

Section 18 - Permanent and Total Disability Insurance coverage will cease to exist effective January 1, 2015.

ARTICLE III

Duration of Insurance Agreement

Section 1 - This Insurance Agreement (effective January 1, 2014) shall continue in effect through **October 1, 2016**, and shall automatically be renewed for additional periods of one (1) year each from year to year thereafter unless either or both parties hereto shall give the other notice in writing at least sixty (60) days prior to **October 1, 2016**, or at least sixty (60) days prior to any subsequent anniversary thereof of a desire for changes or termination. Such notice shall be given by **email address provided by the union and company**.

Section 2 -During the term of this Insurance Agreement, neither the Company nor the Union shall demand any change in this Insurance Agreement, nor shall either party be required to negotiate or bargain in respect to changes in the terms or conditions of such Agreement, and there shall be no negotiations or bargaining for changes in basic hourly wage rates to meet increased costs to the employee of benefits provided in this Insurance Agreement or for increases in such benefits. There shall not be any strike or lock-out or other exercise of economic force or threat thereof by either party against the other party for the purpose of effecting or attempting to effect, by use of some other demand, or otherwise, a change in or addition to any feature or provision of this Insurance Agreement.

In Witness Whereof, the parties have executed this Amendatory Insurance Agreement by subscribing their names at Indianapolis, Indiana, this **29th** day of **September**, 2013.

UNITED STEELWORKERS
OF AMERICA,
AFL-CIO-CLC, LOCAL 1999

By: **James Pennington**
Chuck Davis
Gary Davis
Kelly Hugunin
Chuck Jones
Mike Hensley

DIAMOND CHAIN COMPANY

By: **Wayne Luce**
Susan Schroeder
Scott West

UNITED STEELWORKERS
OF AMERICA, AFL-CIO-CLC

By: Leo W. Gerard
Stan Johnson
Tom Conway
Fred Redmond
Jim Robinson
Wayne A. Dale
James C. Adcock

DIAMOND CHAIN EMPLOYEES' PENSION PLAN
FOR MEMBERS OF
UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING,
ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS
INTERNATIONAL UNION, AFL-CIO-CLC
(LOCAL UNION NO. 1999)

SUPPLEMENT – TO THE AMSTED INDUSTRIES INCORPORATED
DEFINED BENEFIT PENSION PLAN

As Amended and Restated Effective as of **September 29, 2013**

SECTION 1

INTRODUCTION

The Diamond Chain Employees' Pension Plan was merged into the AMSTED Industries Incorporated Defined Benefit Pension Plan (the "AMSTED Plan"), effective September 30, 2003. The following are the provisions of the Diamond Chain Employees' Pension Plan For Members of United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC, Local No. 1999, As Amended and Restated Effective as of **September 29, 2013** which forms a part of the AMSTED Plan; such provisions apply solely to persons described in the definition of "participant" provided below in Section 1.1.

1.1 Definitions. Wherever used herein:

(a) "Accrued Benefit" means the benefit under the Plan with respect to a participant (exclusive of ancillary benefits and subject to applicable offsets and deductions) which may become payable at his normal retirement and which is calculated in accordance with the provisions of the Plan as of a specified date as if such date were his normal retirement date;

(b) (1) "Actuarial Equivalent" means a benefit of equal value when determined on the basis of the RP-2000 Mortality table, (weighted 80% male for participants and 20% male for contingent annuitants) and an interest rate of 6% per year. For the purpose of paragraphs 3.11 and 5.2 only, "actuarially equivalent" means the lump sum value of the monthly amount payable to a participant based on the assumptions described below.

(2) The present value of the monthly amount payable to a participant determined in accordance with the requirements of Code Section 417(e)(3), as amended, and any implementing regulations, and based upon:

(A) the applicable mortality table prescribed by the Secretary

(i) under Code Section 417e(3)(A)(ii)(1) for distributions made on or before September 30, 2008; and

(ii) under Code Section 417(e)(3)(B) for distributions made after September 30, 2008; and

(B) the annual applicable interest rate for the month of August preceding the first day of the Plan Year in which the lump sum distribution is made as specified by the IRS

(i) under Code Section 417(e)(3)(A)(ii)(II) for distributions made on or before September 30, 2008; and

(ii) under Code Section 417(e)(3)(C) for distributions made after September 30, 2008.

(c) “Affiliate” means any employer other than the Company which, as of a given date, is an operating or administrative unit of AMSTED Industries Incorporated (hereafter “AMSTED”) or any corporation or enterprise, other than the Company, which, as of a given date, is a member of the same controlled group of corporations (the same group of trades or businesses under common control or the same affiliated service group (within the meaning of Code Sections 414(b), (c), (m) and (o)) as is AMSTED;

(d) “Annuity Starting Date” means the first day of the first month with respect to which a benefit in the form of an annuity or any other form, other than an auxiliary disability benefit, becomes payable with respect to a participant. Thus, for a participant who is eligible to receive a permanent incapacity benefit, Annuity Starting Date means the first day of the first month with respect to which a benefit in the form of an annuity or any other form becomes payable with respect to such participant after he attains age 65;

(e) “Basic Agreement” means a labor agreement, effective January 1, 2010, between the Company and the Union covering rates of pay, hours of work, and other basic terms and conditions of employment, which are applicable to members of the Union;

(f) “Code” means the Internal Revenue Code of 1986, as amended from time to time;

(g) “Company” means Diamond Chain Company and its predecessors;

(h) “continuous service” means continuous service determined as provided in Section 4;

(i) “effective date” means **September 29, 2013**;

(j) “employee” means any employee on or after the effective date covered by the Basic Agreement;

(k) “participant” means: (1) each employee who on the day prior to the effective date was covered under the document constituting the Plan as in effect on such date, and (2) every other employee who shall have had at least one year of continuous service and shall have attained the age of 21 years and who, from time to time, is accruing continuous service hereunder for the purpose of determining the amount of pension or the individual’s eligibility to receive a pension; where so indicated in the

context, “participant” also refers to a person who is no longer accruing continuous service but who had attained pension eligibility under the Plan at the date he ceased to accrue continuous service, including a person who is retired and is receiving or is entitled to receive pension benefits hereunder. Once he becomes a participant, an individual’s status as such shall continue for as long as he maintains a vested benefit under the Plan, or as long as he continues to be credited with continuous service under the Plan for the purpose of eligibility to receive a pension;

(l) “Plan” means the Supplement to the AMSTED Plan known as the Diamond Chain Employees’ Pension Plan for Members of United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC, Local No. 1999, As Amended and Restated Effective as of January 1, 2010; provided, however, that the term “Plan” may also refer to the document or documents representing that portion of the prior plan as constituted prior to the September 30, 2003 merger into the AMSTED Plan;

(m) “Plan Administrator” means the individual or individuals authorized by the Committee pursuant to paragraph 6.3(h) to perform certain duties under the Plan, and unless otherwise directed by the Committee shall be the Treasurer of AMSTED. The term “Plan Administrator” shall also include each individual to whom the Plan Administrator designated by the Committee has delegated authority to perform specific administrative duties in connection with the Plan;

(n) “Plan Year” is a twelve-month period beginning on October 1 of each year and ending on September 30;

(o) “Qualified Military Service” means the performance of duty on a voluntary or involuntary basis in the Uniformed Services of the United States by an employee provided he is required to be and is reemployed by the Company or an Affiliate within the applicable time period specified in Chapter 43 of Title 38 of the United States Code and the total length of all such absences does not exceed the maximum specified by law for the retention of reemployment rights.

(p) “Qualified Plan” means an employee benefit plan which is maintained by the Company or an Affiliate and which meets the requirements of Code Section 401, irrespective of whether or not the Internal Revenue Service has issued a determination that such plan meets such requirements. Unless otherwise indicated in the context, the term “Qualified Plan” shall also include to the extent permitted by law a plan organized and existing outside the United States which is maintained by the Company or an Affiliate and which would be administered as a Qualified Plan as described above if it were organized and existing within the United States;

(q) “Required Beginning Date” means the April 1 following the calendar year in which the participant attains age 70½; and

(r) "Union" means the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC and its Local Union No. 1999.

1.2 Uniformed Services of the United States. means the United States Armed Forces, the Army National Guard and Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, or full-time duty in the commissioned corps of the Public Health Service.

1.3 When Retirement Occurs. For purposes of the Plan, retirement shall be considered to occur:

(a) In the case of a participant who applies for a pension prior to a break in continuous service, on the first day of any calendar month on which he specifies he wishes to retire, provided that such date is not later than the first day of the calendar month following the last day of his continuous service and is not earlier than the latest of any of the following:

(1) the first day of the calendar month following the date on which he requests retirement and applies for a pension,

(2) the first day of the calendar month following the date of his attainment of eligibility for a pension under the Plan, or

(3) the first day of the calendar month following the last day for which he earned wages from the Company.

(b) In the case of a participant who applies for a pension after a break in continuous service, on the first day of the calendar month following the last day of his continuous service, provided that on such last day he was eligible for an immediate or deferred pension under the Plan.

There will be no policy of requiring employees to retire because of age. However, an employee may be retired by the Company if he no longer has the ability to fill a regular bargaining unit job with the Company. The Company's determination of the employee's ability in connection with such retirement shall be subject to review through the Appeal Procedure provided in Section 10.3 of the Plan. The term "ability" as used in this paragraph shall include physical and mental ability and efficiency as well as knowledge of the job content.

(c) Notwithstanding the foregoing, in determining when retirement or other termination of employment occurs for the purpose of calculating the amount of pension in paragraphs 3.3(b) and (c), retirement or other termination of employment shall be deemed to have occurred as of the last day of each period of continuous service as an employee described in paragraph 1.1(k).

1.4 Scope of Plan Coverage. The provisions of the Plan as herein restated govern the benefits payable with respect to participants as defined in paragraph 1.1(l). The benefits payable from the Trust to persons whose employment with the Company terminated prior to the effective date (or to their beneficiaries) shall be determined on the basis of the documents constituting the Plan as in effect on the date of such termination, except where the terms of the Plan as herein restated expressly provide otherwise. In addition to the foregoing, to the extent the Employee Retirement Income Security Act of 1974, as from time to time amended (“ERISA”), requires that any person entitled to receive a benefit from the Trust be treated on or after the effective date as a participant under the Plan as herein restated, such person shall for such limited purpose be deemed a participant hereunder.

1.5 EGTRRA Compliance. This Plan reflects certain provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 (“EGTRRA”). The provisions of the Plan relating to EGTRRA are intended to demonstrate good faith compliance with the requirements of EGTRRA and are to be construed in accordance with EGTRRA guidance issued thereunder, including but not limited to IRS Notice 2001-57. Except as otherwise provided, the provisions of this Plan relating to EGTRRA shall be effective as of October 1, 2002, and shall supersede the provisions of the Plan to the extent those provisions are inconsistent therewith.

SECTION 2

ELIGIBILITY FOR PENSION

2.1 Normal Retirement. Any participant who shall have had at least 5 years of continuous service and shall have attained the age of 65 years shall be eligible to retire on or after the effective date and shall upon his retirement (hereinafter “normal retirement”) be eligible for a pension.

2.2 60/15 Retirement. Any participant who has not attained the age of 65 years and who shall have had at least 15 years of continuous service and shall have attained the age of 60 years shall be eligible to retire on or after the effective date and shall upon his retirement (hereinafter “60/15 retirement”) be eligible for a pension.

2.3 55/30 Retirement. Any participant who has not attained the age of 65 years but who has attained the age of 55 and who shall have had at least 30 years of continuous service shall be eligible to retire on or after the effective date and shall upon his retirement (hereinafter “55/30 retirement”) be eligible for a pension.

2.4 75/80 Retirement. Any participant who has not attained the age of 65 years and who shall have had at least 15 years of continuous service and: (i) shall have attained the age of 55 years and whose combined age and years of continuous service shall equal 75 or more, or (ii) whose combined age and years of continuous service shall equal 80 or more, and whose continuous service is broken by reason of a permanent shutdown of a plant, department or substantial portion thereof or by reason of a layoff or physical disability, shall be eligible to retire on or after the effective date and shall upon his retirement (hereinafter “75/80 retirement”) be eligible for a pension.

2.5 Permanent Incapacity Retirement. Any participant who shall have had at least 10 years of continuous service and who shall have become through some unavoidable cause, permanently incapacitated prior to attaining age 65, and who at such time shall be in the bargaining unit covered by this Plan, shall be eligible to retire on or after the effective date and shall upon his retirement (hereinafter “permanent incapacity retirement”) be eligible for a permanent incapacity benefit. A participant shall be considered to be permanently incapacitated (as “permanently incapacitated” is used herein) only:

(a) if he has been totally disabled by bodily injury or disease so as to be prevented thereby from engaging in any employment of the type covered by the Basic Agreement, and

(b) after such total disability shall have continued for a period of at least six consecutive months and, in the opinion of a qualified physician chosen by the Company (subject to Section 10), it will be permanent and continuous during the remainder of his life.

Incapacity contracted, suffered or incurred while the participant was engaged in, or resulting from his having engaged in, a criminal enterprise, or resulting from future service in the Uniformed Services of the United States and which prevents him from returning to employment with the Company and for which he receives a military disability compensation, irrespective of any act of omission or commission by him which may disqualify him from receiving such benefits, or resulting from his habitually excessive use of intoxicants, narcotics, or similar habit-forming drug, or from self-inflicted injury or self-induced sickness, shall not entitle a participant to a benefit under this paragraph 2.5. Such benefit shall be discontinued if such participant shall cease to be permanently incapacitated prior to age 65. The Company may verify the permanency of a participant's incapacity by medical examination prior to his attainment of age 65 at any reasonable time. Any persons who become employees of the Company after the effective date of the Plan who are partially disabled at the time of such employment may be required by the Company to waive their right to disability benefits provided in this paragraph in the case of any disability resulting from the particular disability or partial disability specified in the waiver.

2.6 Deferred Vested Pension. Any participant not eligible to receive a pension under any other provision of this Section 2 whose continuous service is broken on or after the effective date for any reason and who, at the time of such break in continuous service, shall have had at least 5 years of continuous service, shall be eligible for a pension (hereinafter "deferred vested pension"), subject to the provisions relating to application set forth in paragraph 3.6(c) and commencement of pension set forth in paragraph 3.7(d).

2.7 Special Limitation. Notwithstanding anything to the contrary contained in this Plan, no pension (including any special payments) shall be payable for any month with respect to which the participant claims and is eligible for sickness or accident benefits provided under a Company program or similar benefits provided under law.

2.8 Qualified Military Service.

(a) Notwithstanding any provision of this Plan to the contrary, effective on and after December 12, 1994, contributions, benefits and service credit with respect to Qualified Military Service will be provided in accordance with Code Section 414(u).

(b) Effective January 1, 2007, without limiting the foregoing provisions of this Section 2.8, in the case of any participant who dies while performing Qualified Military Service, the beneficiary of the participant under the Plan shall be entitled to such benefits (other than an accrual of benefits relating to the period of the participant's Qualified Military Service) under the Plan as would have been provided had the participant resumed employment and then promptly thereafter terminated employment on account of the participant's death.

SECTION 3

AMOUNT OF PENSION

3.1 Types of Pension Payments. On or after the effective date, the pension or permanent incapacity benefit granted pursuant to Section 2 which is provided in accordance with the provisions of this Section 3 shall consist of:

(a) A special initial pension payments (hereinafter “special payments”), except in the case of any participant who is not an employee (as defined in paragraph 1.1(k)) at the date of retirement or any participant eligible for a permanent incapacity benefit or a deferred vested pension (or as provided in paragraph 5.5), and

(b) a regular pension amount (hereinafter “regular pension”), payable in monthly installments except as otherwise provided in paragraph 3.11, provided in accordance with the provisions of this Section 3.

Notwithstanding subparagraph (a) above, special payments shall be made to a participant eligible to receive a permanent incapacity benefit provided the requirements of paragraph 3.2(c) are satisfied.

3.2 Special Payments.

(a) The total amount of any special payments for a participant shall be equal to 13 weeks of vacation pay less any vacation pay which the participant has received during the calendar year in which he retires. The vacation pay described in the preceding sentence shall be computed in the same manner as the regular vacation pay pursuant to the provisions of the Basic Agreement.

(b) The special payments shall be payable in three equal monthly installments commencing with the month in which retirement occurs.

(c) A participant who retires on a permanent incapacity benefit shall be eligible to receive installments of special payments (if greater than his regular pension) for the three months following his attainment of age 65. The amount of such special payments shall be determined in accordance with subparagraphs (a) and (b) above, and based on the Basic Agreement in effect at the time of the participant’s retirement.

(d) The participant must survive to the first day of any month to be entitled to receive that month’s I nstallment. Special payments shall not be taken into account in

determining the benefits payable to the participant's spouse or other beneficiary. Any special payments made shall be in lieu of the otherwise payable installments of regular pension.

3.3 Regular Pension.

(a) On or after the effective date, the regular pension shall be a monthly amount determined in accordance with (b), (c) and (d) below, adjusted in accordance with the provisions of paragraphs 3.4 and 3.5, if applicable.

(b) Subject to (c) below, the monthly amount used in the calculation of any regular pension shall be determined, in the case of any participant who retires or otherwise terminates employment as an employee described in paragraph 1.1(k) on or after September 29, 2007, with respect to months for which pension payments are made, an amount equal to the participant's continuous active service multiplied by \$40.00.

(c) For any participant who terminates employment, with eligibility only to receive a deferred vested pension at the time of his retirement under the Plan, the monthly amount of the regular pension shall be determined under the terms of the Plan as in effect on the date of the participant's termination of employment.

(d) (1) For a 60/15 retirement, the monthly amount determined in (b) above is applicable only if the regular pension commences after attainment of age 65 (hereinafter "deferred 60/15 pension"). A participant may in his application for a 60/15 pension elect an immediate pension, and in such case the monthly amount calculated under (b) above shall be reduced to its Actuarial Equivalent.

(2) (i) For a deferred vested pension the monthly amount determined in (c) above is applicable only if the participant's pension commences after he has attained age 65 and has completed 5 years of continuous service.

(ii) If the participant who is eligible to receive a deferred vested pension has completed 15 years of continuous service and pursuant to paragraph 3.7(d) makes application for commencement of pension payments after attainment of age 60 but prior to attainment of age 65, the monthly amount calculated under (c) above shall be reduced to its actuarial equivalent.

(iii) If the participant who is eligible to receive a deferred vested pension has completed 30 years of continuous service and pursuant to paragraph 3.7(d) makes application for commencement of pension payments after attainment of age 55 but prior to attainment of age 65, the monthly amount calculated under (c) above shall be reduced to its Actuarial Equivalent.

3.4 Increased Pension—Permanent Incapacity. In the determination of the amount of any regular pension for permanent incapacity benefit, the monthly amount determined in accordance with paragraph 3.3(b) shall be increased by an amount, if any, by which such amount calculated in accordance with 3.3(b) is less than \$400 until such participant dies or attains age 65.

3.5 Deduction for Disability Payments. Any amount paid to or on behalf of any participant on account of injury or occupational disease causing disability in the nature of a permanent, including permanent partial, disability for which the Company is liable, whether pursuant to Workers' Compensation or Occupational Disease Laws (except fixed statutory payments for the loss of, or 100% loss of use of, any bodily member) or arising otherwise from the statutory or common law and any such payments on account of employment by an employer other than the Company and any disability payment in the nature of a pension under any federal or state law, shall be deducted from or charged against the amount determined in accordance with paragraphs 3.3(b), (c) and (d) and paragraph 3.4.

3.6 Pension and Permanent Incapacity Benefit Application.

(a) Each application for a pension or a permanent incapacity benefit shall be in writing on a form provided by the Plan Administrator. The Plan Administrator may require any applicant for a pension or a permanent incapacity benefit to furnish to it such information as may reasonably be required.

(b) Except as provided in (c) below, a participant may make application for a pension or a permanent incapacity benefit at any time prior or subsequent to his retirement.

(c) A participant may make application for a deferred vested pension not earlier than 180 days prior to the first day of the month for which the first installment of pension is payable as provided in paragraph 3.7(d).

3.7 Commencement and Termination of Regular Pension/Permanent Incapacity Benefit.

(a) In the case of a participant who is eligible for any type of pension other than a permanent incapacity benefit, 60/15 pension or deferred vested pension, the first installment of any regular pension shall be payable for the first full calendar month following the three calendar months for which the special payments are made.

(b) In the case of a participant who is eligible for a permanent incapacity benefit, except as provided in paragraph 3.2(c), the first installment of any regular pension shall be payable for the first full calendar month of retirement.

(c) In the case of a participant who is eligible for a 60/15 pension, the first installment of regular pension shall be payable for the fourth calendar month following the

month in which the participant attains age 65 unless the participant elects earlier commencement in accordance with paragraph 3.3(d)(1), in which case the first installment of regular pension shall be payable for the first full calendar month following the three calendar months for which the special payments are made.

(d) In the case of a participant who is eligible for a deferred vested pension, the first installment of regular pension shall be payable for the calendar month next following the participant's 65th birthday unless the participant has completed 15 years of continuous service and properly elects earlier commencement in accordance with paragraph 3.3(d)(2), in which case the first installment of regular pension shall be payable for the later of (i) the calendar month specified by the participant in his application for pension, provided such month is subsequent to the month in which he attains (A) age 60, in the case of a participant who has less than 30 years of continuous service, or (B) age 55, in the case of a participant who has 30 or more years of continuous service, or (ii) the calendar month in which application for pension is made.

(e) Each participant who files a proper application for a pension in accordance with paragraph 3.6 shall be entitled to have his benefit payments commence no later than the 60th day after the close of the Plan Year in which the later of the following events occurs:

(1) the date on which the participant attains normal retirement age (as defined in paragraph 2.1, or

(2) the date on which the participant's employment with the Company and any Affiliate is terminated.

(f) In all events, distributions shall commence by the Required Beginning Date, in accordance with paragraph 3.13. The last installment of any regular pension or permanent incapacity benefit shall be payable for the month in which the death of the participant shall occur; provided, however, that in the case of a permanent incapacity benefit, the last installment shall be payable for the earlier of the first month in which the participant recovers from permanent incapacity or the month in which he attains age 65 or dies.

(g) If the amount of payments required to commence on the date determined under this paragraph 3.7 cannot be ascertained or the person entitled thereto cannot be located by such date, a payment retroactive to such date may be made no later than 60 days after the earliest date on which the amount of such payments can be ascertained or such person located.

(h) A participant may elect an Annuity Starting Date that precedes the date he receives the Notice described in Section 3.9(a)(4) provided that the following conditions are satisfied:

(1) The retroactive Annuity Starting Date is the participant's normal retirement date;

(2) The participant's benefit must satisfy the provisions of Sections 415 and 417(e)(3) of the Code, both at the retroactive Annuity Starting Date and at the actual commencement date;

(3) A payment equal in amount to the payments that would have been received by the participant had his benefit actually commenced on his retroactive Annuity Starting Date, plus interest, shall be paid to the Participant on his actual commencement date; and

(4) The participant obtains spousal consent to the retroactive Annuity Starting Date unless:

(i) The amount of the survivor annuity payable to the spouse determined as of the retroactive Annuity Starting Date under the form elected by the participant is no less than the amount the spouse would have received under the Automatic 50% Spouse Option if the date payments commence were substituted for the retroactive Annuity Starting Date; or

(ii) The participant's spouse on his retroactive Annuity Starting Date is not his spouse on his actual commencement date unless a qualified domestic relations order provides otherwise.

3.8 Pre-Pension Spouse Coverage.

(a) Eligibility. Pre-Pension Spouse Coverage is automatically applicable to any participant, as described below, who was married at the time of his death:

(1) Any participant who is accruing continuous service and who has completed at least 5 years of continuous service.

(2) Any participant who incurs a break in continuous service on or after the August 23, 1984, and (i) after age 60 with eligibility for a 60/15 or deferred vested pension and who does not elect immediate commencement of pension, or (ii) prior to age 60 with eligibility only for a deferred vested pension.

(3) Any participant who has not attained age 65 and who is receiving a permanent incapacity benefit.

(4) Any participant who was accruing continuous service after October 1, 1976, and incurs a break in continuous service before August 23, 1984, with eligibility for a 60/15 or deferred vested pension shall have the provisions of this paragraph 3.8 apply to him prior to the earlier of the first day of the month for which the first installment of regular pension is paid, or the date of the participant's death.

Pre-Pension Spouse Coverage is designed to provide a lifetime monthly payment for the participant's spouse commencing at the time prescribed below following the participant's death.

(b) Commencement and Termination of Pre-Pension Spouse Coverage. The surviving spouse, as defined in 3.9(a)(1) below, of a participant described in (a) above who dies while Pre-Pension Spouse Coverage is in effect will be eligible for a monthly payment (hereinafter Pre-Pension Spouse Benefit) commencing as of:

(1) the month following the month in which the participant's death occurs, in the case of a participant who dies while accruing continuous service and after the participant has attained: (i) 60 years of age, or (ii) 55 years of age and has completed 30 years of continuous service;

(2) the month following the month in which the participant's 55th birthday would have occurred, in the case of a participant who dies after he has completed 30 years of continuous service but before he has attained age 55; or

(3) the later of (i) the month following the month in which the participant's 60th birthday would have occurred, or (ii) the month following the month in which the participant's death occurs, in the case of a participant not covered under paragraph (b)(1) or (2) above.

The last installment of the Pre-Pension Spouse Benefit shall be payable for the month in which the surviving spouse's death shall occur.

(c) Amount of Pre-Pension Spouse Benefit. The amount of the Pre-Pension Spouse Benefit shall be determined as follows:

(1) In the case of a participant who dies while accruing continuous service and while coverage is in effect, the Pre-Pension Spouse Benefit shall be equal to 50% of:

(i) the amount determined in accordance with paragraphs 3.3(b), (c) and (d) determined as if the participant had separated from service on the date of his death and survived until the earliest age at which he could have elected to receive a pension in accordance with paragraph 3.7, and assuming he did so elect, with such result multiplied by

(ii) the applicable Actuarial Equivalent factor based on the difference between the ages of the participant and his spouse as of the date of the participant's death.

(2) In the case of a participant (including a participant who has retired on a permanent incapacity benefit) who dies after termination of employment with the Company and while coverage is in effect, the Pre-Pension Spouse Benefit shall be equal to 50% of:

(i) the amount determined in accordance with paragraphs 3.3(b), (c) and (d) determined as if the participant had survived until the earliest age at which he could have elected to receive a pension under paragraph 3.7, and assuming he did so elect, with such result multiplied by

(ii) the applicable Actuarial Equivalent factor based on the difference between the ages of the participant and his spouse as of the date of the participant's death.

3.9 Automatic 50% Spouse Option.

(a) (1) With the exception provided in (j) below, for a participant retiring on a permanent incapacity benefit, the provisions of this paragraph shall apply, unless a participant who has a spouse at the time regular pension payments commence revokes the Automatic 50% Spouse Option with the consent of the spouse and such revocation is made within the period established by subparagraph (a)(3) below. Any participant to whom this paragraph applies who has not revoked the Automatic 50% Spouse Option will receive his otherwise payable pension in the form of the Automatic 50% Spouse Option, including the applicable reduction in monthly payments attributable to the coverage described in subparagraph (2) below. Under the Automatic 50% Spouse Option, the participant shall receive a "net reduced pension" during his lifetime, and after the death of the participant, his spouse shall receive a lifetime monthly payment equal to one-half of his "reduced pension." As used in this paragraph 3.9, the term "spouse" shall be construed to include a participant's spouse only if the participant and spouse were married to each other on the date pension payments commence.

(2) For the purpose of this paragraph 3.9, "reduced pension" means an amount equal to the product of:

(i) the amount determined in accordance with paragraphs 3.3(b), (c) and (d), multiplied by

(ii) the applicable Actuarial Equivalent factor based on the ages of the participant and his spouse at the date pension payments commence;

and "net reduced pension" means the reduced pension increased in accordance with the provisions of paragraph 3.4, if applicable, and decreased in accordance with the provisions of paragraph 3.5, if applicable.

(3) A participant may revoke the Automatic 50% Spouse Option with the consent of his spouse by written notice duly filed with the Plan Administrator at any time within the 180-day period prior to the first day of the month for which the first installment of the regular pension is paid. Such election to revoke the Automatic 50% Spouse Option may be made at any time after the explanation in subparagraph 3.9(a)(4) has been provided. A participant who has revoked the Automatic 50% Spouse Option pursuant to paragraphs 3.9(a)(3) and 3.9(c) shall be entitled to:

(i) receive the regular pension otherwise payable under the Plan as a single life annuity during his lifetime with no benefit payable after his death, or

(ii) elect a Co-Pensioner Option payment form in accordance with the provisions set forth in paragraph 3.10.

(4) No less than 30 days and no more than 180 days prior to the Annuity Starting Date, the Plan Administrator shall furnish each participant to whom this paragraph applies with a general explanation, in a manner that would satisfy the notice requirements of Sections 1.411(a)–11(c) and 1.417(e)–1(b) of the income tax regulations, of the terms and conditions of an Automatic 50% Spouse Option, the participant's right to make and the effect of an election to waive the Automatic 50% Spouse Option, the rights of the participant's spouse, the participant's right to cancel a revocation of the Automatic 50% Spouse Option and the effect of such cancellation, and the relative values of the various optional forms of benefit under the Plan. Notwithstanding the foregoing, the Annuity Starting Date for a distribution in a form other than the Automatic 50% Spouse Option may be less than 30 days after receipt of the general explanation provided:

(i) the Plan Administrator clearly informs the participant that the participant has a right to a period of at least 30 days after receiving the general explanation to consider the decision of whether to revoke the Automatic 50% Spouse Option and elect (with spousal consent) to another form of distribution; and

(ii) the participant may cancel a revocation of the Automatic 50% Spouse Option until the later of: (A) his Annuity Starting Date, or (B) if later, at any time prior to the seventh day following the date the general explanation is provided to the participant, and

(iii) the participant's Annuity Starting Date is after the date the general explanation is given to the participant.

(iv) A participant may elect an Annuity Starting Date that is up to 60 days before the date on which the general explanation is given to the participant if: (A) the first installment of his pension begins more than seven days after the date on which the general explanation is provided to the participant, and (B) the Plan makes retroactive payments to make-up for any payments that would have been made since the Annuity Starting Date.

(5) A participant may cancel a revocation of the Automatic 50% Spouse Option by written notice duly filed with the Plan Administrator at any time during the period in which he may revoke such Option.

(b) In the case of a participant who has not revoked the Automatic 50% Spouse Option, the first installment of net reduced pension shall be payable for the month in which he is first entitled under paragraph 3.7 to receive a regular pension. The last installment of such net reduced pension shall be payable for the month in which the participant's death shall occur; provided, however, that any monthly installments payable to such participant and remaining unpaid at the time of his death will be paid to his spouse, if then surviving. The first monthly payment to the participant's spouse shall be payable for the month following the month in which the participant's death shall occur, but not for any month prior to the month for which the participant would have first been entitled to receive a net reduced pension, and the last monthly payment to such spouse shall be payable for the month in which such spouse shall die.

(c) Any revocation of the Automatic 50% Spouse Option shall be executed on the form prescribed for this purpose by the Plan Administrator and shall be deemed to be duly filed when it shall have been received by the Plan Administrator. Such revocation shall be consented to by the participant's spouse unless, at the time of filing such election, the participant established to the satisfaction of the Plan Administrator that the consent of the spouse could not be obtained because there is no spouse, such spouse could not be located or by reason of such other circumstances as may be prescribed by regulations. Any consent (or establishment that the consent could not be obtained) shall be effective only with respect to such spouse. Such consent shall be in writing, witnessed by an employee of the Personnel Department of the Company or notary public, acknowledging the effect of the revocation and any non-spouse beneficiary, including any class of beneficiaries or any contingent beneficiary, designated under the form of benefit elected and shall be irrevocable with respect to such form and beneficiary designation. The revocation form must be filed with an employee of the Personnel Department of the Company. The revocation form will be effective the date the form is filed with the Plan Administrator.

(d) Satisfactory proof of marriage of the participant and his spouse on the date pension payments commence and of the age of the participant's spouse will be required prior to the payment of monthly installments under this coverage.

(e) If any participant shall die prior to commencement of pension payments, the participant's spouse shall not be entitled to any payments pursuant to this paragraph 3.9, but may be entitled to benefits under paragraph 3.8. If any participant dies while receiving benefits in the form of the Automatic 50% Spouse Option, the spouse to whom the participant was married as described in (a)(1) above shall, except as may be otherwise provided in any qualified domestic relations order, be entitled to receive the Automatic 50% Spouse Option benefit whether or not the participant and such spouse are married on the date of the participant's death.

(f) If any participant shall not have revoked the Automatic 50% Spouse Option within the period established by (a)(3) above and his spouse shall die after the

end of such period, but prior to the death of such participant, such participant shall continue to receive net reduced pension installments.

(g) If any participant shall not have revoked the Automatic 50% Spouse Option and his spouse shall die within the period established by (a)(3) above, the participant shall be treated the same as if he had revoked such option.

(h) Notwithstanding anything to the contrary contained in this paragraph 3.9, if, after the retirement of a participant who shall not have revoked the Automatic 50% Spouse Option, the amount of regular pension which would have been payable to him under this Plan had he revoked such option is subject to any further deduction, change, offset or correction, then the amount payable under such option to such participant and/or his spouse shall be adjusted to reflect any such further deduction, change, offset or correction.

(i) For the purpose of this paragraph 3.9, in the case of a participant who retires on other than a deferred vested pension or a deferred 60/15 pension, pension payments shall be deemed to commence as of the date of retirement and, in the case of a participant who retires on a deferred vested pension or a deferred 60/15 pension, pension payments shall be deemed to commence as of the first of the month for which a regular pension is first payable under the provisions of paragraph 3.7.

(j) A participant retiring on a permanent incapacity benefit shall receive his permanent incapacity benefit in the monthly amount as determined pursuant to paragraph 3.3 until he attains age 65. The permanent incapacity benefit shall then be converted to a regular pension. If he is married to his surviving spouse (as described in (a)(1) above) at age 65, the regular pension shall be subject to all of the provisions of this paragraph 3.9. If such participant shall die prior to such time, the participant's spouse shall not be entitled to any benefits pursuant to this paragraph 3.9, but may be entitled to benefits pursuant to paragraph 3.8.

3.10 Co-Pensioner Options.

(a) Any participant other than a participant receiving permanent incapacity benefit payments may, under the conditions set forth in (c) below, by written notice duly filed with the Plan Administrator in lieu of the Automatic 50% Spouse Option,

(1) elect to convert the regular pension otherwise payable to him under the Plan upon retirement into a "net reduced pension," in accordance with the 100% Co-Pensioner Option, the 75% Co-Pensioner Option or the 50% Co-Pensioner Option described below; or

(2) revoke any such election previously made, in which event he shall be treated as if he had not made such election; or

(3) change any such election from one to the other of such options and/or change the person previously named as his co-pensioner.

100% CO-PENSIONER OPTION - A “net reduced pension” payable to the participant during his life, with the provision that after his death an amount equal to the “reduced pension” shall be paid to such person, to be known as his “co-pensioner,” as he shall have nominated by written designation duly filed with the Plan Administrator.

75% CO-PENSIONER OPTION – Effective October 1, 2008, A “net reduced pension” payable to the participant during his life, with the provision that after his death an amount equal to three-fourths of the “reduced pension” shall be paid to such person, to be known as his “co-pensioner,” as he shall have nominated by written designation duly filed with the Plan Administrator.

50% CO-PENSIONER OPTION - A “net reduced pension” payable to the participant during his life, with the provision that after his death an amount equal to one-half of the “reduced pension” shall be paid to such person, to be known as his “co-pensioner,” as he shall have nominated by written designation duly filed with the Plan Administrator.

(b) For the purpose of this paragraph 3.10, “reduced pension” means an amount equal to the product of:

(1) the amount determined in accordance with paragraphs 3.3(b), (c) and (d) multiplied by

(2) the applicable Actuarial Equivalent factor based on the ages of the participant and his co-pensioner on the date retirement benefits begin;

and “net reduced pension” means the reduced pension decreased in accordance with the provisions of paragraph 3.5, if applicable.

(c) Any participant may in accordance with the provisions of (a) above elect an option, revoke an option election or change an option election and/or co-pensioner at any time prior to his Annuity Starting Date; provided, however, that with respect to a participant who has a spouse at the time pension payments commence, the election of any of the Co-Pensioner Options shall be null and void unless the participant revokes the Automatic 50% Spouse Option and the participant’s spouse has consented to the option elected as provided under paragraph 3.9.

(d) Any participant who had elected any form of Co-Pensioner Option or similar benefit under the Prior Plan will be deemed to have such election continued under this Plan;

provided, however, that any such election shall be null and void if the participant does not revoke the Automatic 50% Spouse Option and the participant's spouse does not consent to such revocation as provided under paragraph 3.9. In addition to the foregoing, a participant may, within the period established under paragraph 3.9(a)(3), revoke an option election in connection with his cancellation of an Automatic 50% Spouse Option revocation pursuant to Section 3.9(a)(5).

(e) In the case of a participant who shall have elected one of the options specified, the first installment of net reduced pension shall be payable for the month for which he is first entitled under paragraph 3.7 to receive a regular pension and the last installment of such net reduced pension to the participant shall be payable for the month in which his death shall occur; provided, however, that any monthly installments payable to such participant and remaining unpaid at the time of his death may be paid to his co-pensioner, if then surviving. The first monthly payment to his co-pensioner shall be payable for the month following the month in which such participant's death shall occur, but not for any month prior to the month for which the participant would have first been entitled to receive a net reduced pension, and the last monthly payment that shall be payable to such co-pensioner shall be payable for the month in which such co-pensioner shall die.

(f) Any election or revocation of an option, or change of an option election and/or co-pensioner pursuant to this paragraph 3.10 shall be executed on a form prescribed for the purpose by the Plan Administrator and shall be deemed to be duly filed when it shall have been received by the Plan Administrator.

(g) Satisfactory proof of age of the named co-pensioner shall be required prior to the payment of pension installments under an elected option. Except as otherwise provided in paragraph 3.9(d), no consent shall be required of the person designated as co-pensioner in any election under any Co-Pensioner Option in order to revoke such election or to change the co-pensioner and/or the option elected.

(h) If any participant shall have elected an option under this paragraph 3.10 and shall die prior to commencement of pension payments, such election shall cease to be of any effect, and the co-pensioner shall not be entitled to any payments by reason of the election of such option.

(i) If any participant shall have elected an option under this paragraph 3.10 and his co-pensioner shall die after such participant shall have commenced receiving pension payments, but prior to the death of such participant, such participant shall continue to receive net reduced pension installments in accordance with such option.

(j) If any participant shall have elected an option under this paragraph 3.10 and his co-pensioner shall die before such participant shall have commenced receiving pension payments, then the participant shall be treated the same as if he had not made such election.

(k) Notwithstanding anything to the contrary contained in this paragraph 3.10, if, after the retirement of a participant who shall have elected any of the Co-Pensioner Options, the amount of regular pension which would have been payable to him under the Plan had he not elected

an option is subject to any further deduction, change, offset or correction, then the amount payable under an elected option to such participant and/or his co-pensioner shall be adjusted to reflect any such further deduction, change, offset or correction.

(l) For the purpose of this paragraph 3.10, in the case of a participant who retires on other than a deferred vested pension or a deferred 60/15 pension, pension payments shall be deemed to commence as of the date of retirement and, in the case of a participant who retires on a deferred vested pension or a deferred 60/15 pension, pension payments shall be deemed to commence as of the first of the month for which a regular pension is first payable under the provisions of paragraph 3.7.

3.11 Lump Sum Payment.

(a) The Company shall make a lump sum payment in lieu of regular monthly payments, which shall be the Actuarial Equivalent of the regular pension otherwise payable based on the tables and interest rate indicated in paragraph 1.1(b), if the Actuarial Equivalent is not more than \$1,000. The \$1,000 Actuarial Equivalent lump sum value shall apply at the time a distribution is made, regardless of whether the Actuarial Equivalent of a participant's regular monthly payments exceeded \$1,000 at the time of any prior distribution. For purposes of this Section 3.11, if the present value of the participant's vested Accrued Benefit is 0%, the participant shall be deemed to have received a single sum distribution of his vested Accrued Benefit upon his termination of employment. No lump sum payment shall be made after the first day of the month for which the first installment of regular pension is paid pursuant to paragraph 3.7 unless the participant and his spouse, if any, consent in writing to such distribution. In no event shall such lump sum payment be made prior to the date on which the participant would first be entitled under paragraph 3.7 to receive a regular pension.

(b) If the Actuarial Equivalent of the participant's vested Accrued Benefit at the time of distribution does not exceed \$5,000, the participant may only receive a single sum distribution of his vested Accrued Benefit.

3.12 Direct Rollovers.

(a) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this paragraph 3.12, a distributee may elect, at the time and in the manner prescribed by the Committee, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

(b) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include (i) any distribution that is one of a series of

substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more, (ii) any distribution to the extent such distribution is required under Code Section 401(a)(9), (iii) the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities), (iv) any distribution which is made upon the hardship of the participant, and (v) any other distribution(s) that is reasonably expected to total less than \$200 during a year. A portion of a distribution will not fail to be an eligible rollover distribution merely because it consists of after-tax contributions. However, for distributions on or after January 1, 2007, such portion may be transferred only to a qualified plan, an individual retirement account or annuity, an annuity contract described in Code Section 403(b) or, for distributions on or after January 1, 2008, a Roth IRA described in Code Section 408A, that agrees to separately account for the amounts so transferred (including interest thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of such distribution which is not so includible.

(c) Eligible retirement plan: An eligible retirement plan is (i) an individual retirement account described in Code Section 408(a), (ii) an individual retirement annuity described in Code Section 408(b), (iii) for distributions on or after January 1, 2008, a Roth IRA described in Code Section 408A, (iv) an annuity plan described in Code Section 403(a), (v) an annuity contract described in Code Section 403(b), (vi) an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state that agrees to separately account for amounts transferred into such plan from this Plan, or (vii) a qualified trust described in Code Section 401(a), that accepts the distributee's eligible rollover distribution. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relation order, as defined in Section 414(p) of the Code. However, in the case of a distribution to a nonspouse beneficiary, an eligible retirement plan shall mean an inherited individual retirement account or an inherited individual retirement annuity. A direct rollover distribution of any Roth contributions will only be made to another Roth elective deferral account under an applicable retirement plan described in Code Section 402A(e)(1) or to a Roth IRA described in Code Section 408A, and only to the extent the rollover is permitted in accordance with applicable Treasury Regulations.

(d) Distributee: A distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code Section 414(p), are distributees with regard to the interest of the spouse or former spouse. A distributee also includes an individual who is a designated beneficiary (within the meaning of Code Section 401(a)(9)(E)) and who is not the surviving spouse of the participant.

(e) Direct rollover: A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

3.13 Minimum Distribution.

(a) General Rules.

(i) Effective date. The provisions of this paragraph 3.13 shall apply for purposes of determining required minimum distributions for calendar years beginning on or after January 1, 2003.

(ii) Precedence. The requirements of this paragraph 3.13 will take precedence over any inconsistent provisions of the Plan.

(iii) Requirements of Treasury Regulations Incorporated. All distributions required under this paragraph 3.13 will be determined and made in accordance with the Treasury Regulations under Code Section 401(a)(9).

(b) Time and Manner of Distribution.

(i) Required Beginning Date. The participant's entire interest will be distributed, or begin to be distributed, to the participant no later than the participant's Required Beginning Date.

(ii) Death of Participant Before Distributions Begin. If the participant dies before distributions begin, the participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(A) If the participant's surviving spouse is the participant's sole designated beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the participant died, or by December 31 of the calendar year in which the participant would have attained age 70 1/2, if later.

(B) If the participant's surviving spouse is not the participant's sole designated beneficiary, then distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the participant died.

(C) If there is no designated beneficiary as of September 30 of the year following the year of the participant's death, the participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the participant's death.

(D) If the participant's surviving spouse is the participant's sole designated beneficiary and the surviving spouse dies after the participant but before distributions to the surviving spouse begin, this paragraph 3.13(b)(ii), other than paragraph 3.13(b)(ii)(B), will apply as if the surviving spouse were the participant.

For purposes of this paragraph 3.13(b)(ii) and paragraph 3.13(e), distributions are considered to begin on the participant's Required Beginning Date (or, if subparagraph 3.13(b)(ii)(D) applies, the date distributions are required to begin to the surviving spouse under subparagraph 3.13(b)(ii)(A)). If annuity payments irrevocably commence to the participant before the participant's Required Beginning Date (or to the participant's surviving spouse before the date distributions are required to begin to the surviving spouse under subparagraph 3.13(b)(ii)(A)), the date distributions are considered to begin is the date distributions actually commence.

(iii) Form of Distribution. Unless the participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first distribution calendar year distributions will be made in accordance with subparagraphs (c), (d) and (e). If the participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code Section 401(a)(9) and the Treasury Regulations. Any part of the participant's interest which is in the form of an individual account described in Code Section 414(k) will be distributed in a manner satisfying the requirements of Code Section 401(a)(9) and the Treasury Regulations that apply to individual accounts.

(c) Determination of Amount to be Distributed Each Year.

(i) General Annuity Requirements. If the participant's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements:

(A) the annuity distributions will be paid in periodic payments made at intervals not longer than one year;

(B) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in subparagraph 3.13(d) or (e);

(C) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;

(D) payments will either be non-increasing or increase only as follows:

(I) by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;

(II) to the extent of the reduction in the amount of the participant's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in subparagraph 3.13(d) dies or is no longer the participant's beneficiary pursuant to a qualified domestic relations order within the meaning of Code Section 414(p);

(III) to provide cash refunds of employee contributions upon the participant's death; or

(IV) to pay increased benefits that result from a Plan amendment.

(ii) Amount Required to be Distributed by Required Beginning Date.

The amount that must be distributed on or before the participant's Required Beginning Date (or, if the participant dies before distributions begin, the date distributions are required to begin under subparagraph 3.13(b)(ii)(A) or 3.13(b)(ii)(B)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the participant's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the participant's Required Beginning Date.

(iii) Additional Accruals After First Distribution Calendar Year. Any

additional benefits accruing to the participant in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

(d) Requirements For Annuity Distributions That Commence During Participant's Lifetime.

(i) Joint Life Annuities Where the Beneficiary Is Not the Participant's Spouse. If the participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the participant and a non-spouse beneficiary, annuity payments to be made on or after the participant's Required Beginning Date to the designated beneficiary after the participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the participant using the table set forth in Q&A-2 of Section 1.401(a)(9)-6T of the Treasury Regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the participant and a non-spouse beneficiary and a period certain and life annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.

(ii) Period Certain and Life Annuities. Unless the participant's spouse is the sole designated beneficiary and the form of distribution is a period certain and not a period certain and life annuity, the period certain for an annuity distribution commencing during the participant's lifetime may not exceed the applicable distribution period for the participant under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the participant reaches age 70, the applicable distribution period for the participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations plus the excess of 70 over the age of the participant as of the participant's birthday in the year that contains the annuity starting date. If the participant's spouse is the participant's sole designated beneficiary and the form of distribution is a period certain and not a period certain and life annuity, the period certain may not exceed the longer of the participant's applicable distribution period, as determined under this paragraph 3.13(d)(ii), or the joint life and last survivor expectancy of the participant and the participant's spouse as determined under the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the participant's and spouse's attained ages as of the participant's and spouse's birthdays in the calendar year that contains the annuity starting date.

(e) Requirements For Minimum Distributions Where Participant Dies Before Date Distributions Begin.

(i) Participant Survived by Designated Beneficiary. If the participant dies before the date distribution of his or her interest begins and there is a designated beneficiary, the participant's entire interest will be distributed, beginning no later than the time described in paragraph 3.13(b)(ii)(A) or 3.13(b)(ii)(B), over the life of the designated beneficiary or over a period certain not exceeding:

(1) unless the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary

determined using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the participant's death; or

(2) if the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year that contains the annuity starting date.

(ii) No Designated Beneficiary. If the participant dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the participant's death, distribution of the participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the participant's death.

(iii) Death of Surviving Spouse Before Distributions to Surviving Spouse Begin. If the participant dies before the date distribution of his or her interest begins, the participant's surviving spouse is the participant's sole designated beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, then this paragraph 3.13(e) will apply as if the surviving spouse were the participant, except that the time by which distributions must begin will be determined without regard to paragraph 3.13(b)(ii)(A).

(f) Definitions.

(i) Designated Beneficiary. The individual who is designated as the beneficiary under the Plan and who is the designated beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-1, Q&A-4, of the Treasury Regulations.

(ii) Distribution Calendar Year. A calendar year for which a minimum distribution is required. For distributions beginning before the participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the participant's Required Beginning Date. For distributions beginning after the participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to paragraph 3.13(c).

(iii) Life Expectancy. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury Regulations.

(iv) Required Beginning Date. The date specified in Section 1.1(q) of the Plan.

SECTION 4

DETERMINATION OF CONTINUOUS SERVICE

4.1 Continuous Service Defined. The term “continuous service” as used in paragraphs 4.1 through 4.4, unless otherwise indicated, means service with the Company as an employee described in paragraph 1.1(k) prior to retirement calculated from the employee’s last hiring date (this means in the case of a break in continuous service, continuous service shall be calculated from the date of reemployment following the last unremoved break in continuous service) in accordance with the following paragraphs. Subject to the following paragraphs, there shall be no deduction for any time lost which does not constitute a break in continuous service, except that in determining length of continuous service for pension purposes the period between a break in continuous service and the date of reemployment which results in the removal of a break in accordance with paragraph 4.4(b) below shall not be creditable as continuous service.

4.2 Leaves of Absence. Continuous service shall accumulate during an employee’s absence under the following conditions:

(a) During any layoff period, continuous service shall be accumulated for the length of the employee’s continuous service at the time such layoff begins to a maximum of **two (2)** years.

(b) During any employee’s absence due to his own illness or disability, continuous service for the purpose of this Plan shall be accumulated for the length of the employee’s continuous service at the time such absence began to a maximum of **two (2)** years.

(c) During absence on the account of disability as the result of injuries entitling the employee to compensation under the Indiana Workers’ Compensation Act.

(d) During the first ninety (90) days of continuous absence on voluntary and approved leave of absence.

(e) During the period of a leave of absence granted officers or members of Local Union No. 1999 who are given full-time employment by such Local Union or the Union provided that, with respect to any such leave beginning on or after the Effective Date, no more than **two (2)** years of continuous service shall accumulate. During the remainder of such leave of absence, such officers or members of such Local shall retain but not accumulate continuous service (that is, shall not incur a break in continuous service). An employee who has been on leave and returns to active employment status must remain on active employment status for a six (6) consecutive month period before being eligible to accumulate an additional **two (2)** years of continuous service.

(f) Continuous service shall not accumulate while an employee is absent in excess of the limitations set forth in this paragraph 4.2. In the event an employee is transferred on or after October 1, 1976 to a job with the Company outside of the bargaining unit and thereafter is returned to the bargaining unit, his continuous service upon reentering the bargaining unit shall be established by crediting him with the amount of continuous service he had upon leaving the bargaining unit plus continuous service credit, up to a maximum of one year, for such employment outside the bargaining unit. In the event an employee is transferred in lieu of layoff to a job with the Company outside of the bargaining unit, his continuous service shall be governed by the provisions of subparagraph (a).

(g) Employees who, in conformance with applicable laws, enter the service of the Uniformed Services of the United States and, who, upon completion of such service have reemployment rights under the law and who comply with the requirements of the law and are reemployed, shall be given continuous service credit for such period of absence. Notwithstanding any provision of this Plan to the contrary, effective on and after December 12, 1994, contributions, benefits and service credit with respect to Qualified Military Service will be provided in accordance with Code Section 414(u).

4.3 Breaks in Continuous Service. In the case of employees credited with seniority, as defined in Article V of the Basic Agreement, continuous service for pension purposes only shall be broken if the employee:

- (a) retires;
- (b) quits;
- (c) is discharged for just cause; provided that if the employee is rehired within 6 months, the break in continuous service shall be removed;
- (d) is absent without leave for three consecutive working days without notifying the Company, unless he presents satisfactory excuse for failure to notify the Company;
- (e) is absent without leave for four consecutive working days without a satisfactory excuse; (The Company will not terminate an employee for unexcused absence in violation of this subparagraph (e) without first notifying him in person or by Certified Mail sent to his last address appearing upon the Company's records of the Company's intention and stating a period within which he may appear at the Company's Employment Office on scheduled work days between the hours of 8:00 a.m. and 12:00 p.m. or 1:00 p.m. and 4:00 p.m. and present any claim of satisfactory excuse for such four working days' absence. Such period for appearing shall be forty-eight hours in the case of notice in person and in the case of notice by Certified Mail shall be by 4:00 p.m. on the third working day following the day upon which the letter was mailed.)

(f) fails to report for work following layoff by the Company, termination of sick leave status, or other leave of absence within five consecutive working days after he had been notified by Certified Mail sent to his last address appearing upon the Company's records, unless he has reasons for failing to do so which are satisfactory to the Company;

(g) is continuously laid off for more than the length of his continuous active service at the time such layoff began or sixty months, whichever is less; provided, however, that the following officers of Local No. 1999 shall retain continuous active service during their terms of office while on continuous layoff for a period of sixty months: President, Vice President, Recording Secretary, Financial Secretary, Treasurer, and Chairman of the Grievance Committee; or

(h) is continuously absent on account of illness or disability for more than the length of his continuous active service at the time such absence began or four (4) years, whichever is less.

Solely for purposes of determining whether a break in continuous service has occurred and not for the purpose of crediting continuous service, absence of the employee during the period between the first anniversary of the commencement of the absence and the second anniversary of such absence due to the pregnancy of the employee, the birth of the child of the employee, the placement of a child with the employee in connection with the adoption of such child by the employee, or caring for such child for a period beginning immediately following such birth or placement shall be disregarded; provided, however, that the employee would otherwise normally be accruing continuous service but for such absence; provided, further, that the employee has promptly furnished to the Company such information as the Company requires to establish that such absence is for a purpose specified above and the number of days for which there is such an absence.

4.4 Removal of Breaks in Continuous Service.

(a) An employee who has been receiving a disability income pursuant to permanent incapacity retirement and who, upon recovery from such incapacity, and upon discontinuance of such disability income, is immediately thereafter reemployed shall be credited with his continuous service as at the date of his prior award of disability income for the purposes of calculating any subsequent pension benefits to which he may become entitled.

(b) An employee who, on or after the effective date, incurs a break in continuous service prior to becoming eligible for an immediate or deferred vested pension and who is reemployed by the Company or an Affiliate shall, upon completion of one year of continuous service following such reemployment, have such break in continuous service removed if the greater of 5 years or the period of continuous service accrued prior to the break, is in excess of the period between the break and the date of reemployment. Provided, however, that for the purpose of this paragraph 4.4, the term "continuous service" means the aggregate of the continuous service credited to the

participant pursuant to paragraph 4.1 and the continuous service credited to the participant pursuant to paragraph 4.5; provided, further, that any portion of such continuous service which is credited pursuant to paragraph 4.5 shall not be recognized under the provisions of Section 3 in determining the amount of pension.

(c) Notwithstanding (b) above, an employee who on or after the effective date incurs a break in continuous service by reason of quit or discharge prior to becoming eligible for an immediate or deferred vested pension and who is reemployed by the Company or an Affiliate within one year of such quit or discharge shall be deemed to have had such break in continuous service removed solely for the purpose of determining eligibility for pension pursuant to paragraph 2.1 or an unreduced pension commencing at age 65 pursuant to paragraph 2.6.

(d) Notwithstanding any other provision of the Plan, no participant shall be credited under the Plan with any period of employment with the Company for the purpose of determining the amount of his pension or disability benefit if such credit would result in a duplication of benefits provided under any other retirement plan maintained by the Company or an Affiliate.

(e) Notwithstanding any other provision of this Plan, effective on and after December 12, 1994, benefits and service credit with respect to Qualified Military Service will be provided in accordance with Code Section 414(u). An employee who enters the service of the Uniformed Services of the United States, is reemployed upon completion of such service, and satisfies the retention of reemployment rights specified in Chapter 43 of Title 38 of the United States Code, shall be given continuous service credit for such period of absence.

4.5 Non-Bargaining Unit Service. In addition to the foregoing provisions of this Section 4, continuous service shall be credited to the extent and for the limited purposes described below.

(a) The determination of an individual's continuous service for the purposes of eligibility to participate in the Plan and eligibility to receive a pension pursuant to Section 2, but not for the purpose of calculating the amount of pension pursuant to Section 3, shall also be governed by the following provisions.

(1) Subject to (3) and (4) below, continuous service shall be credited, for the purposes described in the preceding sentence, for all periods of employment with the Company and with any Affiliate to the extent not otherwise credited in the foregoing paragraphs of this Section 4. Any such period of employment prior to October 1, 1976 shall be deemed to have terminated in accordance with the provisions relating to credited service of any Qualified Plan which recognized such service for the purpose of determining the amount of a retirement benefit, or if no Qualified Plan recognized such service, then in accordance with the employment policy of

the Company or Affiliate applicable to such individual. Any such period of employment on or after October 1, 1976 shall be deemed to have terminated as of the earlier of: (i) the date with respect to such period of employment on which the individual quit, died, retired, or was discharged, or (ii) the later of (A) the first anniversary of the first date with respect to such period in which the individual remained absent from service with the Company and any Affiliate for any reason other than quit, death, retirement, or discharge or (B) the latest date as of which such individual was credited with service for the purpose of eligibility to receive a retirement benefit under any other Qualified Plan which recognized such employment with the Company or an Affiliate.

(2) Subject to (3) and (4) below, to the extent not credited in the foregoing paragraphs of this Section 4, there shall also be credited for the purposes described in subparagraph (a) any period during which an individual was absent from employment with the Company and any Affiliate commencing on or after October 1, 1976 in any case where the period of such absence, measured from the first date as of which such individual performs no duties for the Company and any Affiliate to the first date on which he is reemployed and performs duties for the Company or an Affiliate, does not exceed one year.

(3) In the case of any individual who incurs a One-Year Break in Service (as defined below) before becoming eligible to receive a pension pursuant to paragraph 2.1 or vested pension pursuant to paragraph 2.6 of the Plan, such individual's continuous service for the purposes of this paragraph shall be disregarded in accordance with the following:

(i) Any period of continuous service prior to such One-Year Break in Service shall be disregarded if the individual who would have received such credit fails to complete one year of continuous service under this Section 4 after such One-Year Break in Service.

(ii) Continuous service before such One-Year Break in Service shall be disregarded if the years and portions thereof in the period between the date the individual ceased being credited with continuous service under this Section 4 and the date he was reemployed by the Company or an Affiliate (and performs duties for which he was paid or entitled to payment) equals or exceeds the greater of 5 or the aggregate number of years of continuous service and portions thereof before such One-Year Break in Service.

(4) No period of employment with the Company or an Affiliate prior to October 1, 1976 shall be credited as continuous service for any purpose under this paragraph if such period would have been disregarded under the terms, relating to breaks in service, of this Plan or, if applicable, any other Qualified Plan as from time to time in effect prior to such date.

(b) For the purposes of this paragraph, a “One-Year Break in Service” is a period of twelve consecutive months commencing on the date on or after October 1, 1976 that an individual has ceased being credited with continuous service pursuant to this Section 4 during which he does not perform duties for which he is paid or entitled to payment by the Company or an Affiliate.

4.6 Calculation of Certain Periods of Employment and Absence. For the purposes of determining an individual’s right to participate in the Plan and his right to receive a pension pursuant to paragraph 2.1 or an unreduced pension commencing at age 65 pursuant to paragraph 2.6, such individual’s periods of employment or absence therefrom shall, to the extent required by ERISA, be calculated to the nearest day.

4.7 Calculation of Pension for Non-Bargaining Unit Service on or After October 1, 1976. In the event that (a) a participant is credited (through the operation of any provision of the Plan) with a period of continuous service on or after October 1, 1976 other than as an employee described in paragraph 1.1(k), and (b) such period of employment is credited for the purpose of computing the amount of pension under another Qualified Plan, then such period of employment shall not be credited as continuous service under this Plan for the purpose of computing the amount of pension in Section 3 if the recognition of such period of employment under this Plan would result in a duplication of benefits.

SECTION 5

REEMPLOYMENT AFTER ATTAINMENT OF PENSION ELIGIBILITY

5.1 Applicability of Other Sections. Except as otherwise provided in this Section 5, the provisions of all other Sections of this Plan shall be applicable to any participant who is reemployed by the Company or an Affiliate as an employee described in paragraph 1.1(j) after having been retired and receiving a pension or after having attained eligibility for a deferred vested pension under this Plan or a prior Plan. For the purposes of this Section 5, the term “participant” means any participant as defined in paragraph 1.1(k) and any other person whose employment with the Company terminated under conditions whereby he was eligible to receive an immediate or deferred pension under the Plan as in effect prior to the effective date.

5.2 Effect on Pension and Special Rules as to Reemployment and Employment after Normal Retirement Date.

(a) Any participant who is receiving a pension under this Plan or a prior Plan shall, upon reemployment by the Company or an Affiliate in any capacity prior to his Required Beginning Date, have his pension discontinued effective as of the first day of the month following the month in which the participant completes 65 days worked. In no event shall any participant be entitled to additional benefit accruals by reason of reemployment for less than 65 days.

(b) Any pension payable under this Plan or a prior Plan to a participant who does not retire until after his normal retirement date shall be withheld until the earlier of his actual retirement or his Required Beginning Date.

(c) Any permanent withholding of retirement benefits pursuant to subparagraphs (a) and (b) above with respect to months on or after a participant’s normal retirement date shall be implemented in a manner consistent with Department of Labor Regulations, 29 C.F.R. §2530.203-3, and other applicable regulations, including the requirement that, not later than the end of the first calendar month in which pension payments are first withheld on or after such date, the Company shall by personal delivery or first class mail provide the participant with notice of the withholding of such payments, the participant’s right to review such withholding, the grievance or claims procedure applicable to his pension, and other information required by law.

(d) Upon the termination of a Participant’s employment or reemployment after his normal retirement date, the Participant shall be entitled to receive an additional benefit in a form and amount representing the Actuarial Equivalent of any benefits temporarily withheld pursuant to this Section 5.2. The Company shall pay such additional benefit as a single lump sum payment.

5.3 Continuous Service of Reemployed Participant. Any participant who shall be reemployed by the Company for at least one year following the date of such reemployment shall be credited with his continuous service as of the date of his prior break in continuous service plus his continuous service accruing after reemployment for the purpose of calculating any subsequent pension benefits to which he may become entitled.

5.4 Special Pension Eligibility after Reemployment. Notwithstanding anything to the contrary contained in the Plan, any participant who has been retired and receiving a pension pursuant to the provisions of this Plan for 75/80 retirement or similar provisions of a prior Plan and is subsequently reemployed by the Company shall upon ceasing work after reemployment and prior to age 65 by reason of a permanent shutdown of a plant, department or subdivisions thereof or by reason of a layoff or physical disability be eligible to retire and shall upon his retirement (hereinafter "reinstated 75/80 retirement" if he had previously retired on 75/80 retirement) be eligible for a pension commencing with the month following the month in which retirement occurs; provided, however, that such participant shall not be eligible under the provisions of this paragraph 5.4 to retire during a period of absence from work due to a physical disability until such disability shall have continued for a period of six consecutive full calendar months.

5.5 Special Rules as to Amount of Pension.

(a) Special payments shall not be made in any case where special payments were made to the participant for a prior retirement under this Plan or any prior Plan.

(b) The amount of regular pension for reinstated 75/80 retirement shall be determined the same as a regular pension for 75/80 retirement.

5.6 Pension Payments after Required Beginning Date. Notwithstanding anything to the contrary in this Section 5, for any month in which a participant is employed by the Company or an Affiliate after his Required Beginning Date, his benefits shall be calculated and paid as if he were retired. The amount of such benefits shall be redetermined annually as of each October 1.

SECTION 6

ADMINISTRATION OF THE PLAN

6.1 Corporate Authority for the Plan. The continuing existence of the Plan is authorized by AMSTED, of which the Company is a Division. For purposes of this Section 6 only, the term “Company” shall be construed to mean AMSTED except where the context otherwise requires.

6.2 Retirement and Welfare Benefits Committee.

(a) The Company has delegated administrative authority hereunder to the AMSTED Retirement and Welfare Benefits Committee (the “Committee”). The Committee shall serve as the named fiduciary required by ERISA. In the absence of a delegation of authority to act as Plan Administrator as described in paragraph 6.3 or elsewhere in the Plan, the Committee shall also serve as Plan Administrator. Resolutions of the Committee in connection with the Plan shall be evidenced by a written document, certified by the Chairman or Secretary of the Committee.

(b) The President of the Company shall have authority to appoint as members of the Committee such officers and employees of the Company as he deems advisable. Such authority to appoint shall include initial appointments and appointments with respect to future vacancies. The President of the Company shall have the further authority to remove any member of the Committee, with or without cause.

(c) Usual and reasonable expenses of the Committee may be paid in whole or in part by the Company, and any expenses not paid by the Company shall be paid by the Trustee out of the principal or income of the Trust Fund. The members of the Committee shall not receive any compensation for their services as such.

6.3 Powers and Duties of Committee. The Committee shall have final and binding discretionary authority to control and manage the operation and administration of the Plan, including all rights and powers necessary or convenient to the carrying out of its functions hereunder, whether or not such rights and powers are specifically enumerated herein. The Committee may, in its discretion, delegate authority with regard to the administration of the Plan to any individual, officer or committee in accordance with (h) below. References to the Company’s authority, right or power to act which are contained in any notice, disclosure or communication made with a view toward effectuating the purposes of the Plan shall be construed to include authority for such actions by the Committee on the Company’s behalf and actions by others to whom the Committee has delegated its authority. Notwithstanding any other provision of the Plan, in the event that an action or direction of any person to whom authority hereunder has been delegated

conflicts with an action or direction of the Committee, then the authority of the Committee shall supersede that of the delegate with respect to such action or direction.

Without limiting the generality of the foregoing, and in addition to the other powers set forth in this Section 6, the Committee shall have the following discretionary authorities:

(a) To select and remove, as it determines to be appropriate, trustees and/or insurance carriers, and to authorize reasonable compensation for such trustees and carriers.

(b) To construe and interpret the Plan, decide all questions of eligibility and determine the amount, manner and time of payment of any benefits hereunder.

(c) To prescribe procedures to be followed by participants or beneficiaries in filing applications for benefits, and to authorize payment of such benefits.

(d) To prepare and distribute, in such manner as the Committee determines to be appropriate, information explaining the Plan.

(e) To request and receive from the Company and from participants and beneficiaries, such information, and to maintain records concerning such information, as shall be necessary for the proper administration of the Plan.

(f) To furnish the Company upon request such annual and other reports with respect to the administration of the Plan as are reasonable and appropriate.

(g) To receive, review and maintain on file reports of the financial condition and of the receipts and disbursements of the Trust Fund from the Trustee.

(h) To name as Plan Administrator any individual, officer or committee which the Committee in its discretion deems advisable. Any Plan Administrator named pursuant to this subparagraph shall have authority to act with respect to the Plan on behalf of the Company and the Committee, provided that any such action by the Plan Administrator is otherwise in accordance with the conditions, rules and procedures which the Committee may prescribe. The Plan Administrator shall have authority to delegate duties and responsibilities under the Plan to others, and unless restricted by the Committee, actions of the Plan Administrator may include exercise of the express authorities in (b) through (g) above. The incumbency of a Plan Administrator may be terminated by action of the Committee at any time, with or without cause.

6.4 Committee Procedures. The President of the Company shall appoint one Committee member as Chairman. The Committee shall appoint a Secretary, who may or may not be

a Committee member. Appointment of the Secretary of the Committee shall be communicated to the Trustee in writing. The Secretary shall keep a record of all actions of the Committee and shall forward or cause to be forwarded all necessary communications to the Company or the Trustee.

The Committee may adopt such bylaws and regulations as it deems desirable for the conduct of its affairs.

A majority of the members of the Committee at the time in office shall constitute a quorum for the transaction of business. All resolutions or other actions taken by the Committee at any meeting shall be by the vote of the majority of the members of the Committee present at the meeting. The Committee may act without a meeting by unanimous written consent of its members.

Filing or delivery of any document with or to the Secretary of the Committee or the Plan Administrator in person or by registered or certified mail, addressed in care of the Company, shall be deemed a filing with or delivery to the Committee.

6.5 Consultation with Advisors. The Committee (or any fiduciary designated by the Committee pursuant to paragraph 6.9) may employ one or more persons to render advice with regard to any responsibility it may have under the Plan. The Committee may consult with counsel, actuaries, accountants, physicians or other advisors (who may be counsel, actuaries, accountants, physicians or other advisors for the Company) and may also from time to time utilize the services of employees and agents of the Company in the discharge of its responsibilities. Any actuary described in this paragraph will be a consultant who is, or a consulting organization which has on its staff, a Fellow of the Society of Actuaries who is enrolled with the Joint Board for the Enrollment of Actuaries.

6.6 Committee Members as Participants. Any Committee member may also be a participant, but no Committee member shall have power to take part in any discretionary decision or action affecting his own interest as a participant under this Plan unless such decision or action is upon a matter which affects all other participants similarly situated and confers no special right, benefit or privilege not simultaneously conferred upon all other such participants.

6.7 Records and Reports. The Committee shall take all such action as it deems necessary or appropriate to comply with governmental laws and regulations relating to the maintenance of records, notifications to participants, filings with the Internal Revenue Service, the U.S. Department of Labor and the Pension Benefit Guaranty Corporation, and all other such requirements applicable to the Plan.

6.8 Investment Policy.

(a) The Committee shall from time to time determine the Plan's short and long term financial needs, with which the investment policy of the Trust shall be appropriately coordinated, and such needs shall be communicated from time to time to the Trustee, investment

manager or others having any responsibility for management and control of the assets of the Trust Fund.

(b) Subject to paragraph (c) below, the Trustee shall have exclusive authority and discretion to manage and control the assets of the Trust Fund pursuant to an investment policy coordinated with the needs of the Plan as determined by the Committee.

(c) The Committee may in its discretion appoint one or more investment managers to manage (including the power to acquire and dispose of) any assets of the Trust Fund pursuant to an investment policy coordinated with the needs of the Plan as determined by the Committee, in which event the investment manager shall have the authority to manage such assets in a manner consistent with the terms of its appointment and applicable law. The Committee may also in its discretion direct the Trustee to purchase and maintain one or more contracts with insurance companies (including group annuity contracts). The Committee may direct that any contract so purchased or maintained shall be held by the Trustee as an asset of the Trust Fund subject to the further directions of the Committee.

6.9 Designation of Other Fiduciaries. The Committee may designate in writing other persons to carry out a specified part or parts of its responsibilities hereunder (including the power to designate other persons to carry out a part of such designated responsibility), but except as provided in paragraph 6.8(c) such designation may not include any power to manage or control the assets of the Trust Fund and may not include the power to (a) amend the Plan, or (b) appoint investment managers. Any such designation must be accepted by the designated person who shall acknowledge in writing that he is a fiduciary with respect to the Plan.

6.10 Obligations of Committee. The Committee shall be under no obligation to enforce payment of contributions hereunder or to determine whether contributions delivered to the Trustee comply with the provisions hereof relating to contributions, and shall be obligated only to administer the Plan pursuant to the terms hereof.

The Committee or its properly authorized delegate shall make such determinations as are necessary to accomplish the purposes of the Plan with respect to individual participants or classes of such participants. The Company shall be responsible for notifying the Committee of facts relevant to such determinations, including without limitation length of service, compensation for services, dates of death, permanent disability, granting or terminating of leaves of absence, ages, retirement and termination of service for any reason (but indicating such reason), and termination of participation. The Company shall also be responsible for notifying the Committee of all other facts which may be necessary for the Committee to discharge its responsibilities hereunder.

The Committee is hereby authorized to act solely upon the basis of such notifications from the Company and to rely upon any document or signature believed by them to be genuine and shall be fully protected in so doing. For the purposes of this paragraph, a letter or other written instrument signed in the name of the Company by any officer thereof shall constitute a notification by the Company; provided, however, that any action by the Company or its President with respect to the appointment or removal of a member of the Committee or the amendment of the Plan and Trust

or the designation of a group of employees to which the Plan is applicable shall be evidenced by an instrument in writing, signed by a duly authorized officer or officers, certifying that said action has been authorized and directed by action of the President or other authorized officer of the Company.

The Committee shall notify the Trustee of all its actions and determinations affecting the responsibilities of the Trustee and shall give the Trustee directions as to payments or other distributions from the Trust Fund to the extent they may be necessary for the Trustee to fulfill the terms of the trust agreement.

6.11 Indemnification of Plan Administrator and Committee. The Company shall indemnify the Plan Administrator and members of the Committee and their authorized delegates who are employees of the Company for any liability or expenses, including attorney's fees, incurred in the defense of any threatened or pending action, suit or proceeding by reason of their status as Plan Administrator or members of the Committee, or their authorized delegates, to the full extent permitted by the law of the Company's state of incorporation.

SECTION 7

CONTRIBUTIONS

7.1 Amount and Payment of Contributions.

(a) The Company intends to contribute to the Trust no less than the amounts which are required by Code Section 412 to fund the Plan, and which are necessary to meet those expenses of administering the Plan, if any, which are paid from the Trust. Any such contribution is conditioned upon the deductibility of the contribution under Code Section 404 and, to the extent any deduction is disallowed, shall be returned to the Company pursuant to Section 7.3 hereof.

(b) The payment of benefits under the Plan is not guaranteed by the Company, AMSTED, nor any of its officers, employees, or agents, nor members of its Board of Directors or the Committee. Participants and beneficiaries shall have no claim against the parties referred to in the preceding sentence for the satisfaction of benefits but shall look solely to the Trust Fund for the satisfaction of such benefits.

(c) In the event the Plan shall be terminated, neither AMSTED nor the Company shall have any obligation to contribute funds with respect to the Plan in excess of the amounts, if any, required by applicable law, and the parties referred to in (b) above other than the Company shall have no obligation or liability with respect to the Plan by reason of such termination.

7.2 No Participant Contributions. No participant shall make any contribution hereunder.

7.3 Reversion to the Company. Except as otherwise provided below, the funds contributed to the Trust pursuant to the provisions of the Plan shall be used for the exclusive benefit of the participants and there shall be no reversion of contributions to the Company. Where a contribution to the Trust is made by the Company through a mistake of fact, where a contribution to the Trust is conditioned on its deductibility under Code Section 404 and the deduction or a portion thereof is disallowed, or where upon termination of the Plan and Trust there remain, after satisfaction of all the Plan's liabilities, amounts arising out of variations between actual requirements and previously expected actuarial requirements, then in any such case the contribution or portion thereof may be returned to the Company in accordance with the provisions of applicable law and the regulations and rulings promulgated thereunder. In the case of a mistaken payment or disallowance of a deduction, the return to the Company of such contribution or portion thereof shall be made within one year of the mistaken payment of the contribution or the date of disallowance of the deduction, as the case may be.

SECTION 8

TRUSTEE AND TRUST FUND

8.1 Trust Fund. A Trust known as the AMSTED Industries Incorporated Master Retirement Trust (herein referred to as the “Trust” or the “Trust Fund”) has been established by the execution of a trust agreement with a Trustee, and is maintained for the purposes of the Plan and such other plans as the Committee may determine. The assets of the Trust will be held, invested and disposed of by the then acting Trustee in accordance with the terms of the Trust for the benefit of the participants and their beneficiaries.

8.2 Payments to Trust. All contributions hereunder will be paid into and credited to the Trust Fund, and all benefits hereunder and expenses chargeable to the provision of benefits which are not paid by the Company will be paid from the assets held pursuant to the Trust Fund and charged thereto.

8.3 Trustee’s Responsibilities. The powers, duties and responsibilities of the Trustee shall be as set forth in the trust agreement and nothing contained in the Plan, either expressly or by implication, shall impose any additional powers, duties or responsibilities upon the Trustee.

8.4 Allocation of Assets. The Trust Fund may also include assets attributable to contributions made by AMSTED and its Affiliates to fund other qualified plans maintained by AMSTED and its Affiliates. In this event, separate accounting for assets in the Trust Fund shall be kept by AMSTED and the Trustee so that the value of assets attributable to the Plan is readily ascertained.

SECTION 9

AMENDMENT OR TERMINATION

9.1 Amendments. The Board of Directors of AMSTED (the “Board of Directors” or the “Board”) or the Committee, acting on behalf of AMSTED, reserves the right to amend this Plan at any time to take effect retroactively or otherwise, in any manner which the Committee deems desirable, including, but not by way of limitation, to change or modify benefits payable under the Plan, or to change any provision relating to the distribution or payment, or both, of any of the assets of the Trust Fund.

9.2 Termination. The Board of Directors or the Committee further reserves the right to terminate the Plan at any time by written resolution.

9.3 Form of Amendment. Any amendment of the Plan shall be made by an instrument in writing. Any such instrument shall be certified, in the case of Board action by the Secretary of AMSTED and in the case of Committee action, by the Chairman or Secretary of the Committee, and shall reflect that said amendment has been properly authorized.

9.4 Limitations on Amendments. The provisions of this Section are subject to and limited by the following restrictions:

(a) Except as provided in paragraph 7.3, no such amendment shall operate either directly or indirectly to give AMSTED or the Company any interest whatsoever in any funds or property held by the Trustee under the terms hereof, or to permit corpus or income of the Trust Fund to be used for or diverted to purposes other than the exclusive benefit of persons who are at any time on or after the date hereof employees of AMSTED or the Company and the beneficiaries of such persons.

(b) Except to the extent necessary to conform to applicable laws and regulations, no such amendment shall operate either directly or indirectly to deprive any participant of his nonforfeitable Accrued Benefit, as at the date of the amendment.

(c) No such amendment shall change any vesting schedule unless each participant who has completed 3 or more years of continuous service is permitted to elect to have his nonforfeitable Accrued Benefit computed under the Plan without regard to such amendment. The period for making such election shall begin no later than the adoption of such amendment and shall expire no earlier than the latest of the following dates: (1) the date which is 60 days after the day the Plan amendment is adopted, (2) the date which is 60 days after the date the Plan amendment becomes effective, or (3) the date which is 60 days after the participant is issued written notice of the Plan amendment by the Company or Plan Administrator. Notwithstanding the foregoing, no election shall

be required to be offered to a participant whose nonforfeitable percentage of his Accrued Benefit cannot at any time be lower than such percentage determined without regard to such amendment.

(d) Except as permitted by applicable law, no amendment may eliminate or reduce an early retirement benefit or a retirement-type subsidy, or eliminate an optional form of benefit.

9.5 Level of Benefits upon Merger. The Plan shall not merge or consolidate with, or transfer assets or liabilities to any other plan, unless each participant shall be entitled to receive a benefit immediately after said merger, consolidation or transfer (if such other plan were then terminated) which shall be not less than the benefit he would have been entitled to receive immediately before said merger, consolidation or transfer (if the Plan were then terminated).

9.6 Termination of Plan and Liquidation of Trust.

(a) This Plan shall be deemed terminated if and only if the Plan terminates by operation of law or pursuant to paragraph 9.2.

In the event of any termination or partial termination within the meaning of the Code, the rights of the affected participants to the benefits accrued under the Plan to the date of such termination shall be nonforfeitable; provided, however, that in no event shall any participant or beneficiary have recourse to other than the Trust Fund and, if applicable, the Pension Benefit Guaranty Corporation for the satisfaction of benefits hereunder; provided, further, that the amount allocated to participants affected by a partial termination shall be only the amount which would have been allocated to them under (c) below if the Plan as a whole had been terminated as of the date of such partial termination.

(b) The liquidation of the Trust, if any, in connection with any Plan termination, shall be accomplished by the Committee acting on behalf of AMSTED. After directing that sufficient funds be set aside to provide for the payment of all expenses incurred in the administration of the Plan and the Trust Fund to the extent not paid or provided for by the Company, the Committee shall determine or cause to be determined the fair market value of the Trust Fund, the proportionate share of Trust Fund assets allocable to each participant or beneficiary, and the date and method of distribution, including single sum cash distribution of allocable shares.

(c) The proportionate share of the assets of the Trust Fund allocable and distributable to any participant or beneficiary shall be determined to the extent of the sufficiency thereof on the basis of the actuarially computed single sum value of the benefits with respect to each such participant or beneficiary, except that, if the method of distribution involves the purchase of an insured annuity, the distributable amount shall be the single premium payable for such annuity. In the event of the termination of the Plan,

the Committee shall allocate the assets of the Trust Fund (available to pay benefits) in the following order of preferences:

First, in equal preference, among benefits in the following two subcategories:

(1) In the case of a benefit in pay status 3 years prior to termination, to each such benefit at the lowest level in pay status during that period and at the lowest benefit level under the Plan during the 5 years prior to termination, and

(2) In the case of a benefit (other than a benefit described in (1) above) which would have been in pay status 3 years prior to termination if the participant had retired prior to the beginning of the 3-year period and if his benefits had commenced then in the normal form of benefit, to each such benefit at the lowest benefit level under the Plan during the 5 years prior to termination.

Second, among all other benefits (if any) of individuals under the Plan guaranteed under the termination insurance provisions of ERISA, within the meaning of Section 4044(a)(4) of said Act, as amended.

Third, among all other benefits which are nonforfeitable under the provisions of the Plan other than paragraph 9.6(a), in the following order of preference:

(1) all such benefits payable to participants or their beneficiaries whose Annuity Starting Date occurred prior to termination;

(2) all other such benefits payable with respect to participants who satisfy the requirements for a normal retirement benefit but who have not retired at the date of termination;

(3) all other such benefits payable with respect to participants who satisfy the requirements for a retirement benefit other than a normal retirement benefit or a deferred vested retirement benefit but who have not retired as of the date of termination; and

(4) all other such benefits payable with respect to participants.

Fourth, among all other benefits under the Plan.

(d) The assets of the Trust Fund shall be allocated on the basis of the present value as of the termination date to each priority category in succession, beginning

with the First priority category. If the Plan has sufficient assets to satisfy in full the value of all benefits assigned to a priority category, the remaining assets shall then be allocated to the next lower priority category. If the assets available for allocation under any priority category are insufficient to satisfy in full the benefits of all individuals in such category, the assets will be allocated pro rata among such individuals in such priority category, and no lower priority category shall receive any allocation. Such present value described in this paragraph shall be the single sum actuarial value of the benefit payable to the individual entitled to receive such benefit or, if applicable, the cost of an insured annuity which is to be distributed to such individual.

(e) As used in this paragraph 9.6 the term “priority category” means any class or subclass set forth in (c) above which by the provisions of paragraph 9.6 is entitled to a distribution preference over any other class or subclass set forth in (c).

(f) Notwithstanding any other provision hereof, where upon termination as provided in this paragraph there remain after the satisfaction of all the Plan’s liabilities amounts arising out of variations between actual requirements and expected actuarial requirements such amounts shall be disposed of as directed by the Committee.

(g) If the Internal Revenue Service determines that an allocation made pursuant to (c) above would result in discrimination in favor of officers, shareholders, or highly compensated employees of the Company, the assets allocated under priority category Second to the extent described in Section 4044(a)(4)(B) of ERISA, priority category Third and priority category Fourth shall be reallocated to the extent necessary to avoid such discrimination.

(h) For purposes of the valuation, allocation and distribution procedures described in this paragraph, the term “Trust Fund” means the assets of the Plan available to satisfy Plan benefit obligations, determined in a manner not inconsistent with Title IV of ERISA, and regulations promulgated thereunder, and may include, where applicable, contracts with insurance companies established under a prior plan which are in effect as of Plan termination.

(i) Any single sum distribution that is made pursuant to this paragraph 9.6 shall comply with the provisions of paragraph 3.12.

SECTION 10

CLAIMS PROCEDURE

10.1 Company Administration. Subject to the provisions of any collective bargaining agreement from time to time applicable, the Company acting through the Plan Administrator shall have the right to administer the pension program and the disability benefits program herein set forth, including the rights to make and enforce such rules and regulations as it shall deem necessary and proper for the administration of such programs and to decide such questions as may arise in connection with the operation of such programs.

10.2 General. In the event that a claim or dispute concerning benefits under the Plan should arise under circumstances whereby such claim or dispute is: (a) subject to resolution in a grievance procedure or similar process under the terms of a collective bargaining agreement which includes provision for arbitration of the denial of such claim, or (b) subject to the provisions of any of paragraphs 10.3, 10.4 and 10.5, the claim or dispute shall be disposed of in accordance with any such applicable provision, including all time limitations thereunder. If no such procedure governs the disposition of a claim or dispute, then the AMSTED Claims Procedure, including all time limitations thereunder, shall govern.

10.3 Disputes as to Eligibility or Amount. If any difference shall arise between the Company and any participant who shall be an applicant for a pension, or to whom a pension shall be payable as to such participant's right to a pension or the amount of his pension and agreement cannot be reached between the Company and representatives of the Union, such question shall be referred to an impartial arbitrator to be selected by the Company and representatives of the Union in the manner provided in the Basic Agreement for selection of arbitrators in the settlement of grievances arising under the Basic Agreement. The impartial arbitrator shall have authority only to determine such dispute in accordance with the provisions set forth in the Plan and shall not have authority in any way to alter, add to, or subtract from any of such provisions. The decision of the impartial arbitrator shall be final and binding upon the Company, the Union and the employee involved. The fees and expenses of the impartial arbitrator shall be shared equally by the Union and the Company.

The foregoing provisions shall not change the provisions of paragraph 10.4 dealing with differences concerning whether an employee is or continues to be permanently incapacitated.

In the event an applicant for pension benefits under the terms of the Plan has his application for such benefits denied by the Company and such applicant does not file an appeal from such decision of the Company pursuant to the provisions of this procedure, within 30 calendar days after the day upon which such application is denied by the Company, such denial shall be final and not subject to appeal through this procedure or otherwise. In the event an application for pension benefits which is filed by an employee pursuant to the provisions of the Plan is denied by the Company, the Company shall advise such applicant of the denial by Certified Mail, Return Receipt Requested, such letter to be post-marked not more than 7 days after the action of the Company denying such application and shall be addressed to the applicant at the address appearing as the applicant's address upon such application.

10.4 Disputes as to Permanent Incapacity.

(a) If any difference shall arise between the Company and any participant who shall be an applicant for a permanent incapacity benefit under the Plan and such question pertains to:

(1) the number of years of continuous service of such applicant in the employ of the Company; or

(2) the average monthly compensation used for calculation of benefits payable by reason of permanent incapacity benefit under a prior plan; or

(3) any other question concerning such applicant's eligibility and the qualification for disability benefits or the amount thereof other than questions pertaining to whether or not such applicant has incurred a disability which is permanent and total;

such differences shall be resolved through the procedure provided for in paragraph 10.2.

(b) In the event any difference shall arise between the Company and any participant who shall be an applicant for disability benefits under the provisions of the Plan which pertains to the question of whether such applicant has incurred a disability which is permanent and total and the dispute is not resolved on the basis of the examination by a physician designated by the Company, such differences shall be resolved in the following manner:

(1) the participant may be examined by a physician designated for this purpose by the Union;

(2) if such physician designated by the Company and such physician designated by the Union disagree as to whether the participant is totally and permanently disabled, the question shall be submitted to a third physician who shall be selected by such two physicians. The examination by such third physician shall be made after the alleged permanent and total disability has continued for a waiting period of 5 consecutive months. The medical opinion of such third physician, after examination of the participant and consultation with such other two physicians, shall decide the dispute. The fees and expenses of such third physician shall be shared equally by the Company and the Union.

In case of disagreement as to whether such participant is permanently and totally disabled, disability benefits shall not be paid until a final decision has been rendered as provided in this paragraph; provided, however, that if the final decision is to the effect that the participant was

permanently and totally disabled then such benefits shall be paid retroactively beginning with the payment for the month after the last month during which insurance payments for as much as 2 weeks were paid for such disability under the insurance program covered by the provisions of the insurance agreement between the Company and the Union, but no later than the fifth month after the month in which the application for disability benefits was filed.

(c) Notwithstanding anything herein to the contrary, any claim for a disability pension shall be handled in a manner consistent with applicable Department of Labor regulations.

10.5 Re-examination of Disabled Participant. Nothing herein provided shall prevent the Company at any reasonable time from having any disabled participant who is receiving disability benefits re-examined by a physician of its own choosing. If, after having such examination made, the Company shall be of the opinion that such disabled participant is no longer permanently and totally disabled, the Company shall so notify the disabled participant. If the disabled participant shall disagree with the Company's contention that he is no longer permanently and totally disabled, the matter shall be resolved in the manner set forth above in paragraph 10.4, except that the waiting period of 5 consecutive months before examination by the third physician shall not be applicable hereunder. If the final decision shall be to the effect that the disabled participant is not permanently and totally disabled, then the disability benefits shall cease forthwith.

10.6 AMSTED Claims Procedure.

(a) Any participant (or beneficiary of a deceased participant) who believes that he is entitled to receive a benefit under the Plan, including a benefit other than that initially determined by the Plan Administrator, may file a claim in writing with the Plan Administrator.

(b) The Plan Administrator shall within 90 days after the receipt of a claim either allow or deny the claim in writing. A denial of a claim shall be written in a manner calculated to be understood by the claimant and shall include:

- (1) the specific reason or reasons for the denial;
- (2) specific reference to pertinent Plan provisions on which the denial is based;
- (3) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and
- (4) an explanation of the Plan's claim review procedure.

(c) A claimant whose claim is denied (or his duly authorized representative), may within 60 days after receipt of denial of his claim:

- (1) request a review upon written request to the Plan Administrator;
- (2) review pertinent documents; and
- (3) submit issues and comments in writing.

(d) The Plan Administrator shall notify the claimant of his decision on review within 60 days after receipt of a request for review. Notice of the decision on review of the appeal shall be in writing and shall include specific reasons for the decision written in a manner calculated to be understood by the claimant and specific references to the pertinent Plan provisions on which the decision is based.

(e) For purposes of this paragraph, communications to the Plan Administrator shall be deemed to be properly addressed as follows:

Plan Administrator
Diamond Chain Employees' Pension Plan
402 Kentucky Avenue
P.O. Box 7045
Indianapolis, Indiana 46207

(f) The 90-day and 60-day periods described in subparagraphs (b) and (d) respectively for pension benefit claim reviews may be extended at the discretion of the Plan Administrator for a second 90- or 60-day period as the case may be, provided that written notice of the extension is furnished to the claimant prior to the termination of the initial period, indicating the special circumstances requiring such extension of time and the date by which a final decision is expected. Any person submitting a claim in accordance with this Section 10 may with the consent of the Company: (i) withdraw the claim at any time, or (ii) defer the date as of which such claim shall be deemed filed for purposes of this Section 10.

SECTION 11

MISCELLANEOUS

11.1 No Guarantee of Employment, Etc. Neither the creation of this Plan nor anything contained in the Plan or trust agreement shall be construed as a contract of employment between the Company and the participant nor as giving any participant hereunder or other employees of the Company or AMSTED any right to remain in the employ of the Company or AMSTED, any equity or other interest in the assets, business or affairs of the Company or AMSTED, or any right to complain about any action taken or any policy adopted or pursued by the Company.

11.2 Nonalienation.

(a) No participant shall have any right to sell, assign, pledge, hypothecate, anticipate or in any way create a lien upon any part of the Trust Fund. No interest in the Trust Fund, or any part thereof, shall be assignable in or by operation of law, or be subject to liability for the debts or defaults of participants, their beneficiaries, spouses or heirs-at-law, whether to the Company or to others.

(b) Notwithstanding anything to the contrary contained herein, the Plan Administrator shall comply with the requirements of the Retirement Equity Act of 1984 pertaining to any qualified domestic relations orders, as such term is defined therein. In the event that a qualified domestic relations order requires payment to a third party of all or part of the pension benefits which would be otherwise immediately payable to a participant except for the fact that such participant has not yet terminated employment with the Company or has terminated employment with the Company but has not applied for benefits, the Plan Administrator may implement the payments to be made in any manner required or permitted by law and if such payment is not more than \$5,000, unless such order otherwise provides, such payment shall be made in one lump sum as soon as administratively practicable after the Plan Administrator has determined that a domestic relations order is a qualified domestic relations order described in Code Section 414(p).

11.3 Controlling Law. To the extent not preempted by the laws of the United States of America, the laws of the State of Illinois shall be the controlling state law in all matters relating to the Plan and shall apply.

11.4 Severability. If any provisions of the Plan shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts of this Plan, but this Plan shall be construed and enforced as if said illegal and invalid provisions had never been included herein.

11.5 Notification of Addresses. Each participant and each beneficiary of a deceased participant shall file with the Plan Administrator from time to time in writing his post-office address and each change of post-office address. Any communication, statement or notice

addressed to the last post-office address filed with the Plan Administrator, or if no such address was filed with the Plan Administrator, then to the last post office address of the participant or beneficiary as shown on the Company's records will be binding on the participant and his beneficiary for all purposes of the Plan, and there shall be no obligation on the part of the Plan Administrator, the Committee, or any agents of the Company or of AMSTED to search for or ascertain the whereabouts of any participant or beneficiary.

11.6 Deduction for Insurance Premiums and Overpayments. With the Company's consent, and upon authorization by a participant on a form furnished by the Company, the amount of premium payable by the participant for hospitalization and physicians' services coverage upon retirement, if provided under an insurance agreement of the Company or the amount of any overpayments made to the participant by the Company or its insurer or by the Trustee in the course of paying any benefits provided by any insurance agreement of the Company or provided under the Plan shall be deducted from any pension payable under the Plan to the extent permitted by law.

11.7 No Duplication of Benefits. No participant shall be entitled to receive credit in the determination of his Accrued Benefit under this Plan to the extent such credit would be duplicative of the credit such participant has received in the determination of an accrued benefit under any other Qualified Plan. No participant shall be eligible for a retirement benefit under this Plan for any month under more than one retirement provision hereunder.

11.8 Compliance with Applicable Laws. Notwithstanding any other provision of the Plan, all determinations relating to eligibility for, and amount, manner and commencement of, payment of any benefits provided under this Plan, including the form of benefit described in Code Section 401(a)(11), shall be made in a manner not inconsistent with applicable law and regulations promulgated thereunder.

11.9 Statutory Limitation on Benefits. Notwithstanding any other provision of the Plan, no benefit payable pursuant to the Plan shall exceed the maximum permissible amount specified in Code Section 415 and the regulations thereunder, the terms and conditions of which are hereby incorporated by reference.

11.10 Facility of Payment. When, in the Plan Administrator's opinion, a participant or beneficiary is under a legal disability or is incapacitated in any way so as to be unable to manage his financial affairs, the Plan Administrator may direct the Trustee to make payments:

- (a) directly to the participant or beneficiary;
- (b) to a duly appointed guardian or conservator of the participant or beneficiary;
- (c) to a custodian for the participant or beneficiary under the Uniform Gifts to Minors Act;

- (d) to an adult relative of the participant or beneficiary; or
- (e) directly for the benefit of the participant or beneficiary.

Any such payment shall constitute a complete discharge therefore with respect to the Trustee and the Plan Administrator.

11.11 Gender and Number. Masculine gender shall include the feminine and neuter, the singular shall include the plural, and the plural shall include the singular, unless the context clearly indicates otherwise.

11.12 Merger of Company Plans. Notwithstanding any other provision of this Plan to the contrary, the Company is authorized to merge the Plan with any other pension plans maintained by the Company, at any time in the Company's sole discretion; provided that such mergers must not result in the reduction of any Accrued Benefit and must comply with all provisions of law, including the requirements of Code Sections 411(d)(6) and 414(l).

11.13 Limitation Under Code Section 436. In addition to any other limits set forth in this Plan, in no event shall the Plan pay any benefit or accrue any benefit, nor shall any amendment be adopted, to the extent that such payments, accrual or amendment is prohibited by Code Section 436.

The undersigned certifies that the above Plan, as amended and restated effective January 1, 2010, was duly adopted by resolutions of the Retirement Welfare Benefit Committee the 2nd day of December, 2009.

Dated: _____

DIAMOND CHAIN COMPANY

By: _____

Its: _____