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Title: **Delphi Corporation and IUE-CWA, Industrial Division of the Communications Workers of America, AFL-CIO, CLC Locals 416 et al. (2003)**

K#: **3782**

Employer Name: **Delphi Corporation**

Location: **AL CA MS NJ OH**

Union: **IUE-CWA, Industrial Division of the Communications Workers of America, AFL-CIO, CLC**

Local: **416, 698, 711, 717, 718, 755, 801, 1111**

SIC: **3600**

NAICS: **33634**

Sector: **P**

Number of Workers: **10700**

Effective Date: **12/01/03**

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K # 3782

10,700
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Agreement

Between

**DELPHI
CORPORATION**

and the

IUE-CWA

1015101

DELPHI

IUE-CWA

A FORCE FOR WORKING FAMILIES AFL-CIO

743
00

November 16, 2003

(Effective December 1, 2003)

- 10 | 12 | 07

K# 3782

10,700 ea—

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Between

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

443 pp

November 16, 2003

(Effective December 1, 2003)

- 10/12/07

10/15/04

INDEX

	Paragraph No.	Page No.
Address, Notification of Change of . . .	41	48
Agency Shop	4a1	2-3
Agreement Purpose	1	1
Alternate Committee persons	9	12
Appeal Committee	28b	25
Appeal Committee Meetings	28c	26-27
Appeal to Umpire	28d	27
Appendix A - Maintenance Sub- Contracting		129-130
Appendix B - Sub-Contracting Work		131-133
Appendix B-1 - Sub-Contracting - Special Procedure		134
Appendix C - Selection of Upgraders		135-136
Appendix D - Memorandum of Understanding Job Opportunity Bank Security (JOBS) Program		137-153
Appendix E - Employee Placement		161-174
Appendix F - Sourcing		175-181
Appendix G - Interpretation of Paragraph (4) through (4c) and Paragraph (29)		182-183
Apprentice Committee	66, 67 68-73	76-77 82, 84
Apprentice, Seniority of	72	84
Apprenticeship Plan	66-73	76-84
Benefits Program Reference	34i 99 109	45 98-99 123
Bereavement Pay	103a	119-120
Bulletin Boards, Union	57, 58	59
Call-In Pay	47	53
Change In Shift Hours	55	57
Change of Address, Notification of	41	48

INDEX — Continued

	Paragraph No.	Page No.
Claims for Back Wages, Limits of	28k	31-32
Claims, General Limitation On	28i	30-31
Classifications, Establishment of Temporary	63, 64	66
Coercion	5, 6	10, 11
Compensable Sick Leaves of Absence	91	93
Corporation Grievance Against Union	28o	34
Corporation Rights	7	11
Cost of Living Allowance	65d-65l	72-76
Adjustment Dates	65g	73
Table	65h	73
Deductions for Overpayments	28il	31
Definition — Other Legitimate Representation Functions	15	14-15
Disciplinary Actions	43, 44	48-50
Disciplinary Records	43b	49-50
Discrimination	5a, 33	10, 40-41
Districting of Plant	9	12
Double Time Pay	53	55
Double Time and One-half	54(3)	56
Duration of Agreement	107, 108	122
Educational Leaves	96	97
Elective Public Office Leaves	93	94
Employment and Job Status of Committeepersons	15	14-15
Equality of Agreement Application	5a	10
Equalization of Extra work and Overtime	38	47
Establishment of New Plants	59-60a(c)	60-62
Exceptions to Overtime Payment	54	55-57
Extra work, Equalizing	38	47

INDEX — Continued

	Paragraph No.	Page No.
Formal Leaves of Absence	88-89a	91-92
General Provisions	103-108	118-122
Grievance by Corporation Against Union	28o	34
Grievance, Investigation by International Representative	28, 28c	22-24, 26-27
Grievance, Production Standards	45-46f	50-53
Grievance, Time for Management Answers to	27-27b	21-22
Grievance Procedure Special Procedure-Contracting of Work	28c2(1), 28c2(2)	26 26-27
Grievance Procedure Steps	27	21-22
Guaranteed Income Stream Benefit Program Reference	28g	29
	99	98-99
	109	123
Hiring Rates	61	63-65
Hiring Rates — Laid Off Employees ..	61a	64-65
Holiday Pay	102-102l	111-118
Holiday Pay-Unempl. Comp. Offset ..	102l	118
Holiday Pay-Unworked	102-102l	111-118
Holiday Worked-Pay For	53, 54(3)	55, 56
Holiday Time Off-Christmas Period ..	102(3)	113
Holiday-Night Shift Premium	102b(2)	115
Hours, Reduction in	35-36	45-46
Hours, Computing Overtime Premium Pay	48-54	54-57
Independence Week Shutdown	101u	105-108
Informal Leaves of Absence	87	91
International Representative, Plant Entry By	28, 28d	22-24, 27

INDEX — Continued

	Paragraph No.	Page No.
Interpretation of Agreement, Resolution of Issues Over	28p	34
Intimidation	6	10-11
Job Status, Local Union Officials	22	19
Journeyperson, Definition	84	88
Jury Duty, Pay For	103	118-121
Jury Duty Reference	102g	117
<hr/>		
Layoff and Rehiring Procedure	35-37	45-46
Layoffs, Disciplinary	43, 44	48-50
Leaves of Absence, Compensable Cases	91	93
Leaves of Absence, Defense	96a-96b	97
Leaves of Absence, Educational	96	97
Leaves of Absence, Peace Corps	89a	92
Leaves of Absence, Public Office	93-93b	94-95
Leaves of Absence, General Conditions Governing	94	95
Leaves of Absence, Formal	88-89	91-92
Leaves of Absence, Informal	87	91
Leaves of Absence, Military	95	96-97
Leaves of Absence, Military-Spouse	95a	97
Leaves of Absence, Personal	87-89	91-92
Leaves of Absence, Sick	90	92-93
Leaves of Absence, Union Activity	92, 92a	93, 94
Lines of Demarcation	85a-85d	88-89
Literature, Posting of	58a	59
Local Agreements — Limits On	104, 106	121, 122
Local Seniority — Agreements Approval Of	42	48
Lockouts	98	98
Lunch Periods, Changes In	55	57

INDEX — Continued

	Paragraph No.	Page No.
Management Rights	7	11
Meetings, Appeal Committee	28c	26
Meetings, Attendance of Local Union President, Pay For	25	20-21
Meetings of Shop Committee	14	14
Pay for Meetings Off Shift	15(4)	15
Merit Increases, Information On	83	87
Military Duty Pay	103b	120-121
Modification and/or Termination Clause	107-108	122
Necessary Continuous Operations	54	55-57
New Jobs, Rates For	63-64	66
New Plants	59	60
Night Shift Premiums	56	57-59
Notice Prior to Layoff	42b	48
Overpayments — Deductions For	28i1	31
Overtime Payment Exceptions	54	55-57
Partial Invalidity Of Agreement and Separability	111-112	124-125
Pension Plan Reference	28g	29
	99	98-99
	109	123
Performance Bonus	65b(2), 65b(3)	70-73
Personal Leaves of Absence	87-89	91-92
Physical Examination, Report of	105	121
Plant Entry By Inter. Rep. on Grievance Investigation	28, 28d	22-24, 27
Posting of Literature	58a	59
Procedure, Layoff and Rehire	35-37	45-46
Production Standards	45-46f	50-53
Profit Sharing Plan Referenced	28g	29
	99	98-99
	109	123

INDEX — Continued

	Paragraph No.	Page No.
Recognition	2-3a	1-2
Report of Physical Examination	105	121
Representation-Union	8-26	11-21
Rights of Corporation	7	11
Seniority, Acquiring of	29	35-36
Seniority, Employees Exempted		
from	40	47-48
Seniority Lists	31-31d	37-39
Seniority, Local Agreements on	37	46
Seniority, Local Agreements, Approval of	42	48
Seniority, Loss of	34	41-45
Seniority of Apprentices	72	84
Seniority, Plant Wide	30	36
Seniority Status, Former Supervisors ..	30a	36-37
Separability in the Event of Partial Invalidity of Agreement	112	124-125
Shift Preference Agreements	42a	48
Shop Committee Meetings	14	14
Sick Leave of Absence	90	92-93
Sick Leave Cases Appealed to Umpire	28q	34-35
Skilled Trades Committee	67	77-82
Special Three-Shift Operations	56a	58-59
Starting Rates	61	63-65
Strikes, Stoppages	99	98-99
Sub-Committee Meetings	13	14
Sub-Contracting	86b-86e	90-91
Special Procedure - Contracting of Work	28c2(1), 28c2(2) Appendix B-1	26-27 134

INDEX — Continued

	Paragraph No.	Page No.
Supplemental Unemployment Benefit Plan Reference	99	98-99
	109	123
Temporary Employees Defined	29a	36
Temporary Rates and Classifications .	63-64	66
Termination and/or Modification Clauses	107-108	122
Termination of Local Agreements	106	122
Tool Allowance	65b(1)	70
Trainee Procedure	75-82	84-87
Transfers	32-33	40-41
Umpire, Appeal to	28d	27
Umpire, Contracting of Work	28g	29
Umpire, Decision of	28n	33-34
Umpire, Designations and Selection ..	28e	27-28
Umpire, Fees and Expenses	28e	27-28
Umpire, Investigation and Hearings ..	28f	28
Umpire, Powers and Functions	28g-28h	29-30
Umpire, Procedure — Memorandum Decision	28g(1)	30
Union Activity Leaves	92-92a	93-94
Union Bulletin Boards	57-58	59
Union, Grievance by Corporation Against	28o	34
Union Security and Check-Off of Membership Dues	4-4s	2-9
Upgrading	74-82	84-87
Vacation Entitlement	101-101w	100-110
Advance Vacation Pay	101x	110
Compensable Injury	101o	103-104
Eligibility Dates	101a-101b	100
	101q	104
Eligibility Requirements	101c	100
Employee Dies	101p	104
	101q	104

INDEX — Continued

	Paragraph No.	Page No.
Employee Retires-Prorated	101m	103
	101r	104
Military Leaves-Prorated	101n	103
Number of Hours	101c-101g	100-101
Rate of Pay	101j	102
Reference	65i	75
Sick Leave	101r	104
Timeliness of Payment	101i, 101k	102, 103
Transfer into Bargaining Unit	101s	104
When Seniority is Broken	101f	101
When Used	101l	103
Vacation Time Off Procedure	101v	109
Wage Agreements	62	65-66
Wage, Hiring Rates	61	63-65
Wages	61-65l	63-76
Wages, Cost-of-Living Adjustment Dates	65d	72-73
Wages, Cost-of-Living Table	65e	73
Wages, New Jobs	63-64	66
Waiver	110	123-124
Working Hours, Computing Pay For ..	48-54	54-57
Working Week, Definition	49	54

**INTERPRETATIONS, STATEMENTS,
LETTERS AND THE
MEMORANDUM OF UNDERSTANDING
ON HEALTH AND SAFETY**

(The following documents connected with the 2003 Delphi-IUE-CWA negotiations are not a part of the National Agreement but have been included in this booklet for information purposes.)

INDEX

Document	Doc. No.	Page No.
ALCOHOLISM		
See Employee Assistance Program		
APPRENTICES		
Pre-Apprentice Training – Minority Groups	32	312
Apprentice Testing	34	314
Date of Entry Status – Apprentices and Upgraders	35	315
Related Training Bonus	36	316
Apprentices and Upgraders – Layoffs ..	75	388
BENEFITS REPRESENTATIVES		
Concerns	48	337
CHILD CARE / ELDER CARE SERVICES		
Child Care/Elder Care Services Referral Program	56	353
CHRISTMAS HOLIDAY		
Christmas Holiday Period	46	333
COLA		
COLA Calculation	11	244-245
COMMITTEEPERSONS		
Alternate District Committeepersons Functioning	69	375

LETTERS - Continued

Document	Doc. No.	Page No.
COMPETITIVE AGREEMENT/CAPITAL INVESTMENT PLAN		
Competitive Agreement Overview and Capital Investment Plan Overview	9	240-241
CONTRACTUAL AGREEMENTS		
Contractual - EDS	52	345-347
DISCIPLINE PROCEDURE		
Holiday Pay and Disciplinary Layoffs . .	28	304
DRUG ABUSE		
See Employee Assistance Program		
DRUG SCREENING		
Drug Screening Program	45	330-332
DUES CHECK-OFF		
Financial Secretaries - Dues Check-Off	10	242-243
ELECTRONIC TRANSFER		
Electronic Transfer Membership Dues . .	86	409
EMPLOYEE ASSISTANCE PROGRAM		
Memorandum of Understanding - Employee Assistance Program	23	289-296
Use of Time by the Union Employee Assistance Program Representative.	24	297-298
Personal Problems - Early Identification	78	395
EQUAL EMPLOYMENT		
Delphi Equal Opportunity Employment Policy	15	251
Human Relations Committees - National and Local.	16	252-255
Delphi Policy Regarding Employment of Individuals with Disabilities	17	256-257

LETTERS - Continued

Document	Doc. No.	Page No.
Delphi Policy Regarding Employment of Disabled Veterans and Veterans of the Vietnam Era.....	18	258-259
Delphi Policy Regarding Sexual Harassment	29	305-306
Diversity Training	83	405-406
FAMILY MEDICAL LEAVE ACT		
Compliance	13	247-249
FEDERAL INCOME TAX WITHHOLDING		
Tax Withholding	70	376-377
GRIEVANCE PROCEDURE		
Expeditious Grievance Handling - Delphi to IUE-CWA	26	300-301
Expeditious Grievance Handling - IUE-CWA to Delphi.....	27	302-303
Grievance Procedure - Implementation	81	402-403
GROWTH AND OPPORTUNITY COMMITTEE		
Growth and Opportunity Committee....	6	234-237
HEALTH AND SAFETY		
Memorandum of Understanding - Health and Safety.....	2	187-199
Health and Safety Attachment A.....		200-202
HUMAN RESOURCE DEVELOPMENT		
Full-Time HRD Coordinator.....	59	358-359
HRD Training	60	360-361
Memorandum of Understanding Human Resource Development.....	74	386-387
INDIVIDUAL UPWARD EDUCATIONAL PLAN		
Individual Upward Educational Plan....	21	282-283

LETTERS - Continued

Document	Doc. No.	Page No.
Retiree Individual Upward Educational Plan	57	354-355
IUE-CWA-Delphi Scholarship Program for Dependent Children	62	363-364
JOB SECURITY		
Volume Related Layoffs	4	223-229
Sale of Business	7	238
New Work Opportunities	54	351
Plant Closing and Sale Moratorium	63	365-366
Jobs - Pre-Retirement Leave Program	65	368
Job Security - Apprentice Training and Journeyman Development	80	399-401
JOINT ACTIVITIES		
Joint Activities Center	55	352
Memorandum of Understanding - Joint Activities	73	381-385
JOURNEYPERSONS		
Administration of Paragraph (84)	72	379-380
LEGAL SERVICES		
Legal Services Funding	25	299
METRIC SYSTEM		
Converting to Metric System	38	318
NOTICE OF RECALL		
Notice to Laid Off Employees of Anticipated Recall	12	246
ORIENTATION		
Orientation Program	22	286-288
OVERTIME		
Overtime Interpretation - Short Shift Case	1	186

LETTERS - Continued

Document	Doc. No.	Page No.
Overtime Policies	47	334-336
PERSONAL TIME OFF		
Administration of Paragraph 101(1)	49	338-339
PERSONNEL PRIVACY		
Personal Privacy	61	362
PERSONNEL RECORDS		
Review Personnel Records	19	260
PLANT CLOSINGS		
See Job Security		
POLITICAL CONTRIBUTIONS		
Memorandum of Agreement - Voluntary Political Contributions	53	348-350
POW/MIA FLAGS		
POW/MIA Flags	51	344
PRE/POST-RETIREMENT COUNSELING		
Pre/Post Retirement Counseling	33	313
QUALITY		
Quality Commitment	20	261-270
Delphi Manufacturing System Relationship to IUE-CWA-Delphi Quality Network Process	85	408
RELOCATION ALLOWANCE		
Relocation Allowance	14	250
SENIORITY SLIPPAGE		
Modification to Paragraph (30a)	68	372-374
SHIFT HOURS AND LUNCH PERIODS		
Change of Shift Hours or Lunch Periods - Advance Discussion	44	328-329

LETTERS - Continued

Document	Doc. No.	Page No.
SICK LEAVE TERMINATION		
Sick Leave - Termination Anticipated		
Termination of Sick Leaves	58	356-357
SOURCING		
Coordination of Sourcing Evaluations . .	82	404
Sourcing (150 Day Notice)	84	407
SUBCONTRACTING		
Subcontracting - Implementation		
Paragraph (86d)	30	307-309
Tool and Die Subcontracting	31	310-311
Special Skilled Trades Representative -		
Advance Discussion	37	317
Subcontracting Communications	76	389-392
Warranties	77	393-394
SUPPLIER CORPORATE CITIZENSHIP		
Supplier Corporate Citizenship	5	230-232
TECHNOLOGICAL PROGRESS		
Statement of Technological Progress. . .	50	340-343
TEMPORARY OPENINGS -		
PARAGRAPH (34)(e)		
Short-Term Openings	64	367
UNION CENTERS AND WORK SPACE		
Union Work Centers	39	319-320
Centers for Benefit Plans and Health and		
Safety Representatives	40	321-322
Facilities for Union Members of Local		
Apprentice Committee	41	323

LETTERS - Continued

Document	Doc. No.	Page No.
Space and Furnishings for Union Benefit Plan and Health & Safety Representatives and the Union Members of the Local Apprentice Committee.	42	324-325
UNION PRESIDENTS		
Local Union Presidents	43	326-327
VACATION PAY		
Bereavement/Vacation Pay	8	239
VACATION ENTITLEMENT		
Working On a Holiday/Vacation Entitlement Conversion Option	66	369
Holiday Pay - Vacations.	71	378
WAGES		
Up-Front Lump Sum Payment	67	370-371
WORK ASSIGNMENTS		
Skilled Trades	79	396-398

**2003 Delphi-IUE-CWA
CONTRACT
SETTLEMENT AGREEMENT**

	Page No.
1. New National Agreement	412
2. Unchanged Paragraphs	412-415
3. Amendments, Additions, Substitutions and Deletions	415
4. Union Bulletin Boards and Publication Racks	416
5. Indemnity Agreement	416
6. Grievances under Prior National Agreements	416
7. Local Agreements	417
8. Hiring Rates	417-418
9. Related Supplemental Agreements	418
10. Not Used In 2003 Agreement	
11. Computing Seniority - Jury Duty	418-419
12. Local Issues Strikes	419
13. Health Care Benefits	419
14. Not Used In 2003 Agreement	
15. National Agreement Changes and/or Waivers	420
16. Funding: Joint Skill Development and Training	420-421
17. Ratification and Effective Date	421

INTRODUCTION

The management of Delphi Corporation recognizes that it cannot get along without labor any more than labor can get along without the management. Both are in the same business and the success of that business is vital to all concerned. This requires that both management and the employees work together to the end that the quality and cost of the product will prove increasingly satisfactory and attractive so that the business will be continuously successful.

Delphi Corporation holds that the basic interests of employers and employees are the same. However, at times employees and the management have different ideas on various matters affecting their relationship. The management of Delphi Corporation is convinced that there is no reason why these differences cannot be peacefully and satisfactorily adjusted by sincere and patient effort on both sides.

PREFACE

Delphi Corporation and the IUE-CWA, AFL-CIO, CLC recognize their respective responsibilities under federal, state, and local laws relating to fair employment practices.

The Company and the Union recognize the moral principles involved in the area of civil rights and have reaffirmed in their Collective Bargaining Agreement their commitment not to discriminate because of race, religion, color, age, sex or sexual orientation, disability, or national origin. The use of pronouns in this Agreement which are indicative of gender are for grammatical purposes only and give equal responsibilities, rights and privileges to all employees without regard to sex.

AGREEMENT

AGREEMENT entered into this 16th day of November, 2003 between Delphi Corporation, hereinafter referred to as the "Corporation," and the IUE-CWA, the Industrial Division of the Communications Workers of America, AFL-CIO, CLC, hereinafter referred to as the "Union."

PURPOSE OF AGREEMENT

(1) The purpose of this Agreement is to provide orderly collective bargaining relations between the Corporation and the Union, to secure a prompt and equitable disposition of grievances, and to establish fair wages, hours and working conditions for the employees covered by this Agreement.

(1a) If either party at a particular location believes that the provisions of this Agreement are being administered in a manner inconsistent with orderly collective bargaining relations, the circumstances will be discussed between the designated representative of local Management and the Chairperson of the Shop Committee in an effort to resolve the problem. If the problem is not resolved, the Corporation's Vice President of Human Resource Management or the Chairman of the Conference Board may request, in writing, a meeting of their designated representatives to discuss the problem and take appropriate action.

RECOGNITION

(2) The Corporation recognizes the Union as the exclusive representative of the factory employees for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment or other conditions of employment in the manufacturing plants of the Corporation in which recognition has been attained in accordance with the provisions of the Labor Management Relations Act of 1947 and applicable orders of the National Labor Relations Act.

(3) In case the Union shall be certified as the bargaining representative of any factory employees of any plant of the Corporation not now included under this Agreement, or if recognition is extended without formal certification, the matter of including such

employees under the terms of this Agreement shall be negotiated between the Union and the Corporation.

(3a) For the purpose of this Agreement, the term "factory employees" shall include those employees for which the Union has been recognized as the exclusive representative for collective bargaining in the respective plants covered by this Agreement.

Union Security and Check-Off of Union Membership Dues

(4) An employee who is a member of the Union at the time this Agreement becomes effective shall continue membership in the Union for the duration of this Agreement to the extent of paying an initiation fee and the membership dues uniformly required as a condition of acquiring or retaining membership in the Union.

(4a) An employee who is not a member of the Union at the time this Agreement becomes effective shall become a member of the Union within ten (10) days after the thirtieth (30th) day following the effective date of this Agreement or within ten (10) days after the thirtieth (30th) day following employment, whichever is later, and shall remain a member of the Union, to the extent of paying an initiation fee and the membership dues uniformly required as a condition of acquiring or retaining membership in the Union, whenever employed under, and for the duration of, this Agreement.

(4a1) In any state wherein Paragraphs (4) and (4a) of this Agreement cannot be made effective because of state law, an employee who is not a member of the Union at the time this Agreement becomes effective shall pay to the Union as a condition of continued employment, within ten (10) days after the thirtieth (30th) day following the effective date of this Agreement or within ten (10) days after the thirtieth

(30th) day following employment, whichever is later, a sum equal to the Union's or local's initiation fee charged members and also a sum monthly which is equal to the monthly dues required of the Union's or local's members at each location, provided that such condition of continued employment is not prohibited by state law and, provided further, that such condition of continued employment continues to be lawful under the National Labor Relations Act, as amended.

(4b) Anything herein to the contrary notwithstanding, an employee shall not be required to become a member of, or continue membership in, the Union, as a condition of employment, if employed in any state which prohibits, or otherwise makes unlawful, membership in a labor organization as a condition of employment.

(4c) The Union shall accept into membership each employee covered by this Agreement who tenders to the Union the periodic dues and initiation fee uniformly required as a condition of acquiring or retaining membership in the Union.

(4d) The Local Union will furnish Local Management not later than fifteen (15) days prior to implementation of the automatic dues deduction system, a list of the names of all members paying dues direct to the Local Union. Thereafter, the Local Union will advise Management, promptly, of any changes to this list.

(4e) Any dispute arising as to the employee's membership in the Union shall be reviewed by a representative of Local Management and the Chairperson of the Local Shop Committee, and if not resolved, may be decided by the Impartial Umpire.

(4f) "Member of the Union" as used in Paragraphs (4) and (4a) above means any employee who is a member of the Union and is not more than sixty (60)

days in arrears in the payment of International Union and Union dues specified herein.

(4g) Initiation fees for membership in the Union shall not exceed the maximum prescribed by the Constitution of the International Union at the time the employee becomes a member.

(4h) During the life of this Agreement, the Corporation agrees to deduct from the pay of each employee, or notify the Trustee of the Delphi-IUB-CWA Supplemental Unemployment Benefit Plan Fund to deduct from each such employee's Regular Benefits, monthly Union membership dues and initiation fees levied by the International Union or Local Union in accordance with their Constitution and By-Laws, provided that each such employee executes or has executed the following "Authorization and Direction" form; provided further however, that the Corporation will continue to deduct monthly membership dues from the pay of each employee for whom it has on file an unrevoked Authorization and Direction for check-off of dues form.

(4i) Deductions shall be made only in accordance with the provisions of said Authorization and Direction form, together with the provisions of this Section of the Agreement.

(4i1) Once each month, the designated financial officer may submit to local management a list showing the name and social security number for each employee who is certified as owing an initiation fee and/or monthly dues, specifying the amount of the liability and the period to which any such monthly dues liability applies.

(a) This list shall be dated and shall be submitted on or before the first Tuesday following the third payday in the month.

(b) Such amounts will be deducted from the first pay received following the first payroll period ending in the next following calendar month provided the employee has sufficient net earnings to cover the liability.

(4j) A properly executed copy of such "Authorization and Direction" form for each employee for whom Union membership dues are to be deducted hereunder, shall be completed by the employee and submitted to the Local Management before any dues deductions are made, except as to employees whose authorizations have heretofore been delivered to Local Management.

Deductions shall be made thereafter, only under the applicable "Authorization and Direction" forms which have been properly executed and are in effect. Local Management shall deliver to the Local Union an application for membership form for each employee for whom Union membership dues are to be deducted under the provisions of the Check-Off except as to employees whose authorizations have heretofore been delivered.

(4k) Check-Off deductions under all properly executed Authorizations for Check-Off of Dues forms which have been delivered to the respective Local Managements on or before the effective date of this Agreement, shall begin with the first month following the effective date of this Agreement.

(4l) The initial monthly dues deduction from the pay of an employee who completes an "Authorization and Direction" form shall be made from the second pay received by the employee following the date on which the authorization was executed. It shall be presumed that employees owe initiation fees, unless they had previously executed an "Authorization and Direction" form at that plant, and such initiation fees will be deducted simultaneously with the initial deduction as

specified in this paragraph. Thereafter, the Union membership dues for each succeeding calendar month shall be deducted as follows:

(a) The deduction for monthly Union dues, as may be established in accordance with the Constitution and By-Laws of the Union, will be made from the first pay received following the first payroll period ending in the calendar month. All payroll periods ending in a calendar month will constitute, in the aggregate, the dues deduction month. Regular monthly dues and past dues or initiation fees, if any, will be deducted provided the employee has sufficient net earnings to cover the deductions. In the event there are insufficient net earnings, the deductions will be made from the subsequent pay or Regular Benefit received by the employee that is sufficient to cover the deductions. Any liability will be carried forward until the employee has sufficient net earnings to cover the deduction or breaks seniority, whichever occurs first. However, deductions will only be made from Regular Benefits provided the employee has an applicable "Authorization and Direction" form in effect as of the date the deduction is made. In the event an employee has a past dues or initiation fee liability, such liability may be deducted from the employee's vacation entitlement.

(b) In the event an employee does not receive a pay check for a payroll period ending in a dues deduction month prior to the receipt of a Regular Benefit applicable to any such period, Union dues as may be established in accordance with the Constitution and By-Laws of the Union shall be deducted from the Regular Benefit, provided the employee has the applicable "Authorization and Direction" form in effect as of the date the deduction is made.

(4m) In the case of employees rehired, or returning to work after layoff or leave of absence, or being

transferred back into the bargaining unit, who previously have properly executed "Authorization and Direction" forms, deductions will be made as provided herein.

(4n) In cases where a deduction is made which duplicates a payment already made to the Union by an employee, or where a deduction is not in conformity with the provisions of the Union or International Union Constitution and By-Laws, refunds to the employee will be made by the Local Union.

(4o) Dues deductions shall be remitted to the designated financial officer of the Local Union once each month as soon as available but no later than 10 days after the regular deduction date. Any deductions made from subsequent payrolls or from Regular Benefits paid during payroll periods that end in the calendar month shall be included with the remittance for the following month. Local Management shall furnish the designated financial officer of the Local Union, monthly, with the names, social security numbers, department numbers and clock numbers of those for whom deductions have been made, the amounts of the deductions and the amounts deducted, by employee and in total, respectively, for initiation fees, regular monthly dues, and S.U.B. dues. Regular monthly dues and S.U.B. dues shall be identified as to the period to which such deductions apply. This information should be furnished along with the dues remittance. The designated financial officer will be advised of the order in which the names will be listed and of any future changes in the order of the listing as far in advance as possible. The foregoing notwithstanding, deductions made on a declining balance basis, deductions of a past dues or initiation fee liability from a Regular Benefit and deductions from pay for a liability incurred more than six (6) months prior to the actual deduction date will not be identified to a specific deduction month.

(4p) Any dispute which may arise as to whether or not an employee properly executed or properly revoked an "Authorization and Direction" form, shall be reviewed with the employee by a representative of the Local Union and a representative of local Management. Should this review not dispose of the matter, the dispute may be referred to the Umpire, whose decision shall be final and binding on the employee, the Union and the Corporation. Until the matter is disposed of, no further deductions shall be made.

(4q) Neither the Corporation nor the Trustee of the ~~Delphi-IUE-CWA~~ Supplemental Unemployment Benefit Plan Fund shall be liable to the International Union or its Local Unions by reason of the requirements of this Section for the remittance or payment of any sum other than that constituting actual deductions made from employee wages earned or from Regular Benefits received.

(4r) In the event net earnings are sufficient to cover union membership dues for only one dues deduction month and an employee has a dues liability for more than one (1) month, the deduction will be for the current dues deduction month. In such situations membership dues for the past dues liability will be deducted from the next earnings received in that month or in a succeeding month in which the employee has sufficient net earnings to cover such union membership dues.

(4s) In the event an employee receives a back pay settlement or award for any calendar month for which no dues deduction has been made, a deduction for each such month shall be made from such settlement or award.

RECOGNITION OF RIGHTS

(5) The Management will not interfere with, restrain or coerce employees because of membership or lawful activity in the Union and will not dominate or interfere with the Union or contribute financial or other support to it, nor, by discrimination in regard to hire or tenure of employment or any term or condition of employment, encourage or discourage membership in the Union.

(5a) It is the policy of Delphi Corporation and the IUE-CWA-AFL-CIO,CLC that the provisions of this Agreement be applied to all employees covered by this Agreement without discrimination based on race, color, sex, religion, age, national origin, disability, or sexual orientation as required by appropriate state and federal law. Any claims of violation of this policy, claims of sexual harassment or of any laws regarding discrimination or harassment on account of disability may be taken up as a grievance.

When a grievance containing a claim of violation of this paragraph is appealed to the Shop Committee, the Chairperson of the Shop Committee may refer the claim to the Chairperson of the Local Human Relations Committee for a factual investigation and report. Any such investigation will be conducted prior to the application of Paragraph (27) Step 3. The Chairperson of the Local Human Relations Committee shall not receive pay from the Corporation based solely upon any activity arising pursuant to this paragraph.

The grievance and arbitration procedure shall be the exclusive contractual procedure for remedying such discrimination claims.

(6) The Union and its members will not intimidate or coerce any employee in regard to the employee's right to work or in respect to union activity or

membership. There shall be no solicitation of employees for union membership or dues during working time. Any employee who feels unjustly disciplined for violation of this provision may take the matter up through the Grievance Procedure and provisions under the Section regarding Disciplinary Layoffs and Discharges.

(7) It is the responsibility of the local Management of the Corporation to maintain discipline and efficiency in its plant and the right of the Management to hire, discipline and discharge employees for just cause and relieve employees from duty because of inefficiency or lack of work is expressly recognized, subject to the right of appeal through the Grievance Procedure herein. In addition, the products to be manufactured, the location of plants, the schedules of production, the methods, processes and means of manufacturing are solely and exclusively the responsibility of the Corporation.

REPRESENTATION

(8) The Union shall be represented in each unit as follows:

In the ratio of not to exceed one district committeeperson for each two hundred and fifty employees covered by this Agreement except that in plants of five hundred or less employees there may be three committeepersons; in plants of five hundred to one thousand employees there may be five committeepersons; in plants of one thousand to fifteen hundred there may be seven committeepersons. Any deviations from these rules to cover special conditions in any plant will be negotiated between the Corporation and the International Union.

District Committeepersons

(9) Each bargaining unit will be districted by agreement between the local Plant Management and the Shop Committee or appropriate bargaining committee so that insofar as practicable each district on each shift shall contain approximately two hundred and fifty employees. Each committeeperson shall have a definitely defined district. The members of the Union in each such district shall select a committeeperson who is working in that district to represent the employees in that district. An alternate district committeeperson in each district, whose duties shall be the same as those of the regular district committeeperson for that district while committeeperson is absent from the plant, may be selected by the members of the Union. The total number of employees receiving a regular payroll check for work performed (plus employees who did not receive a regular payroll check who are on an approved vacation or leave of absence pursuant to Paragraphs 87 and 92 - short term) during a week representative of normal operations, mutually selected by the Plant Management and Shop Committee, will be the number used for redistricting. Plants shall be redistricted not more frequently than at six-month intervals, upon request of either the Plant Management or Shop Committee, when there is a change in the number of employees equal to two hundred and fifty or five percent, whichever is greater. Thereafter, redistricting shall be accomplished within twenty working days of such request.

Shop Committees

(10) The Shop Committees in the plants covered hereby shall be as follows except in plants up to 5000 employees, the Union has the option of selecting plan A or plan B:

Employment in Plant	Number Districts in Plant	Shop Committee Consists of			
		District Com- mittee- persons	Shop Com- mittee- persons at Large	Total Shop Com- mittee- persons	
Up to 500	Plan A	3	3	0	3
	Plan B	2	2	1	3
500 to 1000	Plan A	5	5	0	5
	Plan B	4	4	1	5
1000 to 1500	Plan A	7	7	0	7
	Plan B	6	6	1	7
1500 to 2500	Plan A	6 to 10	7	0	7
	Plan B	6 to 10	5	2	7
2500 to 3500	Plan A	10 to 14	5	2	7
	Plan B	10 to 14	4	3	7
3500 to 5000	Plan A	14 to 20	4	3	7
	Plan B	14 to 20	3	4	7
5000 to 7000		20 to 28	0	7	7
7001 to 9250		29 to 37	0	8	8
9251 to 10,500		38 to 42	0	9	9
10,501 to 11,750		43 to 47	0	10	10
11,751 and up		48 & over	0	11	11

(11) In plants in which one or more members of the Shop Committee is elected at large, one of such members shall be the Chairperson of the Shop Committee.

(12) Each member of the Shop Committee elected at large shall have a definitely defined zone as may be agreed upon between the Shop Committee or the appropriate bargaining committee and the Plant Management. Where the Chairperson of the Shop Committee is elected at large, the entire plant shall constitute the chairperson's zone. In the event a grievance arises in a district at a time when both the district committeeperson and the alternate are absent from the plant, the zone committeeperson for the zone in

which such district is located may be called from the job to handle such grievance, as provided in Paragraph (27). In the absence of the zone committeeperson, the Chairperson of the Shop Committee may be called.

(13) In the larger plants, by agreement between the Plant Management and Shop Committee, a subcommittee made up of not less than two nor more than six of the district committeepersons in a subdivision of the plant may be formed to meet with the representatives of Management in charge of such plant sub-division. A member of the Shop Committee for that zone may participate in such meeting. Grievances not settled by them may be referred to the Shop Committee as a whole for appeal to highest local Plant Management.

Meetings of Shop Committee

(14) Each plant shall have a regularly scheduled meeting between representatives of the local Management and the Shop Committee weekly, unless otherwise agreed between the local Management and the Shop Committee to extend the time between meetings, at a time to be mutually agreed upon between the Committee and the local Management. Emergency meetings will be arranged by mutual agreement.

Employment and Job Status of Committeepersons (District, Zone, and Chairpersons of Shop Committees)

(15) Committeepersons will be employed as full-time Union representatives during their scheduled working hours. They will function for the purpose of adjusting grievances in accordance with the Grievance Procedure and for other legitimate representation functions. Committeepersons will carry out their duties and functions in accordance with the chart set out below:

Purpose	District Committee persons	Members of Shop Committee		
		Who are also District Committee persons	Who are not District Committee persons	Chair persons of Shop Committees
Handle Grievances as provided in Par. (27) of Grievance Procedure	In their respective districts	In their respective districts	None	None
Handle Appealed Grievances with higher supervision as provided in Par. (27) of Grievance Procedure	According to agreed local practice			
Investigate Grievances Appealed to Shop Committee as provided in Par. (27) of Grievance Procedure	None	In any district	In any district (1)	In any district
Meetings with Management	None	On Meeting Days (4)		
Handle other legitimate representation functions (2)	In their respective districts	In their respective districts	In their respective zones (3)	In any district or zone

(1) As a general rule, such committee persons will not be assigned to investigate appealed grievances in zones other than their own.

(2) Other legitimate representation functions are defined as normal in-plant activities pertaining to the administration of the National Agreement and written local agreements including, but not limited to, participation in joint programs such as health and safety programs, product quality initiatives, skill development activities, etc.; provided such activities do not interfere with the work of other employees, supervision or the efficiency of operations.

(3) Or in another zone when designated by the Chairperson if the regular Zone Committee person for that Zone is absent from the plant.

(4) Shop Committee persons attending Management-Shop Committee meetings on shifts other than their regular shift will be paid for time spent in such meetings, with the understanding that their total hours paid for the day in question will not exceed their regularly scheduled shift hours for that day and such changes in shift hours for this purpose will not result in the payment of overtime premium (pursuant to Paragraph (52)(a)). It is further understood that the above will not result in any increase in representation being furnished as a result of the Zone Committee persons not working a full shift on their regular shift.

(16) Individuals shall not be eligible to serve as a committeeperson unless they are employees and their names have been placed on the seniority list and they are working in the plant.

(17) It is mutually agreed that the prompt adjustment of grievances is desirable in the interest of sound relations between the employees and the Management.

(18) The prompt and fair disposition of grievances involves important and equal obligations and responsibilities, both joint and independent, on the part of representatives of each party to protect and preserve the grievance procedure as an orderly means of resolving legitimate grievances.

Committeepersons acting properly in their official capacity should be free from orders by supervision which, if carried out, would impair the orderly investigation and presentation of grievances. Actions which tend to impair or weaken the grievance procedure, whenever they occur or in whatever manner or form, are improper.

Committeepersons have a responsibility to the Union and the employees they represent to conduct themselves in a businesslike manner and shall conform to the shop rules. The normal standard of conduct applicable to all employees shall be applied to committeepersons.

(19) Upon entering a department in the fulfillment of their duties, the committeepersons shall notify the supervisor of that department of their presence and purpose or give the supervisor a copy of the written complaint.

(20) For the purposes of representation in handling grievances and performing other legitimate representation functions as provided herein,

committeepersons will be scheduled to report at the plant as follows:

(1) All regular hours up to eight that their district or zone is scheduled to operate, on their respective shifts.

(2) Other than regular hours (including overtime, part time or temporary layoffs, shutdown for model change, inventory or plant rearrangement) when ten (10) or more of the people they normally represent are working in their district or zone on their respective shift. Employees on continuous seven-day operations or operations staffed by rotating or alternating shifts will not be considered in applying this provision.

When district committeepersons who would be scheduled to report during overtime hours, as provided herein, advise Management in advance that they will be absent during such hours, Management will schedule the alternate committeepersons for those districts to report. If committeepersons have been scheduled to report and fail to inform Management that they will not be at work, management will not be responsible for calling the alternate committeeperson.

(20a) The shift starting and ending time for committeepersons will be the starting and ending time of the majority of the employees they represent. The provisions of this Representation Section do not require that committeepersons be called earlier than their regular starting times because some employees in their districts start work earlier than their starting times or give overtime when some employees in their districts start and quit later than their regular shift hours.

(20b) Any problem arising under or not covered by the above provisions shall be subject to local negotiations with the Plant Management, with the right of appeal under the Grievance Procedure.

(20c) In the event of a reduction in force:

Committeepersons (including Chairpersons of Shop Committees, Zone and District Committeepersons) shall be retained regardless of seniority as long as any employees whom they represent are retained at work in their district or zone.

Alternate committeepersons shall, at the point they would be subject to being removed from their respective district be retained on a job they can do that is operating in their district. If after complying with all of the terms of this Agreement, alternate committeepersons are laid-off, they will be the first to be recalled in their regular groups when work starts in those groups on their own jobs or on other jobs in their districts that they can do.

(21) Committeepersons shall enter and remain in the plant on their respective shifts unless otherwise agreed to by the Plant Management. They shall be paid at their regular rate for the time spent in the plant on their respective shifts as provided in this Representation Section.

(21a) Committeepersons shall establish a regular rate equal to their regular straight time hourly rate, as of the time they assumed their duties as Committeepersons.

This rate shall be adjusted in accordance with any adjustments made in the rate for the classification the Committeeperson then held.

When provisions of the Local Seniority Agreement entitle Committeepersons to return to their former groups on higher rated jobs, their rates will be adjusted in accordance with such provisions.

Committeepersons are eligible for promotion to higher rated jobs in their district or zone in accordance with Paragraph 33(a) or 33(b) provided they are the most senior applicant and they are capable of doing the job.

(21b) All Committeepersons shall ring in and out, or otherwise account for their time, in the manner required by the Local Management. Problems regarding the administration of this provision may be referred directly to the Chairman of the IUE-CWA Automotive Conference Board and the Delphi Labor Relations Staff for resolution.

(22) The President, the two members of the Local Supplemental Unemployment Benefit Committee, the member of the Local Pension Committee, the Local Insurance Representative(s), one Vice-President, the Local Union Benefit Representative, the Local Union Health and Safety Representative(s), the two Union Local Apprentice Committee members, the Local Quality Network Representative and the Local Union Employee Assistance Program Representative shall, at the point where they would be subject to layoff from the plant in a reduction in force, be retained at work in the plant regardless of their seniority, provided they can do a job that is operating. This will not apply in cases of temporary layoffs for model change, inventory, material shortages, machine breakdown, or for any other reason known at the time to be temporary.

(22a) While on leave of absence, no employee shall serve as a committeeperson.

(23) Committeepersons shall be governed by local plant rules regarding employees entering and leaving the plant. However, members of the Shop Committee and Local Union Presidents may leave the plant on union business when arrangements are made as far in advance as possible with the Plant Management by the President of the Local Union, Chairpersons of the Shop Committee or International Representative.

(23a) The Chairpersons of Shop Committees in plants employing 500 or more employees will be permitted to leave the plant in accordance with

Paragraph (23) and will be paid their regular rates for up to six hours per day Monday through Friday while they are out of the plant in the performance of legitimate representation functions during straight time hours when they would otherwise be entitled to be in the plant for representation purposes. They shall notify the designated Management representative, if available, when leaving and returning to the plant during working hours. The Chairpersons of Shop Committees in plants employing less than 500 employees will be permitted to leave the plant in accordance with the above and will be paid their regular rates for up to twenty (20) hours per week, which will be a reservoir available at the start of the week, to be drawn upon during the week Monday through Friday. Any single period of absence must be for a minimum of two (2) or a maximum of six (6) hours.

(24) The names of the committeepersons and alternate committeepersons in each district and the names of the committeepersons constituting the Shop Committee shall be given in writing to the local Management. No committeepersons shall function as such until the local Management has been advised of their selection, in writing, by the Local Union President, Chairperson of the Shop Committee, or the Chairman of the IUE-CWA Automotive Conference Board.

Any change in committeepersons shall be promptly reported to Management in writing. In the case of district committeepersons (who are not shop committeepersons) and alternate district committeepersons, the Union shall give notice at least two (2) working days prior to the effective date of the change unless changed by local negotiations.

(25) Executive Officers of the International Union, or their representatives, duly authorized to represent the International Union at Shop Committee meetings, or the

President of the Local Union or an officer of a Local Union, having seniority in the plant, designated by the President, if not employed by the Corporation will be permitted to attend meetings between the Shop Committee and the Management of any plant. Where the President of the Local Union works in the plant and is not a committeeperson, the President may attend Shop Committee meetings in that plant and will be paid the regular rate for time spent in such meetings for the hours that would otherwise have been worked in the plant. The Plant Manager or designated representative shall not be requested to meet with more than two such representatives, whose names must have been submitted previously to the Corporation and who must be prepared to show proper credentials. Written request must be given to Plant Management, by the Chairperson of the Shop Committee, at least twenty-four (24) hours before each meeting in all cases covered by this paragraph, with the exception that prior notice will not be required when the President of the Local Union desires to attend such meetings.

(26) Any committeeperson having an individual grievance in connection with that committeeperson's own work may ask for a member of the Shop Committee to assist in adjusting the grievance with the supervisor.

GRIEVANCE PROCEDURE

(27) **Step 1.** Employees having a grievance in connection with their work may (1) see the supervisor and attempt to adjust the grievance, or (2) see the supervisor and request representation for the purpose of settling a specified grievance. The supervisor will send promptly for the committeeperson without further discussion of the grievance.

Step 2. If the grievance is not adjusted by the supervisor, it may be appealed to higher supervision according to local practice.

Step 3. If the grievance is not adjusted at Step 2, it may be referred to the Shop Committee and may then be taken up with the Plant Manager or designated representative.

(27a) Time limits for management answers at each step of the Grievance Procedure will be established by local negotiation and reduced to writing, subject to the approval of the Corporation and the International Union.

(27b) Any grievance not appealed from the decision of Management at one step of this procedure in the plant within seven (7) working days of such decision shall be considered settled on the basis of such decision.

APPEAL

(28) If the grievance is not adjusted, an International Union Representative will be granted permission to visit the plant for the purpose of investigating the specific grievance involved in the case providing such a grievance is of the nature that observation or investigation will aid in:

I. Arriving at a decision as to whether or not a grievance exists;

II. Arriving at a decision as to whether or not such grievance shall be appealed;

III. The purpose of its proper presentation in the event of appeal.

Such visits will occur only after the following procedure has been complied with:

(1) The names of the individuals who will be permitted to enter the plant must be submitted in writing to local Management previous to the date such entry is requested. Such names will be submitted to the Corporation by the International Union.

(2) The International Union shall give notice in writing to Plant Management of the request for entry and will identify the representative whom it wishes to make the visit and the specific grievance to be investigated.

(3) Plant Management will acknowledge receipt of the request and set a time during regular working hours which is mutually agreeable for such visit.

(4) A member of the Shop Committee or a district committeeperson may accompany the International Union Representative during such visit should their presence be requested. Management representatives may accompany the International and Local Union representatives during such visit.

(5) Only one such visit on a specified grievance shall be made under these provisions unless otherwise mutually agreed to.

(6) Such visits shall be restricted to the time mutually agreed upon in Point (3) above and shall be of reasonable duration and shall be subject to all plant rules and regulations which apply to employees and all regulations made by the United States Army, Navy and Federal Bureau of Investigation.

It is mutually agreed that the purpose of this provision is solely to facilitate the operation of the grievance procedure, and that the International Union Representative shall confine the visit to its stated purpose. If it is necessary the International Union Representative may interview the employee or

employees signing the grievance and employees in the bargaining unit who have information relevant to the case. Such interview shall be a private interview when requested by the International Union Representative and a suitable place will be provided.

Any dispute developing out of the application of these provisions may be finally determined by the Umpire.

(28a) If the grievance is not adjusted and the Shop Committee believes it has grounds for appeal from the ~~written decision by the local Plant Management~~ to the Shop Committee, within 15 days of such decision, the Chairperson of the Shop Committee will give the Plant Management a written "Notice of Unadjusted Grievance," on forms supplied by the Corporation, and the Chairperson or designated member of the Shop Committee will then prepare a complete "Statement of Unadjusted Grievance," signed by the Chairperson of the Shop Committee, setting forth all facts and circumstances surrounding the grievance, and where an alleged violation of Paragraph (5a) is included in the grievance, a statement of the facts and circumstances supporting such claim. The Plant Manager or designated representative will also prepare a complete "Statement of Unadjusted Grievance" and the Management's reason in support of the position taken, signed by the Plant Manager or authorized representative. Three copies of the Union's statement will be exchanged with the Management for three copies of the Management's statement as soon as possible and in any event within five (5) working days after the Committee has given the Management the "Notice of Unadjusted Grievance," unless this time is extended by mutual agreement in writing, in which event the forty-five days for appeal by the Chairperson of the Shop Committee as provided herein shall be automatically extended by the same number of days as the amount of

extended time for exchanging Statements of Unadjusted Grievance. Each Shop Committee shall consecutively number each "Statement of Unadjusted Grievance" from one upward for identification purposes.

If the grievance is not adjusted and the Chairperson of the Shop Committee decides to appeal the case after having reviewed the Statements of Unadjusted Grievance, the Chairperson shall give notice on the form "Notice of Appeal" supplied by Plant Management, sending one copy to the local Plant Management. Any case not appealed within forty-five days, plus any agreed upon extension of time for exchanging Statements of Unadjusted Grievance as provided above, of the date of the written decision by the local Plant Management to the Shop Committee, shall be finally and automatically closed on the basis of that decision and shall not be subject to further appeal.

(28b) If the case is appealed, it will then be considered by an appeal committee consisting of the following: For the Union, the International Representative and the Chairperson of the Shop Committee and/or another designated official of the Local Union having seniority in the plant; For Management, two representatives of local or Divisional Management and/or a representative of the Labor Relations Staff of the Corporation, one of whom has not previously rendered a decision in the case. If a representative of the Labor Relations Staff does not attend, another representative of local or Divisional Management may be present. If the Union desires that a representative of the Labor Relations Staff attend the appeal meeting, it may include its request for such attendance on the appeal form. In such appeal meetings, the Union will be entitled to representatives equal in number to the representatives of the Management. Management shall not be required to meet with more than a total of three Union representatives, which

number shall not include more than two International Representatives in such meetings.

(28c) (1) Meetings on appeal cases will be held as soon as they can be conveniently arranged, but in any event arrangements for appeal meetings will be made within fifteen (15) days of receipt of "Notice of Appeal" and meetings will be held within thirty (30) days of receipt of "Notice of Appeal" unless this period is extended by mutual agreement in writing. A written answer to appealed grievances shall be submitted to the Union within fifteen (15) days after date of the appeal meeting.

~~Attendance of committeepersons at the meetings of the Appeal Committee held on plant premises shall be considered as absence from the Plant. Such committeepersons will be paid their regular rate of pay for time spent in such meetings of the Appeal Committee for the hours that they would otherwise have worked in the Plant.~~

(28c) (2) Special Procedure - Contracting of Work

Grievances charging a violation of the Corporation's express commitments, set forth in Paragraphs (86a), (86b), (86c), (86e) and Appendix B shall be handled in the following manner:

(1) When a grievance arises involving the above, it shall be reduced to writing on forms provided by the Corporation, signed by the Chairperson of the Shop Committee or the Shop Committeeperson involved, and referred to the Shop Committee at Step Three of the grievance procedure. The grievance may then be processed in the grievance procedure through the Umpire step under the terms of the National Agreement, unless the Chairman of the IUE-CWA Automotive Conference Board elects otherwise as provided in Paragraph (28c)(2)(2) below.

(2) Within thirty (30) days of the date of Notice of Appeal to the Umpire, the Chairman of the IUE-CWA Automotive Conference Board will notify the Vice President of Human Resource Management of the Corporation in writing of the Chairman's election to refer the case back to the Appeal Committee. Thereafter, the bargaining procedure provided in Paragraph (99) may then be applicable.

UMPIRE

(28d) In the event of failure to adjust the case at this point, it may be appealed to the Impartial Umpire, providing it is the type of case on which the Umpire is authorized to rule. Notice of appeal of such cases to the Umpire by the Union shall be given by the Chairperson of the Shop Committee to the Plant Management of the plant in which the case arose, with copies to the Labor Relations Staff of the Corporation in Troy, Michigan and the Chairman of the IUE-CWA Automotive Conference Board. In cases appealed to the Umpire by the Corporation, notice of such appeal will be given by the Corporation to the International Union. Cases not appealed to the Umpire within twenty-one (21) days from the date of a final decision given after the appeal hearing shall be considered settled on the basis of the decision so given.

After a case has been appealed to the Umpire but prior to the Umpire hearing of the case, an International Union Representative will be granted permission to visit the plant for the purpose of investigating the specific grievance involved in the case in accordance with all of the provisions of Paragraph (28) regarding plant visits. Thereafter, the National Parties may by mutual agreement, meet to attempt to resolve the grievance.

(28e) The Impartial Umpire shall have only the

functions set forth herein. Four individuals shall serve on an ad hoc basis so long as each continues to be acceptable to both parties. Should any of those named become unacceptable to either party, they will no longer serve as the Impartial Umpire upon written notice from one party to the other. In that event the parties shall meet as soon as practicable in order to name a replacement. The fees and expenses of the Umpire will be paid one-half by the Corporation and one-half by the Union and all other expenses shall be borne by the party incurring them. During the life of this Agreement or unless otherwise changed any of the following persons shall be acceptable to both the Corporation and the International Union to function as the Impartial Umpire:

Thomas E. Angelo

Timothy J. Heinsz

George R. Fleischli

James C. Duff

Selection of an Umpire will be made by mutual agreement from among the above named individuals. In the event of failure to make a selection, the Corporation and the International Union will each strike the name of one of the individuals. The Umpire shall automatically be the one of the remaining two who is first available.

(28f) All cases shall be presented to the Umpire in the form of a written brief prepared by each party, setting forth the facts and its position and the arguments in support thereof. The written briefs will be exchanged at the time of hearing. The Umpire may make such investigation as the Umpire may deem proper and may at the Umpire's option hold a hearing open to the parties and examine the witnesses of each party and each party shall have the right to cross-examine all such witnesses and to make a record of all such proceedings. The Umpire will issue the decision within thirty (30) days following the date the hearing is concluded unless the parties mutually agree to a longer period.

(28g) It shall be the function of the Umpire, after due investigation and within a reasonable period of time after submission of the case to make a decision in all claims of discrimination for Union activity or membership and in all cases of alleged violation of the terms of the following Sections of this Agreement, and written local or national supplementary agreements on these same subjects: Purpose of Agreement; Recognition; Recognition of Rights; Representation; Grievance Procedure; Appeal; Umpire; Seniority; Disciplinary Actions; Call-In Pay; Working Hours; Leaves of Absence; Union Bulletin Boards; Strikes, Stoppages and Lockouts; Wages; General Provisions; Skilled Trades, except as provided hereinafter; Paragraphs (46) through (46f) relative to procedures on Production Standards; Establishment of New Plants; Vacations; Holiday Pay; and of any alleged violations of written local or national wage agreements. The Umpire shall have no power to add to or subtract from or modify any of the terms of this Agreement or any agreements made supplementary hereto; nor to establish or change any wage; nor to rule on any dispute arising under Paragraphs (45) and (46g) through (46k) regarding Production Standards nor to rule on a case handled pursuant to Paragraph (28c)(2)(2). The Umpire shall have no power to rule on any issue or dispute arising under the Waiver Section, [Paragraphs (110), (111), (112)] or the Pension Plan, Life and Disability Benefits Program, Health Care Program, Guaranteed Income Stream Benefit Program, Profit Sharing Plan, Personal Savings Plan, Legal Services Plan or Supplemental Unemployment Benefit Plan Section, except with respect only to the question of whether a discharged employee should receive a supplemental allowance pursuant to Section 7 of Article II of the Pension Plan (Exhibit A-1). Any case appealed to the Umpire on which the Umpire has no power to rule shall be referred back to the parties without decision.

(28g) (a) In making a decision on a case alleging a violation of Paragraphs (86a), (86b), (86c), (86e), Appendix B, or Appendix F, the Umpire can only provide a remedy where the Umpire finds that (1) a violation of the express commitments set forth in the above paragraphs, Appendix B, or Appendix F has been established, (2) the established violation resulted from the exercise of improper judgment by Management, and (3) ~~a journey person employee, or in the case of~~ Appendix F, any employee, who customarily would perform the work in question has been laid-off or was allowed to remain on layoff as a direct and immediate result of work being subcontracted, outsourced, or not being brought in-house. The Umpire's remedy shall be limited to back wages for the parties at interest as defined in (3) of this paragraph, and in the case of Appendix F, the Umpire may rule that the parties at interest be returned to work, and the work in dispute or equivalent replacement work be returned to Delphi Corporation.

(28g) (1) The Umpire may, pursuant to written agreement between the parties executed prior to the hearing, be directed to issue a Memorandum Decision in any case that may be presented to the Umpire, which Memorandum Decision shall be without precedent value and be limited to the Umpire's decision and the remedy, if any, in that specific case. The Umpire will issue the decision within ten (10) days following the date the Umpire hearing is concluded.

(28h) The Corporation delegates to the Umpire full discretion in cases of discipline for violation of shop rules, or discipline for violation of the Strikes, Stoppages and Lockouts Section of the Agreement.

(28i) Any claims including claims for back wages by any employee covered by this Agreement, or by the

Union, against the Corporation shall not be valid for a period prior to the date the grievance was first filed in writing, except that:

(a) In cases based on a violation which is non-continuing, such claims shall be valid for a period of not more than seven days prior to the date the grievance was first filed in writing unless the circumstances of the case made it impossible for the employee, or for the Union, as the case may be, to know that the employee, or the Union, had grounds for such a claim prior to that date, in which case the claim shall be limited retroactively to a period of ~~forty-five~~ days prior to the date the claim was first filed in writing;

(b) In cases based on a violation which is continuing, if the circumstances of the case made it impossible for the employee, or for the Union, as the case may be, to know that the employee, or the Union, had grounds for such a claim prior to that date, the claim shall be limited retroactively to a period sixty days prior to the date the claim was first filed in writing.

(28i) (1) Deductions from an employee's wages to recover over-payments made in error will not be made unless the employee is notified prior to the end of the month following the month in which the check (or payroll order) in question was delivered to the employee.

(28j) (This paragraph was deleted in 1999 National Negotiations.)

(28k) All claims for back wages shall be limited to the amount of wages the employee would otherwise have earned from employment with the Corporation during the periods as above defined, and, in the case of protested discipline or loss of seniority, the amount of Supplemental Unemployment Benefits and Unemployment Compensation (provided the denial of

this benefit is final) the employee applied for in a timely manner, was otherwise entitled to, but did not receive because of such discipline or loss of seniority less the following:

(1) Any Unemployment Compensation received for a week which corresponds to a week the employee would have worked for the Corporation which the employee is not obligated to repay or which the employee is obligated to repay but has not repaid nor authorized the Corporation to repay on the employee's behalf.

(2) Compensation for personal services other than the amount of compensation the employee was receiving from any other employment held at the time the employee last worked for the Corporation and which the employee would have continued to receive had the employee continued to work for the Corporation during the period covered by the claim.

Wages for total hours worked each week in other employment in excess of the total number of hours the employee would have worked for the Corporation during each corresponding week of the period covered by the claim, shall not be deducted.

The calculation of a back pay award made pursuant to this paragraph will be provided to the employee involved upon request.

(28l) No decision of the Umpire or of the Management in one case shall create a basis for a retroactive adjustment in any other case prior to the date of written filing of each such specific claim.

(28m) After a case on which the Umpire is empowered to rule hereunder has been referred to the Umpire, it may not be withdrawn by either party except by mutual consent.

(28n) There shall be no appeal from the Umpire's decision, which will be final and binding on the Union and its members, the employee or employees involved and the Corporation. The Union will discourage any attempts of its members, and will not encourage or cooperate with any of its members, in any appeal to any Court or Labor Board from a decision of the Umpire.

With respect to the processing, disposition and/or settlement of any grievance initiated under the Grievance Procedure Section of this Agreement, and with respect to any court action claiming or alleging a violation of this Agreement or any local or other agreement amendatory or supplemental hereto, the Union and International Union shall be the sole and exclusive representatives of the employee or employees covered by this Agreement. The disposition or settlement, by and between the Corporation and the Union or International Union, of any grievance or other matter, shall constitute a full and complete settlement thereof and shall be final and binding upon the Union, the International Union, and their members, the employee or employees involved and the Corporation.

Neither the Corporation, nor the Union or International Union, nor any employee or group of employees, may initiate or cause to be initiated or press any court action claiming or alleging a violation of this Agreement or any local or other agreement amendatory or supplemental hereto, where such claim is also the subject matter of a grievance which is then open at any step of this grievance procedure.

No employee or former employee shall have any right under this Agreement in any claim, proceeding, action or otherwise on the basis, or by reason, of any claim that the Union, International Union, or any Union or International Union officer or representative has acted or failed to act relative to presentation, prosecution or settlement of any grievance or other matter as to which

the Union or International Union, or any Union or International Union officer or representative has authority or discretion to act or not to act under the terms of this Agreement.

(28o) Any grievances which the Corporation may have against the Union in any plant, shall be presented by the Plant Management involved to the Shop Committee of that plant. In the event that the matter is not satisfactorily adjusted within two weeks after such presentation, it may be appealed to the Appeal Step of the Grievance Procedure upon written notice to the Local Union and the International Representative of the Union. Thereafter the matter will be considered at the Appeal Step of the Procedure as provided in Paragraph (28b). If the matter is not satisfactorily settled at this meeting or within five days thereafter by agreement, the case may be appealed to the Umpire by the Corporation under written notice to the International Union and to the Umpire.

(28p) Any issue involving the interpretation and/or the application of any terms of this Agreement may be initiated by the Corporation or the International Union directly with the other party. Upon failure of the Corporation and the International Union to agree with respect to the correct interpretation or application of the Agreement to the issue, it may then be appealed directly to the Umpire as provided in Paragraph (28d).

(28q) Any grievance involving a dispute regarding an employee's job assignment which has resulted in a loss of work, or a refusal of Management to return an employee to work from sick leave of absence, by reason of the medical findings of a physician or physicians acting for the Corporation, will be initiated at Step 3, if such findings are in conflict with the findings of the employee's personal physician with respect to whether the employee is able to do a job to which the employee

is entitled in line with the employee's seniority or do the disputed job assignment as the case may be. Failing to resolve the question, the parties may refer the employee to a local clinic or physician mutually agreed upon for an impartial medical opinion with respect to whether the employee is or is not able to do a job to which the employee is entitled in line with the employee's seniority or do the disputed job assignment as the case may be. If Management and the Union are unable to agree on any aspect of the referral to a clinic or physician, the case may be appealed as provided in the grievance procedure. Without adding to or modifying any other provisions of this Agreement or any of its Supplements, where an Impartial Medical Opinion (IMO) Program is in effect in a plant the medical authority(s) approved for such program may be the "local clinic or independent physician" provided for above. The expense of such examination shall be paid one-half by the Corporation and one-half by the Local Union. Any retroactive pay due the employee shall be limited to a period commencing with the date of filing of the grievance, or the date the employee became able to do a job to which the employee is entitled in line with the employee's seniority whichever is the later.

SENIORITY

Acquiring Seniority

(29) Employees will acquire seniority through ninety days of continuous or accumulative service in six consecutive months. Employees' seniority will date back ninety days from the date on which seniority is acquired provided, however, that employees rehired pursuant to Paragraph (34)(e) will acquire seniority on their first day of work.

Employees who are placed in permanent jobs at other

Delphi facilities under the provisions of Appendix E will establish seniority at the secondary plant on the day they start at the secondary plant.

(29a) Employees shall be regarded as temporary employees until seniority is established. There shall be no responsibility for the reemployment of temporary employees if they are laid-off or discharged during this period. However, any claim by temporary employees rehired pursuant to Paragraph (34)(c), or any claim by any other temporary employees made after 30 days of employment, that their layoff or discharge is for prejudice and is not for cause may be taken up as a grievance.

(30) Seniority shall be by noninterchangeable occupational groups to be negotiated locally. Where changes in methods, products, or policies would otherwise require the permanent laying off of employees, the seniority of the displaced employees will become plantwide and they will be transferred out of their occupational group in line with their seniority to work they are capable of doing, as comparable to the work they have been doing as may be available at the rate for the job to which they are transferred.

(30a) Any employee who has been transferred from a supervisory position to a job classification in the bargaining unit shall be credited with seniority as hereafter provided:

(1) The employee previously worked on a job classification in the bargaining unit. This shall also be applied to employees who were promoted prior to certification of the Union.

(2) The employee's employment with the Corporation has remained unbroken.

The seniority of such employee returning to the bargaining unit will be established as provided below:

1. All seniority established prior to March 1, 1977.
2. All time worked in the bargaining unit subsequent to March 1, 1977.
3. All time worked in a supervisory position subsequent to September 21, 1984 and prior to January 1, 2000.
4. All time worked in a temporary supervisory position that does not exceed 120 days in any calendar year subsequent to January 1, 2000.

Such employee may be placed on the job to which the employee would be entitled by seniority under the local seniority agreement, beginning with the last previous job the employee held in the bargaining unit; provided however, that if such last previously held job is no longer in existence, the employee may be placed in accordance with Paragraph (30). In no event shall such employee be transferred to a bargaining unit job at a time when the employee has insufficient seniority to be so placed.

Seniority Lists

(31) Up-to-date employment lists showing employees in each occupational group by name and date of hiring will be made available to all employees within the plant for their inspection by posting where practical or by a satisfactory equivalent method. The method of displaying such lists is a matter of local negotiation:

(31a) Each three months the Chairperson of the Shop Committee will be given two up-to-date copies of the complete list of employees covered by the Agreement, containing each employee's name, department number, occupational group or classification, plant seniority date, and, if different than the employee's plant seniority date, the employee's skilled trades date of entry or skilled

trades seniority date. An additional copy of each such list shall be given to the Financial Secretary. This will not require a change in any mutually satisfactory local practice now in effect.

(31b) Following the end of each month the Chairperson of the Shop Committee shall be furnished two copies and the Financial Secretary shall be furnished one copy of the list of names, department number and seniority dates of employees who during the preceding month have:

- (a) Acquired seniority
- (b) Been granted leaves of absence for military service
- (c) Been granted other types of leave of absence of more than thirty (30) days' duration
- (d) Returned to work from leaves of absence described in (b) and (c) above.

Local Management will designate on the list those employees who ceased to be subject to the check-off and the reason therefor.

(31c) Each week the Chairperson of the Shop Committee shall be furnished two copies and the Financial Secretary shall be furnished one copy of the list of names and department numbers of the employees who during the preceding week:

- (a) Became new hires into the bargaining unit and, by classification, those hired as journeymen, including identification of apprentice graduates, and trainees
- (b) Returned to work from permanent layoff
- (c) Transferred

- (1) into the bargaining unit, or
- (2) out of the bargaining unit (to supervisory or non-supervisory position)

(d) Had their employment terminated while in a temporary employee status including the date of hire and last day worked of each such employee

(e) Lost seniority, and the reason therefor.

(f) Became deceased (including retired employees).

(g) Were placed on permanent layoff.

The list shall contain the seniority dates of employees listed under (b), (c) and (g). It shall also include a notation of the seniority date of the employee with the longest seniority who is laid-off or the "leveling off" date.

(31d) Each month the Financial Secretary shall be furnished with the names, social security numbers, department numbers and clock numbers of those employees on the active roll or on layoff, as the last day of the final payroll period ending in the month, for whom no deductions were made during that dues deduction month and the reasons therefor. In the event an employee breaks seniority or transfers out of the bargaining unit during the previous dues deduction month and has an unpaid dues liability, the amount of such liability will be shown on this list. This information should be furnished along with the dues remittance report described in Paragraph (4o). The Financial Secretary will be advised of the order in which the names will be listed and of any future changes in the order of the listing as far in advance as possible.

Transfers

(32) When an employee is transferred from one occupational group to another for any reason, there will be no loss of seniority. The period of time when an employee's seniority will be established in an occupational group to which the employee has been transferred is a *matter of local negotiation*.

(33) The transferring of employees is the sole responsibility of Management subject to the following: sub-paragraphs. The provisions of this paragraph shall be ~~applied without discrimination because of race,~~ religion, color, age, sex, disability, sexual orientation or national origin, so that equal employment opportunity will be afforded to all employees.

(a) In the advancement of employees to higher paid jobs when ability, merit and capacity are equal, *employees with the longest seniority will be given preference*. If the settlement of a grievance alleging violation of this Paragraph (33)(a) is on the basis that a different employee should have been promoted, that employee will receive the difference in wages earned (exclusive of earnings received for overtime hours which the employee worked but were not worked by the employee improperly promoted to the higher rated job) and the wages the employee would have earned had the employee been promoted effective on the date of the grievance.

(b) It is the policy of Management to cooperate in every practical way with seniority employees or employees who are at the top rate of their classification and who desire transfers to new positions or vacancies in their department. Accordingly, such employees who make application to their supervisor or the Personnel Department stating their desires, qualifications and experience, will be given preference for openings in their department provided they are capable of doing the

job. Employees who have made application as provided for above and who are capable of doing the job available shall be given preference for the openings in their department over new hires. In case the opening is in an equal or lower rated classification and there is more than one applicant capable of doing the job, the applicant with the longest seniority will be given preference.

Any secondary job openings resulting from filling jobs pursuant to this provision may be filled through promotion, or through transfer without regard to seniority standing, or by new hire.

In plants where departments are too small or in other cases where the number of job classifications within a department is insufficient to permit the practical application of this paragraph, arrangements whereby employees may make such application for transfer out of their department may be negotiated locally, subject to approval by the Corporation and the International Union.

Any claim of personal prejudice or any claim of discrimination for Union activity in connection with transfers may be taken up as a grievance. Such claim must be supported by written evidence submitted within 48 hours from the time the grievance is filed.

Loss of Seniority

(34) Seniority will be broken for the following reasons:

- (a) If the employee quits.
- (b) If the employee is discharged.
- (c) If the employee is absent from work for three working days without properly notifying the

Management, unless a satisfactory reason is given. After the unreported absence of three working days, Management will send clear written notification to the employee's last known address as shown on the Company records that seniority has been broken and that it can be reinstated if, within five specified working days after delivery or attempted delivery of such notice, the employee reports for work or properly notifies Management of a reason for absence. A copy of such Management notification will be furnished promptly to the Chairperson of the Shop Committee. If the ~~employee complies with the conditions set forth in the~~ notification, the employee's seniority will be reinstated if it has not otherwise been broken; however, such reinstatement shall not be construed as limiting the application to the case of the Shop Rule regarding absence without reasonable cause.

(d) If the employee fails to return to work within five (5) working days after having been notified to report for work and does not give a satisfactory reason, such notice shall be clear in intent and purpose. A copy of Management's notification of such loss of seniority will be furnished promptly to the Chairperson of the Shop Committee.

(e) If the employee is laid-off for a continuous period of eighteen (18) months for employees with less than one (1) year of seniority; or thirty-six (36) months for employees with one (1) or more years of seniority but less than three (3) years; or time equal to the seniority the employee had acquired at the time of such layoff period for employees with three (3) or more years of seniority. For the purpose of computing the period for breaking seniority only, the first day of the layoff period will be the next otherwise regularly scheduled work day after the layoff. In the case where the regularly scheduled work day is a Monday holiday as listed in Paragraph (102), that Monday will be considered the first day of the layoff period.

(1) Any employee with less than five (5) years of seniority at the time of such layoff period whose seniority is so broken under the terms of Paragraph (34)(e) of this Agreement or the 1982 National Agreement shall, for a period of sixty (60) months beginning with the employee's last scheduled work day prior to the layoff, retain a right to be rehired in accordance with the seniority date the employee had established at that plant as of such last scheduled work day.

(2) An employee whose seniority has been so broken and who is rehired and reacquires seniority at the same plant pursuant to Paragraph (29) within the sixty (60) month period specified in (34)(e)(1) above, shall have the new seniority date adjusted by adding an amount of time equal to the amount of seniority acquired at that plant as of the employee's last day worked.

In the case of a laid-off employee hired at a secondary plant pursuant to the provisions of Appendix E, the time worked at such secondary plant will not be included in the calculations for breaking seniority or exhausting rehire rights.

(f) Retirement as follows:

(1) An employee who retires, or who is retired under the terms of the Pension Plan, shall cease to be an employee and shall have seniority cancelled.

(2) An employee who has been retired on a permanent and total disability pension and who thereby has broken seniority in accordance with subsection (1) above, but who recovers and has pension payments discontinued, shall have seniority reinstated as though the employee had been on a sick leave of absence during the period of disability retirement, provided however, if the period of disability retirement was for a period longer than the seniority the employee had at the date of retirement, the employee shall, upon the discontinuance

of the disability pension, be given seniority equal to the amount of seniority the employee had at the date of such retirement.

(3) If an employee retired for reasons other than total and permanent disability, who has lost seniority in accordance with subsection (1) above, is rehired such employee will have the status of a new employee and without seniority, and shall not acquire or accumulate any seniority thereafter, except for the purpose of applying the provisions governing Holiday Pay and Vacation Pay.

(g) If the employee is issued a Separation Payment check or draft by the Corporation pursuant to the Supplemental Agreement attached hereto as Exhibit "C", the employee's seniority shall be broken at any and all plants of the Corporation as of the date the employee's application for such Separation Payment was received by the Corporation; provided, however, that if the employee:

(1) returns the amount of the Separation Payment to the Corporation within 30 days of the date of the Separation Payment check or draft, the employee's seniority shall be reinstated as of the fourth working day following receipt of the returned amount;

(2) received such Separation Payment by reason of total and permanent disability and subsequently recovers and reports for work, the employee's seniority shall be reinstated as though the employee had been on sick leave of absence during the period of the employee's disability, provided further however, that if the period beginning with the date the employee's seniority was broken by reason of the Separation Payment and ending with the date of the employee's return to work was for a period longer than the seniority the employee had at the date such seniority

was broken because of the Separation Payment, the employee shall be given seniority equal to the amount of seniority held at the date of such seniority break.

(h) If the leave of absence granted to the employee under the terms of Paragraph (95) of this Agreement or the Agreement of September 21, 1961 is terminated and the employee's seniority is cancelled pursuant to Paragraph (95).

(i) An employee whose seniority is broken under the provisions of Paragraphs (34)(a), (34)(b), (34)(c), (34)(d), (94)(a) or (94)(b) will, in the event the employee's seniority is reinstated, be reimbursed for any contributions the employee makes pursuant to Section 6 of the Supplemental Agreements (Life and Disability Benefits Program and Health Care Program) (Exhibits B and C) which the Corporation would have made in accordance with the employee's revised status, under the applicable provisions of the Life and Disability Benefits Program and the Health Care Program (Exhibits B, B-1, C and C-1). An employee who is assessed a disciplinary layoff which is subsequently reduced or rescinded, will be reimbursed for any contributions the employee makes pursuant to the Supplemental Agreements (Life and Disability Benefits Program and Health Care Program) (Exhibits B, B-1, C and C-1) which the Corporation would have made, in accordance with the employee's revised status, under the applicable provisions of the Life and Disability Benefits Program and the Health Care Program (Exhibits B, B-1, C and C-1).

Layoff and Rehiring Procedure

(35) For temporary reductions in production not exceeding four weeks, the work week may be reduced before any employees are laid-off, unless otherwise extended by local plant agreement.

(36)(a) For extended periods of reduced production exceeding four weeks the work week will be reduced and/or employees will be laid-off to comply with Paragraph (c) below, unless otherwise extended by local plant agreement.

(b) Both parties agree that it is desirable to give employees high annual earnings. It is recognized and agreed that there are times when production and tooling require overtime and other times when not enough work is available to give all employees with seniority a full week's work. It is mutually recognized that to operate a plant at a schedule which gives employees less than thirty-two (32) hours per week for more than a month is unsatisfactory to both employees and the Corporation and reductions below this level are only justified by special conditions.

(c) Operation of a plant or any part thereof on a schedule of employment of less than an average of twenty-four (24) hours per week for a period of more than two consecutive weeks or less than an average of thirty-two (32) hours per week for a period of more than four consecutive weeks shall only be by local written agreement with the Shop Committee.

(d) For the purpose of Paragraph (35) and this Paragraph (36), a week in which employees are not scheduled to work shall not be taken into account. In the event a full week of five holidays occurs during the Christmas holiday period, the hours paid as holiday pay in such a week shall be counted as scheduled hours of work. Hours paid as holiday pay in a week in which work is scheduled shall also be counted as scheduled hours of work.

(37) Employees will be laid-off and rehired in accordance with local seniority agreements.

General Provisions Regarding Seniority

(38) Extra work in periods of part time operation, and overtime, will be equalized among the employees in the group engaged in similar work, as far as practicable. Procedures for making information concerning equalization of hour status available to employees by department by supervisor may be negotiated locally. This provision shall not interfere with any mutually satisfactory local practice now in effect.

(39)(a) Any employee who has been incapacitated at regular work by injury or compensable occupational disease while employed by the Corporation, will be employed in other work on a job that is operating in the plant which the employee can do without regard to any seniority provisions of this Agreement, except that such employee may not displace an employee with longer seniority.

(b) Any employee veteran of World War II, the Korean conflict or the Vietnam conflict who has a service connected disability which limits the type of work the employee can perform may be employed in any other work in the plant which the employee can do without regard to any seniority provisions of this Agreement, except that such employee may not displace an employee with longer seniority.

(c) Provided, however, that by written agreement between local Management and the Shop Committee, any such employee as described in (a) or (b) above may be placed or retained on a job the employee can do without regard to seniority rules. Each six months the name, job classification and seniority date of employees covered by such agreement will be furnished to the Chairperson of the Shop Committee.

(40) The employment of the following persons shall not be governed by seniority rules: Students and

graduates of technical or professional schools and special employees receiving training as a part of a formal training course.

(41) To protect an employee's seniority, it is the responsibility of such employee to keep the Plant Management informed of the employee's proper home address. The method of notification of change of address is to be established by the respective Plant Managements for their operations.

(42) All written local seniority agreements and ~~written modifications or supplements thereto shall be~~ subject to the approval of the Labor Relations Staff of the Corporation and the International Union.

(42a) Agreements pertaining to shift preference may be negotiated locally, subject to the approval of the Labor Relations Staff of the Corporation and the International Union. Any such agreements must have sufficient flexibility to give full protection to efficiency of operations under all circumstances and conditions.

(42b) The Management of each plant will, whenever possible, give at least twenty-four (24) hours notice prior to layoff to the employees affected.

Disciplinary Actions

(43) When a suspension, written reprimand, layoff or discharge of an employee is contemplated, the employee, where circumstances permit, will be offered an interview to allow the employee to answer the charges involved in the situation for which such discipline is being considered before the employee is required to leave the plant. Any employee who is removed from work and taken to an office for interview concerning discipline will be advised that the employee may, if so desired, call the committeeperson for the

employee's district to be present with and represent the employee during such interview.

(43a) Employees who have been disciplined by a suspension, layoff or discharge will be furnished a brief written statement advising them of their right to representation and describing the misconduct for which they have been suspended, laid-off or discharged and, in the case of a layoff or discharge, the extent of the discipline. Thereafter, they may request the presence of the committeeperson for their district to discuss the case privately with them in a suitable office designated by the local Management, or other location by mutual agreement, before they are required to leave the plant. If the employee requests the presence of the committeeperson, the committeeperson will be called promptly. If the committeeperson is not called, the committeeperson will be advised in writing within one working day of 24 hours of the fact of written reprimand, suspension, layoff or discharge and will be given a copy of the statement given to the employee. After a suspension has been converted to a layoff or discharge, the committeeperson will be notified in writing of the fact of layoff or discharge.

The written statement furnished to the employee pursuant to the first sentence of this paragraph shall not limit Management's rights, including the right to rely on additional or supplemental information not contained in the statement to the employee.

(43b) The employee will be tendered a copy of any warning, reprimand, suspension or disciplinary layoff entered on the employee's personnel record, within three days of the action taken. In imposing discipline on a current charge, Management will not take into account any prior infractions which occurred more than twenty-four months previously. Further, Management will eliminate from an employees record any infraction

where there was a lapse of time of greater than 18 months between infractions provided the employee has not been on leave of absence the majority of the time between the infractions. Also Management will not impose discipline on an employee for falsification of the employee's employment application after a period of twelve (12) months from the employee's date of hire.

(44) It is important that complaints regarding unjust or discriminatory layoffs or discharges be handled promptly. Grievances must be filed within five (5) working days of the layoff or discharge and the local Management will review and render a decision on the case within five working days of its receipt. If a decision of the local Plant Management in such a case is not appealed by the Shop Committee within five working days the matter will be considered closed.

SETTING OF STANDARDS

(45) Time studies will be made by the Management to establish the standards of production for the different operations and classified jobs on the basis of fairness and equity consistent with quality of work, efficiency of operations, and the reasonable capacity of normal operators. If any employee claims that the standard established for the employee's work is unreasonable and the supervisor is unable to adjust the matter, the matter will upon request of the employee be reviewed with the committeeperson and thereafter, if the matter is not adjusted satisfactorily, the job will be restudied within a reasonable time and if the standard is incorrect it will be revised.

(46) If after the job has been restudied the employee still protests the standard, the committeeperson for that district may, upon reporting to the supervisor of the department involved, examine the

job in order to negotiate the complaint and the supervisor and/or time study person will furnish the committeeperson with all the facts of the case. If there is still a dispute after the committeeperson has completed the examination, the supervisor or the time study person will then re-examine the operations in detail with the committeeperson on the job. The committeeperson will, upon request, be given in writing the work elements of the job. When available, the cycle time or other pertinent data including element times that is relevant to the dispute will be provided in writing upon request; however, it is mutually recognized that it would be impractical to provide this information during periods of production acceleration. Should a satisfactory adjustment not result, the matter in dispute may be further appealed as provided in the procedure below.

(46a) After the supervisor has had reasonable time to consider a grievance filed claiming violation of Paragraph (45), which shall be not more than two working days, the supervisor shall thereafter give this answer to the grievance within one working day after requested to do so by the committeeperson.

(46b) If the case is not adjusted by the supervisor, it may, within three (3) working days of the supervisor's written answer, be appealed by the Shop Committeeperson for the Zone, or another member of the Shop Committee, or the Chairperson of the Shop Committee to the next step, as provided below, by giving written notice to the Personnel Department.

(46c) Within three (3) working days of receipt of the appeal, the case will be considered at a Special Step of the Grievance Procedure by not more than three representatives of the Union, including the District Committeeperson, the Shop Committeeperson for the zone or another member of the Shop Committee, and the

Chairperson of the Shop Committee, and not more than three representatives of Management, at least one of whom shall be a member of higher supervision.

(46d) After a case is appealed to the Special Step and prior to the meeting on the case at that step, a member of the Shop Committee who will participate in the Special Step meeting may make a further investigation of the case.

(46e) Within five (5) working days of this Special Step meeting, higher supervision will give a written answer. If the case is not settled at this step, and the Shop Committee decides to appeal the case, it may within three working days give notice on the form "Notice of Appeal" supplied by the Corporation, sending one copy each to the local Plant Management and the Labor Relations Staff, Delphi Corporation. Thereafter, the case will be handled in accordance with Paragraphs (28b) and (28c) of the Appeal Section of the National Agreement. Plant entry as provided in Paragraph (28) may be made after the "Notice of Appeal" has been filed and before the appeal meeting.

(46f) The time limits specified above may be extended by mutual agreement in writing. Any case not appealed from one step of this procedure to the next within the time limits specified will be considered closed on the basis of the last decision given.

(a) After a production standards grievance is filed on a job, the Committeeperson representing the employee who filed the grievance will be informed of any change in work content which is made in an attempt to adjust the grievance.

(b) In the event a standard has not been established on a job, an employee who is following the prescribed method and using the tools provided in the proper manner and performing at a normal pace, will not

be disciplined for failure to obtain an expected amount of production on that job.

(c) If a production standards grievance is settled in writing and the employee who signed the grievance is subsequently replaced by another employee and if, thereafter, additional work is added to the job without any other change having occurred which affects the job, the District Committeeperson may initiate a grievance alleging that the additional work constitutes a violation of the settlement.

CALL-IN PAY

(47) Any employee called to work or permitted to come to work without having been properly notified that there will be no work, shall receive a minimum of four hours pay at the regular hourly rate, except in case of labor disputes, or other conditions beyond the control of the local Management.

In the application of this Paragraph, "proper notification" shall consist of:

1. Notifying the employee before the end of the shift that there will be no work on the employee's next regular shift, or

2. A telephone call to the employee as far in advance of shift starting time as possible notifying the employee that there will be no work, or in the employee's absence notifying the employee's residence that there will be no work for the employee at least two hours in advance of shift starting time, or

3. Telegrams posted at least four hours in advance of shift's starting time.

WORKING HOURS

(For the purpose of computing overtime premium pay)

(48) For the purposes of computing overtime premium pay, the regular working day is eight hours and the regular working week is forty hours.

(49) Employees will be compensated on the basis of the calendar day (midnight to midnight) on which their shift starts working, for the regular working hours of that shift. The employee's working week shall be a calendar week beginning on Monday at the regular starting time of the shift to which the employee is assigned.

(50) Hourly employees will be compensated as follows:

Straight Time

(51)(a) For the first eight hours worked in any continuous twenty-four hour period beginning with the starting time of the employee's shift.

(b) For the first forty hours worked in the employee's working week, less all time for which daily, Saturday, Sunday or holiday overtime has been earned.

(c) For time worked during the regular working hours of any shift which starts on the day before and continues into a specified holiday or a Saturday.

Time and One-Half

(52)(a) For time worked in excess of eight hours in any continuous twenty-four hours, beginning with the starting time of the employee's shift, except if such time is worked on a Sunday or holiday when double time will be paid as provided below.

(b) For time worked in excess of forty hours in the employee's working week, less all time for which daily, Saturday, Sunday or holiday overtime has been earned.

(c) For time worked on any shift which starts on Saturday.

Double Time

(53) For time worked during the first eight (8) hours worked on any shifts that start on Sundays and on each holiday specified in Paragraph (102); for time worked on the calendar Sunday or specified holiday in excess of the first eight (8) hours worked on any shift that starts on Sunday or one of the specified holidays; and for time worked on a Sunday or specified holiday in excess of eight (8) hours worked on a shift which starts the previous day and runs over into Sunday or one of the specified holidays.

Exceptions to Above Overtime Payment

(54) Employees working in necessary continuous seven-day operations whose occupations involve work on Saturdays and Sundays shall be paid time and one-half for work on these days only for time worked in excess of eight (8) hours per day or in excess of forty hours in the employees' work week, for which overtime has not already been earned, except as otherwise provided in Paragraph (3) below:

(1) Such employees shall be paid time and one-half for hours worked on the employees' sixth work day in the week.

(2) Such employees shall be paid double time for hours worked on the 7th work day in the calendar week if the 7th work day results from the employees

being required to work on their scheduled off day(s) in that calendar week, or for hours worked on a Sunday if that Sunday is their second scheduled off day in that calendar week.

(3) Such employees will be paid double time and one-half (2.50 times straight time) for the first eight (8) hours worked on any shift that starts on any of the holidays listed in Paragraph (102); for time worked on the calendar holiday in excess of the first eight (8) hours worked on any shift that starts on any such holiday; and for time worked on the calendar holiday in excess of eight (8) hours worked on a shift which starts the previous day and runs over into any such holiday; provided, however, that if the particular holiday falls on the employees' regularly scheduled off day(s) and they receive holiday pay pursuant to Paragraph (102c) of this Agreement, they will be paid double time instead of double time and one-half for such hours worked. In the case of employees who work 6 or 7 days during the work week, the first 8 hours worked at double time and one-half or double time, as the case may be, on shifts starting on such holidays shall be counted in computing overtime for work in excess of 40 hours in the employees' work week.

(4) Such employees will be paid time and one-quarter (1.25 times straight time) for hours worked on the 7th work day in the calendar week, unless such hours are payable at an overtime premium rate under any other provision of this Agreement.

(5) If such employees receive holiday pay pursuant to Paragraph (102c) for a particular holiday on which they do not work, that holiday will be counted as a day worked for the purpose of computing sixth or seventh day premium under sub-paragraphs (1), (2) and (4) above.

(6) Such employees shall be paid an additional

thirty cents (30¢) per hour for time worked, which shall be included in computing vacation entitlement pay, Independence Week Shutdown pay, holiday pay, bereavement pay, jury duty pay, short-term military duty pay, overtime and night shift premium.

Premium payments shall not be duplicated for the same hours worked under any of the terms of this Section.

Change in Shift Hours

(55) Any change in the established shift hours or lunch period shall be first discussed with the Shop Committee as far in advance as possible of any such change. Complaints of repeated violations of this paragraph will be handled under the provisions of Paragraph 1(a) of the National Agreement. For the purposes of this Special Procedure only, prior to being referred from the plant, the problem will be discussed between the Shop Committee, the Plant Manager and the Plant Personnel Director.

Night Shift Premiums

(56) Except as otherwise provided a night shift premium on night shift earnings, including overtime premium pay, will be paid to an employee for all time worked on a shift scheduled to start in accordance with the following chart:

Schedule Shift Starting Time	Amount of Regular Shift Premium	Amount of Conditional Shift Premium
(1) On or after 11:00 a.m. and before 7:00 p.m.	Five percent	Ten percent for all hours worked after 12 midnight when such employee is scheduled to work more than nine (9) hours and until or beyond 2:00 a.m.
(2) On or after 7:00 p.m. and on or before 4:45 a.m.	Ten percent	
(3) After 4:45 a.m. and before 6:00 a.m.	Ten percent until 7:00 a.m.	
(4) On or after 6:00 a.m. and before 11:00 a.m.	None	Five percent for all hours worked in excess of eight (8) provided such employee is scheduled to work twelve (12) or more hours.

In applying the above night shift premium provisions, an employee shall be paid the premium rate, if any, which attaches to the shift the employee works on a particular day.

Special Three-Shift Operations

(56a) This paragraph is not intended to change any present practice, or preclude the readoption of a prior practice, whereby it is possible to schedule certain operations on a three-shift, eight-hours of work per shift basis with special provisions for lunch. Where it is not possible or practicable on three-shift operations to establish schedules of 8 hours of work each shift, work shifts will be established on the basis of arrangements for a lunch period not in excess of 20 minutes being provided during the shift period without loss of pay.

The above provisions shall not preclude necessary temporary variations in schedules.

The above provisions shall not be applicable in any plant located in a state wherein a statute or administrative ruling requires the granting or establishment of lunch or meal periods of more than 20 minutes.

UNION BULLETIN BOARDS

(57) The plants covered by this Agreement will erect bulletin boards which may be used by the Union for posting notices approved by the local managements and restricted to:

(a) Notices of Union recreational and social affairs,

(b) Notices of Union elections,

(c) Notices of Union appointments and results of Union elections,

(d) Notices of Union meetings,

(e) Other notices concerning bona fide Union activities such as Cooperatives, Credit Unions, and Unemployment Compensation information.

(f) Other notices concerning Union affairs that are not political or controversial in nature.

(58) The number, location and size of such bulletin boards in each bargaining unit under this Agreement shall be decided by the Local Management and the Shop Committee.

(58a) There shall be no other posting by employees, of pamphlets, advertising or political matter, notices, or any kind of literature upon Corporation property other than as herein provided.

ESTABLISHMENT OF NEW PLANTS

(59) For twenty-four months after production begins in a new plant, the Corporation will give preference to the applications of laid-off employees having seniority in other plants over applications of individuals who have not previously worked for the Corporation, provided their previous experience in the Corporation shows that they can qualify for the job. When employed, such employees will have the status of temporary employees in the new plant. Such employees will retain their seniority in the plant where originally acquired until broken in accordance with the seniority rules herein.

(60) When there is a transfer of major operations between plants where the employees are represented by the Union the case may be presented to the Corporation and, after investigation, it will be reviewed by the Corporation and the Union in an effort to negotiate an equitable solution.

(60a) (a) An employee who is transferred between Delphi Corporation plants pursuant to Paragraph (60) of this Agreement will be paid a Relocation Allowance, provided:

(1) The plant to which the employee is to be relocated is outside the Area Hire Area as defined by the National Parties, and

(2) Application is made within six (6) months after commencement of employment at the plant to which the employee was relocated in accordance with the procedure established by the Corporation.

(60a) (b) When employees are relocated, they will be given a choice from the following Relocation Packages:

(a) Option 1- Enhanced Relocation:

Employees will receive a Relocation Allowance up to a maximum of \$25,000, \$5,000 of which will be provided as a signing bonus to cover miscellaneous up-front cash expenditures. An additional amount of \$15,000 will be paid to the employee at the new location.

In addition, spousal relocation assistance will be provided.

After one (1) year of employment, employees may receive \$5,000 if they continue to be employees of the new location.

Employees who are placed in accordance with Appendix E and accept the Enhanced Relocation Allowance will not be eligible to initiate another Extended Area Hire placement or initiate an Area Hire Placement as an active employee for a period of 36 months unless the employee's status changes to laid-off or Protected. In the event the plant has employees on permanent indefinite layoff or placed on Protected status with no likelihood of recall into the active workforce, the 36 months period will be eliminated.

Employees receiving the Enhanced Relocation Allowance will terminate their seniority at all other Delphi locations and, therefore, not be eligible for recall/rehire or Return to Former Community.

(b) Option 2 - Basic Relocation:

Employee will receive Relocation Allowance based on mileage relocated from plant of layoff to plant of hiring based on the following table:

Mileage	Relocation Allowance Amount
50-99	<u>\$3,038</u>
100-299	<u>\$3,347</u>
300-499	<u>\$3,511</u>
500-999	<u>\$4,146</u>
1000+	<u>\$4,767</u>

The employee who accepts the Basic Relocation Option will be eligible to apply for return to former community in accordance with the Memorandum of Understanding Employee Placement (Section V - Return to Former Community) after working at the plant of relocation for a period of six (6) months or upon indefinite layoff from the plant of relocation.

Employees from an idled or closed location or employees from a location not included in an Area Hire Area with no prospect of recall who relocate in excess of 200 miles under the Basic Relocation Option will receive the specified relocation amount and an additional \$1,280.

(60a) (c) In the event an employee who is eligible to receive a Relocation Allowance under these provisions is also eligible to receive a Relocation Allowance or its equivalent under any present or future Federal or State legislation, the employee must apply for such legislated relocation allowance prior to receiving any Relocation Allowance excluding the signing bonus provided in Paragraph (60a)(b)(a) above. The amount of Relocation Allowance provided under this Paragraph (60a) when added to the amount of relocation allowance provided by such legislation shall not exceed the maximum amount of the Relocation Allowance the employee is eligible to receive under the provisions of this paragraph.

WAGES

(61) New employees hired on or after the effective date of this Agreement, who do not hold a seniority date in any Delphi Corporation plant and are not covered by the provisions of Paragraph (61b) below, shall be hired at a rate equal to seventy (70) percent of the maximum base rate of the job classification. Such employees shall receive an automatic increase to:

(1) seventy-five (75) percent of the maximum base rate of the job classification at the expiration of twenty-six (26) weeks.

(2) eighty (80) percent of the maximum base rate of the job classification at the expiration of fifty-two (52) weeks.

(3) eighty-five (85) percent of the maximum base rate of the job classification at the expiration of seventy-eight (78) weeks.

(4) ninety (90) percent of the maximum base rate of the job classification at the expiration of one hundred and four (104) weeks.

(5) ninety-five (95) percent of the maximum base rate of the job classification at the expiration of one hundred and thirty (130) weeks.

(6) the maximum base rate of the job classification at the expiration of one hundred and fifty-six (156) weeks.

Such an employee who is laid-off prior to acquiring seniority and who is re-employed at that plant within one year from the last day worked prior to layoff shall receive a rate upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee prior to layoff. Upon such re-employment, the credited rate

progression period of an employee's prior period of employment at that plant shall be applied toward the employee's rate progression to the maximum base rate of the job classification.

For the purpose of applying the provisions of this Paragraph (61), (61a), and (61b) only, an employee will receive one weeks credit toward acquiring the maximum base rate of the job classification provided the employee had worked in that given week. Credit will not be given for any pay period during which for any reason, the employee does not work-except as provided in Paragraph (91), Paragraph (101u) and Paragraph (102) when the Christmas Holidays consist of a full week and the Independence Week Shutdown, provided the employee would otherwise have been scheduled to work. Notwithstanding other provisions of this Agreement, full weeks of time lost for vacation during the Plant Vacation Shutdown Week, bereavement, military duty and Family Medical Leave Act, if the employee would otherwise have been scheduled to work, will be considered as time worked. Each increase shall be effective at the beginning of the first pay period following the completion of the required number of weeks of employment.

(61a) A seniority employee laid-off from any Delphi Corporation plant who is hired in a job classification other than skilled trades in a plant covered by this Agreement, shall receive a base rate upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee prior to layoff from the employee's former Delphi Corporation plant. Such employee shall continue to be covered by the rate progression provisions in effect during the employee's prior Delphi Corporation employment. Upon such re-employment, the credited rate progression period of the employee's prior period of employment at the

employee's former Delphi Corporation plant shall be applied toward the employee's rate progression to the maximum base rate of the job classification.

(61b) New employees hired on or after the effective date of this Agreement, who do not hold a seniority date in any Delphi Corporation plant but were formerly employed and had acquired seniority in Delphi Corporation plant and who had broken such seniority pursuant to the provisions of Paragraph (34)(e) or (34)(f)(3), shall receive a base rate upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee in the employee's prior Delphi Corporation employment. Such employee shall continue to be covered by the rate progression provisions in effect during the employee's prior Delphi Corporation employment. Upon such re-employment, the credited rate progression period of the employee's prior period of employment at Delphi Corporation shall be applied toward the employee's rate progression to the maximum base rate of the job classification.

(61c) The foregoing Paragraphs (61), (61a) and (61b) shall not apply to skilled trades job classifications.

(61d) A seniority employee laid-off from a Delphi Corporation plant and hired in a plant covered by this Agreement for the same skilled trades work the employee had performed in the plant from which the employee was laid-off shall be hired at the rate the employee was receiving for such work at that plant, provided, however, that the employee's hiring rate shall not be higher than the established maximum rate for the job classification at the hiring plant.

(62) It is understood that local wage agreements consist of the wage scales by job classification as have been submitted to the Shop Committee and any negotiated local wage agreements or additions thereto.

On and after May 28, 1955, any changes, additions or supplements thereto are subject to the approval of the Delphi Labor Relations Staff and the International Union.

(63) When new jobs are placed in production and cannot be properly placed in existing classifications by mutual agreement, Management will set up a new classification and a rate covering the job in question, and will designate it as temporary.

(63a) The temporary rate for such job and a copy of the temporary rate and classification name will be furnished to the Shop Committee.

(64) As soon as possible after machinery and other equipment have been installed, and, in any event, within 30 calendar days after a production employee has been placed on the job, the Shop Committee and Management shall negotiate the rate and classification, and when negotiations are completed, such classification and rate shall become a part of the local wage agreement, and the negotiated rate, if higher than the temporary rate shall be applied retroactively to the date the production employee started on the job.

(65a) General Increases. Effective September 19, 2005 each employee covered by this agreement shall receive a wage increase in the employee's straight time hourly wage rate (exclusive of cost of living allowance, shift premium, seven-day operations premium, and any other premiums), in accordance with the following table:

Straight Time Hourly Wage Rates		Wage Increases
Less than 13.08	25¢
13.08 - 13.24	26¢
13.25 - 13.74	27¢

<u>13.75 - 14.24</u>	<u>28¢</u>
<u>14.25 - 14.74</u>	<u>29¢</u>
<u>14.75 - 15.24</u>	<u>30¢</u>
<u>15.25 - 15.74</u>	<u>31¢</u>
<u>15.75 - 16.24</u>	<u>32¢</u>
<u>16.25 - 16.74</u>	<u>33¢</u>
<u>16.75 - 17.24</u>	<u>34¢</u>
<u>17.25 - 17.74</u>	<u>35¢</u>
<u>17.75 - 18.24</u>	<u>36¢</u>
<u>18.25 - 18.74</u>	<u>37¢</u>
<u>18.75 - 19.24</u>	<u>38¢</u>
<u>19.25 - 19.74</u>	<u>39¢</u>
<u>19.75 - 20.24</u>	<u>40¢</u>
<u>20.25 - 20.74</u>	<u>41¢</u>
<u>20.75 - 21.24</u>	<u>42¢</u>
<u>21.25 - 21.74</u>	<u>43¢</u>
<u>21.75 - 22.24</u>	<u>44¢</u>
<u>22.25 - 22.74</u>	<u>45¢</u>
<u>22.75 - 23.24</u>	<u>46¢</u>
<u>23.25 - 23.74</u>	<u>47¢</u>
<u>23.75 - 24.24</u>	<u>48¢</u>
<u>24.25 - 24.74</u>	<u>49¢</u>
<u>24.75 - 25.24</u>	<u>50¢</u>
<u>25.25 - 25.74</u>	<u>51¢</u>
<u>25.75 - 26.24</u>	<u>52¢</u>
<u>26.25 - 26.74</u>	<u>53¢</u>
<u>26.75 - 27.24</u>	<u>54¢</u>
<u>27.25 - 27.74</u>	<u>55¢</u>
<u>27.75 - 28.24</u>	<u>56¢</u>
<u>28.25 - 28.74</u>	<u>57¢</u>
<u>28.75 - 29.24</u>	<u>58¢</u>
<u>29.25 - 29.74</u>	<u>59¢</u>
<u>29.75 - 30.24</u>	<u>60¢</u>
<u>30.25 - 30.74</u>	<u>61¢</u>
<u>30.75 - 31.24</u>	<u>62¢</u>
<u>31.25 - 31.74</u>	<u>63¢</u>
<u>31.75 - 32.24</u>	<u>64¢</u>
<u>32.25 - 32.74</u>	<u>65¢</u>

<u>32.75 - 33.24</u>	<u>66¢</u>
<u>33.25 - 33.74</u>	<u>67¢</u>
<u>33.75 - 34.24</u>	<u>68¢</u>
<u>34.25 - 34.74</u>	<u>69¢</u>
<u>34.75 - 35.24</u>	<u>70¢</u>
<u>35.25 - 35.74</u>	<u>71¢</u>

NOTE: In the case of a classification, the rate for which is determined by a wage rule in the Local Wage Agreement relating the rate for the classification to the rate for another classification or classifications, the above table will determine the rate for the classification where there is a conflict with such wage rule.

(65b) Effective September 18, 2006 each employee covered by this agreement shall receive a wage increase in the employee's straight time hourly wage rate (exclusive of cost-of-living allowance, shift premium, seven-day operations premium, and any other premiums), in accordance with the following table:

Straight Time Hourly Wage Rate	Improvement Factor Increase
<u>Less than - 13.34</u>	<u>39¢</u>
<u>13.34 - 13.49</u>	<u>40¢</u>
<u>13.50 - 13.83</u>	<u>41¢</u>
<u>13.84 - 14.16</u>	<u>42¢</u>
<u>14.17 - 14.49</u>	<u>43¢</u>
<u>14.50 - 14.83</u>	<u>44¢</u>
<u>14.84 - 15.16</u>	<u>45¢</u>
<u>15.17 - 15.49</u>	<u>46¢</u>
<u>15.50 - 15.83</u>	<u>47¢</u>
<u>15.84 - 16.16</u>	<u>48¢</u>
<u>16.17 - 16.49</u>	<u>49¢</u>
<u>16.50 - 16.83</u>	<u>50¢</u>
<u>16.84 - 17.16</u>	<u>51¢</u>
<u>17.17 - 17.49</u>	<u>52¢</u>
<u>17.50 - 17.83</u>	<u>53¢</u>
<u>17.84 - 18.16</u>	<u>54¢</u>

<u>18.17 - 18.49</u>	<u>55c</u>
<u>18.50 - 18.83</u>	<u>56c</u>
<u>18.84 - 19.16</u>	<u>57c</u>
<u>19.17 - 19.49</u>	<u>58c</u>
<u>19.50 - 19.83</u>	<u>59c</u>
<u>19.84 - 20.16</u>	<u>60c</u>
<u>20.17 - 20.49</u>	<u>61c</u>
<u>20.50 - 20.83</u>	<u>62c</u>
<u>20.84 - 21.16</u>	<u>63c</u>
<u>21.17 - 21.49</u>	<u>64c</u>
<u>21.50 - 21.83</u>	<u>65c</u>
<u>21.84 - 22.16</u>	<u>66c</u>
<u>22.17 - 22.49</u>	<u>67c</u>
<u>22.50 - 22.83</u>	<u>68c</u>
<u>22.84 - 23.16</u>	<u>69c</u>
<u>23.17 - 23.49</u>	<u>70c</u>
<u>23.50 - 23.83</u>	<u>71c</u>
<u>23.84 - 24.16</u>	<u>72c</u>
<u>24.17 - 24.49</u>	<u>73c</u>
<u>24.50 - 24.83</u>	<u>74c</u>
<u>24.84 - 25.16</u>	<u>75c</u>
<u>25.17 - 25.49</u>	<u>76c</u>
<u>25.50 - 25.83</u>	<u>77c</u>
<u>25.84 - 26.16</u>	<u>78c</u>
<u>26.17 - 26.49</u>	<u>79c</u>
<u>26.50 - 26.83</u>	<u>80c</u>
<u>26.84 - 27.16</u>	<u>81c</u>
<u>27.17 - 27.49</u>	<u>82c</u>
<u>27.50 - 27.83</u>	<u>83c</u>
<u>27.84 - 28.16</u>	<u>84c</u>
<u>28.17 - 28.49</u>	<u>85c</u>
<u>28.50 - 28.83</u>	<u>86c</u>
<u>28.84 - 29.16</u>	<u>87c</u>
<u>29.17 - 29.49</u>	<u>88c</u>
<u>29.50 - 29.83</u>	<u>89c</u>
<u>29.84 - 30.16</u>	<u>90c</u>
<u>30.17 - 30.49</u>	<u>91c</u>
<u>30.50 - 30.83</u>	<u>92c</u>

<u>30.84 - 31.16</u>	<u>93¢</u>
<u>31.17 - 31.49</u>	<u>94¢</u>
<u>31.50 - 31.83</u>	<u>95¢</u>
<u>31.84 - 32.16</u>	<u>96¢</u>
<u>32.17 - 32.49</u>	<u>97¢</u>
<u>32.50 - 32.83</u>	<u>98¢</u>
<u>32.84 - 33.16</u>	<u>99¢</u>
<u>33.17 - 33.49</u>	<u>1.00</u>
<u>33.50 - 33.83</u>	<u>1.01</u>
<u>33.84 - 34.16</u>	<u>1.02</u>
<u>34.17 - 34.49</u>	<u>1.03</u>
<u>34.50 - 34.83</u>	<u>1.04</u>
<u>34.84 - 35.16</u>	<u>1.05</u>
<u>35.17 - 35.49</u>	<u>1.06</u>
<u>35.50 - 35.83</u>	<u>1.07</u>
<u>35.84 - 36.16</u>	<u>1.08</u>
<u>36.17 - 36.49</u>	<u>1.09</u>

NOTE: In the case of a classification, the rate for which is determined by a wage rule in the Local Wage Agreement relating the rate for the classification to the rate for another classification or classifications, the above table will determine the rate for the classification where there is a conflict with such wage rule.

Tool Allowance

(65b) (1) Effective September 15, 2003, each employee in a skilled trades job classification which qualifies for journeyman/woman status under the provisions of Paragraph (84) of this Agreement shall receive a tool allowance adjustment of thirty cents (30¢) per hour added to the base rate, except each employee in a "Skilled" Apprentice job classification shall receive that wage increase, if any, which is applicable in accordance with the provisions of the Apprentice Rate Schedule referenced in Paragraph (69) of the Agreement.

Performance Bonus Payments

(65b) (2) The Performance Bonus provided herein recognizes that a continuing improvement in the standard of living of employees depends upon technological progress, better tools, methods, processes and equipment, and a cooperative attitude on the part of all parties in such progress. It further recognizes the principle that to produce more with the same amount of human effort is a sound economic and social objective. Accordingly, a Performance Bonus payment will be made to each eligible employee in accordance with the following table:

<u>Eligibility Date</u>	<u>Amount</u>	<u>Payable During Week Ending</u>
<u>September 20, 2004</u>	<u>Three percent (3%) of Qualified Earnings</u>	<u>October 17, 2004</u>

An employee shall become eligible for a Performance Bonus payment as hereinafter defined, provided an employee has seniority as of the designated eligibility date set forth above.

An employee's Performance Bonus will be based on the qualified earnings during the 52 consecutive pay periods immediately preceding the pay period in which each designated eligibility date falls.

Qualified Earnings, as used herein, are defined as income received by an eligible employee from Delphi Corporation during each designated Performance Bonus eligibility year resulting from the following:

Hourly Base Wages*
COLA*
Shift Premium*
Vacation Entitlement
Holiday Pay
Independence Week Shutdown Pay

Seven-Day Operator Premium
Bereavement Pay
Jury Duty Pay
Apprentice Pay
Call-In Pay
Short Term Military Duty Pay
Back pay awards related to the designated eligibility year.

* Including overtime, Saturday, Sunday, and Holiday premium payments

(65b) (3) An employee who retires during the Performance Bonus eligibility year provided in (65b)(2) and who, but for such retirement, would have had seniority as of the designated eligibility date, shall qualify for the Performance Bonus as defined in (65b)(2).

(65b) (4) In the case of employees who die during the Performance Bonus eligibility year, a Performance Bonus shall become payable as if they were seniority employees on the designated eligibility date and calculated based on their Qualified Earnings during the eligibility year as defined in (65b)(2) above. Such Performance Bonus shall be paid to their duly appointed legal representatives, if there be one, and, if not, to the spouses, parents, children or other relatives or dependents of such persons as the Corporation in its discretion may determine.

(65c) The increases in base rates provided for in Paragraphs (65a) and (65b) shall be added to the wage rates (minimum, intermediary and maximum) for each classification.

Cost of Living Allowance

(65d) Each employee covered by this Agreement shall receive a Cost of Living Allowance in accordance with the provisions of Paragraphs (65g) and (65h). Employees hired under Local Competitive Wage

Agreements will continue to receive Cost of Living Allowance Adjustments as specified in their Local Competitive Wage Agreements. It is agreed that only the Cost of Living Allowance will be subject to reduction so that, if a sufficient decline in the cost of living occurs, employees will immediately enjoy a better standard of living.

(65e) The Cost of Living Allowance provided for in Paragraph (65d) shall be added to each employee's hourly earned rate and will be adjusted up or down as provided in Paragraphs (65g) and (65h).

(65f) The Cost of Living Allowance will be determined in accordance with changes in the official Consumer Price Index for Urban Wage Earners and Clerical Workers (current series), (CPI-W) (for all items, less medical care, not seasonally adjusted) (United States City Average) published by the Bureau of Labor Statistics, (1982 - 1984 = 100)

(65g) Effective with the date of this Agreement, \$2.00 shall be deducted from the \$2.05 Cost of Living Allowance in effect immediately prior to that date and \$2.00 shall be added to the base wage rates (minimum, intermediary and maximum) for each classification in effect on that date for pay calculation purposes. Thereafter, during the period of this Agreement, adjustments in the Cost of Living Allowance shall be made at the following times:

**Effective Date
of Adjustment:**

**Based
Upon Three-
Month Average of
the Consumer Price
Index For:**

December 1, 2003

August, September,
October, 2003

First pay period
beginning on or after:
March 1, 2004 and at
three calendar month
intervals thereafter
to June 4, 2007.

November, December
2003 and January, 2004
and at three-calendar
month intervals
thereafter to February,
March, April, 2007.

In determining the three-month average of the Indexes for a specified period, the computed average shall be rounded to the nearest 0.01 Index Point.

In no event will a decline in the three-month average Consumer Price Index below 174.12 provide the basis for a reduction in the wage scale by job classification.

(65h) The amount of the Cost of Living Allowance shall be five cents (5¢) per hour effective with the effective date of this Agreement and ending November 30, 2003. Effective December 1, 2003 and for any period thereafter as provided in Paragraphs (65d) and (65g) the Cost of Living Allowance shall be in accordance with the following table:

Three-Month Average Consumer Price Index	Cost of Living Allowance
<u>174.12 - or less</u>	<u>NONE</u>
<u>174.13 - 174.20</u>	<u>1¢ per hour</u>
<u>174.21 - 174.28</u>	<u>2¢ per hour</u>
<u>174.29 - 174.36</u>	<u>3¢ per hour</u>
<u>174.37 - 174.44</u>	<u>4¢ per hour</u>
<u>174.45 - 174.53</u>	<u>5¢ per hour</u>
<u>174.54 - 174.61</u>	<u>6¢ per hour</u>
<u>174.62 - 174.69</u>	<u>7¢ per hour</u>

<u>174.70 - 174.77</u>	<u>8¢ per hour</u>
<u>174.78 - 174.85</u>	<u>9¢ per hour</u>

And so forth, in accordance with the Letter of Understanding signed by the parties.

For each adjustment during the fifteen three-month periods beginning December 1, 2003, and ending on June 3, 2007, in which an increase in the Cost of Living Allowance shall be required according to the above table, the amount of increase so required each three month period shall be reduced by two cents (2¢), or by the amount of the increase, whichever is less.

Following the adjustment for the three-month period beginning June 4, 2007, the sum reduced during the fifteen periods shall be subtracted from the Cost of Living Allowance table, and the table shall be adjusted so that the actual three-month Average Consumer Price Index equates to the allowance payable during the period beginning June 4, 2007.

(65i) The amount of any Cost of Living Allowance in effect at the time shall be included in computing overtime premium, night shift premium, vacation entitlement, holiday payments, call-in pay, bereavement pay, jury duty pay, Independence Week Shutdown pay, and short term military duty pay.

(65j) In the event the Bureau of Labor Statistics does not issue the appropriate Consumer Price Index on or before the beginning of one of the pay periods referred to in Paragraph (65g) any adjustments in the Cost of Living Allowance required by such appropriate Index shall be effective at the beginning of the first pay period after receipt of the Index.

(65k) No adjustments, retroactive or otherwise, shall be made due to any revision which may later be made in the published figures used in the calculation of the

Consumer Price Index for any month or months specified in Paragraph (65g).

(65f) The parties to this Agreement agree that the continuance of the Cost of Living Allowance is dependent upon the availability of the monthly Consumer Price Index published by the Bureau of Labor Statistics in its present form and calculated on the same basis as the current Index unless otherwise agreed upon by the parties. If the Bureau of Labor Statistics changes the form or the basis of calculating the Consumer Price Index, the parties agree to request such agency to make available, for the life of this Agreement, a monthly Consumer Price Index in its present form and calculated on the same basis as the Index was prior to such change.

SKILLED TRADES

Apprentices

(66) Training of apprentices/upgraders will be governed by uniform apprentice/upgrader training programs, including the shop training and related training schedules as established by the Delphi Corporation- IUE-CWA Skilled Trades and Apprentice Committee. This committee is composed of three persons representing Delphi Corporation and three persons representing the International Union, IUE-CWA-AFL-CIO, which shall meet quarterly at a mutually agreed upon time.

(1) The duties of this Committee shall be:

(a) To review and revise the uniform shop training schedules and related training schedules when necessary. The present shop training schedules and related training schedules will remain in effect until replaced by revised schedules. If local plant requirements indicate deviations should be made in the

shop or related schedules, such changes, together with the reason for requesting the deviation, will be reviewed by the Delphi-IUE-CWA Skilled Trades and Apprentice Committee. In individual cases, deviation in the hours for specific phases of the shop training schedules, except optional hours, plus or minus 10% will not require such approval.

(b) To review and revise the Delphi-IUE-CWA Standard Apprentice Plan which is made a part of this agreement.

(c) To establish new apprentice training schedules for classifications in which such schedules have not been previously agreed upon by the Delphi-IUE-CWA Skilled Trades and Apprentice Committee.

(d) To review and make disposition of apprentice/upgrader training matters referred to the Committee by the Local Apprentice Committees.

(e) To deal with other matters concerning the Apprentice and Skilled Trades Sections of this Agreement.

(f) Disputes concerning the Apprentices and Skilled Trades Sections of this Agreement may be appealed to the Umpire in accordance with Paragraph (28p).

(66a) In plants in which the Union is the recognized bargaining agent for the apprentices, the provisions of the National Agreement will apply to apprentices except for the following Paragraphs:

- | | |
|---------|---------|
| (33)(a) | (36)(b) |
| (33)(b) | (36)(c) |
| (36)(a) | (38) |

(67) In plants covered by this Agreement in which apprentices are employed, a Local Apprentice Committee composed of two (2) Union members and

two (2) Management members shall be established. The International Union shall appoint journeypersons from the plant as members of the Local Apprentice Committee, one of whom shall be designated as the Chairperson of the Union members of the Local Apprentice Committee. Local Management shall notify the Local Union of its members, one of whom shall be designated the Apprentice Coordinator.

(a) The Apprentice Committee Chairperson of the Union members of the Local Apprentice Committee shall be permitted to attend regular Shop Committee meetings for the purpose of assisting in the handling of grievances of apprentices. The Chairperson will be paid at the regular rate for time spent in such meetings and for making the investigations provided for in this subparagraph for the hours the Chairperson would otherwise have worked in the plant. The Chairperson of the Shop Committee may designate the Chairperson of the union members of the Apprentice Committee, in lieu of a member of the Shop Committee, to make a further investigation of a grievance filed by an apprentice if further investigation of the case is warranted after the second step meeting and prior to the Shop Committee meeting.

(b) The duties and functions of the Local Apprentice Committee shall be as follows:

(1) To negotiate on issues involving the effect of the employment of apprentices on the employment of journeypersons in the trades involved.

(2) To study other matters that may involve the training of apprentices by journeypersons in the shop. When machinery, equipment or material is introduced or modified and new skills are required in the journeypersons classification in the plant, the matter may be reviewed to determine the effect on the shop and related training of apprentices including necessary

revision of such training. If requested, arrangements will be made with the Apprentice Coordinator for the Local Apprentice Committee to investigate the new skills on the plant floor as a part of their review. When a meeting is held with the local educational institution providing related training to implement changes in the related training curriculum, the Union members of the Local Apprentice Committee will be given the opportunity to attend.

(3) To review progress reports of the apprentice shop and related training schedules in meetings of the local Apprentice Committee.

(4) Upon request of a member of the Local Apprentice Committee an individual apprentice's record shall be reviewed in a meeting of the Local Apprentice Committee once during the last thirty (30) day period prior to completion of the apprentice shop training schedule. Problems involving the improper application of the shop training schedules to individual apprentices may be raised with supervision and if necessary discussed with the apprentices on the plant floor by the Chairperson or another Union member of the Local Apprentice Committee.

(5) (a) To interview tested apprentice applicants in accordance with the Apprentice Selection Procedure. Interview results will be combined with test scores by central scoring where separate lists will be developed, one for seniority employee applicants and one for all other applicants, each list to be in descending order of points scored for each classification for which they have applied. The lists for each apprentice classification will be provided by central scoring for review by the Local Apprentice Committee. When apprentices are selected, such selections shall be on the basis of at least two from the seniority employee applicant list for every one selected from the other list in

descending order of total point score in accordance with the Apprentice Selection Procedure; however, more selections from the other list may be made in the event sufficient seniority employee applicants are not available.

(b) When a list of qualified applicants for a classification is exhausted, additional qualified applicants may be placed on the list for that classification, but in any event additional qualified applicants should be added to the list at twelve (12) month intervals, if necessary. Changes in the twelve (12) month interval referred to in this Paragraph may be recommended to the Delphi-IUE-CWA Skilled Trades and Apprentice Committee.

(c) When necessary, the Apprentice Coordinator will make arrangements to temporarily assign a Union member of the Local Apprentice Committee to another shift for the purpose of interviewing applicants. The overtime premium pay provisions of this Agreement are hereby waived in such instances and such changes in shift for this purpose will not result in the payment of overtime premium.

(6) All applications for apprenticeship will be available upon request for review by the Chairperson of the Union members of the Local Apprentice Committee.

(7) The Local Apprentice Committee will be provided an Interview List containing the name, social security number, date of birth, plant employment information and trades applied for prior to the interview. The Chairperson of the Union members of the Local Apprentice Committee will also be provided with a copy of the Final Applicant Rankings of qualified applicants eligible for selection for each classification containing the name and, in the case of employee applicants, the seniority date will be included.

(8) Employees eligible for IUEP who express a desire to enter the apprentice program will be advised by a member of the Local Apprentice Committee of courses that are available through the IUEP program which may help them become better prepared as applicants for apprentice training.

(9) The Apprentice Coordinator and the Chairperson of the Union members of the Local Apprentice Committee may confer with new apprentices for the purpose of acquainting the apprentice with the role of the Corporation, Local Management, the Union and the National and Local Apprentice Committees in the apprentice program and to ascertain that the apprentice understands the status and obligations as an apprentice in accordance with the Apprentice Training Agreement.

(10) The Apprentice Coordinator and the Chairperson of the Union members of the Local Apprentice Committee may confer with apprentices where there are indications that the apprentice is failing to perform obligations as an apprentice.

(11) To evaluate and credit previous experience.

(12) To issue certificates of completion of apprenticeship.

(13) Each six months the Chairperson of the Union members of the Local Apprentice Committee will be furnished with a list of the number of apprentices in each training period by classification and the number of journeypersons by classification included in the ratio of apprentices in training to journeypersons.

(14) Apprentice training matters which are discussed by the Local Apprentice Committee and are not resolved may be referred to the Delphi-IUE-CWA

Skilled Trades and Apprentice Committee for disposition.

(68) The Local Apprentice Committee shall meet each 30 days. The time and place of each meeting shall be mutually determined. Each Apprentice Committeeperson will be paid at the regular rate for time spent in such meeting and for the necessary time to properly perform the duties and functions provided for in Paragraph (67)(b) for the hours the committeeperson would otherwise have worked in the plant. Minutes of such meetings will be furnished to the Union members of the Local Apprentice Committee within seven (7) calendar days from the date of the meeting.

(69) The Standard Apprentice Plan, as revised, shall become effective and is to be followed as of the effective date of this Agreement. For identification a copy of such plan has been signed by the parties hereto.

(70) The number of new apprentices who may be enrolled shall be determined on the basis of the number of journeypersons employed for the program averaged over the preceding twelve (12) months. The ratio of apprentices in training to journeypersons should not exceed one (1) apprentice to eight (8) journeypersons. However, the union agrees that local Management can establish a ratio of apprentices to journeypersons in excess of the one (1) to eight (8) ratio, but not to exceed a ratio of one (1) apprentice to five (5) journeypersons. Deviations below the one (1) to five (5) ratio may be agreed to by the Local Apprentice Committee. Favorable consideration will be given to requests for deviation below the one (1) to five (5) ratio in instances in which it is anticipated the impact of early retirement will create a skilled labor shortage. Disputes concerning such deviations will be referred to the Delphi-IUE-CWA Skilled Trades and Apprentice Committee for decision. In the event of a reduction of force, the apprentices in

excess of the one (1) to eight (8) ratio will be laid-off before any journeyman in that trade is laid-off. The ratio of apprentices in training to journeymen will be based on the average number of journeymen employed for the program computed on the last Monday of each of the twelve preceding months. The average thus computed shall remain in force until a new computation is made on the last Monday of the next succeeding month.

If, during periods when journeymen are laid-off, any monthly computation results in a ratio in excess of one (1) apprentice to eight (8) journeymen, such excess apprentices will be laid-off by the end of the pay period during which the last Monday of the month falls except that a minimum of one apprentice may be retained in each trade. In the event the reduction in force is due to unusual circumstances, including, but not confined to: a transfer or discontinuance of an operation, major technological developments, the elimination or consolidation of classifications, the discontinuance of a shift, or a drastic reduction in the level of work resulting in a heavy reduction in the skilled work force; the parties locally shall mutually agree to an acceptable layoff and recall plan. Such a layoff plan may provide for reducing the ratio below one (1) to eight (8), or for laying off all apprentices in a particular trade.

(71) To maintain the proper schedule for graduating apprentices, their standard work week shall be 40 hours. Changes in the standard work week that are expected to exist over a period of time that would affect materially the time when the apprentice would otherwise graduate, shall be negotiated locally.

(a) Equalization of any overtime available to apprentices is subject to Local Agreement between the Local Management and the Union taking into account the training schedules.

(72) Upon graduation or transfer to another classification, the seniority of the apprentice shall start from the date of the Apprentice Training Agreement or the apprentice's plant seniority date established pursuant to Paragraph 29, whichever is later.

(73) Any problems involving apprentice related training schedules which cannot be settled locally by the Local Apprentice Committee shall not be subject to the grievance procedure. Such problems will be reviewed jointly by representatives of the Corporation and the International Union.

Upgrading

(74) Management will study its future tool, die, wood and metal pattern shop, and machine repair shop needs, and will post on the bulletin board a list of jobs for which a shortage of journeypersons is anticipated. Employees now working on production jobs in the plant, who have experience and qualifications for such jobs, will be permitted to file applications with the Personnel Department, listing their experience and qualifications for jobs as operators for such jobs in order that they may be considered when vacancies occur.

(75) When such vacancies occur and journeypersons are not available for employment, and there are no journeypersons currently working on other than skilled trades classifications who have submitted appropriate documents to Management pursuant to Paragraph (84), vacancies are to be filled by the upgrading of other workers in the plant who have the necessary qualifications to perform the work and who have previously made application for such work. When the qualifications of such employees are equal, employees with the longest seniority will be given preference. The recruitment, selection, employment, and training of upgraders shall be without

discrimination because of race, color, religion, national origin, sexual orientation or sex. Affirmative action will be taken to provide equal opportunity in the Upgrader Program.

(76) Where no applications of employees with qualifications have been filed pursuant to the provisions of Paragraph (74), new non-journeyperson applicants with qualifications may be hired for the work.

(77) Where the minimum rate of the tool, die, wood and metal pattern shop, or machine repair shop job to which the employee is upgraded is not more than ten cents above the rate the employee is earning, the employee will be advanced to such minimum rate upon transfer, but where there is more than a ten-cent differential, the employee will be advanced ten cents over the rate the employee has been earning, or to a rate of \$25.58 per hour until September 19, 2005, \$26.09 per hour until September 18, 2006, and \$26.87 per hour thereafter, whichever rate is higher at the time, and will be stepped up not less than ten cents each sixty days, if retained, until the employee reaches the minimum rate of the classification. Any odd cents less than ten will be added to the last ten cent increase in order to bring the employee up to the minimum of the classification. Any increases above the minimum shall be on the basis of merit.

(78) An employee hired and placed into an Upgrader Program pursuant to Paragraph (76) shall receive a rate of not less than \$25.58 per hour until September 19, 2005, \$26.09 per hour until September 18, 2006, and \$26.87 per hour thereafter, and if retained, the employee's rate shall be stepped up not less than ten cents per hour each sixty days until the employee reaches the minimum rate of the skilled trades classification to which the employee is assigned. Any odd cents less than ten will be added to the last ten cent

increase in order to bring the employee up to the minimum of the classification. Any increases above the minimum shall be on the basis of merit.

(79) Employees upgraded from production jobs shall retain and accumulate seniority in their production groups. For the purpose of layoff and rehire within the group, the upgraded employee will be given a status in relation to the other employees in the group in keeping with the employee's date of entry into the group unless that status is changed by local negotiations.

(a) Related training schedules totaling approximately 500 hours will be provided for each classification in which there are currently employees classified as Upgraders. Exceptions up to a maximum of 576 hours for Upgrader Programs may be jointly recommended by the local union and local plant management subject to approval by the Delphi-IUE-CWA Skilled Trades and Apprentice Committee. Local Shift Preference Agreements must have sufficient flexibility to permit such employees to complete the related training courses in which they are currently enrolled.

(b) Employees who establish a date of entry in a skilled trades classification on or after January 1, 1968 shall be required to attend related training courses established for that classification during the first four (4) years of work as an Upgrader. Such employees shall not be required to attend related training courses which they have completed previously. Removal of employees from Upgrader status shall be based on the employees' failure or inability to perform the work of the classification in the plant and/or failure to attend and satisfactorily complete related training classes.

(c) Time spent by the Upgrader in connection with related training shall not be considered time worked under this Agreement; nevertheless, time spent

by the Upgrader in taking required related training, but not to exceed the hours specified in Paragraph (79)(a), shall be paid for at the employee's (Upgrader) straight-time hourly rate.

(d) The Corporation agrees to pay, on behalf of Upgraders covered by this Agreement, registration fees and/or tuition required in connection with related training under the Upgrader program, but not to exceed the hours of related training specified in Paragraph (79)(a).

(80) The foregoing will be used as a pattern for placing Upgraders in the skilled trades departments where there is a shortage of skilled help.

(81) For the purpose of identifying Upgraders, and to prevent an automatic movement into the journeyman classifications, each classification into which an Upgrader is placed shall be designated, as for example:

Lathe Operator (Upgrader)

(82) Notwithstanding the provisions of Paragraph (104) mutually satisfactory local agreements deviating from the above Upgrading Sections may be negotiated by Local Shop Committees and Local Managements subject to the approval of the Corporation and the International Union.

(83) Upon becoming classified as a journeyman, an employee shall receive a rate not less than the midpoint of the rate range for the employee's job classification except that such an employee shall receive the maximum rate of the employee's classification within three (3) months from the date on which the employee is so classified or acquires seniority, or in the case of a newly hired journeyman, within three (3) months from the date on which the employee acquires

seniority and except that an employee classified as a journeyman in one skilled trades classification and earning the maximum rate for that classification who is transferred to journeyman status in a related skilled trades classification at that plant shall be paid the maximum rate for the related classification immediately upon transfer.

(84) The term "journeyman" when used in this Agreement means an employee who: (a) has satisfactorily completed a bonafide apprentice training course with similar standards to the Delphi-IUE-CWA Apprentice Training Program; or, (b) has properly carried such journeyman status in a Delphi Corporation plant; or (c) has been reclassified as a journeyman in any particular plant covered by this Agreement under the terms of a local Agreement at that plant between the parties; or, (d) one, newly hired, who meets one of the above alternative requirements or has proof of working in the trade at least 8 years. Copies of any documents presented pursuant to this provision will be furnished to the Chairperson of the Shop Committee upon request.

(85a) The Chairperson of the Shop Committee may request the Labor Relations Supervisor to arrange a special conference to hear the skilled trades representative's views concerning problems in connection with work assignments of employees in skilled trades classifications and to discuss the matter. Such special conference will be attended by two committeepersons representing employees in skilled trades classifications, a representative of the section of the Management organization in charge of the skilled trades activity involved, and a representative of Labor Relations. In addition the Chairperson of the local Shop Committee and another representative of Management may attend the conference.

(85b) If the matter involves the appropriateness of the work assignment of employees in skilled trades classifications and is resolved, the settlement will be reduced to writing within seven (7) calendar days from the date of the settlement unless otherwise agreed to by the parties. If the matter is not resolved, the Local Union may reduce the matter to writing in a statement setting forth all the facts and circumstances surrounding the case and the position taken by the Union. The statement will be presented to Local Management within ten (10) working days of the special conference. Within five working days thereafter, Local Management will prepare and give to the Union a complete statement of the facts of the case and the reasons for the position taken. The Union may within 30 days of such delivery forward the Union's statement and the Management's statement to the Chairman of the IUE-CWA Automotive Conference Board.

(85c) If in its judgment the matter warrants appeal, the International Union may within 30 days of receipt of the statements, appeal the matter to the Delphi-IUE-CWA Skilled Trades and Apprentice Committee by written notice to the Vice President of Human Resource Management of the Corporation.

(85d) The Delphi-IUE-CWA Skilled Trades and Apprentice Committee shall attempt to resolve the matter. If they are unable to resolve the case within three months of the date of appeal to it or any mutual extension of said period, the case may be withdrawn without prejudice by the Union members or may be appealed to the Impartial Umpire for final and binding decision. Upon the submission of a case to the Umpire, the parties will make an effort to provide the Umpire with a jointly agreed upon set of specific criteria to guide the decision in each case.

(86a) Employees of an outside contractor will not be utilized in a plant covered by this Agreement to replace seniority employees on production assembly or manufacturing work, or fabrication of tools, dies, jigs and fixtures, normally and historically performed by them, when performance of such work involves the use of Corporation-owned machines, tools, or equipment maintained by Corporation employees.

(86b) The foregoing shall not affect the right of the Corporation to continue arrangements currently in effect; nor shall it limit the fulfillment of normal warranty obligations by vendors nor limit work which a vendor must perform to prove out equipment.

(86c) It is the policy of the Corporation to fully utilize its seniority employees in maintenance skilled trades classifications in the performance of maintenance and construction work, as set forth in its letter, dated April 3, 1982, (Appendix A) to the Union on this subject.

(86d) In all cases, except where time and circumstances prevent it, Local Management will hold advance discussion with and provide advance written notice to the Chairperson of the Shop Committee and the Shop Committeeperson or Shop Committeepersons whose zones include the maintenance activities, prior to letting a contract for the performance of maintenance and construction work. In this discussion Local Management is expected to review its plans or prospects for letting a particular contract. The written notice will describe the nature, scope and approximate dates of the work to be performed and the reasons (equipment, labor, etc.) why Management is contemplating contracting out the work. Further, this written notice will include the type and duration of warranty work. At such times Local Management representatives are expected to afford the Local Union representatives an opportunity to

comment on the Management's plans and to give appropriate weight to those comments in the light of all attendant circumstances. When Journeypersons diemaking, toolmaking or engineering employees (including machining or modelmaking) are on layoff or become laid-off as a result of the plant's subcontracting work normally performed by them, Local Management will, except where time and circumstances prevent it, hold such advance discussions of contracts for the performance of major die construction work or major tooling construction programs of the type normally performed by such employees.

(86e) In no event shall any seniority employee who customarily performs the work in question be laid-off as a direct and immediate result of work being performed by any outside contractor on the plant premises.

LEAVES OF ABSENCE

Informal Leave of Absence

(87) A leave of absence may be granted for personal reasons for a period not to exceed thirty days, upon application of the employee to and approval by the employee's supervisor. Such leaves of absence shall not be renewed and seniority will accumulate during the leave.

Formal Leave of Absence for Personal Reasons

(88) Employees requesting formal leave of absence shall first make application in writing to Management on the form provided. Such leave of absence will be granted to an employee for not more than ninety days on approval of the local Management when the services of the employee are not immediately required and there are employees available in the plant capable of doing the employee's work. A formal leave of absence may be

granted under the foregoing conditions for not more than 150 days. A formal leave of absence may be granted under the foregoing conditions for a period exceeding 150 days but not to exceed 180 days if required for the purpose of traveling to a foreign country.

(89) Such leaves of absence may be extended but the approval of the President of the Division or designated representative is required in such cases. Seniority will accumulate during the period of formal leave of absence. Such formal leaves of absence will not be granted an employee who is laid-off, and will not be extended if the employee would have been laid-off had the employee been working during the leave.

(89a) Subject to the provisions of Paragraphs (88) and (89), a formal leave of absence may be granted to an employee for service in The Peace Corps, and, if circumstances require, the duration of the original leave may be for a period up to thirty months.

Sick Leaves of Absence

(90) Any employee who is known to be ill, supported by satisfactory evidence, will be granted sick leave automatically for the period of continuing disability. Seniority of such employees shall accumulate during sick leave and shall be broken, figured from the date the sick leave started, on the same basis as provided in Paragraph (34e) for laid-off employees breaking seniority. Not later than thirty (30) calendar days prior to such loss of seniority, Management will send a letter to the employee's last known address as shown on the Company records reminding the employee of the fact that the employee's seniority is subject to being broken as provided above. A copy of such letter will be furnished promptly to the Chairperson of the Shop Committee. However, failure through oversight to send

the letter to the employee or furnish a copy to the Chairperson of the Shop Committee will not be the basis for any claim.

(91) An employee who has sustained a legal compensable injury or disease with less than three (3) years of seniority at the commencement of such injury or disease shall be granted a compensable leave for the full period the employee is not working due to the compensable injury and is receiving Worker's Compensation Benefits under a State or Federal Worker's Compensation Law. The employee will continue to accrue seniority for the full period of temporary disability. In the event that such disability of an employee with less than three (3) years of seniority is determined to be permanent by the appropriate State or Federal authority, the Corporation shall have the right to convert the status of such employee to a Paragraph (90) Leave as of the date of such determination. In the event of such conversion, Management will send written notification of the employee's change in status to the affected employee's last known address as shown on the company records. A copy of such letter will be furnished promptly to the Chairperson of the Shop Committee. However, failure through oversight to send this letter to such employees will not be a basis for any claim.

Temporary employees disabled by a compensable injury shall be given credit for the period of such legal temporary disability toward acquiring seniority.

Leave of Absence for Union Activity

(92) Any employee elected to a permanent office in, or as a delegate to, any labor activity necessitating a leave of absence, shall be granted such leave not to exceed one year and shall at the end of the term in the first instance or at the end of the mission in the second

instance, be guaranteed re-employment if there is sufficient work for which the employee is in line at the then current rate of pay. Seniority will accumulate during the period of such leave.

(92a) Leaves of absence may be granted to employees for other Union activities and seniority shall accumulate during such leaves. Such leaves will be granted only when requests are made in writing to the Corporation in Troy, Michigan by the International Union.

Leave of Absence for Public Office

(93) Any employee with seniority elected to public office may make written application for a leave of absence for the period of the employee's first term of active service in such elective office. Additional leaves of absence for service in elective public office may be granted at the option of Local Management upon written application by the employee.

(93a) Any employee with seniority who is appointed to a position as administrative assistant in a Congressional or Senatorial office or to an Administrative position in a State Agency, or as a Labor Representative on a Community Agency, or to a non-civil service governmental position which is not generally available to an applicant for employment, may make written application for a leave of absence for the period of the employee's active service in such position, not to exceed one year. Such leave may be renewed at the option of Local Management upon written application by the employee.

(93b) Any employee granted a leave of absence under Paragraph (93) or (93a), shall be guaranteed re-employment, at the then current rate of pay, if there is sufficient work available which the employee is capable of doing and to which the employee may be entitled on

the basis of seniority. Seniority will accumulate during the period of such leaves.

General Conditions

(94) All of the above leaves of absence including sick leaves are granted subject to the following conditions:

(a) Any employee on leave may return to work in line with seniority before the expiration of the leave providing not less than three (3) working days notice is given to Management. The return within the three working day period is at the option of Management. Any employee who fails to return to work in accordance with the notice as given shall be considered as having voluntarily quit unless the employee gives a satisfactory reason.

(b) Any employee who fails to report for work within three working days after the date of expiration of the leave, shall be considered as having voluntarily quit unless the employee gives a satisfactory reason.

(c) If upon the expiration of a leave of absence there is no work available for the employee in line with seniority, or if the employee would otherwise have been subject to layoff according to seniority during the period of the leave, the period which breaks seniority shall start from the date of expiration of the leave except in the case of sick leave the period shall start as of the date the employee would otherwise have been laid-off.

(d) Any employee who obtains a leave of absence to accept employment elsewhere will be considered as having voluntarily quit.

(e) An approved copy of any written leave of absence granted under the Leaves of Absence Section will be furnished to the employee.

Leaves of Absence for Military Service

(95) Any employee who enters either active or inactive training duty or service in the Armed Forces of the United States will be given a leave of absence subject to the conditions herein. Upon submission of satisfactory proof of pending induction for active service, the employee may arrange for the leave to begin up to thirty days prior to the induction date. The leave shall not exceed the term of the initial enlistment and one (1) consecutive reenlistment. In no event will the period of such leave exceed a total of eight (8) years, except when additional service is involuntary. Seniority will accumulate during the period of such leave. Upon termination of such leave, the employee shall be offered re-employment in the employee's previous position or a position of like seniority, status and pay, unless the circumstances have so changed as to make it impossible or unreasonable to do so, in which event the employee will be offered such employment in line with seniority as may be available which the employee is capable of doing at the current rate of pay for such work, provided the employee meets the following requirements:

(1) Has not been dishonorably discharged.

(2) Is physically able to do the work.

(3) Reports for work within ninety days of the date of such discharge, or ninety days after hospitalization continuing after discharge.

The seniority of any employee who fails to report for work within the time specified in Paragraph (95)(3) shall be automatically broken, unless the employee gives a satisfactory reason for such failure to report.

As used in this Paragraph, "Armed Forces of the United States" is defined as and limited to the United States Army, Air Force, Navy, Marine Corps, Coast

Guard, National Guard, Air National Guard or any reserve component thereof.

(95a) Any employee with seniority who is a spouse of an employee who enters active duty service in the Armed Forces of the United States and who obtains a leave of absence in accordance with Paragraph (95), may make written application to the Personnel Department for a leave of absence for the period of the employee's initial enlistment but in no event to exceed four (4) years. Such leaves may be granted by Local Management and will be subject to the conditions set forth in Paragraph (94). Seniority will accumulate during the period of such leaves.

Educational Leave of Absence

(96) Employee veterans who have acquired seniority and other employees with seniority of one or more years who desire to further their education, may make application for a leave of absence for that purpose.

One continuous leave of absence for such education will be granted to eligible employees for a period not to exceed twelve months, subject to the conditions set forth in Paragraph (94) of this Agreement. Additional leaves of absence may be granted, at the option of Local Management. Seniority shall accumulate during such leaves of absence.

Defense Leaves of Absence

(96a) Any employee whose services, because of conditions made necessary by the National Defense of the United States, are needed by the Management in a plant of the Corporation other than the plant in which the employee has established seniority and who accepts such employment, will be given a leave of absence from the plant in which the employee has seniority for the period the employee's services may be required in such other plant and shall accumulate seniority in the plant

from which the employee has been given a leave of absence, during the full period of such leave.

(96b) If the employee desires to return to employment in the original plant or when the Management of the defense plant no longer requires the employee's services, the employee may return to the original plant in which the employee has seniority, in accordance with the employee's seniority status, to the employee's former or a similar job.

STRIKES, STOPPAGES AND LOCKOUTS

(97) It is the intent of the parties to this Agreement that the procedures herein shall serve as a means for peaceable settlement of all disputes that may arise between them.

(98) During the life of this Agreement, the Corporation will not lockout any employees until all of the bargaining procedure as outlined in this Agreement has been exhausted and in no case on which the Umpire shall have ruled, and in no other case on which the Umpire is not empowered to rule until after negotiations have continued for at least five days at the Appeal Step of the Grievance Procedure and the matter has been reviewed in a meeting between representatives of the International Union and the Corporation Labor Relations Staff, and not even then unless a notice of such lockout has been delivered to the Union at least five days prior to such lockout action. In case a lockout shall occur the Union has the option of cancelling the Agreement at any time between the tenth day after the lockout occurs and the date of the settlement.

(99) During the life of this Agreement, the Union will not cause or permit its members to cause, nor will any member of the Union take part in any sit-down, stay-in or slow-down, in any plant of the Corporation, or any curtailment of work or restriction of production or interference with production of the Corporation. The

Union will not cause or permit its members to cause nor will any member of the Union take part in any strike or stoppage of any of the Corporation's operations or picket any of the Corporation's plants or premises until all the bargaining procedure as outlined in this Agreement has been exhausted, and in no case on which the Umpire shall have ruled, and in no other case on which the Umpire is not empowered to rule until after negotiations have continued for at least five days at the Appeal Step of the Grievance Procedure and not even then unless authorized by the IUE-CWA, the Industrial Division of the Communication Workers of America, AFL-CIO, CLC and written notice of such intention to authorize has been delivered to the Labor Relations Staff of the Corporation subsequent to the Appeal Step and at least five (5) working days prior to such authorization. The Union will not cause or permit its members to cause nor will any member of the Union take part in any strike or stoppage of any of the Corporation's operations or picket any of the Corporation's plants or premises because of any dispute or issue arising out of or based upon the provisions of the Pension Plan, Life and Disability Benefits Program, Health Care Program, Supplemental Unemployment Benefit Plan, Guaranteed Income Stream Benefit Program, Profit Sharing Plan, Personal Savings Plan or Legal Services Plan; nor will the Union authorize such a strike, stoppage, or picketing. In case a strike or stoppage of production shall occur, the Corporation has the option of canceling the Agreement at any time between the tenth day after the strike occurs and the day of its settlement. The Corporation reserves the right to discipline any employee taking part in any violation of this Section of this Agreement.

(100) The Union and the International Union have requested this National Agreement in place of independent agreements for each unit covered hereby. Accordingly an authorized strike in one unit under this Agreement which results in an interruption of the flow

of material or services to operations in any other unit under this Agreement, will be considered an authorized strike in any such affected unit. The Union designates the Industrial Division of the Communications Workers of America, AFL-CIO, CLC, as its agent in connection with the execution of this Agreement and the performance of its terms and conditions.

VACATIONS

(101) The vacation entitlement provisions of this Section apply during the remainder of the term of this Agreement.

(101a) Effective January 1, 1994, the eligibility date for vacation entitlement for all seniority employees is December 31.

(101b) Each "eligibility year" shall begin with the first pay period following the pay period containing December 31 of the previous year and end with the pay period in which December 31 falls.

(101c) Employees shall become eligible for vacation entitlement as hereinafter defined, provided they have at least one year's seniority as of December 31 of the eligibility year and have worked during at least 13 pay periods during the eligibility year. Without modifying or adding to any other provision of the Vacation Section, an employee who has seniority but has not acquired one year's seniority as of December 31 shall nevertheless become eligible for a percentage of 40 hours of vacation entitlement pursuant to Paragraph (101h) and (101k).

(101d) In determining the number of pay periods an employee shall have worked in the eligibility year, the employee shall be credited with one pay period for each pay period in which the employee performs work in any Delphi Corporation plant during that year.

(101e) For the purpose of this Vacation Section only, a pay period during which an employee qualifies for pay pursuant to Paragraph (101i), Paragraphs (102) through

(102)(b) for holidays falling within the Christmas Holiday Period, Paragraph (103), Paragraph (103a), Paragraph (103b), or the Independence Week shutdown shall be counted as a pay period worked.

A laid-off employee who receives pay for a designated holiday shall receive credit for the pay period in which the holiday falls as a pay period worked.

(101f) Employees whose seniority at a Delphi Corporation plant (base plant) is hereafter broken:

(1) pursuant to Paragraph (34)(d) because they elected to remain at the Delphi Corporation plant in which they are working, or

(2) pursuant to Paragraph (34)(e), shall have their vacation entitlement computed as though their seniority at the base plant had not been broken, provided, (1) they continuously hold seniority at a Delphi Corporation plant(s), or (2) they are hired at a Delphi Corporation plant before their seniority at a prior plant is broken and they acquire seniority at the plant where hired within the next six (6) continuous months, and thereafter continuously hold seniority at a Delphi Corporation plant(s).

(101g) An eligible employee who has worked at least 26 pay periods in the eligibility year shall be entitled to the following vacation entitlement:

For an Eligible Employee With Seniority of	Hours of Vacation Entitlement
Less than one year	40
One but less than three years	80
Three but less than five years	100
Five but less than ten years	120
Ten but less than fifteen years	140
Fifteen but less than twenty years	160
Twenty or more years	200

(101h) An eligible employee shall be entitled to a percentage of vacation entitlement shown in Paragraph (101g) based on the number of pay periods the employee works in the eligibility year, in accordance with the following:

Pay Periods Worked	Percentage of Hours of Vacation Entitlement
26	100%
25	96
24	92
23	88
22	84
21	80
20	76
19	73
18	69
17	65
16	61
15	57
14	53
13	50

(101i) An eligible employee who, at the time of the eligibility date, has not used the entire vacation entitlement provided for in Paragraph (101g) shall receive a payment in lieu of vacation time-off for the unused portion at the rate established in accordance with Paragraph (101j).

(101j) Vacation time-off payments will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including overtime, as of the employee's last day worked prior to the approved vacation time-off period for vacation with pay. Payment of the unused portion, if any, of vacation entitlement will be calculated on the basis of the employee's rate of pay plus the attached night shift premium but not including overtime premium, as of the last day worked

prior to the eligibility date or the last day worked prior to December 15 whichever produces the higher rate.

(101k) Payment of the unused portion, if any, of the employee's vacation entitlement, shall be made as soon as possible but not later than February 1st of the following year.

(101l) Eligible employees may use 40 hours of their vacation entitlement during the eligibility year provided their absence from work is for not less than four (4) continuous hours and is excused for illness (when not receiving Sickness and Accident benefits), or personal business, or a leave of absence for vacation purposes.

(101m) Employees who retire or are retired under the provisions of the Delphi Corporation Hourly Rate Employees Pension Plan shall receive prorated vacation entitlement up to the vacation entitlement to which the employee's seniority would have entitled them on December 31 of the current year as follows: in accordance with Paragraph (101h) provided the employee has worked at least 13 pay periods in the eligibility year in which they retire or one twenty-sixth (1/26) of the vacation entitlement provided for in Paragraph (101g) for each pay period worked within the eligibility year if they have worked less than 13 pay periods in the eligibility year in which they retire.

(101n) Employees who are placed on or return from a Leave of Absence for Military Service pursuant to the provisions of Paragraph (95), shall receive vacation entitlement in accordance with Paragraph (101h) if the employee has worked at least 13 pay periods in the eligibility year in which they are placed on or return from a Leave of Absence for Military Service, or one twenty-sixth (1/26) of the vacation entitlement provided for in Paragraph (101g) for each pay period worked within the eligibility year if they have worked less than 13 pay periods in the eligibility year in which they are placed on or return from a Leave of Absence for Military Service.

(101o) Employees disabled from working by compensable injury or legal occupational disease shall receive credit toward pay periods worked under this Vacation Section for pay periods they would otherwise have been scheduled to work during the period of compensable disability, provided they worked during at least one (1) pay period in the eligibility year and are otherwise eligible for a vacation entitlement.

(101p) In the case of an employee who has worked during at least 13 pay periods in the eligibility year and who voluntarily quits or dies prior to the eligibility date, the vacation entitlement to which the employee would have been entitled based on the number of pay periods worked, shall be paid to the employee or in the event of death, the employee's duly appointed legal representative, if there is one, and, if not, to the spouse, parents, children, or other relatives or dependents of such person as the Corporation in its discretion may determine.

(101q) The vacation entitlement of an employee who holds seniority in two or more Delphi Corporation plants will be computed on the basis of the longest seniority held as of the eligibility date.

(101r) In the case of an employee who goes on sick leave during an eligibility year after having worked less than 13 pay periods in that year and who retires during the next eligibility year under the provisions of the Delphi Corporation Hourly-Rate Employees Pension Plan before returning to work, the retirement, for the purpose of this Vacation Section only, shall be deemed to have occurred as of the day following the employee's last day worked.

(101s) When a person is transferred into a unit covered by this Agreement the amount of vacation entitlement the employee may become eligible for shall be reduced by the amount of any paid vacation or pay in lieu of taking vacation which the employee has already received from the Corporation for the same eligibility year.

(101t) Management recognizes the desirability of providing vacation time-off with pay, up to the vacation entitlement to which the employees' seniority would have entitled them on December 31 of the current year, in a manner that preserves the maintenance of efficient operations while giving consideration to the desires of the employees.

(101u) During each year of this Agreement, the Corporation has designated the following days to be included in an Independence Week Shutdown period:

2004

- | | |
|--------------------------|----------------------------------|
| <u>Tuesday, July 6</u> | - Independence Week Shutdown Day |
| <u>Wednesday, July 7</u> | - Independence Week Shutdown Day |
| <u>Thursday, July 8</u> | - Independence Week Shutdown Day |
| <u>Friday, July 9</u> | - Independence Week Shutdown Day |

2005

- | | |
|--------------------------|----------------------------------|
| <u>Tuesday, July 5</u> | - Independence Week Shutdown Day |
| <u>Wednesday, July 6</u> | - Independence Week Shutdown Day |
| <u>Thursday, July 7</u> | - Independence Week Shutdown Day |
| <u>Friday, July 8</u> | - Independence Week Shutdown Day |

2006

- | | |
|--------------------------|----------------------------------|
| <u>Monday, July 3</u> | - Independence Week Shutdown Day |
| <u>Wednesday, July 5</u> | - Independence Week Shutdown Day |
| <u>Thursday, July 6</u> | - Independence Week Shutdown Day |

Friday, July 2 - Independence Week
Shutdown Day

2007

Monday, July 2 - Independence Week
Shutdown Day

Tuesday, July 3 - Independence Week
Shutdown Day

Thursday, July 5 - Independence Week
Shutdown Day

Friday, July 6 - Independence Week
Shutdown Day

(101u) (1) During February of each year, the local Management will notify the Shop Committee of its decision to schedule the week before or the week after the Independence Week Shutdown period as a Plant Vacation Shutdown Week.

(101u) (2) In addition, during February of each year, the local Management will notify the Shop Committee which productive operations, if any, will be scheduled to operate during the Independence Week Shutdown Period and which productive operations, if any, will be scheduled to operate during the Plant Vacation Shutdown Week. Unforeseen circumstances may require subsequent changes in these announced schedules and will be reviewed with the Shop Committee as soon as is practicable.

(101u) (3) Employees who are not scheduled to work during any portion of the Independence Week Shutdown Period shall be paid up to eight (8) hours of pay for each of the Independence Week Shutdown Period days they are not scheduled to work, up to a maximum of thirty-two (32) hours, which will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including

overtime, as of the employee's last day worked prior to the Independence Week Shutdown period provided:

(a) The employee has seniority in any Delphi Corporation plant as of the date of each of the Independence Week Shutdown Days, .

(b) The employee is on the active rolls and would otherwise have been scheduled to work if it had not been observed as an Independence Week Shutdown Day,

(c) The employee works the employee's last scheduled work day in the pay period prior to and the employee's next scheduled work day in the pay period after the pay periods of Independence Week Shutdown and Plant Vacation Shutdown Week.

Employees shall receive such pay in the pay period following the Independence Week Shutdown Period.

(101u) (4) Failure to work either the last scheduled work day in the pay period prior to or the first scheduled work day following the Independence Week Shutdown and/or the Plant Vacation Shutdown will disqualify the employee for Independence Week Shutdown pay for two (2) Independence Week Shutdown days. Failure to work both scheduled days disqualifies the employee for pay for the entire Independence Week Shutdown.

(101u) (5) An employee who is scheduled to work during the Independence Week Shutdown Period, including the Independence Day holiday shall be entitled to up to eight (8) hours of Additional time-off with pay up to a maximum of forty (40) hours in lieu of the Independence Week Shutdown Period pay for each day worked provided:

(a) The employee has seniority in any Delphi Corporation plant as of each day worked of the Independence Week Shutdown Period,

(b) The employee is scheduled and reports for work on any of the days, and

(c) The employee performs work on those scheduled days or is absent pursuant to the provisions of Paragraphs (103) or (103a).

The Additional Time-off will be scheduled in accordance with local plant practice and will be in increments equal to the time worked on such days provided the employee has worked four (4) or more hours.

~~(101u). (6) Eligible employees who, as of the next eligibility date, have not used their entire Additional Time-Off, shall be paid the unused portion in accordance with Paragraphs (101j) and (101k).~~

(101u) (7) An active seniority employee who is not scheduled to work during the Plant Vacation Shutdown week, shall use any available vacation entitlement hours starting with the first day of the Plant Vacation Shutdown week and will be placed on a leave of absence for vacation purposes for the balance of the Plant Vacation Shutdown week. An active employee without seniority who is not scheduled to work shall be considered on layoff for the entire shutdown period.

(101u) (8) An eligible employee who has approved vacation time-off in accordance with Paragraph (101v), either through individual vacation scheduling or a scheduled plant vacation shutdown, shall receive their vacation pay, up to the amount of their approved time-off, in the pay period following the pay period in which the approved vacation time-off is taken. An employee may elect to waive this provision by submitting an application at least two (2) days prior to the approved vacation time-off. Upon receipt of the application, payment of the specified Vacation Entitlement will be made pursuant to the provisions for payment of an unused balance in Paragraphs (101j) and (101k).

(101v) Management at each plant will establish a procedure whereby employees in a period of not less than thirty (30) days in the first quarter of each calendar year, may make application in writing for vacation time-off indicating their first, second and third choices. If a Plant Vacation Shutdown is scheduled, the dates of such shutdown are to be included in the employee's vacation schedule. Those applications received by Management during the established application period will be given first consideration. In the event more employees apply for time-off than can be spared from the job at a given time, plant seniority will be the basis for resolving the priority of applications for time-off, except that applicants working on jobs which usually operate when the plant is shut down during such periods as model change, plant rearrangement, plant vacation shutdown or inventory will be given first consideration for time-off during periods other than the shutdown period.

(101v) (1) Each employee will be given a written disposition of their vacation time-off request. Approved vacation time-off, exclusive of the time identified as a Plant Vacation Shutdown, will not thereafter be canceled or changed without the mutual consent of Management and the employee. If an employee's approved vacation time-off includes a scheduled Plant Vacation Shutdown and the Plant Vacation Shutdown is canceled or changed, the employee may reschedule their vacation in accordance with local plant practice.

(101w) Regardless of the provisions of Paragraph (28i1), the Corporation will deduct from earnings subsequently due and payable the amount of any vacation payment made to an employee who does not have seniority as of the next eligibility date, or who receives state or federal benefits as a result of unemployment during the Vacation Period, or who receives any payment in excess of the employee's eligibility. Recovery of such overpayments may be

made from any future payments payable under any term of this agreement or any Supplemental Agreement thereto.

(101x) (1) An employee who has at least two (2) years' seniority as of their last vacation eligibility date may apply for forty (40) hours of advance vacation pay. Such payment will be calculated in accordance with Paragraph (101x)(2) and will be paid in the pay period immediately preceding the approved vacation period provided:

(a) The employee has an approved vacation time-off application pursuant to Paragraph (101v);

(b) The employee is eligible for vacation entitlement pursuant to Paragraph (101g) that is at least equal to the amount of vacation requested;

(c) The advance payment cannot be requested for consecutive vacation weeks, and can only be requested for an entire pay period;

(d) The employee makes application for the advance vacation payment in writing, at least two (2) weeks prior to payment of the advancement; and

(e) The employee takes the vacation time-off. Once the advance vacation is approved, the employee will not be permitted to cancel the vacation time-off.

(2) Advance vacation pay paid pursuant to Paragraph (101x)(1) will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including overtime, at the time the application for advance vacation pay is processed.

(3) Recovery of this advance payment made to an employee who does not meet the requirements of Paragraph (101x)(1)(e) will be made from their next regular paycheck(s).

HOLIDAY PAY

(102) Employees shall be paid for specified holidays and the holidays in each of the Christmas holiday periods as provided hereinafter:

1st Year

November 27, 2003 Thanksgiving

November 28, 2003 Day after Thanksgiving

December 24, 2003) Christmas Holiday Period

December 25, 2003)

December 26, 2003)

December 29, 2003)

December 30, 2003)

December 31, 2003)

January 1, 2004)

January 2, 2004)

January 19, 2004 Martin Luther King, Jr. Day

April 9, 2004 Good Friday

April 12, 2004 Day after Easter

May 28, 2004 Friday before Memorial Day

May 31, 2004 Memorial Day

(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing).

July 5, 2004 Independence Day

September 6, 2004 Labor Day

2nd Year

November 2, 2004 Federal Election Day

November 15, 2004 Veterans' Day

November 25, 2004 Thanksgiving

November 26, 2004 Day after Thanksgiving

December 24, 2004) Christmas Holiday Period

December 27, 2004)

December 28, 2004)

December 29, 2004)

December 30, 2004)

December 31, 2004)

January 17, 2005 Martin Luther King, Jr. Day

March 25, 2005 Good Friday

March 28, 2005 Day after Easter

May 27, 2005 Friday before Memorial Day

May 30, 2005 Memorial Day

(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing),

July 4, 2005 Independence Day

September 5, 2005 Labor Day

3rd Year

November 8, 2005 Local Election Day

November 14, 2005 Veterans' Day (Observed)

November 24, 2005 Thanksgiving

November 25, 2005 Day after Thanksgiving

December 26, 2005 Christmas Holiday Period

December 27, 2005)

December 28, 2005)

December 29, 2005)

December 30, 2005)

January 2, 2006)

January 16, 2006 Martin Luther King, Jr. Day

April 14, 2006 Good Friday

April 17, 2006 Day after Easter

May 29, 2006 Memorial Day

(or one other such holiday of greater local importance which must be designated in advance by mutual agreement locally in writing),

July 4, 2006 Independence Day

September 4, 2006 Labor Day

4th Year

November 7, 2006 Federal Election Day

November 13, 2006 Veterans' Day (Observed)

November 23, 2006 Thanksgiving

November 24, 2006 Day after Thanksgiving

December 25, 2006 Christmas Holiday Period

December 26, 2006)

December 27, 2006)

December 28, 2006)

December 29, 2006)

January 1, 2007)

January 15, 2007 Martin Luther King, Jr. Day

April 6, 2007 Good Friday

April 9, 2007 Day after Easter

May 28, 2007 Memorial Day

(or one other such holiday of greater local importance which must be designated in advance by mutual agreement locally in writing),

July 4, 2007 Independence Day

September 3, 2007 Labor Day

providing they meet all of the following eligibility rules unless otherwise provided herein:

(1) The employee has seniority as of the date of each specified holiday and as of each of the holidays in each of the Christmas holiday periods, and

(2) The employee would otherwise have been scheduled to work on such day if it had not been observed as a holiday, and

(3) The employee must have worked the last scheduled work day prior to and the next scheduled work day after each specified holiday within the employee's scheduled work week. For each Christmas holiday period, the employee must have worked the last scheduled work day prior to each holiday period and the next scheduled work day after each holiday period.

Failure to work either the last scheduled work day prior to or the next scheduled work day after each Christmas holiday period will disqualify the employee for pay for the one holiday in the Christmas holiday period which follows or precedes such scheduled work day.

An employee who retires as of January 1, and who is otherwise eligible for holiday pay for those holidays falling in the Christmas holiday period up to and including December 31, will receive holiday pay for such holidays.

In order for employees to have maximum time-off during the Christmas Holiday Period, employees will only be scheduled for work on the following days, which are not paid holidays under this Agreement, on a voluntary basis, except in emergency situations:

Saturday, December 27, 2003

Sunday, December 28, 2003

Saturday, January 3, 2004

Sunday, January 4, 2004

Saturday, December 25, 2004

Sunday, December 26, 2004

Saturday, January 1, 2005

Sunday, January 2, 2005

Saturday, December 24, 2005

Sunday, December 25, 2005

Saturday, December 31, 2005

Sunday, January 1, 2006

Saturday, December 23, 2006

Sunday, December 24, 2006

Saturday, December 30, 2006

Sunday, December 31, 2006

Employees shall not be disqualified for holiday pay if they do not accept work on such days. This does not apply to employees on necessary continuous seven-day operations.

Each of the designated days in the Christmas holiday period shall be a holiday for purposes of this Holiday Pay Section.

(102a) When a holiday falls on Saturday, eligible employees shall receive holiday pay provided they have worked the last preceding scheduled work day within the week in which that holiday falls.

(102b) (1) Employees eligible under these provisions shall receive eight hours' pay for each of the holidays specified in Paragraph (102) computed at their regular straight-time hourly rate exclusive of overtime premium.

(102b) (2) For holidays specified in Paragraph (102), an eligible employee shall have the night shift premium rate which attached to the straight-time hours on the employees last straight time day worked preceding the holiday included in the computation of holiday pay paid pursuant to Paragraph (102b) (1).

(102c) An employee whose work is in necessary continuous seven-day operations as covered by Paragraph (54) of the National Agreement shall receive holiday pay only in the event the holiday falls on one of the employee's regularly scheduled days off, and the employee meets the other eligibility requirements of this Holiday Pay Section; provided, however, that such employee shall not receive holiday pay if the employee is scheduled to work on such day off and is absent from scheduled work on such holiday without reasonable cause acceptable to Management.

(102d) Employees of a Delphi Corporation plant who obtain employment in another Delphi Corporation plant will be eligible for holiday pay during their probationary period provided they have seniority in the home plant as of the date of the holiday and they are otherwise eligible under the terms of these provisions on Holiday Pay.

(102e) A seniority employee who has been laid-off in a reduction of force (except as provided below), or who has gone on Sick Leave, or on Leave of Absence

for Military Service, or on a Leave for Family and Medical reasons, during the work week prior to or during the week in which the holiday falls, shall receive pay for such holiday.

A seniority employee who works in the fourth work week prior to the week in which the Christmas Holiday Period begins, and who is laid-off in a reduction in force during that week, or a seniority employee who is laid-off in a reduction in force during the first, second or third work week prior to or during the work week in which the Christmas Holiday Period begins, shall, if otherwise eligible, receive pay for each of the holidays in the Christmas Holiday Period providing such employee worked the last scheduled work day prior to such layoff.

A seniority employee who works in the fifth, sixth, or seventh work week prior to the week in which the Christmas Holiday Period begins, and who is laid-off in a reduction in force during that week, shall, if otherwise eligible, receive pay for one-half of the holidays falling during such Christmas Holiday Period providing such employee worked the last scheduled work day prior to such layoff.

(102f) An employee who has been laid-off because of model change, plant rearrangement, or inventory shall be eligible for holiday pay under these Holiday Pay provisions, for a specified holiday falling within the period of such layoff providing the employee meets all the following eligibility rules:

(1) The employee has seniority as of the date of the holiday.

(2) The employee is ineligible for holiday pay for the holiday under the other provisions of this Holiday Pay Section.

(3) The employee returns to work during the

work week in which the holiday falls or during the work week immediately following the work-week in which the holiday falls.

(4) The employee works the first day the employee is scheduled to work following the holiday.

(102g) When a holiday, specified above, falls within an eligible employee's approved vacation period or during a period in which the employee receives jury duty pay pursuant to Paragraph (103) of this Agreement, and the employee is absent from work during the employee's regularly scheduled work week because of such vacation or jury duty, the employee shall be paid for such holiday.

(102h) When an eligible employee is on an approved leave of absence and returns to work following the holiday but during the week in which the holiday falls, the employee shall be eligible for pay for that holiday. An eligible employee whose leave of absence terminates during the Christmas Holiday Period, and who reports for work on the next scheduled work day after the Christmas Holiday Period, will be eligible for holiday pay beginning with the first holiday the employee would otherwise have worked and each holiday thereafter in the Christmas Holiday Period.

(102i) Employees not working in necessary continuous seven-day operations who may be requested to work on a holiday and have accepted such holiday work assignment and then fail to report for and perform such work, without reasonable cause, shall not receive holiday pay under this Holiday Pay Section.

(102j) When any of the above-enumerated holidays falls on Sunday and the day following is observed as the holiday by the State or Federal Government, the day of observance shall be considered as the holiday under the provisions of this Holiday Pay Section.

(102k) A temporary employee who as of the date of the holiday is on the active payroll and who has worked during 13 continuous or accumulative pay periods during the preceding six months shall be paid holiday pay providing the employee meets the other eligibility qualifications.

(102i) It is the purpose of the Holiday Pay provisions in Paragraphs (102) through (102k) of this Agreement to enable eligible employees to enjoy the specified holidays with full straight time pay. If, with respect to a week included in the Christmas-Holiday Period, an employee supplements Holiday Pay by claiming and receiving an unemployment compensation benefit, or claims and receives waiting period credit, to which the employee would not have been entitled if the employee's Holiday Pay had been treated as remuneration for the week, the employee shall be obligated to pay to the Corporation the lesser of the following amounts:

(a) an amount equal to the employee's Holiday Pay for the week in question, or,

(b) an amount equal to either the unemployment compensation paid to the employee for such week or the unemployment compensation which would have been paid to the employee for such week if it had not been a waiting period.

The Corporation will deduct from earnings subsequently due and payable the amount which the employee is obligated to pay as provided above.

GENERAL PROVISIONS

(103) An employee with seniority who is summoned and reports for jury duty (including coroner's juries) as prescribed by applicable law, or who reports for pre-jury

duty examination required by the court or administrative governmental agency, shall be paid by the Corporation the wages (including night shift premium) the employee otherwise would have earned by working during straight-time hours for the Corporation for the day on which the employee reports for pre-jury duty examination, and for each day on which the employee reports for or performs jury duty and on which the employee otherwise would have been scheduled to work for the Corporation.

Employees with an established shift starting time on or after 7:00 p.m. and on or before 4:45 a.m. will be excused from work on either their shift immediately preceding the jury service, or their shift immediately following the completion of the jury service, at the option of the employee. Such employee must notify their immediate supervisor of their election prior to being absent from work.

In order to receive payment, an employee must give Local Management prior notice that the employee has been directed to report for pre-jury duty examination or has been summoned for jury duty and must furnish satisfactory evidence that the employee reported for such examination or reported for or performed jury duty on the days for which the employee claims such payment. The provisions of this Paragraph (103) are not applicable to an employee who, without being summoned, volunteers for jury duty.

(103a) When death occurs in an employee's immediate family, as defined below, and the employee has seniority in any Delphi Corporation plant, the employee, on request, will be excused for any of the first three (3) normally scheduled working days or the first five (5) normally scheduled working days in the case of the death of an employee's current spouse, parent, child, or stepchild (excluding Saturdays,

Sundays and holidays) immediately following the date of death. The five (5) day limit will also apply in cases of multiple deaths of members of the employee's immediate family resulting from a single incident.

The immediate family for purposes of this Paragraph (103a) is defined as including the employee's:

Spouse	Half Brother
Parent	Sister
Step-Parent	Step-Sister
Great Grandparent	Half Sister
Grandparent	Current Spouse's Parent
Child	Current Spouse's Step-Parent
Step-Child	Current Spouse's Grandparent
Brother	Grandchild
Step-Brother	Current Spouse's Great Grandparent

In the case of an employee who is granted a leave of absence due to the illness of an immediate family member, as above defined, and such family member dies within the first seven (7) calendar days of the leave, the requirement that the employee otherwise be scheduled to work will be waived.

Employees excused from work under this Paragraph (103a) shall, after making written application, receive the amount of wages they would have earned by working during straight-time hours on such scheduled days of work for which they are excused (excluding Saturdays, Sundays and holidays, or, in the case of employees working in necessary continuous seven-day operations, the sixth and seventh work days of the employee's scheduled working week and holidays).

(103b) Employees with seniority who are called to and perform short-term active duty of thirty (30) days or less, including annual active duty for training, as a member of the United States Armed Forces Reserve or

National Guard, shall be paid as provided below for days spent performing such duty, provided they would not otherwise be on layoff or leave of absence.

A payment will be made for each day, except for a day for which they receive holiday pay, which they would otherwise have worked equal to the amount by which their straight-time rate of pay as of their last day worked plus applicable night shift premium (but not including overtime) for not more than eight (8) hours, exceeds their military earnings for that day including all allowances except for rations; subsistence and travel. Except for short term active duty of thirty (30) days or less performed by employees called to active service in the National Guard by state or federal authorities in case of public emergency, (e.g., disaster relief), payment is limited to a maximum of fifteen (15) working days in a calendar year.

In order to receive payment under this Paragraph (103b) employees must give Local Management prior notice of such military duty and, upon their return to work, furnish Management with a statement of the military pay received for performing such duty.

(104) No provisions of any local agreements between local Plant Managements and Shop Committees therein shall supersede or conflict with any provisions of this Agreement unless a change to or waiver of specific provisions of the National Agreement or Exhibits attached thereto for a particular plant location(s) is mutually agreed to and approved in writing by both the Labor Relations Staff of the Corporation and the International Union.

(105) A report of physical examination and any laboratory test made by physicians acting for the Corporation will be given the personal physician of the individual employee involved upon the written request of the employee.

(106) No local agreement containing a termination clause shall be terminated except in accordance with such termination clause and then only if notice of termination is countersigned by the Chairman of the IUE-CWA Automotive Conference Board of the International Union or the Vice President of Human Resource Management of the Corporation as the case may be.

(107) This Agreement shall continue in full force and effect without change until 11:59 p.m., (Detroit Time) ~~October 12, 2007~~. If the Corporation or the International Union desires to terminate this Agreement, it shall 60 days prior to October 12, 2007, give written notice of termination. If no notice to terminate this Agreement is given as provided above, or if no notice to modify this Agreement is given as hereinafter provided, the Agreement shall continue in effect from year to year after October 12, 2007, subject to termination on 60 days' written notice prior to October 12th of any subsequent year.

(108) If either the Corporation or the International Union desires to modify or change this Agreement it shall, sixty days prior to October 12, 2007, or any subsequent October 12th date, give written notice to such effect. Within ten days after receipt of said notice, a conference will be arranged to negotiate the proposals in which case this Agreement shall continue in full force and effect until terminated as provided hereinafter.

If notice of intention to modify or change has been given in accordance with the above provisions, this Agreement may be terminated by either the Corporation or the International Union giving thirty days' written notice of termination on or after the next September 12th following said notice of intention to modify or change.

**PENSION PLAN, LIFE AND DISABILITY
BENEFITS PROGRAM, HEALTH CARE
PROGRAM, SUPPLEMENTAL
UNEMPLOYMENT BENEFIT PLAN,
GUARANTEED INCOME STREAM BENEFIT
PROGRAM, PROFIT SHARING PLAN,
PERSONAL SAVINGS PLAN, AND
LEGAL SERVICES PLAN**

(109) The parties have provided for a Pension Plan, a Life and Disability Benefits Program, a Health Care Program, a Supplemental Unemployment Benefit Plan, a *Guaranteed Income Stream Benefit Program*, a *Profit Sharing Plan*, a *Personal Savings Plan* and a *Legal Services Plan* by Supplemental Agreements signed by them simultaneously with the execution of this Agreement, which Supplemental Agreements are attached hereto as Exhibit "A", Exhibit "B", Exhibit "C", Exhibit "D", Exhibit "E", Exhibit "F", Exhibit "G", and Exhibit "I" respectively and made parts of this Agreement as if set out in full herein, subject to all provisions of this Agreement. No matter respecting the provisions of the Pension Plan or the Life and Disability Benefits Program or the Health Care Program or the Supplemental Unemployment Benefit Plan or the Guaranteed Income Stream Benefit Program or the Profit Sharing Plan or the Personal Savings Plan or the Legal Services Plan shall be subject to the Grievance Procedure established in this Agreement; except as expressly provided in Paragraph (28g) of this Agreement.

WAIVER

(110) The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not

removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the parties, for the life of this Agreement, voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated, except as otherwise specifically provided in Paragraphs (3) through (106) inclusive hereof, to bargain collectively with respect to any subject or matter referred to, or covered in this Agreement. Further, the parties, for the life of this Agreement, voluntarily and unqualifiedly waive the right, and each agrees that the others shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of any of the parties at the time this Agreement was negotiated or signed.

PARTIAL INVALIDITY OF AGREEMENT

(111) Should the parties hereafter agree that applicable law renders invalid or unenforceable any of the provisions of this Agreement, including all agreements, memoranda of understanding, or letters supplemental, amendatory, or related thereto, the parties may agree upon a replacement for the affected provision(s). Such replacement provision(s) shall become effective immediately upon agreement of the parties, without the need for further ratification by the Union membership, and shall remain in effect for the duration of this Agreement.

SEPARABILITY

(112) In the event that any of the provisions of this Agreement or of any local agreement, including all

agreements, memoranda of understanding, or letters supplemental, amendatory, or related thereto, shall be or become legally invalid or unenforceable, such invalidity of unenforceability shall not affect the remaining provisions thereof.

In witness whereof, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives the day and year first above written.

**IUE-CWA, the Industrial
Division of the Communications
Workers of America,
AFL-CIO, CLC**

**Delphi
Corporation**

EDWARD L. FIRE
JAMES D. CLARK
MICHAEL J. BINDAS
DENNIS THOMAS
PETER MITCHELL
LAUREN ASPLEN
ALEXIA MCCASKILL
WILLIAM C. THORPE
NICK BORDER
MARCUS STEVE LYKINS
HENRY I. REICHARD
ROBERT L. SUTTON
STEPHEN E. TRENT
TODD M. VIARS
VIRGINIA BAILEY
ERSKINE G. PAINTER V.
TODD WHARTON
KEITH HAMMOND
DAVID HEIZER
DAVID HILL
EDWARD HARM
ISA SHABAZZ
EDWARD KARECKI
RON J. GILVIN
MICHAEL PALMER
FRANK ROSE
ZEBTON WELLS
ALVIN LYONS
TEDDY WASHINGTON
ANTHONY RUSSELL
AARON JAMES
FRANK LEURCK
LARRY PHILLIPS
RON HARDY
GARY REISER
DONALD O. ARBOGAST
CHUCK CHURCH

J. T. BATTENBERG, III
ALAN DAWES
MARK R. WEBER
DAVE WOHLLEN
DON RUNKLE
RODNEY O'NEAL
KEVIN M. BUTLER
JIM SPENCER
GUY HACHEY
JIM BERTRAND
RALPH E. HANDLEY
STEVEN L. GEBBIA
DARRELL R. KIDD
BERNARD J. QUICK
MARK CASHDOLLAR
ROB GERLING
ED GOETTL
JUDY MATZELLE
D. SCOTT MITCHELL
M. BETH SAX
FRANCIS KUPLUCKI
KAREN ZIMMER
SCOTT HARRIS
DAVID BODKIN
MICHAEL S. FLIGSTEIN
THOMAS SMITH
DALE JOHNSON
DAVE CAIROLI
DR. SALVATORE GALANTE
KARL BOSSUNG
BRENDA PAGE
DAVE PETTYES
CHARLES RUCKER

**IUE-CWA, the Industrial
Division of the Communications
Workers of America,
AFL-CIO, CLC**

**Delphi
Corporation**

MARK A. WINFIELD
RICH BALGENORTH
JOHN L. DEMARCO
PAT McDONALD
LAURA HARDY
MARK PIERCE
BEVERLY HUMPHREY
LESLEY MARCOTT
RICHARD F. SOMOGYI
JAMES PETRIE
SHARON SMITH
BRIAN STUDER
SHARON DELEZENNE
DEBORAH FRANCE
DEANNA DOROGY
MICHELLE TRIMBLE
LAWANDA WHITE
STEPHANIE DAMERON-CLARK
CHRISTINE DARBY
DEBORAH DOUGLAS
NANCY JULIUS
CRISTINA M. ZATEK
DENNIS RIPPEL
LUCE RUBIO
RENEE ATKINSON
MELINDA J. WILEY
HARRY W. WAGNER II
JIM FENNEL
MARLANE BENGRY
RYAN MELVIN
ALLAN WICHMANN
STEVEN OSTASIEWSKI
TOM MUNLEY
MATTHEW CHAFFIN

**IUE-CWA, the Industrial
Division of the Communications
Workers of America,
AFL-CIO, CLC**

**Delphi
Corporation**

LYNN MOODY
LARRY JOHNSON
ROBERT MERKICH
CURTIS L. WEAKLEY
GWENDOLYN GAYDEN
DAPHNE HENRY
EMILEE A. CHAHINE
DIANE A. PROKOP

APPENDIX A

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman, IUE-CWA
Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

It is the policy of the Delphi Corporation to perform maintenance work with its own employees, provided it has the labor, skills, equipment and facilities to do so and can do the work competitively in quality, cost and performance and within the projected time limits. At times the Corporation does not deem advisable doing the work itself, and it must, as in the past, reserve to itself the right to decide whether it will do any particular work or let the work to outside contractors. This letter is not to be regarded as impairing that right in any way.

The Corporation hereby assures the Union that it has no plans to change its policy and that it expects to continue its general operating policy of placing primary reliance on its own skilled trades employees to perform maintenance work to the extent consistent with sound business practice, as in the past.

In this regard, we have seen the use of joint Management and Union work schedule and business opportunity teams work very successfully in many of our locations. This approach has not only enhanced job security, but has allowed a better understanding as to the competitive challenges facing the parties. As such, each location is encouraged to establish a skilled trades subcontracting planning team involving both Management and Union representation who will review forecasted work

Appendix A
Contracting Out of Maintenance Work

schedules, including projects and jobs which may be subject to subcontracting, in order to develop the most efficient approach to the work to be performed. Plants who have experienced success with this approach have found that meetings scheduled weekly, if necessary, were most beneficial, and therefore such meetings should be scheduled accordingly at all plants.

The Corporation is genuinely interested in maintaining maximum employment opportunities for its skilled trades employees consistent with the needs of the Corporation. Therefore, in making these determinations, the Corporation intends always to keep the interests of Delphi Corporation personnel in mind.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

APPENDIX B

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman,
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the Union discussed with the Corporation serious problems affecting the job security of employees resulting from contracting out of work.

During the course of negotiations, the Union complained that in certain instances the workforce in maintenance and tool and die trades particularly was reduced through attrition and then work was contracted out to the point where there was insufficient labor available within the plant to perform the work; that in certain instances Upgraders were reduced to production jobs and work in their trades which they historically performed and which they were capable of performing was subsequently contracted out for extended periods without recalling the Upgraders to the skilled trades jobs from which they had been reduced; and that in certain instances skilled trades employees were permanently laid-off and new work which they had historically performed was contracted out for extended periods, instead of recalling these employees to their jobs.

The essential elements in the complaints registered by the Union went to the question of job security.

During the current National Negotiations, the parties reviewed the competitive advantage of Delphi Corporation talented skilled trades workforce.

Appendix B
Job Security - Contracting Out of Work

Discussed were the Union's concerns for the integrity of the apprenticeable trades, the job security of the skilled trades workforce, the content of skilled trades work assignments, and the status of work functions historically performed by the bargaining unit.

At times it is not practicable for the Corporation to do the work itself, and it must, as in the past, reserve the right to decide whether it will do particular maintenance, tool and die and engineering skilled trades work, or contract it out. The Union recognizes that in making such decisions the Corporation must consider, among other things, the efficiencies and economies involved, the need for specialized tools and equipment, special skills and the necessity of meeting production schedules, model change and plant rearrangement deadlines.

In our discussions we agreed that employees' jobs should not be eliminated by reason of a practice of contracting out, and we agreed that existing employment opportunities of seniority employees should not be unnecessarily reduced by reason of management contracting out work. The Corporation, moreover, states that it is its policy to fully utilize its seniority employees, under circumstances in which it is reasonable and practicable to do so, in the performance of work which they have historically performed to produce its product and perform its services.

While Delphi intends to provide this opportunity to its skilled trades workforce, the parties agreed that prolonged schedules involving substantial overtime were not in the best interest of employees or the Corporation and, as a result, Delphi must consider the availability of its skilled workforce when scheduling potential overtime. The parties are expected to work out acceptable means by which Management will have reliable information as to the hours employees will work when planning such work schedules.

Accordingly, the Corporation states that it will make a reasonable effort to avoid contracting out work

which adversely affects the job security of its employees and that it will utilize various training programs available to it, whenever practicable, to maintain employment opportunities for its employees consistent with the needs of the Corporation.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

APPENDIX B-1

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman,
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations the parties discussed the special procedure for processing subcontracting grievances as provided by Paragraphs (28c) (2) and (28g).

The parties agreed that should the Chairman of the IUE-CWA Automotive Conference Board elect to handle such a case pursuant to Paragraph (28c) (2) (2), and refer it back to the Appeal Committee for negotiation pursuant to Paragraph (99), such negotiations shall be limited to the issues defined in the written record of the case.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

APPENDIX C

**MEMORANDUM OF AGREEMENT
Selection of Upgraders**

Agreement dated this 16th day of November, 2003 between Delphi Corporation, hereinafter referred to as the Corporation, IUE-CWA, the Industrial Division of the Communications Workers of America, AFL-CIO, CLC, hereinafter referred to as the Union.

WHEREAS, the parties agree that primary reliance will continue to be placed upon the IUE-CWA-Delphi apprentice program, as a source for qualified journeypersons, and

WHEREAS, the parties recognize that, as in any training program, the primary objective is the implementation of a training process, wherein the primary focus is placed on a structured and well organized training schedule, and

WHEREAS, the parties recognize the need to have in place a selection process that takes into consideration the abilities of applicants and meets the promotional opportunities, hiring goals and initiatives of the local facility, and

WHEREAS, the parties have as a mutual objective of maximizing employment and promotional opportunities for minorities and women as upgraders in skilled trades classifications, and

WHEREAS, the parties recognize a need to increase the utilization of minorities and women in each plant as upgraders, and

WHEREAS, the parties recognize that an acceptable utilization rate of minorities and women as upgraders may vary from location to location depending upon a

complex of circumstances, including the availability of such individuals in the labor market or in the workforce having the requisite qualifications for and interest in skilled trades work, and

WHEREAS, the applicable law governing the selection of individuals as upgraders in the skilled trades is undergoing continuing development and refinement,

NOW THEREFORE, the parties agree as follows:

-
1. The Union and the Corporation in consultation with the National and Local Human Relations Committees, shall review the utilization of minorities and women as upgraders in skilled trades classifications at the various locations, and
 2. Where necessary, the Union and the Corporation shall agree upon appropriate action to remedy particular situations or to establish various methods of selection of upgraders including, where practicable, the establishment of special pre-upgrader training programs to further equal employment opportunity for minorities and women in the upgrader program.
 3. Where application of the current posting and selection provisions of the National Agreement will help to provide such opportunity, these methods shall be used.

APPENDIX D

MEMORANDUM OF UNDERSTANDING JOB SECURITY (JOBS) PROGRAM

The Corporation and the Union are committed to enhancing the job security of Delphi Corporation employees. Such job security can only be realized within a work environment which promotes operational effectiveness, continuous improvement and competitiveness.

Accordingly, the parties have agreed to this JOBS Program, and have pledged to work together, consistent with this Program and other provisions of the National Agreement to enhance the Corporation's competitive position.

The cornerstone of the JOBS Program is a commitment to protection against indefinite layoff for eligible employees as expressly provided herein.

I. SCOPE OF THE PROGRAM - The Corporation and the Union agree that:

(A) Active seniority employees who had job security protection pursuant to Appendix D of the 1992 Collective Bargaining Agreement will be covered by this Job Security Program. Seniority employees not at work who had job security protection pursuant to Appendix D of the 1992 Collective Bargaining Agreement who are:

- 1) on vacation,
- 2) receiving bereavement pay,
- 3) on jury duty.

- 4) on any leave of absence of 90 days duration or less,
- 5) on temporary layoff, and
- 6) any other employee having a direct attachment to the active workforce will also be covered by this Job Security Program.

In addition, any active employee who subsequently acquires five or more years of seniority during the term of this Memorandum of Understanding will also be covered by this Job Security Program.

(B) No employee covered by this Job Security Program will be laid-off for any reason, other than described in K(C).

(C) Paragraph I(B) notwithstanding, an employee protected from layoff by this Job Security Program may be laid-off for any of the following reasons:

- 1) volume related declines attributable to market related conditions as described in Document No. 4, JOBS Program - Volume Related Layoffs, not to exceed 90 weeks (inclusive of vacation shutdown weeks) over the life of the Agreement;
- 2) acts of God or other such reasons beyond the control of the Corporation including major economic downturn or financial distress;
- 3) the sale of a part of the Corporation's operations as an ongoing business;

- 4) the layoff of an employee recalled or reassigned to fill an opening known in advance to be temporary; or
- 5) model change or plant rearrangement until the employee otherwise would have been recalled.

An employee impacted by any of the above reasons is, if otherwise eligible, covered by the appropriate Supplemental Agreements which are attached to the National Agreement as Exhibits.

- (D) The number of employees protected by this JOBS Program will be the covered employees who would otherwise be laid-off as a result of any event other than those described in Paragraph I(C).

II. JOB SECURITY AND OPERATIONAL EFFECTIVENESS - In recognition of the fact that job security can only result from joint efforts to improve operational effectiveness, the Corporation and the Union agree that:

- (A) For a period commencing with the effective date of this Memorandum of Understanding and for the life of this Memorandum of Understanding, no covered employee will be laid-off as a result of any event other than those described in Paragraph I(C).
- (B) An employee whose regular job is eliminated will be placed pursuant to the applicable provisions of the National Agreement and Local Seniority Agreement.
- (C) The employees protected from layoff due to the JOBS Program will be that determined in Paragraph I(D). Each protected employee

will be identified by application of the Local Seniority Agreement provisions as if such job security were not provided.

- (D) The Parties recognize that events, other than those described in I(C), may occur during the course of this Agreement that will cause the number of covered employees to exceed the Corporation's production requirements. The parties further recognize that the scope of this program requires flexibility with regard to the assignment of such Protected employees and the selection of employees for training. In this regard, the Local JOBS Committee (described in Section III, below) will insure that assignments are made on a basis consistent with the seniority provisions of the Collective Bargaining Agreement and Local Seniority Agreement while meeting plant needs, minimizing workforce disruption and enhancing the personal growth and development of employees. After a decision by the Local JOBS Committee a Protected employee may be (1) placed in a training program, (2) used as a replacement to facilitate the training of another employee, (3) placed in a job opening at another Delphi plant provided there is no employee on layoff from that plant with a seniority recall or Paragraph 34(e) rehire right or an applicant who has not been offered a job at that plant, under current Delphi Corporation policy, (4) given a job assignment within or outside the bargaining unit which may be non-traditional, (5) placed in an existing opening or (6) given other assignments consistent with the purposes of this Memorandum of Understanding.

- (E) 1. Notwithstanding the above, an available Protected employee may be placed on the Area Hire list by Management for selection to an available opening at another location within the area. The number of such Protected employees made available for placement cannot exceed the number of Protected employees who have been laid-off for the duration of the 90 week volume-related layoff limit (inclusive of vacation shutdown weeks). Protected employees will be made available for Area Hire placement in inverse seniority order.
2. A location that has no one on layoff with a seniority recall or Paragraph 34(e) rehire right may fill a job opening with an available Protected employee from another location within the Area Hire Area pursuant to Paragraphs N(1) and (2), or an Area Hire applicant who has not been offered a job in the Area Hire Area;

An available Protected employee transferred permanently to another location may remain at the secondary location until at the employee's home location (1) there is an available opening in the regular active workforce to which the employee is entitled, or (2) the employee is recalled to Protected employee status, or (3) the employee is laid-off from the secondary plant, at which time the employee will return, seniority permitting, to the active workforce.

- (F) Efforts of the local parties to improve operational effectiveness will be encouraged and supported by the national parties including, as may be appropriate, approval of requests to waive, modify or change the National Agreement.
- (G) A Protected employee will continue to receive their regular straight time hourly rate of pay. In the event a Protected employee is assigned to another classification, the employee will receive the rate of pay as provided by the Local Wage Agreement.
- (H) Protected employees' assignments will be considered temporary and not subject to provisions governing permanent filling of vacancies or the application of shift preference, except for assignments to fill openings resulting from volume increases. Experience gained from these temporary assignments will not be used to advantage such Protected employee over other employees for selection to fill permanent vacancies, nor will the Protected employee gain seniority under Paragraph 32 of the National Agreement from such assignments.
- (I) An employee replaced by a Protected employee will receive their regular straight time hourly rate of pay, and will be returned to the same classification and job assignment upon completion of the replaced employee's assignment. In the event the employee has insufficient seniority to return to the formerly held classification, the employee will be placed pursuant to the applicable provisions of the Local Seniority Agreement.

- (J) If an employee would have been transferred pursuant to Paragraphs (33) or (75) of the National Agreement or placed in an Apprentice program were it not for participation in a training assignment provided by this program, the employee will be transferred to this classification upon completion of the training assignment. In the event the employee would have been selected for an Upgrader or Apprentice assignment, the employee's date of entry will be adjusted as if the employee's assignment had not been delayed.
- (K) A replaced employee returned to a job assignment under this Program will be credited with all overtime hours the employee worked while out of the equalization group, but not with the overtime hours the employee would otherwise have worked in the group had the employee not have been replaced by the Protected employee.
- (L) A training assignment will be voluntary on the part of an employee being replaced by a Protected employee, unless such training is to develop or improve technical skills relevant to the employee's current job assignment or anticipated future job needs.
- (M) No Protected employee will be temporarily assigned to a job outside of the bargaining unit except on a voluntary basis, subject to the direction of the National Committee. Permanent transfers of Protected employees outside the bargaining unit to other Delphi-IUE-CWA-represented plants will be handled as follows:

- (1) Management may place a Protected employee's name on the Area Hire list. The number of names so placed may not exceed the number of employees who have been laid-off for the duration of the 90 week volume-rated layoff limit (inclusive of vacation shutdown). Protected employees will be made available for Area Hire placement in inverse seniority order. Thereafter, such employees may be selected in seniority order to available jobs at other locations. The seniority used by a skilled trades employee in administering these provisions will be the employee's date of entry or Journey-person date.
 - (2) A Protected employee who is transferred permanently in accordance with this paragraph, or if so transferred later accepts a recall or rehire at a former location, will be eligible to receive a relocation allowance and other relocation services as provided in Paragraph (60a) of the National Agreement. A Protected employee temporarily transferred out of the Area Hire Area who does not change permanent residence as a result of the transfer will receive reasonable transportation and living expenses for the duration of the assignment. Any problems connected with the above may be raised with the National Committee.
- (N) The number of employees covered by these Job Security provisions will change as:

(1) an employee in the active workforce, as defined by Paragraph I(A) who had less than five years of seniority on the effective date of the 2003 National Agreement who subsequently attains five years of seniority;

(2) otherwise eligible employees who are not active on the effective date of the new 2003 National Agreement who subsequently return to active status.

Notwithstanding the above, the National JOBS Committee is authorized to establish special mechanisms for the purpose of attracting new work.

- (O) In the event there is an opening due to a volume increase, the available Protected employee with the highest seniority will be placed in this opening, unless the Local Committee determines the employee should first complete the employee's current assignment. If seniority employees are on layoff from that plant, a number of such employees, equivalent to the number of Protected employees placed in openings due to volume increases will be recalled from layoff. A Protected employee transferred to another Delphi plant due to a volume increase who is subsequently laid-off from the secondary plant due to a volume decrease will be returned to available openings at the employee's home plant, seniority permitting.
- (P) A layoff caused by an event described in Paragraph I(C) will have no impact on the number of Protected employees except for an employee who is protected from a layoff attributable to a market related volume

decline in excess of 90 weeks (inclusive of vacation shutdown weeks). In those instances, Protected employees, having the least seniority, will be laid-off and replaced by an equivalent number of greater seniority employees who would otherwise have insufficient seniority to remain in the plant.

(Q) In the event the Local or National Committee determines that the number of Protected employees exceeds the number of expected openings at the plant or in the Area within the next succeeding 12 months, special programs as set forth in Attachment A may be triggered upon prior approval of the National Committee. Thereafter, to the extent the number of Protected employees is still in excess of expected openings, such employees, under the direction of the National Committee, may be transferred out of the area pursuant to Paragraph (M). The National Committee may also explore the extension of Attachment A to other locations to create job opportunities for excess Protected employees within the Area-Hire Area.

(R) Earnings, including wages and wage related payments, received by employees while on Protected employee assignments, will be charged against the maximum liability amount. The cost of benefits and other payments made or incurred on behalf of Protected employees, specifically, health care (including dental and vision), group insurance, pensions, legal services, and FICA will be charged against the maximum liability amount. Moving allowance payments and the cost of benefits provided

under Attachment A of this Memorandum of Understanding will not be charged against this liability. Earnings received and the cost of benefits and other payments made on behalf of Protected employees while assigned to fill permanent job openings resulting from volume increases or assigned to other regular and productive work (e.g., absentee replacements) will not be charged against this liability.

- (S) Charges against the Corporation's liability will commence with the first payments made to Protected employees and will continue until the maximum liability is reached or the expiration of the Program as provided in this Memorandum of Understanding, whichever occurs first. The records of such charges will be maintained by the Corporation and will be available to the Union at appropriate times.

III. ADMINISTRATION OF THE JOBS PROGRAM - The Corporation and Union agree that:

- (A) At each bargaining unit covered by the current Delphi-IUE-CWA National Agreement, a Local JOBS Committee will be established to administer the Program.
- (B) The membership of the Committee will consist of the local Plant Manager and other representatives selected by management; the local Union President, if a Delphi Corporation employee, and the Shop Committee.
- (C) The duties of the Local Committee will be:

1. Review the number and status of the available Protected employees on a monthly basis, specifically noting the impact on this group of attrition, volume and future labor requirements.
2. Monitor the initial placement of an employee who returns to work following an event covered in Paragraphs I(A) and I(C).
3. Monitor the placement of Protected employees. In this regard consideration should be given to both the nature and duration of the assignment following the guidelines contained in Section II to this Memorandum of Understanding. Coordinate with the National Committee the placement of an employee outside the Area Hire as defined in Appendix E Memorandum of Understanding Employee Placement.
4. Monitor permanent layoffs caused by the events described in I(C).
5. Participate in discussions regarding the introduction of new or advanced technology as provided in the Statement on Technological Progress contained in the current Delphi-IUE-CWA National Agreement.
6. Review attrition and changes in the workplace. As required, develop plans to replace attrition, including the use of hires or rehires, to meet operational needs when other appropriate placement sources have been exhausted. The local parties are required to report

- monthly that appropriate communications have taken place; upon the request of the National Committee, the local parties may be required to provide detailed information to support their monthly joint reports.
7. Review the labor requirements of forward product, facility and business plans, maintaining the confidentiality of the material being evaluated.
 8. Plan and coordinate the assignment of Protected employees in their home plant, the relocation of Protected employees to other plants in the area and the application of special programs to Protected employees and active workforce employees as described in Attachment A to this Memorandum of Understanding.
 9. Authorize non-traditional work assignments for Protected employees where practicable both within or outside the bargaining unit.
 10. Review any complaint regarding the administration of the JOBS Program. Refer unresolved complaints to the National Committee. The National Parties will limit the review of complaints to those raised, in writing, within 60 days of the event giving rise to the complaint unless the time limit is waived by the National Committee. Only those matters governing the size of the active workforce, the number of Protected employees, or governing the treatment of Protected employees as set

forth in Section II of this Memorandum of Understanding will be subject to the Grievance Procedure. Such grievances will be filed at the Third Step of the grievance procedure. All other unresolved complaints will be settled expeditiously between the parties at the National level.

11. Jointly coordinate appropriate local training activities to ensure that quality, cost efficient training is provided and appropriate funds are secured from both within Delphi and from external sources.
12. Jointly develop and initiate proposals to improve operational effectiveness to secure existing jobs, and to attract customers and additional business thus providing additional job opportunities. When required, secure necessary approvals from the bargaining unit membership and the national parties.
13. Make recommendations to the National JOBS Committee, as appropriate, regarding any aspect of the JOBS Program. This may include any aspect of the contractual relationship between the Corporation and the Union that is relevant to the duties of the Local JOBS Committee, e.g., Appendix F, Appendix E, and Paragraphs 30, 30a, 59 and 60 of the current Delphi-IUE-CWA National Agreement.
14. Ensure that JOBS funds are used solely for the purposes for which the Program provides protections, as specified in

Section I(B) of this Memorandum of Understanding.

- (D) A National JOBS Committee will be established at the Corporation-International Union level consisting of three (3) representatives selected from the Corporation and three (3) representatives selected by the Chairman of the IUE-CWA Automotive Conference Board.
- (E) The National Committee will meet periodically as required to:
1. Review labor requirements for specific areas.
 2. Monitor the efforts of the Local Committees.
 3. Jointly develop appropriate Delphi-IUE-CWA training efforts working closely with the Local JOBS Committees to ensure that quality, cost efficient training is provided and appropriate funds are secured from both within Delphi and from external sources.
 4. Coordinate: (a) placement efforts for eligible workers, (b) assessment and training programs, and (c) funding.
 5. Approve Local JOBS Committee efforts to improve operational effectiveness and coordinate these actions when appropriate.
 6. Coordinate, where applicable, the execution of Special Programs described in Attachment A as well as the

placement of Protected employees. For example, where a permanent loss of jobs has occurred or is scheduled for a location, the parties may discuss transfer of employees to another location; such a transfer could be in advance of the scheduled job loss, if it could be accomplished without adversely affecting quality and operating efficiency.

7. Act on requests from Local Committees to waive, modify or change National Agreement provisions when such action would result in the preservation or increase of job opportunities.
8. Make quarterly reports to the Union and Corporate leadership regarding the operation of the Program.

(F) The National JOBS Committee is specifically empowered to periodically review and evaluate the operation of this Memorandum of Understanding and make mutually satisfactory adjustments to its provisions during the term of this Memorandum.

IV. FUNDING - The Corporation and International Union agree that:

Notwithstanding the commitments set forth in this Memorandum of Understanding, the Corporation's total financial liability for the cost of the JOBS Program, to be calculated as agreed between the parties, shall not exceed \$206,333,710 during the term of this Memorandum of Understanding adjusted by any amounts shifted between the JOBS and SUB Funds. In the event this liability is

reached, Protected employees will be subject to layoff. Thereafter, to the extent that layoffs of such employees are required, the provisions of the Local Seniority Agreements will apply and eligible employees will receive benefit treatment in accordance with the Supplemental Agreements attached to the Delphi-IUE-CWA National Agreement then in effect.

V. EFFECTIVE DATE - TERMINATION DATE

The Corporation and International Union agree that:

- (A) This Memorandum of Understanding will become effective at each bargaining unit covered by the current Delphi-IUE-CWA National Agreement, on the effective date of this Agreement.
- (B) This Memorandum of Understanding shall expire upon the expiration of the 2003 National Agreement next following the 1999 National Agreement.

ATTACHMENT A MEMORANDUM OF UNDERSTANDING

The National JOBS Committee may, from time to time and for specified periods, authorize the following Special Programs for designated eligible employees or may approve requests from Local JOBS Committees for implementation of such Programs. Employees must apply within the application period determined by the local parties and approved by the National JOBS Committee.

SPECIAL PROGRAM #1 JOBS VOLUNTARY TERMINATION OF EMPLOYMENT PROGRAM

The JOBS Voluntary Termination of Employment Program (VTEP) provides a guaranteed lump-sum benefit payment subject to the conditions and limitations contained herein. This Program is applicable to an employee with at least one year of seniority who is at work, or is a Protected employee on or after the effective date of the Agreement.

Description of Program Benefits

Years of Seniority As of Application Date		\$ Amount	Allocation Period (Months)
1 but less than	2	15,000	6
2 but less than	5	21,000	9
5 but less than	10	37,000	15
10 but less than	15	47,000	19
15 but less than	20	62,000	25
20 but less than	25	67,000	27
25 or more		72,000	29

The maximum gross amount of the benefit payable

under this Program is \$72,000 for employees with 25 or more years of seniority.

In no event, however, shall the amount of a VTEP payment provided under this Program exceed such amount permissible under the Employee Retirement Income Security Act of 1974 (ERISA).

An employee that accepts a VTEP payment shall be provided with basic health care for a period of 6 months dating from the end of the month in which the employee last worked.

An employee eligible for an immediate pension benefit under the Hourly Rate Employees Pension Plan, at the time of such employee's break in service (due to participation in a VTEP), shall upon completion of the Allocation Period and application for a pension benefit under the Hourly Rate Employees Pension Plan become eligible for post retirement health care and life insurance on the same basis as other retirees. For purposes of applying the terms of the Hourly Rate Employees Pension Plan, such employees shall not be treated as deferred vested by reason of their participation in a VTEP.

VTEP Payment Offsets

Any VTEP payment to an eligible employee will be reduced by the employee's outstanding debts to the Corporation or to the Trustees of any Corporation benefit plan or program, including any unrepaid overpayments to the employee under the SUB Plan or GIS Program, Exhibits D and E, respectively, to the Collective Bargaining Agreement.

Effect of Receiving VTEP Payment

An employee who accepts a VTEP payment shall (i) cease to be an employee and shall have seniority

broken at any and all of the Corporation's Plants or other locations as of the last day worked subsequent to the date the application for a VTEP payment is received (termination date), (ii) shall have canceled any eligibility the employee would otherwise have had for a Separation Payment and/or Redemption Payment under Exhibits D-1 and E-1, respectively, to the Collective Bargaining Agreement (iii) shall not be eligible to receive a mutual satisfactory retirement benefit under the Hourly Rate Employees Pension Plan, and (iv) shall not be permitted to retire under the Hourly Rate Employees Pension Plan for the number of months of the allocation period following the termination date.

An employee who receives a VTEP payment, and who is subsequently reemployed by Delphi Corporation, will not be eligible for any future VTEP payments until the employee has 5 or more years seniority following such reemployment. No seniority used to determine the amount of a previous VTEP payment shall be used in determining a subsequent VTEP payment.

SPECIAL PROGRAM #2 JOBS PENSION PROGRAM

General

The JOBS Pension Program provides pension benefits unreduced for age, payable under the Hourly-Rate Employees Pension Plan (Exhibit A to the Collective Bargaining Agreement) subject to the eligibility terms and conditions contained in such Pension Plan, and further subject to such terms and conditions contained herein. This Program is applicable to employees who are at work, or are Protected employees, on or after the effective date of the Agreement.

Description of Program Benefit

An offer of Mutually Satisfactory retirement may be extended under this *JOBS Pension Program* to an eligible employee between the ages of 55 and 61 who has 10 or more years of credited service under the Hourly-Rate Employees Pension Plan. Such retirement would provide unreduced basic benefits for the life of the retiree, temporary benefits payable until age 62 and one month (or if earlier, receipt of Social Security disability benefits), and any supplements they may be entitled to based on the provisions of the Hourly-Rate Employees Pension Plan and the employees' age and credited service. The annual earnings limitation provisions of the supplements shall not be applicable to any mutually satisfactory retirement.

ATTACHMENT B
MEMORANDUM OF UNDERSTANDING
GOALS AND
OBJECTIVES OF JOB SECURITY AND
OPERATIONAL EFFECTIVENESS

The Corporation and the Union recognize that quality and operating efficiency are inextricably wed to job security, and that a high level of quality and operating efficiency requires mutual respect and recognition of each other's problems and concerns. Accordingly, in addition to the Local JOBS Committee's responsibilities for the JOBS Program and participation in discussions provided in related Letters of Understanding, each committee will focus on cooperative efforts toward our common goal to improve the effectiveness of operations and remove barriers to improvements, increase job opportunities and fully utilize the workforce. The local committees will jointly develop a plan through an exhaustive analysis of the location's operational efficiency.

Within six months of the effective date of the Agreement, each Local JOBS Committee will review with Divisional Management and the International Union the overall competitiveness of the location's products and their plans indicating actions, and/or changes needed to improve quality and efficiency at their location and to stimulate job security of the existing workforce and attract new work. Such plans must then be approved by the established National Job Security and Operational Effectiveness Committee.

At the national level, the Committee will have an equal number of Union and Corporate representatives designated by the Executive Director of Industrial Relations and by the IUE-CWA Automotive Conference Board Chairman.

The National Committee will oversee implementation and administration of these Job Security and Operational Effectiveness Plans. Members of the National Committee will meet jointly with Local Committees to discuss the importance of job preservation and job creation, the reasons for the commitment to increase operational efficiency, suggest possible topics for consideration, and encourage good-faith efforts to develop and implement meaningful local plans.

The National Committee will be available on an ongoing basis as a resource to Local Committees and will review progress at the local level at least on an annual basis.

In these efforts, it is recognized that a great deal of initiative and imagination will be required by the local parties. While not intended to limit such innovation, the following are examples of appropriate areas the local parties may address:

- 1) identification of investments in the facility or equipment necessary to improve product quality or operational effectiveness;
- 2) the establishment of a team concept and/or pay-for-knowledge wage structure;
- 3) the identification of non-labor cost savings and efficiencies;
- 4) procedures and plans to review past outsourcing and outside contracting decisions, and identify opportunities for insourcing and new business;
- 5) the examination of new forms of work organization, such as job assignments relating to Just-in-Time or other quality enhancement systems;

**Attachment B
Job Security**

- 6) procedures to review supervisory staffing and support for the initiatives in this Job Security and Operational Effectiveness section of the JOBS Program;
- 7) a realignment in skilled classifications to a number of appropriate basic trades to support the needs of the operation or location;
- 8) the implementation of skilled trades team concepts;

- 9) initiatives to reduce chronic absenteeism;
- 10) procedures for improved access by the Local Joint Committee to product plans and other information affecting employment security and operational effectiveness, assuring confidential treatment of such information;
- 11) the establishment of work standards on operations that fully utilize employees;
- 12) the examination of alternative work schedules which provide greater employment opportunities.

Efforts of the local parties to improve operational effectiveness may require change or waiver of certain agreements or practices. It is understood that any such waivers, modifications or changes would not be effective unless agreed to by the local parties involved and approved in writing by the Labor Relations Staff and the International Union-IUE-CWA. Such changes would be effective only at the location(s) specifically designated.

APPENDIX E

MEMORANDUM OF UNDERSTANDING EMPLOYEE PLACEMENT

It is recognized that the hiring of new employees in one location while there is a surplus of seniority employees in other locations is not in the best interest of the parties. Therefore, the parties will provide eligible laid-off, Protected and active seniority employees an opportunity to relocate to IUE-CWA-Delphi facilities outside of their area. For purposes of this Memorandum, seniority refers to the longest unbroken Delphi seniority.

When employed, such employees will acquire seniority in the plant where hired in accordance with Paragraphs (29) and (29a) of the National Agreement.

In the event of a permanent opening at a Delphi facility, the following placement procedure is to be utilized:

- 1) Plant recall
- 2) Plant rehire
- 3) Area Hire
 - a. Combined list of seniority employees on indefinite layoff; Protected employees, active employees from plants that have excess employees, and seniority return to former community applicants.
 - b. Volunteers will be placed in seniority order.
 - c. *In the event of insufficient volunteers, the employee with the least seniority on the Area Hire List (except active and Protected Status employees) will be offered the job.*

**Appendix E
Employee Placement**

4) Extended Area Hire-Closed Plants

- a. Volunteers will be placed in seniority order

5) Extended Area Hire-Closed Plant Return To Former Community

- a. Volunteers will be placed in seniority order.

6) Other Extended Area Hire (includes GIS eligible)

- a. Includes volunteers from plants with excess employees, from plants where replacement is available, or from plants where there is no need to replace.

- b. Volunteers will be placed in seniority order.

7) Area Hire Protected Status Non-Volunteers

- a. Protected status employees will be placed unless either party identifies a compelling reason not to do so.

- b. Non-volunteers will be placed in inverse seniority order.

8) Area Hire Active Employees From Plants Without Replacement

- a. Volunteers will be placed in seniority order.

9) Extended Area Hire Active Employees From Plants Without Replacements

- a. Volunteers will be placed in seniority order.

In administering the Placement Procedure, items (1) through (8) above will be applied sequentially.

Active employees who volunteer and are placed in accordance with this Placement procedure must terminate seniority at their current location.

It is understood that the National Parties may mutually agree from time to time to other special provisions, including offering jobs to active or Protected employees.

It is further understood that the National Parties may also mutually agree to deviate from the above order of selection in a particular situation.

Any complaints regarding the application of these provisions in any plant may be taken up with Local Management of that plant by the local Shop Committee and if not resolved may be reviewed by the Delphi Labor Relations Staff and the International Union; however, the above provisions shall not be the basis for any claims for back wages or any form of retroactive adjustments.

It is understood that if an employee whose problem is referred to the Delphi Labor Relations Staff and the International Union is adjudged by the National Parties to be entitled to an adjustment, the employee will be offered an available opening as soon as possible, but in any event within two weeks of such decision. If no such opening develops, he or she will be offered the opportunity to displace a lesser seniority employee, seniority permitting, at the plant where the problem occurred.

I. AREA HIRE PLACEMENT

- A.** An Area Hire Area is comprised of all plants within a 50 mile radius of a given plant or larger as may be agreed upon by the National Parties.
- B.** Employees on the Area Hire List include: seniority employees on indefinite layoff, Protected status, active employees from plants that have excess employees, and return to the former community applicants.

Appendix E
Employee Placement

C. Such employees will be given the opportunity to designate from among those plants within their Area Hire Area which plants, if any, they volunteer to accept an offer of employment, should future job openings occur. An employee will be allowed to change the plants so designated any time prior to a bona fide job offer.

~~D. In the event that higher seniority employees are placed on layoff, employees with the least seniority who would have otherwise been laid-off will be placed on the Area Hire List. Such employees placed on the Area Hire List will be advised of this fact and be given the opportunity to designate plants within the Area Hire Area.~~

E. Volunteers will be offered the available jobs in seniority order.

F. Laid-off employees who refuse any job offer within the Area Hire Area will be placed on a formal leave of absence without Corporate-paid benefits with recall only to a job in the regular active workforce.

Protected Status employees who refuse any job offer within the Area Hire Area will be placed on layoff.

G. Active employees will be made a maximum of three (3) Area Hire job offers each year of this Agreement. Such employees may later be eligible to refile an Area Hire application in the event that their status changes at their current plant.

H. When selecting employees the longest unbroken Delphi seniority date will be used

for non-skilled trades job offers. For skilled trades job offers, the longest unbroken seniority date in the skilled trades classification will be used. In the event two or more employees have the same longest unbroken seniority date, the employee's entire social security number in ascending order will be used as the tie breaker.

- L. Skilled trades journeymen/women laid-off from a plant and working in a non-skilled trades classification will have their name placed on the area hire list and will remain eligible for area hire in the same or a related skilled trades classification.
- J. It is further understood that each plant would review local procedures for *implementing the provisions of Area Hire and Extended Area Hire Placement* and that during these reviews particular attention would be directed toward insuring that information regarding applying for Area Hire and Extended Area Hire Placement are made available to all seniority employees. Employees will receive confirmation of their application(s).

II. EXTENDED AREA HIRE PLACEMENT

- A. Seniority laid-off, Protected and active employees will be given the opportunity to indicate their interest in working at another Delphi location outside their Area Hire Area.
- B. Employees continue to be eligible for Extended Area Hire placement as long as they retain unbroken Delphi seniority.
- C. The offer of an available job will be made in

seniority order from volunteers on the Extended Area Hire List.

- D. If an opening occurs for which an active employee is eligible, the active employee will be given the opportunity to fill the opening only if there is a seniority employee within the Area Hire Area to replace the active employee if required.

E. ~~Employees who have filed an Extended Area Hire Application will receive up to three (3) offers for placement in each year of the Agreement to one of the plants they have selected. If employees do not take advantage of any of these offers, their Extended Area Hire Application will be canceled at the end of each year. Such employees may later be eligible to refile an Extended Area Hire Application in the event their status changes at their present location.~~

- F. Employees will be eligible for relocation as described in the Relocation Section (Section VI) of this Memorandum of Understanding Employee Placement and in Paragraph (60a) of the National Agreement.

- G. Employees who are placed in accordance with the Extended Area Hire Placement provisions of the National Agreement and who accept the Basic Relocation Option specified in Paragraph (60a)(b) of the National Agreement may not be subject to recall or rehire or Extended Area Hire placement at any Delphi plants, for a period of six (6) months or until permanently laid-off under conditions which establish there is no reasonable likelihood of recall, whichever occurs first. It is understood that the

six month period may be modified or extended by mutual agreement between the Corporation and the IUE-CWA.

At the end of such period, employees who would otherwise have been recalled or rehired to a former location(s) may either remain at the current plant or return to such previous location. If an employee returns, the local parties may make adjustments necessary to insure that the employee is neither advantaged nor disadvantaged by the above provisions. Local Managements have ninety (90) days following the date an employee elects to return to accomplish such adjustments.

- H. Employees will be given a reasonable amount of time to relocate to another plant.
- I. Employees who are placed in accordance with Appendix E and accept the Enhanced Relocation Allowance will not be eligible to initiate another Extended Area Hire Placement or initiate an Area Hire placement as an active employee for a period of 36 months unless the employee's status changes to laid-off or Protected. In the event the plant has excess employees on permanent indefinite layoff or placed on Protected Status with no likelihood of recall into the active workforce, the 36 month period will be eliminated.
- J. Eligible employees from closed plants who have relocated via Extended Area Hire will be given preference to return to a plant in their former community. Such employees will receive the applicable relocation allowance.

III. AREA HIRE PROTECTED STATUS NON-VOLUNTEERS

- A. In the event there are insufficient volunteers for an opening, the Protected status employee with the least seniority on the Area Hire list will be offered the job. Protected status employees will be placed unless either party identifies a compelling reason not to do so.**
-
- B. Employees will be made job offers in inverse seniority order.**
- C. Protected status Non-volunteers who refuse any job offer within the Area Hire Area will be placed on layoff.**

IV. AREA HIRE PLACEMENT FROM PLANTS WITHOUT REPLACEMENT

- A. Upon receiving new hire approval, active employees at Area Hire plants without replacement will be made a job offer.**
- B. Such active employees will be offered the available job in seniority order. The new hire will be placed at the Area Hire plant to replace the active employee.**
- C. Such active employees will be made a maximum of three (3) Area Hire job offers in each year of this Agreement. Such employees may later be eligible to refile an Area Hire Application in the event that their status changes at their current plant.**

V. EXTENDED AREA HIRE PLACEMENT FROM PLANTS WITHOUT REPLACEMENT

- A. Upon receiving new hire approval, active**

employees at Extended Area Hire plants without replacements will be made a job offer.

- B. Such active employees will be offered the available job in seniority order. The new hire will be placed at the Extended Area Hire plant to replace the active employee.
- C. Such employees will be eligible for a basic relocation allowance.
- D. All other provisions of Section II of this Memorandum shall apply to employees made job offers under this Section.

VI. RELOCATION

- A. Any employees who are employed in accordance with the above procedure will be eligible to receive a relocation allowance and relocation services as specified in Paragraph (60a) of the National Agreement.
- B. Employees who return to their former community pursuant to the Return to Former Community Procedure will be eligible for a relocation allowance.

VII. PHYSICALS.

- A. When physicals are conducted on Area Hire or Extended Area Hire Applicants, the criteria used is the same as that used for a Fit for Duty Exam when an employee of that plant is undergoing a reinstatement to return to work from a sick leave.
- B. In medical disputes, the National Parties may refer the employee for an impartial medical opinion.

VIII. SENIORITY RETURN TO FORMER COMMUNITY

The following methods and procedures detail the circumstances under which eligible employees who apply will be offered the opportunity to return to their former community.

- A. Eligible employees are those seniority employees on roll at a plant who have been ~~relocated to that plant from a plant outside the Area Hire in accordance with Appendix E and worked there six (6) months and who still retain seniority at a plant in their former community.~~
- B. Eligible employees will be given the opportunity to file an application to return to their former community. Employees will receive a confirmation of their application.

Employees may have only one return to former community application on file at any given time. Once employees return to a former community under the provisions of this document, they are no longer eligible to return to any other community until such time as they are laid-off or relocate in accordance with Appendix E.

- C. Eligible employees who have applied to return to their former community shall have their names placed on the Area Hire list for the plants within the community to which they have applied.
- D. At the time of receiving an offer to return to a plant in a former community, employees who have filed a Return to Former Community Application, may elect to receive a

payment of \$6,000 to remain at their current plant. As a result of receiving this payment, the employees will terminate seniority and return rights at all other Delphi facilities and therefore no longer be eligible for Return To Former Community consideration.

- E. *Should employees return to their former community under the provisions of this Section, their seniority will be terminated pursuant to the provisions of Paragraph (34)(d) at the plant from which they are leaving, effective with the date to report to the new plant.*
- F. *It is recognized that the plant from which the eligible employee is released must do so in a manner consistent with the maintenance of quality and efficiency. Accordingly, no eligible employee will be released until a fully trained replacement is available. Consistent with these principles, it is recognized that the rate at which employees are released may vary due to the types of jobs held by such employees, the availability of replacement personnel, product or new model launch, the releasing plant's staffing requirements or other business reasons. In all cases, management will endeavor to release employees as quickly as possible.*

IX. EMPLOYEES HIRED FOR TEMPORARY WORK

Employees who are on layoff from any Delphi-IUE-CWA plant who retain unbroken seniority in any such plant on the date they are hired as a vacation replacement or for other temporary work in any other plant covered by the National Agreement, or a new employee who does not have

seniority in any Delphi Corporation plant who is hired for such work shall be employed in accordance with the following:

- A.** An employee may be hired as a vacation replacement or to fill other job openings of a temporary nature.
- B.** Temporary employees may be employed under the provisions of this Memorandum for a period of no more than 120 days, unless extended by mutual agreement of the local parties. The utilization of employees hired for temporary work shall be discussed in advance with the local JOBS Committee. Requests for employees hired for temporary work shall be made in writing to the National Parties for mutual approval.
- C.** In the event of permanent job openings which involve the relocation of employees, the National Parties may agree to hire temporary employees under the provisions of this Section to enable plants to operate effectively while permanent seniority employees are being identified or relocated at the new location.
- D.** Time worked by a vacation replacement or other temporary employee who is hired pursuant to this Memorandum will not be included in the computation for acquiring seniority pursuant to Paragraph (29).
- E.** Such time worked by a laid-off seniority employee will not be considered in the calculation for breaking seniority and exhausting rehire rights at a former plant pursuant to Paragraph (34e).

- F. Time worked by a temporary employee who is hired pursuant to this Memorandum will not be included in the computation for acquiring seniority pursuant to Paragraph (29).
- G. An employee with seniority hired at a secondary plant for vacation replacement or other temporary work will remain eligible for permanent job openings in accordance with the provisions of Area Hire Placement (Section I) and Extended Area Hire Placement (Section II) of this Memorandum.
- H. All other provisions of the National Agreement and its Exhibits shall apply to employees hired pursuant to this Memorandum.
- I. This procedure does not apply to permanent job openings.
- J. The National Parties are authorized to make modifications and adjustments as necessary.

**X. TEMPORARY OPENINGS -
PARAGRAPH (34)(e)**

- A. Laid-off employees working at permanent jobs in other Delphi Corporation plants, whose seniority would entitle them to be recalled to former locations to fill openings considered at the time to be temporary, will not be recalled or rehired under such circumstances.
- B. Furthermore, if laid-off employees working at permanent jobs with outside employers are recalled to their former locations to fill openings considered at the time to be temporary, those individuals who desire to

Appendix E
Employee Placement

be bypassed under the provisions of this Section should notify the appropriate Delphi Corporation employment office.

- C. In this regard, solely for the purposes of calculating the periods relative to breaking seniority and exhausting rehire rights at the former plant pursuant to Paragraph (34)(e), such employees in Sections (A) and (B) above shall be considered as having accepted recall to their former plant on the date such work became available and returned to layoff status at such time as the period of temporary work is completed.

**International Union,
IUE-CWA**

James D. Clark

**Delphi
Corporation**

Bernard J. Quick

APPENDIX F

SOURCING

During these negotiations, the Union raised numerous concerns about the Corporation's sourcing actions and the impact on employment opportunities. To that end, the Corporation will work with and assist the Union at both the Local and International levels to preserve jobs, jointly define and expand the roles and responsibility of the Jobs Preservation Committee, replace jobs which may be lost by outsourcing action, and to create jobs for Protected employees and laid-off employees. It is an objective of the Corporation to grow the business and to continue to rely upon its employees and facilities as the source of its products. During the life of the current Agreement, the Corporation will advise the Chairman of the IUE-CWA Automotive Conference Board, of the Labor Policy Board meeting results relative to sourcing recommendations, including the number of potential jobs affected. Additionally, data regarding incoming and outgoing work will be given to the International Union in a quarterly meeting. In this manner, the parties can judge the success of mutual efforts toward improved job security. The Corporation agrees to incorporate the procedures and structure outlined herein when making sourcing determinations during the current Agreement.

The rationale for sourcing actions will consider the criteria of quality, technology, cost, timing, statutory requirements, occupational and related environmental health and safety issues, the impact on long-term job stability, the degree to which the Corporation's resources can be allocated to further capital expenditures, the overall financial stability of affected facilities, and the impact on related facilities. Other factors considered by the Corporation before a final sourcing decision is made will include the effect on employment, and job and income security costs, on both

a short and long-term basis. Such criteria shall give equal weight to the full impact of a sourcing action on Delphi-IUE-CWA represented employment levels and the job and income security of Delphi-IUE-CWA represented employees. The National parties will jointly further develop the above criteria, to be used to address sourcing issues. In developing this criteria transfer pricing profits will not be considered in making sourcing decisions. Only appropriate return on investment and burden will be considered. The International Union and where appropriate the Local Union will be provided full and timely access to all appropriate data, including financial information, that is pertinent to evaluate product competitiveness and contemplated sourcing. The Union agrees to keep all such information confidential until the Corporation consents to its release. Further, in this regard, the plant Chairperson will designate in writing those Union representatives who will have access to the quote package and related information.

If the Local Committee cannot resolve a sourcing issue, it may file a grievance at the appeal step of the grievance procedure. In addition, the following specific commitments have been made to address sourcing-related job security concerns of IUE-CWA members:

1. Insourcing

The Local JOBS Committee will discuss the practicality of insourcing, in whole or in part, work previously outsourced or new work which the Committee identifies as that which might be performed competitively within the location based on the criteria outlined above. To assist in this process, upon request the International Union will be furnished a complete master file of commodities which will be used to generate a list of parts similar to those currently manufactured at the location that

have been (1) outsourced from that location or (2) are currently manufactured by non-Delphi-IUE-CWA suppliers for Delphi Corporation. This list will be updated and expanded to include supplier expiration dates, supplier location (city and state), annual volume, and Union affiliation, if known and will be furnished quarterly or as otherwise agreed to by the National Parties. Thereafter, the parties will initiate efforts to insource particular work consistent with the aforementioned criteria to create prospects for growth and to provide jobs for Protected employees and employees on layoff.

If it is established that certain work can be performed competitively judged by the above criteria, management will adopt the Committee's proposal and barring unique or unforeseen circumstances, bring the work in-house. The Union shall thereafter obtain any necessary approval or ratification within 30 days of the decision to bring the work in-house.

In sourcing credit will be given when:

- Work previously outsourced is subsequently insourced and the local JOBS Committee verifies the actual employee impact on the plant floor; or
- Work currently performed by an outside supplier that has never been produced inside the Corporation is subsequently insourced and the local JOBS Committee verifies actual manpower impact on the plant floor.
- As an insourcing incentive, any work not covered in the two preceding paragraphs, which the Corporation contemplates producing in Delphi-IUE-CWA-represented location(s) and for which it desires insourcing credit, will be considered for such credit by the Jobs Preservation Committee, upon request from the local parties.

The Jobs Preservation Committee recognize the importance of the local JOBS Committee reviewing the insourcing jobs on the plant floor for accurate employee verification relative to insourcing notices.

2. Outsourcing

Outsourcing as used herein means the Corporation's sourcing of work from Delphi-IUE-CWA locations, including work connected with current, new or redesigned components and fabricated parts.

When the quoting process begins, the local Union at the affected location(s) will review and have access to the entire request for quotation package for this work along with cost book information. Upon receipt of this package at the plant, the Chairperson and the Personnel Director will indicate on the accompanying notice (Notice of Potential Outsourcing) that the information has been received. This notice will include a description of the work involved and will be mailed to the Chairman of the IUE-CWA-Automotive Conference Board, and the Executive Director, Industrial Relations, Delphi Corporation.

Following receipt of the request for quotation package (or in the infrequent instances where a quote package is not utilized), the local parties will have the opportunity to jointly develop a plan to perform the work competitively, judged by the criteria listed earlier in this Appendix. The local Union will be provided full and timely access to all appropriate data, including financial information that is pertinent to evaluate product competitiveness and the potential sourcing action. Prior to submission of the initial quote response, the information contained therein will be reviewed by the local parties.

At the close of the quoting process, the local parties

will be advised in writing of the most favorable quote response which best meets customer requirements and the terms and conditions contained therein. If this quote response is other than the one submitted by the affected location(s), a written notice will be issued to the Chairperson which includes the reason for the potential outsourcing, the quote price from the affected location, if applicable, the terms and conditions of the most favorable quote response, the potential jobs impact, and the anticipated impact date. Thereafter, the local parties will be given an additional 30 days, or longer when possible, to meet the terms and conditions of the quote response referenced above. A copy of this notice will be sent to the Executive Director, Industrial Relations, Delphi Corporation, and the Chairman of the IUE-CWA Automotive Conference Board.

Additionally, International Union and local union input will be sought by the Corporation and its Divisions as early as possible in the outsourcing decision-making process to allow for more thorough discussion and to permit the parties to better assess the impact of outsourcing on the long-term job stability of employees and the financial viability of given Corporate locations.

The Corporation agrees not to use the results of such discussions to obtain more attractive contract terms from outside suppliers in lieu of keeping the work in-house.

The sourcing authority will not enter into a contractual relationship with a non-Delphi-IUE-CWA supplier until such time as the designated management representative of the impacted location provides written verification that the above notification procedure and discussion by the JOBS Committee, has taken place.

If it is established that the work can be performed competitively, judged by the criteria listed earlier in this Appendix, Management will, barring unique and unforeseen circumstances, keep the work in-house. The Union shall thereafter obtain any necessary approvals or ratification within 30 days of the decision to keep the work in-house.

The Corporation agrees to a full disclosure to the International-Union of the procedures utilized in sourcing activities.

3. Future Product Sourcing

Delphi Corporation and the IUE-CWA recognize that early Union involvement in sourcing decisions is advantageous to both parties. In that regard, the Corporation and its Divisions will provide the International Union with early knowledge and the opportunity for input to sourcing decisions for current, redesigned, new and future systems, subsystems or component parts and products, both automotive and non-automotive.

In order to accomplish this information sharing, a confidential review of new technologies being developed as well as pending sourcing decisions will be held on a quarterly basis at the IUE-CWA Automotive Conference Board meetings with the Delphi-IUE-CWA represented facilities.

The implementation of this process should provide the parties with the mechanism to enhance opportunities to utilize internal resources and to competitively grow the business within Delphi-IUE-CWA represented facilities. Any changes to the Corporation's organizational structure or business practices will not be used to circumvent or reduce IUE-CWA involvement.

The commitments expressed in this Appendix are intended to contribute significantly to our cooperatively working together to provide Delphi Corporation employees in the United States improved job security by growing the business.

APPENDIX G

INTERPRETATION OF PARAGRAPH (4) THRU (4c) AND PARAGRAPH (29)

Rules for Computing Seniority of Employees Who Acquire Seniority by Working 90 Days Within Six Continuous Months, and Computing the Period Specified in Paragraph (4) thru (4c)

1. Credit-toward-acquiring seniority will begin with the first day worked by the new employee and will include the subsequent days of that pay period.
2. Thereafter during six consecutive months until the employee acquires seniority the employee will receive credit for seven days for each pay period during which the employee works except that credit will not be given for any days the employee is on layoff. Where Local Competitive Agreements require a longer than 90 working day period, the six consecutive months will be extended to nine consecutive months.
3. No credit will be given for any pay period during which for any reason, the employee does not work except as provided in Paragraph (91) and in the case of the pay period in which the full week of Christmas holidays or the Independence Week Shutdown falls, provided the employee would otherwise have been scheduled to work.
4. Unless employees are at work on the 90th day of their accumulated credited period, or specified qualifying date in the case of Local Competitive Agreements, they must work another day within their probationary period to acquire seniority. If the 90th day of their accumulated credited period falls on a holiday or an Independence Week Shutdown Day, the employees will be considered as having seniority as

of the holiday or the Independence Week Shutdown Day. If the 90th day of their accumulated credited period falls on their vacation pay eligibility date, the employees will be considered as having seniority as of the vacation pay eligibility date.

5. In the event temporary employees are summoned and report for jury duty as prescribed by applicable law during the period of six continuous months preceding the date they acquire seniority pursuant to Paragraph (29), the employees' seniority when acquired will be adjusted to give the employees credit for seven additional days for each week in the period in which they did not work and during which jury duty was performed. The employees must furnish evidence that the jury duty was performed in order to receive seniority credit in accordance with this provision.

**INTERPRETATIONS, STATEMENTS,
LETTERS AND
MEMORANDUM OF UNDERSTANDING
ON HEALTH AND SAFETY**

(The following documents connected with the 2003 Delphi-IUE-CWA, AFL-CIO, CLC negotiations are not a part of the National Agreement but have been included in this booklet for information purposes.)

**(See Index in the front of
the Agreement Book)**

**Interpretation of the Time and One-Half Provisions of the National Agreement - Paragraph (52)(a)
(Special Case Caused by Short Shift)**

In the event an employee works more than eight consecutive straight time hours on a shift (exclusive of an unpaid lunch period) under circumstances where the present daily overtime provisions and interpretations would make the time worked in excess of eight hours on that shift payable at straight time, such time worked in excess of eight hours on that shift will be paid for at time and one-half. Any such time worked and paid at time and one-half instead of straight time, will be considered as having been paid at straight time for purposes of computing daily overtime within the 24-hour cycle in which such time worked occurs.

WORKING HOURS

D - Calendar Day

HW - Hours Worked

Example: Special Case
Caused By
Short Shift

ST - Straight Time

T 1/2 - Time and One-Half

DT - Double Time

PH - Pay Hours

D	FROM	D	TO	HW	ST	T 1/2	DT	PH	REMARKS
S	7:00 A		3:30 P	8			8	16	
M	6:00 A		3:30 P	9	8	6:00 A- 7:00 A		9.5	
T	6:00 A		11:30 A	5.5	4.5	6:00 A- 7:00 A		6	(1)
W	6:00 A		3:30 P	9	8	2:30 P- 3:30 P		9.5	(2)
Th	6:00 A		3:30 P	9	8	6:00 A- 7:00 A		9.5	
F	6:00A		3:30 P	9	8	6:00 A- 7:00 A		9.5	

(1) Sent home or excused by Management.

(2) Under GM-UAW umpire decisions G-153 and G-208, all 9 hours would be at ST. Under the 1967 interpretation, the hour from 2:30 to 3:30 p.m. would be at T 1/2 but would be counted as a straight time hour for purposes of computing daily overtime for the 24-hour cycle from 7:00 a.m. Wednesday to 7:00 a.m. Thursday.

MEMORANDUM OF UNDERSTANDING HEALTH AND SAFETY

The Corporation recognizes its obligation to provide a safe and healthful working environment for employees. We are committed to protecting the Health and Safety of each employee as the overriding priority of this Corporation. The implementation of actions to help our employees realize a healthy, injury-free environment is a leadership responsibility. The Union will cooperate with the Corporation's efforts to fulfill its obligations. To implement and coordinate these principles, a National Joint Health and Safety Committee and Local Joint Health and Safety Committees have been formed, trained and empowered to function dealing with a broad range of the subject matter. Included in Attachment "A" to the Memorandum of Understanding Health and Safety is a Review Board process designed to enhance Health and Safety awareness and compliance across Delphi Corporation operating divisions. The parties continue to recognize their roles and responsibilities, for assuring that all Delphi Corporation employees have safe and healthy work environments. The function of the Joint Committees should be technically constructive, cooperative, advisory and problem resolution oriented. As a result of this Memorandum of Understanding, the Union has agreed that it will encourage its members to utilize the internal resolution mechanisms as the means to resolve complaints regarding health and safety matters.

The parties recognize that a joint commitment must be directed toward achieving a safe and healthy work place. Therefore, it shall be the responsibility of the National Joint Committee, as the mechanism, to guide in an appropriate direction.

HEALTH AND SAFETY

I. The Corporation agrees to:

a. Provide the necessary or required personal protective equipment, devices and clothing at no cost to employees. Problems in this regard will be worked out locally.

b. Provide equipment for measuring noise, air contaminants, and air flow, including smoke tubes, ~~which will be available for use by the representatives of~~ the Local Joint Health and Safety Committee, established pursuant to Section III hereof. Industrial hygiene monitoring equipment authorized by the National Joint Committee will be available as requested for use by the representatives of the local committees.

c. Provide training for members of such Local Joint Health and Safety Committees, and appropriate education and training in health and safety for all employees.

d. Disclose, to the Co-Chairs of the National Joint Committee, the identity of chemicals or materials to which employees are exposed, including any information regarding remedies and antidotes for such chemicals. Information contained in each such disclosure, shall remain the property of Delphi Corporation and will not be released without the expressed written permission of the Corporation.

e. Provide competent staff and medical facilities adequate to implement its obligation as outlined in (f) below.

In addition, the Corporate Medical Director will continue to provide the guidelines necessary to implement the Voluntary Emergency Medical Response Team.

f. Provide to employees who are exposed to potentially toxic agents or toxic materials, at no cost to

them, those medical services, physical examinations and other appropriate tests including audio-metric examinations, lung function tests, and appropriate medical surveillance as identified by the National Joint Committee on Health and Safety at a frequency and extent necessary to determine whether the health of such employees is being adversely affected. Also, to provide the specific tests required for employees in jobs with special physical requirements.

Provide to each employee upon their request a written report of the results of such examinations or tests which are related to occupational exposure. These results as well as those instances where it is determined that an employee has had a personal exposure exceeding the permissible levels as set forth in 29CFR-1910.1000, Air Contaminants and Delphi Occupational Exposure Guidelines (OEG), will be reviewed with the employee by the plant medical department prior to their release. Upon the employee's written request, copies of such information will be forwarded to the employee's personal physician. Problems regarding this procedure should be brought to the attention of Management.

In addition, in those instances where a breathing zone air sample is collected the employee will be notified of the results which will be entered on the employee's medical records.

g. Utilize the IUE-CWA-Delphi Joint Activities Center to coordinate requests from Plant Management, the Local Shop Committee, the Local Joint Health and Safety Committee, or the National Joint Committee for plant surveys. Reports generated from such surveys will be reviewed by the National Joint Committee.

h. Provide access, upon reasonable notice, to all Corporation plants and locations to International Union health and safety representatives. Upon request, reports on such surveys will be provided to the Corporation.

HEALTH AND SAFETY

i. Arrange for the IUE-CWA-Delphi Joint Activities Center to compile OSHA "Summary of Occupational Injuries and Illnesses" as it is now constituted, along with the total employee hours worked and the incidence rate for each plant for the comparable period. Such information will be provided to the National Joint Committee.

j. Direct Local Management and Local Joint Health and Safety Committees to provide prompt notification of fatalities, serious accidents or incidents including chemical spills, having potential for serious injuries or illnesses to the National Joint Committee. After making appropriate arrangements, a prompt investigation may be made by the IUE-CWA-Delphi Joint Activities Center in accordance with the "Special Review Board" procedure.

II. The National Joint Health and Safety Committee will consist of two (2) representatives of the International Union and two (2) representatives of the Corporation. Each party will appoint at least one (1) member who has professional training in industrial hygiene or safety. This National Joint Committee shall:

a. Meet at least quarterly at mutually agreeable times and places. A summary listing of the items discussed at the meetings will be provided.

b. Review the Corporation's safety and health programs and make timely recommendations.

c. Develop an appropriate training program to be established for Union members of the Local Joint Health and Safety Committee. Annual training programs agreed to by the National Joint Committee will be provided to the Local Joint Committee so that they may perform their functions satisfactorily. In addition, they will receive specialized training appropriate to the operations in their respective units. The National Joint

Committee will be provided the opportunity to review, approve and participate in such training or instruction programs.

d. Develop guidelines for employee training and education.

e. Review and analyze federal, state or local standards or regulations which affect the health and safety programs within the Corporation.

f. Review problems concerning serious or unusual situations affecting plant health and safety and make timely recommendations.

g. Review and analyze the health and safety data for all plants that the Corporation is now required to compile OSHA "Summary of Occupational Injuries and Illnesses" and Form 300S as they are now constituted.

h. Receive and deal with matters referred to them by Local Joint Health and Safety Committees. Reports, studies, etc., may be submitted to the National Joint Committee. The Local Joint Health and Safety Committees may request the National Joint Committee to evaluate and/or interpret the reports, studies, etc. The National Joint Committee will normally respond within thirty (30) days from receipt of such request.

III. A Local Joint Health and Safety Committee, hereinafter referred to as Local Joint Committee, will be established in each bargaining unit as follows:

Employees	Health & Safety Representatives	Time Allowed to Function on Straight Time Hours
100-599	1	8 hours per week
600-10,000	1	Full time as established pursuant to Section VI hereof.
10,001 and above	2	Full time as established pursuant to Section VI hereof.

Health and safety functions, at plants where there are no provisions as set out above for a Health and Safety Representative, may be performed by the Chairperson of the Shop Committee in addition to the other functions of a Committeeperson. (At some locations, the Health and Safety Representative may not be able to perform the function because of the geographical location of plants which are part of large complexes. The National Joint Committee will review these locations and determine what, if any, changes should be made for additional representation and the duration of such representation.)

Each such Local Joint Committee will consist of one (1) representative appointed by the Corporation and one (1) representative appointed by the Chairman of the Conference Board. The Union member shall serve an indefinite term. The Union member will receive without personal cost, adequate and necessary training, to enable the effective performance of assigned functions.

In the event that a Local Union Health and Safety Representative is absent for one day or more, including attendance at the annual Joint Training Conference, such

representative will be replaced by an employee who has been designated as the regular replacement by the International Union. As soon as practical following the effective date of this Agreement, the International Union shall provide to the Corporation the names of the employees so designated.

The Local Joint Health and Safety Committees shall:

a. Meet at least once each month at a mutually agreeable time and place to review health and safety conditions within the plant and make such recommendations in this regard as they deem necessary or desirable.

b. Make a health and safety observation tour once each month, at a minimum. Prior to such observation tours, a review may be made of OSHA Form 300 accident experience. Investigate promptly major accidents as defined by the National Joint Committee. Receive prompt notification of any employee fatalities or serious accidents resulting from work-related injuries. When such events occur during the 2nd or 3rd shift, the Management member of the local Committee will endeavor to notify the Union member, inform the representative of the facts, and arrange upon request, for the representative to enter the plant and investigate such events.

c. Accompany Federal and State OSHA Health and Safety inspectors on compliance inspections. Accompany International Union, Corporate or consultant Health and Safety professionals on regular surveys and those requested by the Union. Copies of such surveys will be forwarded to the National Joint Committee by the Local Joint Committee. Reports and/or results of such surveys shall be for the use of the Local Joint Health and Safety Committee or the National Joint Committee. Information contained therein shall remain the property of Delphi Corporation

HEALTH AND SAFETY

and will not be released without the expressed written permission of the Corporation. Advance arrangements should be made to permit participation in such surveys.

The Union does not waive any rights provided by federal or state law by such accompaniment.

d. Review lost time incidents and other major incidents, as defined by the National Joint Committee which occur in the work place and also review plant safety reports on such incidents and make any necessary or desirable recommendations.

e. Receive a copy of the plant's report on OSHA "Summary of Occupational Injuries and Illnesses" and the facility's total employee hours worked and the incidence rate for the comparable period.

f. Review Incident Investigation forms which would include an analysis to determine the root cause so that appropriate corrective actions can be developed.

g. Review, recommend, approve and participate in local safety education and information programs and employee job related health and safety training.

h. Where necessary, measure noise, air contaminants, and air flow with equipment provided by the Corporation and observe the use of appropriate industrial hygiene and safety testing equipment as required when available in the plant.

i. The Local Joint Health and Safety Committee will be provided copies of photographs taken which relate to health and safety matters in the plant, who will forward them to the co-chairs of the National Joint Committee, if appropriate. Such photographs (including video tapes, etc.) shall be for the confidential use of the Local Joint Health and Safety Committee, the National Joint Committee or the IUE-CWA Automotive Conference Board only and shall not be reproduced, published and

distributed in any way without the expressed written consent of Delphi Corporation.

j. Be advised of breathing zone air sample results and known physical agents or chemicals to which employees are exposed and protective measures and applicable emergency procedures. In addition, whenever it is determined that an employee has had a personal exposure exceeding the permissible level as set forth in 29CFR-1910.1000, Air Contaminants and Delphi Occupational Exposure Guidelines, the Local Joint Committee and the National Joint Committee shall be informed in writing of such exposure and the corrective action to be taken.

IV. Complaint Procedure

a. Each District Committeeperson shall conduct a safety observation tour of their district one weekday each week for the purpose of examining health and safety conditions. The Committeeperson may call for the Union representative of the Local Joint Committee to take measurements of noise, air flow and chemical exposure utilizing equipment authorized by the National Joint Committee where appropriate training has been completed. The District Committeeperson will discuss with the supervisor and, failing successful resolution, with higher supervision, any problem which the Committeeperson feels requires correction. Every reasonable effort shall be made to settle the complaint at this point through discussion. If the problem remains unresolved, the Committeeperson may complete a "Health and Safety Complaint Form" in writing, in quadruplicate, which will include a statement of all the facts of the complaint.

b. Complaints by employees concerning health and safety issues may be taken up in accordance with Paragraph (27) of the National Agreement with the understanding, however, that the Committeeperson, if

HEALTH AND SAFETY

called, will discuss the matter with the supervisor and, failing resolution, with higher supervision. If the matter is still not resolved, the committeeperson may complete a "Health and Safety Complaint Form," as described in (a) above.

c. The member of higher supervision will give Management's answer promptly in writing on the "Complaint Form." The Committeeperson will give to higher supervision two (2) copies of the "Complaint Form" and transmit one (1) copy to the Union representative of the Local Joint Committee.

d. The Local Joint Committee will within two (2) working days visit the area where the complaint arose and observe the conditions complained of. Within a maximum of three (3) working days from the day of their visit, the Local Joint Committee will answer the complaint in writing. A unanimous decision by the Local Joint Committee will settle the issue. Failing such unanimous decision, the complaint will be discussed at a special conference attended by the Union and Management members of the Local Joint Committee, the Chairperson of the Shop Committee or the Chairperson's designated representative, and another member of Management. If the parties are unable to resolve the complaint in the special conference, the complaint will be answered by Local Management within five (5) working days. Thereafter, Paragraph (28a) of the National Agreement will be applicable. Thereafter, the regular Grievance Procedure of the National Agreement will be applicable.

e. Health and safety complaints affecting substantial groups of employees may be initiated by the Health and Safety Representative. To do so, the representative shall submit a completed "Health and Safety Complaint Form" to the Chairperson of the Shop Committee. Should the Chairperson of the Shop Committee, upon

investigation of the complaint, determine that the complaint has merit, the Chairperson shall sign the form and present it to Management in a special conference as outlined in IV (d) above within five (5) working days.

V. Nothing herein shall be construed to restrict any employee's rights under Section 502 of the Labor-Management Relations Act, 1947, as amended.

VI. No provision herein will restrict the right of the Chairperson of the Shop Committee, Zone Committeepersons or District Committeepersons to perform their functions under the terms of the National Agreement and locally negotiated agreements.

A Health and Safety Representative who is appointed by the International Union shall have only the duties and functions as set forth in this Memorandum and attachments dealing with Health and Safety. Such representative shall be subject to the provisions of the following paragraphs of the National Agreement: Paragraphs (16), (18), (19), (20a), (21), (21a), (21b), (22), (22a), (23) and (26). Although it is recognized that they are not Zone Committeepersons, during regular hours the Health and Safety Representative shall be paid and shall be scheduled to report at the plant for Health and Safety representation purposes in the same manner as a Zone Committeeperson, subject to the provisions of Paragraph (15) of the National Agreement, with a designated Health and Safety representation area on the representative's shift as the zone. During other than regular hours, the representative will be scheduled to report for Health and Safety representation purposes as follows:

a. During overtime, part-time or temporary layoffs, or inventory when three hundred (300) or more or fifty percent (50%) or more of the people on the representative's shift in the representative's Health and Safety representation area are scheduled to work. In

HEALTH AND SAFETY

addition, when new equipment and/or processes are being installed or tried out and one hundred (100) or more of the people on the representative's shift in the representative's Health and Safety representation area are scheduled to work.

b. During shutdown for model change, or for plant rearrangement when one hundred (100) or more of the people on the representative's shift in the representative's Health and Safety representation area are working on model change or plant rearrangement work.

During overtime hours, when less than three hundred (300) or less than fifty percent (50%) of the people on the representative's shift in the representative's Health and Safety representation area are scheduled to work they will not function pursuant to this Memorandum of Understanding. The representative will be scheduled to function as a Health and Safety representative when work is otherwise available in the representative's equalization group in accordance with Paragraph (38) of the National Agreement.

Finally, nothing in this Memorandum of Understanding, the attachments hereto, various policy letters on Health and Safety, or the Joint Health and Safety training materials is intended nor should it be taken to impose upon the International Union, Local Unions, Union Health and Safety Committees, Union Officials, employees or agents, a legal or financial liability for either the health and safety of Delphi Corporation employees or for work connected injuries, disabilities, diseases or related losses incurred by employees of Delphi Corporation or its subsidiaries or by third parties while on the property of Delphi Corporation or its subsidiaries.

**International
Union, IUE-CWA**

James D. Clark
Henry I. Reichard
Todd M. Viars

**Delphi
Corporation**

Bernard J. Quick
Karl L. Bossung
Charles E. Rucker

ATTACHMENT "A" TO THE MEMORANDUM OF UNDERSTANDING HEALTH AND SAFETY

The IUE-CWA and Delphi Corporation have for many years been proud leaders in adopting and effectuating policies designed to resolve employee health and safety problems and to promote a more healthful and safe work environment. To this end, the IUE-CWA and Delphi Corporation have entered into the following Memorandum of Understanding which embodies the spirit of the concern shared by the IUE-CWA and Delphi Corporation for the health and safety of employees. The parties recognize that the IUE-CWA and Delphi leadership have demonstrated a visible commitment to protecting employees from workplace hazards that resulted in a significant reduction in injuries and illnesses. The Plant Safety Review Boards (PSRB), which consists of the joint local leadership and the Local Joint Health and Safety Committee (LJHSC) at each location, have received leadership training in health and safety. This jointly developed course, entitled IUE-CWA-Delphi Health & Safety Leadership Training, covered roles and responsibilities and resulted in the establishment of a leadership driven safety process. This training was subsequently extended to other members of plant leadership including supervisors and committeepersons. The parties are committed to jointly work toward a safer workplace through the joint involvement of all employees, and have developed general awareness training for hourly employees that included an overview of the health and safety leadership process and associated responsibilities.

The Corporation and the IUE-CWA have worked jointly in an innovative manner to identify and correct potential hazards. The process used to correct potential hazards is the "Hierarchy of Controls," which describes the process of consideration of higher level controls such as

elimination or engineering before administrative procedures or personal protective equipment.

The Corporation shall continue to recognize its obligation to provide a safe and healthful working environment for employees during working hours. The Union will cooperate with the Corporation's efforts to fulfill its obligations. To implement and coordinate these principles, a National Joint Health and Safety Committee and Local Joint Health and Safety Committees have been formed, trained and empowered to function dealing with a broad range of the subject matter. Included in this Attachment "A" to the Memorandum of Understanding is a Divisional Safety Review Board process designed to enhance Health and Safety awareness and compliance across Delphi Corporation operating divisions, and a Plant Safety Review Board (PSRB) process designed to review the unit's health and safety performance and monitor the implementation of its health and safety programs. The parties continue to recognize their roles and responsibilities, for assuring that all Delphi Corporation employees have safe and healthy work environments. The function of the NIC and the LJHSC should be technically constructive and problem resolution oriented.

In order to monitor the effectiveness of the programs, the parties recognize that all work-related injuries and illnesses must be reported to the medical department as soon as possible. These injuries/illnesses shall be reported in accordance with procedures developed by the local PSRB. The Corporation agrees to continue to provide information pertinent to the joint investigation of health and safety issues. This includes information from existing databases including the Health Information System (HIS). Further, the Corporation will continue to encourage the reporting of near-miss incidents as agreed in the 1999 Negotiations. The

Attachment A
HEALTH AND SAFETY

Corporation does not endorse the use of monetary or other tangible rewards for groups or individuals to discourage the reporting of work-related injuries or illnesses. The parties agreed that positive recognition for developing improved safety processes or accomplishing improved safety performance can be a valuable tool to continue to motivate managers, supervisors and workers to keep safety as an overriding priority.

In keeping with the purpose and intent of this Memorandum of Understanding and other related health and safety documents contained herein, the Union reaffirmed its commitment to communicate to its members the need to utilize the internal processes available to resolve health and safety matters.

The parties recognize that a joint commitment must be directed toward achieving a safe and healthy workplace. Therefore, it shall be the responsibility of the NJC, as the mechanism, to guide in an appropriate direction.

The parties have resolved the health and safety issues raised during these negotiations as follows:

A. Safety Training for Chairpersons of Shop Committees without Designated Health and Safety Representative.

Chairpersons of Shop Committees in locations which do not have a designated Health and Safety Representative may upon request of the Chairman of the IUE-CWA Automotive Conference Board, attend training or instruction programs provided by the Corporation in Section II, Item C of the Memorandum of Understanding - Health and Safety.

In addition, the Corporation advises that employees who wish to enroll in courses of instruction relating to

industrial health and safety at approved educational institutions will be eligible to apply for tuition refund for such courses subject to the terms and conditions of the Corporation's Individual Upward Educational Plan.

B. Noise Abatement Program

The joint parties recognize that the Corporation has had a comprehensive Hearing Conservation and Noise Control Program for the purpose of continuous incremental improvements in noise reduction. In accordance with this program, each plant is required to have a Noise Control Committee. The Noise Control Committee will consist of representatives from Plant Engineering, Operations, Medical, Industrial Hygiene, Finance, Purchasing, the LJHSC, and others as deemed appropriate by the PSRB, such as certain skilled trades personnel, and/or other employees. The Noise Control Committee has the responsibility to seek input from plant personnel in identifying noise sources and potential ways to reduce noise levels.

The Noise Control Committee will:

- Ensure audiometric testing is performed for employees exposed above 85 dBA.
- Perform an annual evaluation of the noise abatement plan and provide recommendation for improvement to the Plant Safety Review Board.
- Ensure reports follow formats specified in Delphi Hearing Conservation and Noise Program SL 3.0.
- Ensure new and rebuilt equipment meet the Delphi Sound Level Specification SL 1.0.
- Identify planned maintenance items related to noise control.

The Corporation will continue to conduct the annual

noise exposure survey and provide findings to the LJHSC and summary noise abatement program findings to the NJC.

The Noise Control Committee will meet regularly, record minutes, and report quarterly to the PSRB regarding progress on the Noise Abatement Plan. The annual evaluation will include:

- Copies of the plant's noise abatement program.
- The number of employees that experienced standard threshold shift.
- The number of employees that are required to wear hearing protection.
- The number of employees at risk of exposure at or above 85 dBA.
- The number of employees at risk of exposure above 90 dBA.

C. Review Boards

The parties are committed to the continuous improvement of employee health and safety. The joint process developed between the parties has positively impacted this commitment. In order to place further emphasis on the implementation of the joint process and to enhance communication and resolution of health and safety issues throughout the respective divisions, each operating organization will implement a Divisional Health and Safety Review Board. Each Board will consist of the Divisional Manufacturing Manager, a designated IUE-CWA administrative representative and appropriate support personnel (or other similar arrangement approved by the NJC). Each board shall meet on a regular basis and consider appropriate health and safety matters within the respective division. To further enhance joint efforts to achieve a healthy and

injury-free workplace, the parties agree to establish Plant Safety Review Boards (PSRB). The PSRB will be co-chaired by the Plant Manager and Shop Chairperson and the membership shall consist of the Local Shop Committee and members of the Plant Manager's staff. The PSRB will meet monthly to review the unit's health and safety performance and monitor implementation of its health and safety programs. The LNHSC will attend all PSRB meetings. In addition, the Divisional Safety Review Board and the PSRB may request the NJC to consider projects, studies, training, and other such matters that pertain to employee health and safety. Also, the NJC may seek advice from and may consider for implementation the health and safety needs expressed by the Divisional Safety Review Board and the PSRB, including for example, special funding requests, projects, studies, training and other employee health and safety matters.

The parties are committed to preventing fatalities and serious injuries. In furtherance of this interest, a Special "Review Board" meeting will be convened at such time as appropriate upon the request of the NJC. The purpose of the Special Review Board will be to recommend improvements in safety and health practices. The primary tool to accomplish this objective will be a complete safety hazard analysis of the job or operation at issue. This analysis will be conducted by a joint team from the IUE-CWA-Delphi Joint Activities Center specially trained in analytical techniques. An action plan will be developed by the Special Review Board for the division involved. Senior Operating Management will assess the implementation and progress of the action plan after an appropriate lapse of time as established by the Special Review Board.

The Special Review Board will consist of members of the NJC, the Local Chairperson, the Plant Manager and the Manufacturing Manager for the affected unit. The

LJHSC, and/or other officials or resources, as deemed appropriate by the NJC, may be invited to attend as observers. The Special Review Board will meet at a site designated by the NJC. The NJC will provide technical support for the Special Review Board's efforts. The Special Review Board will normally convene one week after notification by the NJC, and issue its recommendations within two weeks after concluding its review.

D. No Hands in Dies Policy

The Corporate policy has been and continues to be "No Hands in Dies." Implementation of "No Hands in Dies" in the plant requires provision for expendable hand feeding tools, slide feeds, sliding bolsters, automatic or semi-automatic operation, die cutouts or other means and procedures whereby the operators are not required to place their hands into the point of operation. In addition, well-disciplined procedures for use of die blocks and safety lockouts and tags for maintenance and setup personnel are imperative. An intensive orientation program for operating supervisors, and process and facilities engineers may also be advisable.

E. Lockout Policy

During the current negotiations the IUE-CWA and Delphi Corporation discussed their mutual concern regarding fatalities and serious injuries to employees, including operators, performing repair, service and maintenance activities on machinery and equipment. The parties agreed that, to be effective, the Lockout - Energy Control program must be universally implemented and enforced throughout the Corporation. In order to be effective, the parties reaffirmed that the elimination of the potential for injury from hazardous energy is critical to worker safety.

It is the policy of Delphi Corporation and endorsed by the IUE-CWA that:

Lockout is required where employees may be exposed to hazardous energy which could cause injury. Exposure means that the employee is in a position to be injured by released energy.

Where an employee is exposed to potential injury from expected machine energy/motion, the exposure must be eliminated. If the exposure cannot be eliminated, the machine will be locked out.

All plants will also be required to conduct an annual review of lockout placards. The review is to be conducted to ensure that the placards are still representative of the procedure required to lockout the equipment and that all lockout points are appropriately identified.

Each location will maintain an effective Lockout - Energy Control program including the IUE-CWA-Delphi Lockout Placard Guidelines which will apply to all employees based on implementation guidelines which have been published by the IUE-CWA-Delphi Joint Activities Center.

F. Training

Delphi Corporation agrees to provide joint health and safety training to enhance employees' skills and abilities to perform their job in a safe manner. The NJC will be responsible for identifying employee job-related health and safety education and training needs which are mandated by the Government or would be applicable across IUE-CWA-Delphi sites.

The NJC through the IUE-CWA-Delphi Joint Activities Center will continue to provide training resources for use by the plants. The NJC will direct and oversee the development and administration of required

Attachment A
HEALTH AND SAFETY

training courses and will monitor and evaluate training programs. The parties agree to utilize Joint Training Funds to partially subsidize the cost of joint health and safety training efforts.

It is recognized by the NJC that the LJHSC should be involved in identification of what Health and Safety Training is needed and appropriate for their particular location including Monthly Safety Talks. A local training needs analysis will be conducted at each location. Based on this analysis, a comprehensive training plan consistent with the NJC's requirements and local plant initiatives will be developed, and the necessary resources will be identified to provide such training. The Plan will specify target audiences, recommendations for completion dates, class size, and methods of delivery. The Plan will be reviewed by the PSRB, the appropriate Divisional Safety Review Board, and the NJC, to ensure consistency with requirements. The LJHSC shall be responsible for monitoring the progress of their local plan.

All health and safety training programs developed by the National Joint Health and Safety Committee will be open to participation by members of the International Union Staff and members of management. The NJC will actively encourage their participation.

G. Research

The NJC will be responsible for evaluating the need for research. The results of research conducted within IUE-CWA represented Delphi Corporation facilities will only be used for purposes specifically authorized by the NJC.

The NJC will be responsible for prompt communication of research findings to affected employees.

H. Hazardous Materials

The Corporation informed the Union that a management and a union member of the LJHSC will become members of the local Plant Hazardous Materials Control Committee.

I. Review of Technology

Delphi Corporation and the IUE-CWA will establish a procedure to allow the LJHSC to review new plant layouts, new manufacturing equipment and major process changes where employee health and/or safety may be affected. Representatives from the Facility Services Group will periodically meet with the National Joint Committee on Health and Safety to review advancements in technology that may impact the Committee's area of responsibility.

J. Safe Job Design

Delphi and the IUE-CWA recognize the advantages of designing processes and equipment with effective health and safety controls. The parties agree to develop and implement a program to include health and safety controls during the development of new equipment and processes.

K. Working Alone

The parties have discussed the Corporation's policy regarding the assignment of employees to tasks in isolated locations or confined closed-entry spaces. The Corporation explained that anytime an employee is assigned to work alone in an isolated area, the Corporation has instructed Plant Leadership to ensure an appropriate level of personal surveillance. (See jointly agreed to letter from Manufacturing Task Team dated February 2003.) Additionally, when work assignments involve situations hazardous to an employee, appropriate precautions will be taken in accordance with

safe work practices, including air sampling and ventilation when necessary, communications systems, personal surveillance arrangements and, as required, adequate support personnel. When an employee brings to Management's attention a situation where the employee is reasonably concerned that his or her safety is jeopardized because of working alone, Management will provide a copy of an applicable written Safe Operating Practice to the employee detailing precautions to take to perform the task safely. If one has not been developed and reviewed, Management will give the employee job instructions to perform the task safely and within 24 hours make a written request to the LJHSC for the development of a Safe Operating Practice. Safe Operating Practices will be developed by the LJHSC within 5 working days and will be reviewed by the PSRB at the next regularly scheduled meeting. This will not change or restrict any mutually satisfactory local practices.

L. Chemical Exposures

The Corporation will continue to update Occupational Exposure Guidelines (OEG's) to assess employee exposure to chemicals in Delphi Corporation facilities, as needed. Guidelines are considered necessary whenever existing OSHA Permissible Exposure Limits do not sufficiently protect the worker, or when there is no applicable OSHA Permissible Exposure Limit. Guidelines will be based on consensus standards and recommendations in addition to available scientific evidence. Delphi Corporation will require plants to use OEG's as the basis for evaluating employee exposures and for taking appropriate corrective or preventive action.

The Corporation will review Guidelines with the National Joint Committee on an annual basis and will discuss proposals for necessary changes. The

Corporation intends to control, through professional industrial hygiene practice and methods, employee exposures to the currently adopted guidelines of the American Conference of Governmental Industrial Hygienists (ACGIH) for Threshold Limit Values (TLV) for Chemical Substances in the work environment. In addition, the Corporation will bring to the NJC for review and discussion, all cases where OEG's and TLV's are divergent.

When changes to the existing list are proposed, the NJC:

- Will review the proposed change and its rationale.
- Will review existing air sampling data to determine the prevailing exposure level to the chemical or substance under consideration.

The parties, also, agree to explore the concept of training hourly employees to assist in monitoring various aspects of the work environment and who would perform such duties under the direction of a Delphi Industrial Hygienist. A sampling plan will be devised where appropriate in conjunction with the local Joint Committee. Samples collected will be analyzed under the direction of the Delphi Industrial Hygiene Department.

Furthermore, Delphi Corporation and the IUE-CWA recognize that the Hazard Communication Program is an outstanding example of the benefits derived from joint participation. The parties agree to explore methods to improve labeling provisions so that the best interests of the employees are maintained.

M. Ergonomics

Delphi Corporation and the IUE-CWA recognize that Ergonomically-related Musculoskeletal Disorder

(Hereafter EMSDs) are occupational illnesses present in the automobile industry.

The parties also recognize that the control of EMSDs is a complex issue often requiring the application of a number of different control methods and technologies that may differ from operation to operation. These include an ergonomically appropriate design, along with feasible engineering and administrative controls that materially reduce or eliminate job related EMSD stressors, employee and supervisory training and education, early recognition of the problem, early and proper medical diagnosis, treatment and care.

Delphi Corporation will continue to administer an Ergonomics Program at IUE-CWA represented locations utilizing guidelines established between Delphi Corporation and the IUE-CWA. Delphi Corporation recognizes the accomplishments of the joint ergonomics process and realizes the need to improve the process to further reduce work-related EMSDs. Delphi Corporation is committed to progressively pursue improving and enhancing the current process with the IUE-CWA. The purpose of the program is to deal cooperatively and constructively with the problem of EMSDs in the workplace.

Delphi Corporation has re-committed to fixing jobs that are identified as presenting a corresponding and documented risk of employee injury. The parties recognize that effective corrective action for jobs which present a documented risk of injury, require the timely use of sound judgement in combination with training, experience, and the following:

- Analysis results from the risk factor checklist and secondary analysis tools (when utilized)
- Injury/illness history of both the job and the worker

• The history and future plans of the job

Also, seats, chairs and mats can be considered appropriate solutions to control specific ergonomic risk factors. The Corporation agrees to leave such devices in place when they are provided in accordance with the guidelines in the IUE-CWA-Delphi risk factor checklist.

The PSRB will assume responsibility for supervising and supporting the ergonomics program. In plants with 750 or more employees, the parties will establish a Joint Ergonomics Technician Team, which will be comprised of one full-time IUE-CWA Technician and one Delphi Management Technician. In addition, plants with 2,000 or more employees will supplement the Joint Ergonomics Technician Team with a second full-time IUE-CWA Technician. In plants with less than 750 employees, the PSRB will identify the resources who will be trained to perform the responsibilities of the Joint Ergonomics Technician Team, as needed, to administer the Ergonomics Program. PSRBs in plants with 4,000 or more employees can petition the NJC for an additional IUE-CWA Technician based on the level of activity required to meet the needs of the Ergonomics Program in the plant. Plants with 750 or more employees that do not experience enough ergonomic activity to sustain the level of resources agreed upon can also petition the NJC for a variance. Any petition must be based on the level of sustained activity required to meet the requirements of the Ergonomic Program for that plant. In addition, the Joint Ergonomics Technician Team at any location can request additional interim resources when the ergonomic needs of the plant exceed what the Joint Ergonomics Technician Team can be reasonably expected to accomplish in a timely fashion. Such requests will be reviewed and approved by the PSRB. The local parties may refer unresolved issues or concerns to the NJC.

The NJC has established selection criteria for the Joint Ergonomics Technicians. The IUE-CWA Technicians will be selected from the local workforce and appointed to the position by the Chairman of the Conference Board within three months of ratification of this Agreement.

The responsibilities of the Joint Ergonomics Technician Team will include, but not be limited to, the following:

• Participating in the "Design-In" Process

- Conducting job analysis
- Providing recommendations for corrective action
- Monitoring the implementation of job improvements
- Conducting review and follow up
- Reporting monthly to the PSRB

The Joint Ergonomics Technician Team will coordinate their efforts through the LJHSC, and resources from appropriate departments, e.g., Medical, Engineering, Skilled Trades, and Production, will be made available to support the Joint Ergonomics Technician Team. The Joint Ergonomics Technician Team will report monthly at each PSRB and LJHSC meeting and keep minutes specific to ergonomics. Quarterly reports will be provided to the LJHSC, the PSRB, and the NJC. The status of the ergonomics process for each facility will be reviewed at the Divisional Safety Review Board meeting with assistance from the Ergonomic Managers. Discussions concerning significant problems or roadblocks will take place at these meetings.

The parties agreed to use the jointly developed

process for the use of outside consultants in situations where in-house efforts concerning reduction of job EMSDs are not successful. The consultant's reports will be made available to both the Joint Ergonomics Technician Team and the co-chairs of the NJC.

Based on the results of the job analysis program, each facility shall implement feasible measures to control EMSD risk factors. The Joint Ergonomics Technician Team, in conjunction with input from the workers, engineering, supervision, skilled trades and others, as appropriate, will make recommendations for corrective actions in accordance with the current ergonomics process. Once it is determined through the agreed upon ergonomics process that a job requires correction, recommendations for corrective action will be developed using the results of the jointly agreed upon analysis tools. Delphi's Design-In Ergonomics Guidelines may be referenced for information regarding areas for potential improvement. Delphi's Design-In Ergonomics Guidelines is currently undergoing revision and will undergo future revisions as deemed appropriate by the Corporation. A good-faith effort will be made to accomplish correction of identified EMSD hazards at a particular job or work station within six (6) months, after the Joint Ergonomics Technician Team determines that corrective action is required. The parties acknowledge that there may be times when it may take longer than six (6) months to make the proper correction, and those reasons need to be documented. The corrective action will include any combination of the following:

Engineering controls such as design, selection, location and orientation of tools, parts and equipment will be used.

Administrative controls (e.g., job enlargement, job rotation, and appropriate job assignment) will be

used in the following manner: as interim abatement measures pending engineering changes, when engineering changes are determined to be insufficient to significantly reduce the EMSD stressors, and in those instances when an administrative control is the most effective fix among the possible choices for corrective actions.

The PSRB will monitor the corrective actions being implemented and any unresolved issues or concerns can be referred to the NJC.

Delphi Corporation will inform and instruct affected employees on the controls implemented at their work station and how they are to be used.

The facility will maintain documentation of modification activity, including the job or work station identified for modification, number of employees affected, the nature of modification, the projected completion date, the actual completion date and, where available, the cost of the modification when completed.

Plants and facilities will include "ergonomics" in their planning process and this information will be available to the Joint Ergonomics Technician Team.

Delphi Corporation recognizes the importance of identifying and addressing ergonomic issues early in the development process and values the importance of receiving input from plant ergonomic personnel. Input from the Joint Ergonomic Technician Team on site specific ergonomic issues and practices will be provided to the design process at the earliest appropriate planning/design stage. This will include new technology, new products and new processes.

To further enhance the effectiveness of the ergonomics program, the parties have agreed to include a Quick Response Process to facilitate early identification of potential ergonomics problems. The

Quick Response Process will be conducted according to guidelines established between Delphi Corporation and the International Union, IUE-CWA. To facilitate the Quick Response Process, employees will be encouraged by all levels of plant floor supervision, Joint Ergonomics Technicians Teams and the Medical Department Staff, to report early signs and symptoms of EMSDs to the facility's Medical Department.

The Ergonomics Evaluation Process, as referenced in the implementation guidelines, will be applied to all jobs meeting any of the following criteria: ergonomics-related occupational medical visit, ergonomics-related Worker Compensation, and work-related sickness and accident data, or referral to the JETT. A list of jobs in the process will be maintained relative to the above inputs. Job analysis will be conducted using the IUE-CWA-Delphi Risk Factor Checklist, as a first level screening. A good-faith effort will be made to conduct the Ergonomics Evaluation Process within two (2) months of when a job is identified by the above noted criteria. Job analysis and redesign will include input from employees whose jobs are affected. All jobs where controls are implemented and/or corrective actions are completed must be re-analyzed to confirm sufficient reduction of risk factors.

The supervisor will provide an Ergonomics Questionnaire and Evaluation Record form to employees upon request and will encourage them, during their safety talks, to utilize the process. Completed forms will be forwarded to the JETT.

The joint parties will provide appropriate training for the Joint Ergonomics Technician Team as well as other resources responsible for conducting the ergonomics process at each facility. This training may include Practical Ergonomics Training (PET) with the understanding that any person receiving PET may

Attachment A
HEALTH AND SAFETY

conduct a first level job analysis using the IUE-CWA-Delphi Risk Factor checklist. Jointly selected Delphi Ergonomics Design Guidelines will be included in training for JETTs.

The IUE-CWA-Delphi Ergonomics Awareness Education and Training Program will continue to be provided for newly hired employees as well as employees returning to work from an extended leave, who have not received awareness education and training previously.

All newly hired and transferred employees will be informed on the proper use of the tools and equipment required to be used in the performance of their assigned duties.

Delphi Corporation shall annually review with employees the application of ergonomic principles to the prevention of EMSDs on their jobs during regular safety talks.

The parties agree to continue to maintain a Medical Management Program for the early detection, evaluation, and treatment of EMSDs at all IUE-CWA-Delphi facilities. The Medical Management Program will provide for common medical practice guidelines for patient evaluation and treatment, follow-up, workplace walk-throughs, and restricted work placement.

Delphi Corporation will audit a random sample of medical records, Workers Compensation reports, and work-related sickness and accident data to verify the OSHA 300 log is correct.

The Corporate Medical Director is responsible for the quality, implementation, and compliance by local Medical Departments with the Delphi Medical Management Program, as it applies to ergonomics. This program will be jointly reviewed periodically for

continuous improvement and elimination of unnecessary complexity.

The National Joint Committee will monitor implementation of this process and consider changes for continuous improvement.

N. Plastic Injection Molding Machines

The parties recognize that hydraulically operated plastic injection molding machines may present hazards, different than mechanical power presses. Plastic injection molding machines will continue to be safeguarded in accordance with OSHA requirements and National Consensus Standards (ANSI).

O. Environmental Control

Environmental information and reports, which are required to be reported to various governmental regulatory agencies, will be made available to the NJC upon request. For example, this information may include the local Toxic Release Inventory compiled to comply with the Superfund Amendments and Re-authorization Act, copies of environmental permits and compliance monitoring data. Other studies which directly involve or impact IUE-CWA bargaining unit employees will be discussed with the NJC.

P. Periodic Joint Audit of Plants

Delphi Corporation and the IUE-CWA agree that a formal system of performance review is an effective means of obtaining and re-enforcing compliance with established Health and Safety requirements. The parties, therefore, agree that the NJC will conduct audits to evaluate each facility's health and safety performance. The purpose of the audits is to review the effectiveness of health and safety activities reaching the operations level and being implemented across the workplace. The parties also agree to assure the process

is consistently applied and delivers measurable results. Additionally, the parties agree to develop a method to address repeat audit findings for identical deficient conditions found on consecutive audits.

A plant visit itinerary will be established by the NJC which will be scheduled through appropriate channels. The team will meet with the Plant Manager, Shop Committee Chairperson and the LJHSC before beginning the performance review, and have a closing conference upon completion of the on-site review. The finalized report will be prepared and sent to the plant and division within thirty (30) days of the review. Following the finalized report, the LJHSC after review by the Key Four, will reply, addressing issues contained in the report. All such review information shall remain the confidential property of Delphi Corporation and will not be released without the expressed written permission of Delphi Corporation.

The parties agree that through the joint audit process, they will verify that all facilities have an effective emergency notification system and that it is periodically tested to achieve the best possible response time for the emergency involved.

Q. Planned Maintenance

The NJC will jointly identify health and safety requirements to be integrated into the Quality Network "Planned Maintenance Action Strategy." These requirements will include both those that are regulated by government agencies and those established in IUE-CWA-Delphi programs. The LJHSC will also review the "Planned Maintenance Action Strategy" to assure local regulations and/or practices currently in effect are included. Safety related information, such as established safe operating procedures, shall be included in the Planned Maintenance Program.

R. Contractor Safety

It is the Corporation's practice to provide outside contractors with Corporate Health and Safety policies and procedures and, where applicable, relevant site specific IUE-CWA-Delphi Health and Safety work practices. The Corporation will continue to use the "Construction General Conditions, Delphi 1638" and local implemented procedures as reviewed with the IUE-CWA. The contractor's Job Site Safety Plan will be reviewed prior to commencement of on-site work, and work activities will be periodically monitored thereafter for compliance. Additionally, Delphi requires that construction or maintenance contractors comply with applicable Federal, State, and Municipal Health and Safety regulations as stipulated in the Delphi/contractor contract.

Where the nature of the construction or maintenance work requires that the contractor's employees work together with IUE-CWA-Delphi employees, Delphi will require as a condition of the construction or maintenance contract the contractor's commitment to abide by applicable IUE-CWA-Delphi plant/site Health and Safety work practices. The Corporation has also agreed to continue to report contractor's incidents including serious injuries and near misses, to the IUE-CWA.

The PSRB will monitor Contractor Safety activity to assure compliance, and any unresolved issues or concerns can be referred through the safety process to the NJC.

S. Refusal of Hazardous Work

A worker, who has a reasonable belief that their work assignment may result in serious physical injury, including illness, should immediately discuss the safety aspects of the work assignment with their supervisor.

Attachment A
HEALTH AND SAFETY

Failing resolution, the issue may be discussed with the District Committeeperson.

Should technical consultation be requested by the supervisor or committeeperson, the LJHSC will be notified to respond before further action is taken. In line with the Memorandum of Understanding on Health and Safety, upon joint recommendation, the machine or operation will be taken out of service to perform any and all corrective action.

Failing resolution of the matter, it may be taken up in accordance with the Memorandum of Understanding on Health and Safety, Section IV, Complaint Procedure.

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

Subject: JOBS Program - Volume Related
Layoffs

During the course of these negotiations, the Corporation and Union have provided Delphi Corporation employees with substantially increased job security through the new JOBS Program, which protects eligible employees against layoff for virtually any reason except volume related market conditions. The parties recognize that employment levels may continue to fluctuate as a result of the cyclical nature of demand in our industry. The Corporation acknowledges, however, the importance of minimizing layoffs even in instances where volume related declines are unavoidable.

In any event, however, employees affected by volume related declines would exercise their seniority in line with local seniority agreements and, if otherwise eligible, receive benefit treatment in accordance with the Supplemental Agreements attached to the current Delphi-IUE-CWA Collective Bargaining Agreement.

Identifying the complex inter-relationships of all the factors involved with volume fluctuations is a difficult task. The parties agreed, however, that for purposes of determining JOBS protections they must identify just those volume declines that are attributable to market related conditions, and in turn just those declines that are not affected by Corporation sourcing choices of components that compete with or act as replacements for components produced by Delphi Corporation employees covered by this Collective Bargaining

JOBS PROGRAM - VOLUME RELATED LAYOFFS

Agreement. In other words, volume declines that are attributable to the Corporation's production and purchase arrangements with any related or unrelated party (subsidiaries, affiliates, captives, joint ventures, transplants, etc.) would be considered an exception to the overall volume related exclusion in Section I(C) of the JOBS Program.

The parties also agreed that the complexity of these issues requires that the Corporation provide Local JOBS Committees adequate notice of any impending volume-related layoff, as well as all information necessary to fully evaluate its underlying causes, the extent to which such decline is associated with a Corporate sourcing action and the appropriate number of eligible employees that should be affected by the layoff.

The Corporation recognizes, moreover, that it has the responsibility to justify implementation of a layoff in the context of the protections spelled out in the JOBS Program and the guidelines outlined in this letter. Similarly, the Corporation also accepts the responsibility of proving that the proper number of employees are recalled when a volume related decline is reversed, again within the context of the JOBS Program protections and the guidelines outlined in this letter.

The following are to be considered as illustrations to assist the parties in determining when volume related declines support reductions in employment. These illustrations should not be considered all inclusive.

- **Market Related Conditions** - Included in this category is customer preference of one product over another that might result in a decline in sales of a U.S.-built Delphi Corporation product that requires the layoff of employees, provided such sales declines are not the result, for example, of increased sales or increased market share of competitive captive imports or joint venture products or any other product sold in the U.S. by Delphi Corporation but not produced in an IUE-CWA-Delphi Corporation plant.

— Example of Market Related Conditions

- (1) There is a decline in economic activity which

JOBS PROGRAM - VOLUME RELATED LAYOFFS

depresses retail sales of IUE-CWA-Delphi Corporation products. Lower production levels require the layoff of employees. Plant A, employing 4,100 JOBS-eligible employees, is the sole source of Product Z for the U.S. market; it is required to layoff one shift, or 2,000 employees. The plant's number of JOBS eligible employees at the plant remains at 4,100, including 2,000 laid-off employees.

While the plant is down to one shift, the Corporation decides to outsource Product X, which reduces employment requirements by 250 employees per shift. Two hundred fifty (250) employees are placed on Protected employee status.

U.S. demand picks up to pre-layoff levels and the second shift is called back. Active employment at the plant goes back to 4,100.

As the second shift is called back and the plant is back to pre-downturn production levels, an additional 250 employees are placed on Protected employee status which now leaves a total of 500 employees.

- (2) Plant B (5,000 JOBS eligible employees) is not the sole source of Product Y, which is also produced in Canada for the U.S. market, in Plant BC. Plant BC supplies one-fourth of the U.S. demand for Product Y. An economic downturn in the U.S. reduces demand for Product Y by 160,000. In accordance with JOBS guidelines, volume related employment reductions cannot exceed Plant B's share of pre-downturn volume levels (three-fourths) applied to the reduced level of overall sales. Production in Plant B is therefore reduced by no more than 120,000 units, causing layoffs of 2,000 workers. Plant B's number of JOBS-eligible employees remains at 5,000, including 2,000 open Bank positions.

Product Y demand in the U.S. market picks up by 60,000. The Corporation decides to produce

JOBS PROGRAM - VOLUME RELATED LAYOFFS

30,000 of those units in Plant B and the rest in Canadian Plant BC. The increase in production is not accomplished in proportion to pre-layoff production shares; to comply with the Job Security Program, the Corporation must recall 250 employees which it assigns to Protected employee status in addition to the 500 employees required for the pick up in production.

- **Product Discontinuance** - Because of the introduction of a new U.S.-built Delphi Corporation product or a non-allied company product not sold by Delphi Corporation, sales of another Delphi Corporation manufactured product may decline, and production of the latter product must be curtailed necessitating reductions in employment. Such reductions would be considered volume related declines under Paragraph I(C) of the Program.

— **Examples of Product Discontinuance or Phase Out and Changes in Customer Preference**

- (1) A new U.S.-built Delphi Corporation product (or any other new non-allied company product which is not marketed by the Corporation) is introduced. Sales of Product X decline by 50%, and production must be curtailed. The necessary reductions in employment are made through layoffs, keeping the number of JOBS-eligible employees at the product plant at the same level.
- (2) Battery Plant C, employing 1,400 JOBS-eligible people, produced half of the batteries for Vehicle X; the other half are produced at a Corporate plant in Mexico. The volume reduction is made totally at Plant C rather than split proportionately between Plant C and the plant in Mexico. Therefore, in accordance with the JOBS guidelines half of the 700 employees who are not required any longer in Plant C due to this event are assigned to Protected employee status, and the other 350 employees would be laid-off. The number of JOBS-eligible employees at

JOBS PROGRAM - VOLUME RELATED LAYOFFS

Plant C remains at 1,400, including 350 open volume related positions.

- **Faulty Product - Vehicle line volume may decline because of faulty parts in a vehicle that cause customers to place the product in disfavor. Related Delphi Corporation product volume may also decline. Such reductions would be considered volume related declines under Paragraph I(C) of the Program.**
- **Changes in Customer Preference - Delphi Corporation volume may decline because of customer preference shifts - in turn affecting mix and therefore demand, e.g., small car preference shifts to large car; option preference swings; high product content to low product content. Such reductions would be considered volume related declines under Paragraph I(C) of the Program.**
- **Non- Delphi Corporation Commercial Customer Preference - Cancellation or declines in product volume for Delphi Corporation manufactured parts that are sold to unrelated firms may cause volume changes. Such volume reductions would be considered volume related declines under Paragraph I(C) of the Program.**

— **Examples of Non- Delphi Corporation Commercial Customer Preference**

Plant A produces heavy duty cranking motors for off the road construction equipment. Volume is reduced as a result of a decline in the construction industry. One hundred fifty (150) JOBS-eligible employees are laid-off; these 150 employees have Job Security Protection.

At the time production is back to pre-layoff levels the Corporation introduces two robots which replace 25 employees. According to JOBS guidelines all of the 150 employees are recalled from layoff, 25 of them are assigned to Protected employee status, and the number of JOBS-eligible employees number remains equal to its pre-layoff level.

JOBS PROGRAM - VOLUME RELATED LAYOFFS

- **Non- Delphi Corporation Produced Products** - If sales of a new or replacement product manufactured by an allied company for Delphi Corporation, that competes with a product manufactured by the Corporation, results in reduced sales of the Corporation-manufactured product, the action would not be volume related and layoffs under Paragraph I(C) of the Program would not be permitted.

- **Example of Non- Delphi Corporation Manufactured Products**

The Corporation outsources a product that it markets in competition with Product W manufactured by IUE-CWA Delphi Corporation employees. This results in reduced sales of Product W. Employment requirements are reduced, but this event is not covered under Paragraph I(C) of the JOBS Program and layoffs are not permitted. This protection also extends to employees producing IUE-CWA-Delphi components which are manufactured for Product W.

- **Components or Materials**

It is recognized that reductions in vehicle production will often be accompanied by reductions in component production. When reductions in vehicle production are volume related, pro-rata reductions in component production will normally be considered volume related as well. However, to the extent a reduction in component production results from a shift in sales to products sold by Delphi Corporation but not produced in IUE-CWA-Delphi Corporation plants, the reduction will not be considered volume related. Furthermore, when a like or similar component is dual-sourced from an IUE-CWA-Delphi Corporation and a non-IUE-CWA-Delphi Corporation plant, production declines at the IUE-CWA-Delphi Corporation plant will only be considered volume-related to the extent the dual-sourced component produced at that plant continues to be produced in its pre-production decline proportion.

JOBS PROGRAM - VOLUME RELATED LAYOFFS— **Examples:**

- (1) Plant A receives regular automotive batteries from an IUE-CWA-Delphi Corporation plant and heavy duty batteries from a non-IUE-CWA-Delphi Corporation plant. A volume decline occurs in regular automotive batteries because of customer preference for heavy duty batteries. Such reductions would be considered volume related declines under the Program but would not have to be taken proportionately because the batteries would not be considered like or similar components.
- (2) Plant B receives regular batteries that have plastic fastening brackets from an IUE-CWA-Delphi Corporation plant and regular batteries that have steel fastening brackets from a non-IUE-CWA-Delphi Corporation plant. The batteries are used interchangeably and would be considered like or similar components. Therefore, any volume declines in battery production would have to be taken proportionately to be considered volume related.

As implied by these examples, there are many variations to be considered when determining volume actions. This letter is intended to provide a framework within which Local and National JOBS Committees may review the applicability of Paragraph I(C) to volume reductions.

If a Local JOBS Committee cannot agree on a situation being defined as volume related, the matter may be appealed to the National JOBS Committee for resolution.

Very truly yours,

Kevin M. Butler

Vice President

Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During these negotiations, the IUE-CWA stated its interest in having the Corporation continue to recognize the importance of using suppliers which are good corporate citizens and which can be relied upon for quality products and reliable delivery. The IUE-CWA further pointed out that the Corporation's selection of and relationship with suppliers have a significant bearing on its relationship with the Union. In this regard, the Union stressed repeatedly the importance of the Corporation's use of high quality, reliable suppliers which maintain good, fair and equitable relations with their employees, and which satisfy the Corporation's need for a continuous, reliable, and cost-effective supply of quality parts and materials.

Delphi Corporation fully understands the Union's concerns in these matters, because quality products, uninterrupted delivery and good corporate citizenship - by the Corporation and its suppliers - contribute significantly to the Corporation's success in the marketplace, and all of these factors have a direct bearing on the job and income security of IUE-CWA members. Delphi assured the Union that it would not take retaliatory action, such as canceling or refusing to renew contracts with suppliers, based on a decision of that supplier's employees to join a labor union. The Corporation further stated that all such decisions will continue to be based on quality, service, technology and cost. The Corporation similarly recognizes the value of suppliers that have successful relations with their employees and employees' representatives.

SUPPLIER CORPORATE CITIZENSHIP

Delphi Corporation agrees that its relationship with the Union is of paramount importance to the Corporation's long-term success. The Corporation has told its suppliers and the business community in the past of the positive aspects of its relationship with the IUE-CWA and will continue to do so in the future. Delphi Corporation, therefore, has no interest in embarking on a purchasing strategy that would detract from that relationship.

Correspondingly, the Union has, from time to time, expressed to the Corporation its concern about certain aspects of the Corporation's relationship with particular suppliers in the area of quality, continuity of supply, and overall performance as a supplier including the maintenance of good relations by the supplier with its employees. The Union recognizes that the Corporation has expressed its views and made suggestions to its suppliers as a result of the Union's concerns, all within the bounds of applicable legal principles.

The parties recognize that instances in which these matters arise are inherently dependent upon the particular facts that are present in each situation and plan to continue to deal with these matters on a case-by-case basis as they have in the past, and in compliance with applicable laws.

In particular, the Corporation will continue to urge its suppliers to treat their employees in a good, fair and equitable manner to provide them wages and benefits competitive within their industry to provide a safe workplace and to avoid conduct which violates national or state labor and employment laws. In addition, the Corporation will, in a manner which is in compliance with applicable laws, notify suppliers of the importance the Corporation places on harmonious relationships between suppliers, their employees and any union that may represent them.

The Corporation will send or transmit to each of its current suppliers a letter, in the form attached hereto (the "Letter"), within 60 days after the effective date of the National Agreement; and, upon request of the Union, the Corporation will re-send the attached letter within

SUPPLIER CORPORATE CITIZENSHIP

14 days to any supplier who is awarded a contract with the Corporation. In addition, the Corporation will transmit the attached letter as a part of each Request for Quotation extended to domestic suppliers.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

Form of Letter to be Sent to Suppliers

This letter will describe some aspects of Delphi's policy on supplier selection.

The Corporation's decision to select or remove a particular supplier is based on numerous criteria, applied in conformance with legal requirements. Delphi Corporation recognizes that it is in the mutual interests of employers and their employees for the employer to fully respect the right of the employees to representation by a union. It is, however, definitely not Delphi's policy or practice to remove a product from a supplier if that supplier's employees have chosen to join the IUE-CWA.

As you know, Delphi has a positive and constructive relationship with the IUE-CWA, and we encourage our suppliers to strive for similarly constructive relationships with their employees or representatives of their employees. Our joint programs have allowed us to make significant improvements in areas such as Health and Safety, Quality and the implementation of lean manufacturing utilizing the tools of our Quality Network Process. We respect the IUE-CWA and the IUE-CWA respects us.

Delphi also notes that many of our supplier facilities have recognized the IUE-CWA based on a showing of a majority support among employees by means of a "card check" certified by a neutral third party. Delphi fully approves of decisions by our suppliers to use such peaceful means of determining employee sentiment.

Should you have any questions with respect to this matter, please call.

Very truly yours,

(Vice President for Purchasing)

cc: James D. Clark, IUE-CWA

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During these negotiations we have explored at length methods to preserve and increase the job opportunities of our employees — your members. Further, we have mutually recognized that the best potential for increased job opportunities is a growing and thriving Corporation fully competitive in all aspects of its business.

During the discussions and in response to your concerns regarding the outsourcing of IUE-CWA work, a new sourcing letter has been submitted providing a mechanism for meaningful advance Union involvement so that the plant, division, or Corporate sourcing authority may objectively consider the Union's input. The Job Security (JOBS) Program provides job security unmatched in American industry.

The major concern addressed by both the sourcing letter and the JOBS program is the retention of IUE-CWA jobs within the Corporation. The entire issue of job security, however, is broader than the continuation by the Corporation of its current business activities. The JOBS Program recognizes that long-range job security must include opportunities in our traditional and non-traditional businesses, providing jobs for our current employees and future job entrants.

The challenge to the parties is a serious one, requiring the full range of all of our talent, experience and

GROWTH AND OPPORTUNITY COMMITTEE

imagination. To enhance opportunities for employment growth, the parties agree the Growth and Opportunity Committee will be continued during the term of the current Agreement. This Committee is charged with pursuing opportunities in traditional and non-traditional business areas with an overall view toward providing new jobs not currently included in the scope of Delphi Corporation operations. Each feature of the total business opportunity must be examined including 1) the market for the product to be produced, 2) expenditures that are required for equipment or tooling, 3) the cost of any plant modernization or rearrangement, including additions to an existing facility, 4) the availability of the necessary technology, 5) the lease or purchase of a new facility, 6) characteristics of the business including material, capital funds, and wage and benefit levels of other employers in the industry in which the new business will compete, 7) the nature of bargaining agreements needed to assure the new business is competitive, and 8) the expected return on investment relative to the standard in the industry in which the new venture would compete.

In analyzing the feasibility of entering into new business ventures the parties have agreed to call upon the full extent of Corporate and Union resources. As an indication of the seriousness of its commitment to employment growth through business diversification into traditional and non-traditional areas, the Corporation will make available up to \$5,295,000 of funding to provide for this program during the term of the current Agreement. However, should the Growth and Opportunity Committee recommend new business funding in excess of this amount, the Corporation agrees to review such requests in accordance with the guidelines of this Document No. 6. These funds will be available for investment in new business ventures including, as appropriate, the establishment of separate Corporate organizational structures.

Investment funds will be released on an "as required" basis. Only those ventures receiving concept approval and initial funding prior to the expiration of the current

GROWTH AND OPPORTUNITY COMMITTEE

Agreement will be considered as firm commitments by the Corporation. Accounting for fund expenditures will be the responsibility of the Growth and Opportunity Committee.

This new program will be administered by the Growth and Opportunity Committee. This Committee will be comprised of equal numbers of Corporate and Delphi-IUE-CWA representatives with multidisciplinary backgrounds. It will be the responsibility of the Committee to make recommendations to the Corporation and Union for concept approval and to request new venture funding from the Corporation for business opportunities deemed to be consistent with employment growth objectives of the program.

The Growth and Opportunity Committee will be responsible to: 1) communicate to divisional and local managements and to regional and local union representatives the full scope of this new business concept, 2) review and study the feasibility of proposals made by local JOBS Committees regarding entry into new business ventures, 3) initiate studies necessary for a complete examination of new business ventures proposed locally or by the Committee, 4) report back, where appropriate, to the local JOBS Committee its findings and recommendations regarding a proposed new business venture, and 5) devise means of encouraging the entire organization, hourly and salaried, to participate in bringing new competitive business into the Corporation and creating new jobs.

Contingent upon the business climate and market proximity, we have agreed to pay particular attention to communities affected by the loss of Delphi-IUE-CWA employment opportunities. Accordingly, any newly created business venture developed through the efforts of the Growth and Opportunity Committee will be expected to provide opportunities for new employees, with preferential consideration given to IUE-CWA represented employees laid-off from or working at Corporation facilities. Therefore, to the extent permitted by law, the Corporation or other employer will recognize the IUE-CWA as the representative of the hourly

GROWTH AND OPPORTUNITY COMMITTEE

employees working at businesses developed through the Growth and Opportunity Committee for the purpose of collective bargaining. In this regard, the parties recognize the need to develop innovative approaches to labor relations and commit to negotiating new collective bargaining agreements for each venture.

The Growth and Opportunity Committee will report periodically to the appropriate Delphi Corporation Executives and International Union IUE-CWA on their progress in identifying and developing viable opportunities for employment growth.

The approach to job security and new business opportunity reflected in this agreement requires a relationship typified by trust and the mutual willingness to take risks in return for economic rewards and job opportunities. Our enthusiasm to search for new business must be shared by divisional and local managements and by regional and local union representatives.

The success of this joint activity will be measured based upon results. A high level of commitment will be required from all parties to enhance the potential for success. The commitment of a full-time effort to seek new employment opportunities should improve the overall effectiveness of the program.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During these negotiations, the Union requested the Corporation to agree that any sale of an operation as an ongoing business would require the buyer to assume the 2003 Delphi-IUE-CWA Collective Bargaining Agreement. The Corporation agreed to do so in the case of any such sale during the term of the 2003 Agreement.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the parties discussed the possibility of a death of an immediate family member as defined in Paragraph (103a) of the Delphi-IUE-CWA National Agreement occurring during a time in which an employee is on vacation.

This confirms our understanding that if circumstances occur where the employee has satisfied the requirements of Paragraph (103a) and makes a timely application for bereavement pay, the employee will be entitled to three additional days or five additional days in the case of the death of an employee's current spouse, parent, child, or stepchild, of vacation time-off during the vacation eligibility year.

If an employee does not use these days by the next vacation eligibility date, the employee shall be compensated for these days at a rate of pay established in accordance with Paragraph (101j) of the Delphi-IUE-CWA National Agreement. Recovery of overpayments made pursuant to this understanding will be made in accordance with Paragraph (101w).

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Local Union Presidents
Personnel Directors
Shop Committee Chairpersons

During these negotiations the parties discussed the ongoing efforts of Delphi Corporation and the IUE-CWA to improve communication, to encourage implementation of the competitive agreements, to increase employment opportunities and to enhance each operation's competitiveness.

Subsequent to these negotiations, the IUE-CWA Automotive Conference Board Chairman and/or designated representatives and the Executive Director of Labor Relations for Delphi Corporation and/or designated representatives will establish dates to visit each IUE-CWA-Delphi Corporation plant location. To the extent possible, dates will be established in advance of the targeted visit dates noted above.

At each plant location, the local parties shall make a joint presentation providing information covering the following subjects:

- Current employment level and future employment projections
- Current and future product development plans
- Current and anticipated schedules of production
- Product Performance Measurements (i.e., warranty information, quality index measures, etc.)
- Business Plan and Capital Spending Plan overview
- Attachment B plans

**COMPETITIVE AGREEMENT OVERVIEW AND
CAPITAL INVESTMENT PLAN OVERVIEW**

- Analysis of competition (i.e., market share, quality, reliability, cost, etc.)
- *Other information pertinent to your facility*

Kevin M. Butler
Vice President
Human Resource
Management

James D. Clark
Chairman
IUE-CWA Automotive
Conference Board

DELPHI CORPORATION

November 16, 2003

Financial Secretaries—Dues Check-Off

To: All Personnel Directors
Plants Covered by the Delphi-IUE-CWA
National Agreement

As a part of the current negotiations, Delphi Corporation informed the International Union, IUE-CWA, that the content of Mr. George B. Morris, Jr.'s letter of November 26, 1973 involving problems of Financial Secretaries would again be published.

During 1973 negotiations, the Corporation and the International Union again discussed at length the problems encountered by Financial Secretaries of local unions in maintaining timely and accurate record systems of the dues payments of local union members. Certain new contract provisions in the new Agreement should facilitate the maintenance of these systems.

Several of the matters raised during these negotiations involve the operation of local procedures, and accordingly, should be dealt with locally within the framework of the following general understandings.

Local procedures should be such that signed Authorization for Check-Off of Dues forms are made available to the Financial Secretary on a prompt and orderly basis.

In the case where it is appropriately certified that an employee owes a substantial amount in past dues, mutually satisfactory arrangements may be made to deduct portions of such dues from two or more pay checks.

FINANCIAL SECRETARIES—DUES CHECK-OFF

Provisions should be made to furnish the Financial Secretary with the respective overall totals of the types of deductions identified in the information furnished pursuant to Paragraph (4a).

Requests by the Financial Secretary for the employment status of, or compensated hours data for a specific employee, for a specific month for which no dues were deducted, should be responded to without undue delay.

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

This letter is to confirm certain agreements reached by Delphi Corporation and the International Union, IUE-CWA, regarding the calculation of the Cost of Living Allowance pursuant to Paragraphs (65d) through (65l) of the National Agreement.

The table in Paragraph (65h) has been constructed to provide that 1% adjustments in the Cost of Living Allowance shall become payable, sequentially, for each 0.08, 0.08, 0.08, 0.08, 0.08 and 0.09 change in the Index, and so forth, with that sequence of changes being repeated thereafter in the table so as to produce an average adjustment over time of 1% for each 0.08159 change in the Index.

If the Union claims that the Corporation's calculations in any particular instance were not made in accordance with the terms of this Letter of Understanding, it may pursue such claim in accordance with the provisions of Paragraph (28p) of the new National Agreement.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

Attachment

Attachment

ENGINEERING METHOD OF ROUNDING

The following rules of rounding shall apply to the determination of the Consumer Price Index:

1. If the leftmost of the digits discarded is less than 5, the preceding digit is not affected. For example, when rounding to four digits, 130.646 becomes 130.6.
2. If the leftmost of the digits discarded is greater than 5, or is 5 followed by digits not all of which are zero, the preceding digit is increased by one. For example, when rounding to four digits, 130.557 becomes 130.6.
3. If the leftmost of the digits discarded is 5, followed by zeros, the preceding digit is increased by one if it is odd and remains unchanged if it is even. The number is thus rounded in such a manner that the last digit retained is even. For example, when rounding to four digits, 130.5500 becomes 130.6 and 130.6500 becomes 130.6.

Doc. No. 12
**NOTICE TO LAID-OFF EMPLOYEES OF
ANTICIPATED RECALL**

Inter-Organization

DELPHI CORPORATION

Date: November 16, 2003

Notice to Laid-Off Employees
of Anticipated Recall

All Presidents
All Personnel Directors

During the current negotiations, the parties discussed at length the problems involved in recalling large masses of employees back to work from layoff in situations such as the addition of a shift at a plant. Both parties recognized the mutual interest that would be served by the local management notifying laid-off seniority employees in advance of such known mass recalls to facilitate the orderly recall when it in fact occurs.

Accordingly, when mass recalls are anticipated well in advance at a local plant, local management and the local union may discuss the matter of a pre-recall notification to employees to arrive at a mutually satisfactory method to implement the notice.

It is mutually recognized that such notice or lack of notice will be without prejudice to either party in the application of any terms of the National Agreement or any local agreements. Moreover, any agreement reached with respect to advanced notice of anticipated recall will not be cited or relied upon by an employee or the union as a basis for a claim for back pay.

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

Subject: Compliance with the Family and Medical
Leave Act of 1993

During these negotiations, the parties discussed the Family and Medical Leave Act (FMLA) of 1993. The Corporation assured the Union that it will comply with the provisions of the FMLA.

As part of its compliance, the Corporation has established a category of unpaid leave called "FMLA Leave." In some instances, FMLA Leaves will be concurrent with leaves of absence covered by the National Agreement. Accordingly, in those cases where the employee is eligible for leave under the National Agreement and the leave also qualifies under the FMLA, the Corporation intends to comply with the requirements of the FMLA as well as the separate provisions of the National Agreement regarding covered leaves of absence.

Pursuant to the Corporation's present plan for compliance with the FMLA, the Corporation's rights under the Act will be modified to:

- Provide that an employee on FMLA Leave will continue to accumulate seniority in the same manner as an employee on a Personal Leave of Absence;

- Permit but not require employees to substitute vacation and/or excused absence allowance for unpaid FMLA Leave;
- Provide that employees who are married to each other will be each entitled to a maximum of 12 weeks of qualifying leave under the Act;
- Provide that, when a third opinion is necessary under the medical certification and dispute resolution sections of the FMLA, the neutral provider will be selected jointly by the Corporation and the Union, with the consent of the employee, from a list, provided by the appropriate local or state professional medical association, of board-certified specialists in the field of medicine in which the point of controversy exists;
- Continue Corporation-paid Group Life, Accidental Death and Dismemberment, and Disability Insurance during all FMLA Leaves that are not also Medical Leaves as if such leaves were Personal Leaves of Absence.

In addition, the Corporation's plan for compliance would:

- Not automatically designate and apply absence time that is compensated under the Sickness and Accident Insurance provisions of the Life, Disability and Health Care Benefits Program against an eligible employee's FMLA entitlement;
- Use, a calendar year as the 12-month period of the leave entitlement (for example: in 2004, an employee would be eligible for 12 weeks leave from January 1, through December 31, 2004);
- Require repayment of the cost of health care coverage provided during the leave from employees who fail to return from FMLA Leave to the extent permitted by law.

The Corporation may make changes in its compliance plans to reflect changes in regulations and/or subsequent court decisions and the gaining of additional administrative experience but without reducing leaves provided by the Collective Bargaining Agreement.

Problems related to the implementation of this letter may be discussed by representatives of the IUE-CWA Automotive Conference Board, and the Corporation's Labor Relations Staff.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

International Union, IUE-CWA-AFL-CIO-CLC
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Attention: Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board

Dear Mr. Clark:

During the current negotiations, the parties discussed inequities which can arise when the Relocation Allowance provisions of Paragraph (60a)(b) are applied to single, widowed, divorced, or legally separated employees who, because they have their children residing and relocating with them, incur substantially the same moving costs as married employees. The Corporation agreed that in such cases the applicable Married Employee Relocation Allowance amount will be applied.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

The following is the text of the written and published policy of Delphi Corporation concerning equal opportunity in employment:

"Operating as it does on a nationwide basis, Delphi Corporation offers employment opportunities to many people in many different locations throughout the United States.

"The policy of the Corporation is to extend these opportunities to qualified applicants and employees on an equal basis regardless of an individual's age, race, color, sex, religion, national origin, disability or sexual orientation.

"Hiring and employment practices and procedures implementing this policy are the responsibility of the employing units. However, these practices, procedures and decisions are to be, at all times, in conformity with the Corporation Equal Opportunity Employment Policy."

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH - 45439

Dear Mr. Clark:

During the course of the current negotiations, Delphi Corporation and the International Union, IUE-CWA reaffirmed the matter of the Corporation's letter of November 26, 1973, regarding the National and Local Human Relations Committees. In line with that letter, the parties have agreed to the following:

For many years the Corporation and your Union, in their respective fields, have been leaders in adopting and effectuating policies against discrimination because of age, race, color, sex, religion, national origin, disability or sexual orientation and sexual harassment and to this end the parties have expressly incorporated Paragraph (5a) in their National Agreement that both insures adherence to that principle in all aspects of employment at Delphi Corporation and provides the contractual grievance and arbitration procedure for the resolution of alleged violations of that principle.

The parties recognize the desirability of increased communication and cooperative effort on this subject (1) to encourage employees and grievance representatives to use the grievance and arbitration procedure as the exclusive method for prompt resolution of all contractual claims of violations of Paragraph (5a), (2) to determine the cause of such claims in order to reduce the probability of these claims arising or recurring, and (3) to maintain liaison with appropriate federal and state civil rights

agencies for the following purposes: (a) to increase understanding, (b) to promote and encourage the use of the grievance and arbitration procedure in order to avoid multiplicity of litigation in many forums *simultaneously which is frequently time consuming, contradictory and hence, nonproductive to relieving employee problems*, (c) to seek solutions to mutual problems, (d) to relieve tensions in this area, and (e) to exchange information, expertise and advice, and (4) to *provide and monitor jointly approved diversity training modules.*

Accordingly, the parties agree upon the ratification of the National Agreement, to continue support of a National Human Relations Committee and Local Plant Human Relations Committees.

The National Human Relations Committee will be composed of three (3) representatives of the International Union, and three (3) representatives of the Corporation, one of whom will be active in the Corporation's equal employment opportunity programs. The National Committee will meet quarterly or more frequently if mutually deemed desirable or necessary and its functions shall be the following:

- a. Review and discuss ways and means of encouraging employees and grievance representatives to use the grievance and arbitration procedure as the exclusive method to resolve claims of violations of Paragraph (5a).
- b. Conduct or arrange for investigations and/or studies into the cause of equal employment opportunity and discrimination problems and tensions in an attempt to prevent such problems from arising or recurring.
- c. Maintain liaison with appropriate federal and state agencies for purposes set forth in the second paragraph of this letter.
- d. Review and discuss ways and means of implementing Delphi Corporation policy regarding

**HUMAN RELATIONS COMMITTEES -
NATIONAL AND LOCAL**

employment of individuals with disabilities set forth in the letter from Kevin M. Butler to the International Union setting forth this policy.

- e. Advise and counsel Local Plant Human Relations Committees.**
 - f. Review and jointly develop the necessary tools that would allow the parties to monitor and evaluate IUE-CWA and Delphi diversity initiatives.**
-

At each plant or facility that the National Agreement covers, a Local Plant Human Relations Committee will be established consisting of three (3) representatives of the Local Union and two (2) representatives of Management. The three (3) representatives of the Local Union shall consist of the Chairperson of the Shop Committee, the Chairperson of the Social Action Committee or the Chairperson of the Human Relations Committee and the Local President. The two (2) representatives of Management shall be the Plant Manager, or designated representative, and a member of Management at the plant active in the Corporation's equal employment opportunity program. Local Plant Human Relations Committees will meet on a scheduled quarterly basis, and shall have the following duties:

- a. Recommend to the National Committee ways and means of promoting use of the grievance procedure as the exclusive method for resolving claims of violations of Paragraph (5a).**
- b. Suggest guidelines for Union and company representatives active in the grievance procedure in the proper and prompt handling of grievances alleging such claims.**
- c. Recommend to the National Committee means for determining the cause of equal employment opportunity and discrimination problems and tensions in the plant.**

Either the Chairperson of the Social Action Committee or the Chairperson of the Human Relations Committee

**HUMAN RELATIONS COMMITTEES -
NATIONAL AND LOCAL**

of the Local Union where the Chairperson is an employee of the plant will receive pay for time spent attending the quarterly meetings.

Copies of the minutes from these meetings will be made available to the Union.

In addition, either the Chairperson of the Social Action Committee or the Chairperson of the Human Relations Committee will be permitted to leave work up to four (4) hours per week during straight time hours to conduct in-plant investigations of written grievances alleging a violation of Paragraph (5a) of the National Agreement.

The parties continue to recognize their legal and moral responsibility for assuring that all Delphi Corporation employees have equal employment opportunities and freedom from discrimination as set forth in Paragraph (5a) of the National Agreement. Consequently, the function of the National Human Relations Committee and Local Plant Human Relations Committees shall be advisory, consultative and cooperative. While the Corporation and the Union will welcome the recommendations the Committees may make, the Committees may not commit either party to a specific course of action. However, the Union agrees that it will encourage its members to utilize the grievance and arbitration procedure as the means of resolving claims or complaints against the Corporation which allege a violation of Paragraph (5a). Provided however, that nothing herein shall be construed to restrict any rights that exist under applicable Federal and State Laws.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

The following is the text of the written and published policy of Delphi Corporation regarding employment of individuals with disabilities:

"The policy of the Corporation is to make reasonable accommodation to the limitations of qualified individuals with disabilities and to extend employment opportunities to such persons taking into account the needs of the business and financial cost and expenses.

"Hiring and employment practices and procedures implementing this policy are the responsibility of the employing units. However, these practices, procedures and decisions are to be, at all times, in conformity with the Corporation policy regarding employment of individuals with disabilities."

Consistent with the foregoing policy, the requirements of Section 503 of the Rehabilitation Act of 1973 and the Americans with Disability Act and the rules and regulations promulgated thereunder, Delphi Corporation represents that it will affirmatively act to employ, advance in employment and otherwise treat

**DELPHI POLICY REGARDING
EMPLOYMENT OF INDIVIDUALS WITH DISABILITIES**

qualified individuals with disabilities without
discrimination based upon their physical or mental
handicap in all employment practices.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

International Union, IUE-CWA, AFL-CIO, CLC
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Attention: — Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board

Dear Mr. Clark:

The following is the text of the written and published policy of Delphi Corporation regarding employment of disabled veterans and veterans of the Vietnam era:

"The policy of the Corporation is to make reasonable accommodation to the limitations of qualified disabled veterans and to extend employment opportunities to disabled veterans and veterans of the Vietnam era taking into account the needs of the business and financial cost and expense.

"Hiring and employment practices and procedures implementing this policy are the responsibility of the employing units. However, these practices, procedures and decisions are to be, at all times, in conformity with the Corporation policy regarding employment of disabled veterans and veterans of the Vietnam era."

Consistent with the foregoing policy, the requirements of the Vietnam Era Veterans Readjustment Assistance Act of 1974 and the rules and regulations promulgated thereunder, Delphi Corporation represents that it will take affirmative action to employ, advance in employment and otherwise treat qualified disabled

**DELPHI POLICY REGARDING EMPLOYMENT OF DISABLED
VETERANS AND VETERANS OF THE VIETNAM ERA**

veterans and veterans of the Vietnam era without
discrimination based upon their physical or mental
handicap in all employment practices.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

International Union, IUE-CWA, AFL-CIO, CLC
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Attention: Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board

Dear Mr. Clark:

The right of employees to inspect their own personnel files was afforded employees in Michigan in accordance with the 1978 Michigan Employee Right to Know Act.

This will confirm that the right to review individual personnel records, established by the above-mentioned Michigan law, will be extended as a matter of policy to Delphi Corporation employees throughout the United States.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the past several years, the Corporation in cooperation with IUE-CWA leadership, together with the men and women of Delphi Corporation have worked together in a spirit of teamwork to improve product quality. This spirit of cooperation has resulted in substantial improvement in the quality of the Corporation's products and services.

Further, the parties recognize that the production of the highest quality, customer-valued products is essential to secure the Corporation's position in the global markets and assure job security. The Corporation stated that high quality, customer-valued products result from a company-wide fully integrated total quality process and are essential to Delphi Corporation if it is to achieve its vision of being "Recognized By Our Customers as Their Best Supplier!" Delphi's process for total quality management is the Quality Network. This jointly developed quality improvement process emphasizes customer enthusiasm, continuous quality improvement and the elimination of waste in the design, engineering, manufacturing and delivery of all products and services which serves to enhance job security for all employees.

QUALITY COMMITMENT

Although management has the ultimate responsibility for the Quality Network, it is recognized that IUE-CWA leaders and members are valuable partners in the implementation and continual improvement of this process. During discussions, the parties restated their commitment to the Quality Network process. Such commitment is reflected in the extensive efforts both parties have devoted to the subject of quality, both on the national and local levels, and is exemplified by the institution of the Quality Forum and plant quality councils.

It is also recognized that the point where product design, technology, process and materials come together and must work in harmony is at the worker/supervisor level in the organization. High quality products result from well-managed processes that motivate employees to work together in a spirit of teamwork to continuously improve customer enthusiasm. In this process, it is recognized that seeking opportunities for continually improving product quality must be the foundation for customer enthusiasm. It is acknowledged that it is ultimately management's responsibility to establish and assure product quality requirements and provide the processes for continual quality improvement that support all employees and are based on the Beliefs and Values, as recorded in the Delphi Business System Policy Manual referenced as "Quality Network" (revised 6/1/03). This manual outlines specific policies to be followed throughout Delphi Corporation and states in part:

"The Quality Network is a process for running the business based upon jointly developed tools, techniques, beliefs and values to achieve customer enthusiasm through people, teamwork and continuous quality improvement."

"The Quality Network Beliefs & Values Customer Enthusiasm Through ..."

"People"

- Invite the people of Delphi to be full partners in the business.
- Recognize people as our greatest resource.
- Demonstrate our commitment to people.
- Treat people with respect.
- Never compromise our integrity.

"Teamwork"

- Build through teamwork and joint action.
- Take responsibility for leadership.
- Make communications work.
- Trust one another.
- Demand consistency in the application of this value system.

"Continuous Quality Improvement"

- Make continuous improvement the goal of every individual.
- Put quality in everything we do.
- Eliminate every form of waste.
- Use technology as a tool.
- Accept change as an opportunity.
- Establish a learning environment at every level."

It is recognized that performance of high quality work is everyone's responsibility, and as a result, it is intended that the Quality Network Representatives and IUE-CWA leadership working together with local management will reinforce other ongoing quality improvement activities.

The parties also discussed the necessity for all Delphi employees to take individual responsibility for product quality. Management's business planning process will include the necessity for providing employees with the appropriate training, methods and systems, materials, and equipment in an appropriate environment to perform their work. It is then incumbent upon employees to exercise diligence and properly perform their work to produce the highest quality, customer-valued products.

QUALITY COMMITMENT

It is only through personal commitment from every Delphi employee to provide the highest quality, customer-valued products that we will satisfy our customers and maintain job security for all. Quality Forum leadership and plant quality council leadership within the Corporation will review the training and principles set forth in the Quality Network Environmental Action Strategies to assure the necessary level of understanding to lead this effort.

In recognition and support of the importance of this joint effort and the need for communication and coordination among all locations, the parties agreed to the following:

IUE-CWA-Delphi Quality Forum

- **The IUE-CWA-Delphi Quality Forum will be Co-Chaired by the Chairman of the Board, Chief Executive Officer and President of Delphi Corporation and the Chairman of the IUE-CWA Automotive Conference Board. Membership on this forum includes representatives from Delphi's Strategy Board and the IUE-CWA Automotive Conference Board, Divisional Quality Council Co-Chairs, Plant Managers, Personnel Directors, Local Union Presidents, Shop Committee Chairpersons, Co-Directors of the Quality Network, and Divisional and Plant Quality Network Representatives. This forum will meet annually to:**
 1. Provide direction and support for Quality Network activities.
 2. Establish annual objectives and goals.
 3. Monitor progress, appropriate common measurements, toward accomplishing the annual Quality Network Objectives and Goals as agreed to by the Quality Forum.
 4. Review plant status reports on gap closure initiatives for the annual Quality Network Objectives and Goals.

- In addition, the IUE-CWA-Delphi Quality Forum will review company-wide new management quality or productivity improvement programs potentially involving IUE-CWA-represented employees prior to assigning resources for development and implementation. These reviews will extend to the IUE-CWA the opportunity to provide input into management's plans and to discuss the union's support and involvement. *It is management's desire to implement all such quality improvement processes cooperatively with IUE-CWA leadership at all levels. Accordingly, these reviews will be a subject of discussion at regularly scheduled meetings of the Co-Directors of the Quality Network.*
- Similar reviews and opportunities for involvement in new management quality or productivity improvement programs or utilization of consultants, potentially involving IUE-CWA-represented employees, will be provided at the appropriate plant Quality Council meetings. This review will assure the IUE-CWA opportunity to comment on management's plans and to discuss the union's support and involvement.
- Management recognizes that IUE-CWA input to such improvement programs may create opportunities for collaboration and support. Accordingly, in an effort to avoid parallel programs, the parties agreed to establish joint committees comprised of management representatives from the Delphi Operations organization and the Co-Directors of the IUE-CWA-Delphi Quality Network to discuss such opportunities for collaboration and support and to discuss and resolve issues that may arise.
- In the event such new company-wide management quality or productivity improvement programs that the Union has agreed to support require training and/or instructional materials, the Co-Directors of the IUE-CWA-Delphi Quality Network will assign appropriate resources to work with the designated management content experts for developmental

QUALITY COMMITMENT

purposes. Once approved by the development team, the training and/or instructional materials will be finalized by the Co-Directors for inclusion in the IUE-CWA-Delphi Quality Network training materials.

Quality Councils

- In order to provide for meaningful discussions, regular meetings as set forth below will be scheduled by the Quality Council at all Quality Council levels consistent with the direction provided by the IUE-CWA-Delphi Quality Forum. Attendance by Co-Chairs is required in order to maintain organizational focus on continuous quality improvement and ongoing communications.

Divisional Quality Councils

- The IUE-CWA-Delphi Divisional Quality Councils are as follows:
 - Delphi Energy & Chassis Systems
 - Delphi Harrison Thermal Systems
 - Delphi Packard Electric Systems
 - Other Quality Councils deemed appropriate by the Co-Chairs of the IUE-CWA-Delphi Quality Forum
- The Divisional Quality Councils will meet a minimum of four times per year. The Directors of North American Manufacturing Operations of the above Delphi Divisions will Co-Chair their respective meetings with the IUE-CWA Conference Board Chairman, or designated representative. The IUE-CWA Quality Network Director and the Management Divisional Quality Network Representative, along with the Divisional Co-Chairs, will determine the membership for such Quality Council meetings. Division Presidents and the Delphi Quality Network Director are considered ex officio members.

- The responsibilities of the Divisional Quality Councils include, but are not limited to:
 1. Preparing and monitoring specific business and action plans to accomplish the annual Quality Network Objectives and Goals and reviewing progress.
 2. Providing direction and support for Divisional Quality Network activities.
 3. Reviewing Plant status reports on gap closure initiatives for the annual Quality Network Objectives and Goals.
 4. Submitting a status report to the Co-Directors of the IUE-CWA-Delphi Quality Network on gap closure initiatives prior to and for review at each IUE-CWA-Delphi Quality Forum meeting.
- The Divisional Quality Network Representatives (i.e., the IUE-CWA Quality Network Director and the Management Divisional Quality Network Representatives) will conduct quarterly joint meetings with their respective plant Quality Network Representatives for purposes of:
 - Communication,
 - Sharing of Best Practices,
 - Training,
 - Assuring commonality of approach, and other activities appropriate to furthering implementation of the Quality Network.
- The Divisional Quality Network Representatives (i.e., the IUE-CWA Quality Network Director and the Management Divisional Quality Network Representatives) will have responsibilities consistent with the IUE-CWA-Delphi Quality Network "Roles and Responsibilities and Personal Development Guidelines for Quality Network Representatives" (QNI-1455).

QUALITY COMMITMENT

Plant Quality Councils

- Plant Quality Councils will meet a minimum of once per month and shall consist of the following:
 - President of the Local Union,
 - Shop Committee Chairperson and members of the Shop Committee,
 - Plant Manager,

- Personnel Director,
- Other appropriate Management Representatives,
- IUE-CWA and Delphi Plant Quality Network Representatives.
- The responsibilities of the Plant Quality Councils include, but are not limited to:
 1. Preparing specific business and action plans to accomplish the annual Quality Network Objectives and Goals and reviewing progress.
 2. Providing direction and support for plant/staff Quality Network activities.
 3. Reviewing gap closure initiatives for the annual Quality Network Objectives and Goals.
 4. Supporting training for and the implementation of the Quality Network Action Strategies.
 5. Submitting a monthly status report to the Divisional Quality Council Co-Chairs on gap closure initiatives.

Quality Network Representatives Roles and Responsibilities

- Management Representatives will be assigned and will be provided appropriate time and authority to perform the required management Quality Network responsibilities. It is recognized that the duties of all Quality Network Representatives are to assist in the implementation of the Quality Network process and

related action strategies as directed by the Plant Quality Council. Issues regarding unfilled vacancies may be discussed by either party at the regularly scheduled Quality Council meetings.

- Additionally, the Quality Network Representatives will support the principle that all employees have a responsibility for product and service quality by exercising due care and diligence in performing their duties as follows:
 1. Understanding the Quality Network Action Strategies.
 2. Coordinating achievement of the annual Quality Network Objectives and Goals with the Plant Quality Council, including but not limited to supporting balanced implementation of the Leadership Initiatives.
 3. Minutes of all meetings will be taken and distributed to members of the Quality Council.
 4. Assisting in the overall implementation of the Quality Network process consistent with the IUE-CWA-Delphi Quality Network "Roles and Responsibilities and Personal Development Guidelines for Quality Network Representatives" (QNJ-1455).
- Quality Network Representative Workshops/training sessions may be scheduled during the term of this Agreement as determined by the Co-Directors of the Quality Network.
- The Quality Network Representatives will receive appropriate training necessary to effectively perform his/her duties.
- During overtime hours, such Quality Network Representatives will be scheduled to perform Quality Network-related activities if they would otherwise have work available in their equalization group.

Issues Resolution Process

Any issues related to the foregoing may be referred to the Co-Directors of the IUE-CWA-Delphi Quality Network for resolution, including unresolved Quality Council concerns requiring cross-organization involvement prior to discussion at the IUE-CWA-Delphi Quality Forum.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

ATTACHMENT "A" TO THE
MEMORANDUM OF UNDERSTANDING
QUALITY NETWORK
PRODUCT QUALITY RESOLUTION PROCESS

During the course of past negotiations, the parties discussed employees having the opportunity to raise product quality concerns in the course of performing their regular work assignments. In so doing, employees play a critical role in the continuous improvement of our products and, ultimately, in meeting the quality expectations of our customers and assuring the job security of IUE-CWA represented employees. It is the responsibility of the joint leadership to ensure that product quality concerns receive an immediate and thorough response. The parties agreed that the Product Quality Resolution Process set forth in this document provides for such immediate and thorough response; and they will, therefore, reinforce the value of the current process with all Quality Councils.

The Plant Quality Council at each location is to implement a common process for employees to voice their product quality concern(s). It is further the Plant Quality Council's responsibility to closely monitor this process to ensure that employee concerns are addressed in an effective and timely manner.

The parties specifically recognize the Quality Resolution Process as an integral part of the plant's local quality culture. Accordingly, the parties agreed that the IUE-CWA Quality Forum would monitor the effectiveness of the process to insure its success in resolving quality problems as quickly as possible.

This process, which is independent of the grievance procedure, should be based on the following:

Product Quality Resolution Process

1. Employee/supervisor discussion to attempt to resolve concern, consulting as required with plant quality resources.
2. If unresolved, the District Committeeperson, if requested will assist in the resolution of the employee's concern.
3. If unresolved, the supervisor and/or District Committeeperson will advise the Joint Quality Network representative, who will assist in the resolution of the employee's concern.
4. If unresolved, such concerns will be tracked and communicated to ensure all affected employees are aware of the quality concern and resolution effort.
5. All documented concerns will be forwarded immediately by the Joint Quality Network Representatives to the Co-chairs of the Plant Quality Council, who will designate an appropriate level of plant management and union representation to work toward resolution of the concern prior to review at the next Plant Quality Council Meeting.
6. Thereafter, if unresolved, the concern will be discussed with the Plant Quality Council at the next meeting.
7. The status of all documented quality concerns raised through this process will be reviewed by the Quality Network Representatives with the Plant Quality Council at each meeting.
8. Feedback regarding the status of the employee concern will be provided to the originating

supervisor and the employee on a regular basis by the Plant Quality Network Representatives until the concern is resolved.

9. If unresolved, either Plant Quality Council Co-chair may request the issue to be referred to the co-chairs of the next higher level Quality Council for assistance to resolve the matter.
10. Thereafter, such concerns, if unresolved, will be referred to the IUE-CWA-Delphi Quality Forum for resolution.

During the current negotiations, the parties acknowledged that several Delphi locations are using the process effectively, and that certain common factors generated this success. These include, but are not limited to, the following:

- Employees are aware of the Product Quality Resolution Process as defined in Document 20 of the 1999 Delphi-IUE National Agreement.
- The joint leadership acknowledges the quality resolution process as a positive tool in resolving quality problems.
- The process follows a standard practice from initial notification through resolution.
- The process is tracked and reported to the local joint leadership at the Plant Quality Council Meetings.

Accordingly, the parties agreed that they will review current awareness materials for potential revision and distribution to all IUE-CWA-Delphi Quality Councils and employees during the second quarter of 2004. The purpose of such materials will be to encourage full awareness of and participation in the process by employees, supervisors, committeepersons, Quality

Network Representatives, and to jointly leverage agreed-to best practices in implementing this critical aspect of the continuous improvement products and services.

Further, during these negotiations, the parties discussed how the Product Quality Resolution Process supports operators in their desire to build the highest quality products in our plants. Accordingly, the parties agreed that all quality concerns, documented under the provisions of this process, will be displayed consistent with the plant's existing local quality system. Further, the parties agreed that each Plant Quality Council will determine the appropriateness of incorporating this process within its quality procedures.

**ATTACHMENT "B" TO THE
MEMORANDUM OF UNDERSTANDING
QUALITY NETWORK
ACTIVITIES**

I. Quality Network Suggestion Plan

As a result of the IUE-CWA-Delphi joint administration and ongoing support of the Quality Network Suggestion Plan, significant improvement in the areas of participation, savings, and processing time were experienced. The Company informed the Union that Management would continue to implement the Quality Network Suggestion Plan Action Strategy as the single suggestion process in all Delphi-IUE-CWA plant locations. The parties further recognized the necessity for joint leadership involvement at the plant levels in order to gain the full support and confidence from employees to submit their ideas and therefore achieve the jointly established Quality Network Objectives and Goals.

The parties discussed at length the intent and purpose of the IUE-CWA-Delphi Suggestion Plan. Both parties agreed that the purpose of the Suggestion Plan is to enhance job security for all employees, not to reduce employment levels. In that regard, suggestions that specifically target elimination of a job or jobs will be deemed ineligible.

Consistent with the objectives of the Quality Network Suggestion Plan guidelines, the parties agreed to continue to place special emphasis on:

- Generating ideas that contribute to the health and safety of all employees.
- Encouraging greater participation of employees in all aspects of the business.

- Recognizing employees for their ideas.
- Encouraging cost reduction and continuous improvement in all aspects of our business.
- Encouraging a greater level of teamwork through recognition of team suggestions.

By working together to effectively achieve these objectives, Delphi Corporation and its employees have made tremendous gains in the areas of workplace safety, people involvement, product quality, cost reduction, as well as our ability to respond to customer expectations.

In an effort to offset the costs associated with the conversion from the Ambassador Program merchandise to the Quality Network Suggestion Plan merchandise, the Suggestion Plan Submission Recognition Award will be discontinued effective with calendar year 2004. Further, Plant Quality Councils, in conjunction with their role with the Joint Facility Teams, may agree to fund an annual Suggestion Recognition Award from the local Suggestion Involvement Fund.

II. Planned Maintenance

The IUE-CWA-Delphi Leadership Quality Council has directed through the Quality Network Objectives and Goals, that the Quality Network Planned Maintenance Action Strategy is to be utilized at all IUE-CWA-Delphi locations as the one process for planned maintenance. The purpose of the Quality Network Planned Maintenance Action Strategy is to involve people to improve safety, quality, throughput, and responsiveness, resulting in reduced manufacturing costs thereby enhancing overall job security. The parties further agreed that Divisional Quality Councils will direct Plant Quality Councils to attain Phase III status in the Quality Network Planned Maintenance process during the term of this agreement. Progress in achieving and

maintaining Phase III status will be measured through the Quality Network reporting and assessment process.

In order to effectively gain knowledge from the MAXIMO database, the Quality Network Planned Maintenance process requires accurate and complete data for input into the system. Therefore, it is expected that skilled trades and other assigned employees, will provide such accurate and complete data. In recognition of employee concerns, Management has stated that such information from the MAXIMO database will not be used for disciplinary action, outsourcing, or subcontracting. It is understood that both parties will have full and complete access to MAXIMO data.

III. IUE-CWA-Delphi Partnership Promotion Activities

Following the effective date of this agreement, the Co-Directors of the IUE-CWA-Delphi Quality Network and appropriate Management representatives from the Delphi Corporate Communications staff will develop proposals for raising public awareness of the IUE-CWA-Delphi partnership. The proposals from this group should comprehend the following:

- Communication of the IUE-CWA-Delphi partnership.
- Our joint commitment to quality.
- Consideration of a variety of media outlets.

Funding for jointly developed and implemented projects will be derived from Corporate and/or Joint Funds based on the nature of the initiative, consistent with historic practices. Corporate funding will be subject to the Delphi approval process on a project-by-project basis. All requests for joint funds will be submitted in accordance with the process set forth in the Memorandum of Understanding-Joint Activities.

It was also agreed to provide the Union, in a timely fashion, the opportunity for input into Corporate Marketing campaigns when domestic advertising involves or depicts IUE-CWA-represented Delphi employees.

IV. Employee Vehicle Assistance Contact

It is understood between the parties that the current Employee-Vehicle Assistance Contact process will be discontinued with the effective date of this agreement.

V. National Vehicle Sales Promotion Activities

It is understood between the parties that the current General Motors Ambassador Program will cease on December 31, 2003. Active IUE-CWA-Delphi employees and retirees will be notified during the fourth quarter 2003, as to their Ambassador point status. Such employees and retirees will be provided with Ambassador point status and information relative to the Suggestion Plan merchandise selection (i.e., website and/or other material). Such employees and retirees, once notified, will have 90 days or until March 31, 2004, whichever is later, to redeem their outstanding Ambassador Program points.

VI. Labels and/or Decals

During prior negotiations, the Union expressed a desire for IUE-CWA members who have contributed significantly to improved product quality to be permitted to display on completed assembled vehicles and packaging and shipping containers a joint label or decal certifying that the product is proudly built by Delphi workers who are members of the IUE-CWA. During the current negotiations, the Corporation agreed to continue this approach to employee recognition and assured the Union of its commitment to employee recognition through such practices in the component plants.

**ATTACHMENT "C" TO THE
MEMORANDUM OF UNDERSTANDING
QUALITY NETWORK
REPRESENTATIVE TRAINING**

**I. QUALITY NETWORK REPRESENTATIVE
TRAINING GUIDELINES**

During the term of the 1999 Agreement, the parties discussed aspects of Quality Network Certification including curriculum, course content, training delivery, and other issues related to implementation of a certification process.

The parties reviewed and approved a minimum curriculum for Basic Quality Network Representative Certification.

The parties further agreed that, after the effective date of the 2003 Delphi-IUE-CWA National Agreement, all Quality Network Representatives and their Management counterparts will be required to achieve Quality Network Representative Certification as outlined in this document. Further, all such Quality Network Representatives and any newly appointed or assigned representatives are expected to prepare a training plan for approval by the Plant Quality Council within 30 days of appointment or assignment. Progress towards completion of the training plan will be reviewed with the Co-Chairs of the Plant Quality Council. This plan must result in completion of the basic certification curriculum within specified timeframes.

In the area of Quality Network Representative Certification, it was agreed that the following classes will be required within these specified timeframes:

- Introduction to Quality Network - within 6 months of appointment/assignment

Attachment C

- Facilitator skills - within 6 months of appointment/assignment
- Basic computer skills - within 12 months of appointment/assignment
 - = Microsoft PowerPoint
 - = Microsoft Word

 - = Microsoft Excel
- Overview of the Quality Network Action Strategies - within 18 months of appointment/assignment.
- Quality Network Problem Solving Workshop - within 24 months of appointment/assignment
- Quality Network Error Proofing Workshop - within 24 months of appointment/assignment

Quality Network Representatives will also be provided an opportunity to demonstrate evidence of proficiency for the above courses that will result in credit for completion. This evidence may include certificates from prior classes or on-the-job experiences. The Management Divisional Quality Network Representative and the IUE-CWA Director of the Quality Network will assess the submitted requests for proficiency based on the evidence submitted and will recommend credit to the Co-Directors of the IUE-CWA-Delphi Quality Network.

The parties further discussed and recommended that, when making Quality Network Representative selections and/or recommendations, Quality Council leadership take into consideration the significant investment in training and time that will be involved in achieving the certifications. Accordingly, the Quality Network Representative selection process should focus on respective candidates who will be able to maintain

their position for an appropriate period of time commensurate with this investment as well as supporting the parties' joint quality improvement objectives.

It is further understood that costs associated with the Quality Network Representative certification process will be covered by joint funds consistent with the Memorandum of Understanding - Joint Activities.

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, Delphi Corporation and the IUE-CWA reaffirmed the necessity of providing active and laid-off employees the means to obtain additional education and training in order to enhance their opportunities within Delphi Corporation or to re-enter the workforce. Accordingly, the parties agree to continue the Individual Upward Educational Plan (IUEP). The Plan is designed to help employees:

- who are laid-off, improve their chances for re-employment;
- or who are active, enhance their opportunities for advancement.

Under this Plan, qualified employees who wish to pursue a formal degree or to improve their job skills are able to receive a defined level of assistance in the form of up-front payments to specified licensed or accredited schools.

Additionally, the spouse or dependent children of a deceased, active employee will be entitled to utilize the remaining balance of the employee's current year's Individual Upward Educational Plan assistance eligibility (excluding any advance payment) for college or educational pursuits during a period equal to the length of the present Agreement following the date of the employee's death. Furthermore, the spouse of a deceased active employee may receive a one-time payment, up to a maximum of \$300 of the remaining

balance, to be used for jointly approved financial counseling.

The benefit is not to exceed the maximum annual benefit allowed each year following the employee's date of death.

It shall be the responsibility of the National Joint Skill Development and Training Committee to develop such a Plan along with guidelines that include, but are not limited to, such elements as initial and continuing eligibility, course degree and school approval, level of assistance for qualified workers, and the application and approval process.

As specified in the IUEP Administrative Guidelines, the maximum total assistance per qualified active employee per calendar year is \$4,600, of which \$100.00 may be used for the purchase of books, for courses leading to a formal degree and \$2,200 for job-related, high school equivalency and literacy courses.

Employees enrolled in college degree programs through accredited institutions, who exhaust their current year IUEP assistance eligibility, may utilize up to \$1,000 of the following year's eligibility to cover the present or next semester eligible expenses. This advance payment is provided only in conjunction with courses offered at regionally accredited colleges or universities on a semester or quarterly basis and is not available for job related, high school equivalency and literacy courses. Advance payment of up to \$1,000 will occur automatically when the employee's request for IUEP assistance exceeds the current year eligibility.

Advance payment is not available in the last calendar year of the Agreement, and does not expand total IUEP assistance eligibility over the life of the present Agreement.

This Individual Upward Educational Plan shall apply to laid-off employees. The participant must be a IUE-CWA represented Delphi Corporation U.S. employee on

indefinite layoff, who has recall or rehire rights under the terms of the current Delphi-IUE-CWA National Agreement, and who had at least one year seniority as of the last day worked prior to layoff.

Suitable courses are those required for adult basic education, high school completion or high school equivalency certification, university, college, business, trade or vocational school courses or adult education classes.

Acceptable schools are those approved by the National Joint Skill Development and Training Committee including, but not limited to those generally recognized by accrediting agencies, or under governmental educational agencies.

The Plan will provide for tuition and compulsory fees to be paid directly to the schools providing the course in which the applicants are enrolled. There shall be no duplication of tuition fees already covered by other state or federal education assistance plans or programs. Maximum eligibility under this Plan is \$8,400 of tuition assistance while on indefinite layoff. Eligibility is established by seniority as of last day worked prior to layoff as follows:

SENIORITY AS OF DATE OF LAYOFF

- 1 to 3 years \$6,400
- 3 to 4 years \$7,400
- 4 or more years \$8,400

The above specified amounts shall constitute an account upon which the worker may draw so long as the individual retains recall or rehire rights while on indefinite layoff. Certain changes in employment status will affect eligibility. If recall or rehire rights are lost under the terms of the Delphi-IUE-CWA National Agreement, or full-time employment is accepted that would pay wages comparable to those of the former job at Delphi Corporation, or if similar training programs

INDIVIDUAL UPWARD EDUCATIONAL PLAN

are provided by a new employer, eligibility will cease. Continued eligibility will depend upon satisfactory completion of courses in which the employee has enrolled and compliance with other provisions of the Plan. In no event shall total assistance to an employee exceed \$8,400 in any four calendar year period. The Plan will continue to be supported by joint training funds and will be jointly administered under the direction and control of the National Joint Skill Development and Training Committee.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

The parties have long recognized the importance of providing orientation programs for new employees. Many of these programs resulted from the diligent efforts of plant employee groups and have addressed such topics as quality, teamwork, safety, and joint programs in addition to those items new employees must know to perform their jobs.

Men and women enter the workforce today with little or no knowledge of what is expected of them as employees and as union members in a unionized, industrial plant community. Many of them have not been adequately prepared to cope with industrial situations in which they suddenly find themselves.

New employees come to Delphi Corporation with little or at best incomplete information about their employer and their Union. They have little knowledge of the extensive economic benefits available to them as agreed upon in collective bargaining between the IUE-CWA and Delphi Corporation over a period of more than thirty years.

Many new employees may be unaware of the commitment of Delphi and the IUE-CWA to fair employment practices and to the application of the National Agreement to all employees without regard to age, race, color, sex, religion, national origin, disability or sexual orientation. They are not familiar with basic contract provisions covering such subjects as transfers,

promotions, shift preference and seniority. They may be unaware of the opportunities for advancement to highly paid skilled trades jobs through the Apprentice Upgrading and Trainee programs. They tend to be unfamiliar with the obligations of the employees to their job, to the union and to their employer. Many are unaware of the importance of regular attendance, quality workmanship and the need for cooperation by all in getting the job done. Too often they are unacquainted with the various procedural matters related to their jobs and their relationship to their union and their employer.

New employees usually have little knowledge of the long history of the IUE-CWA and of the administrative structure of the IUE-CWA at the International and local union levels. They do not understand about their relationship to the Union, about the initiation fees and dues requirements and their rights within the union contained in the IUE-CWA Constitution.

Frequently, they have never seen the inside of a manufacturing plant before and are unfamiliar with the operations, the nature of the product and how it is used.

You have underscored these realistic considerations in our discussions. You have indicated that this may explain to some extent the high turnover and absenteeism being experienced in industry today among the new workforce. And you have suggested that a properly developed and conducted orientation procedure designed to create an "awareness of the dynamics of the labor-management relationship, and the years of long effort to build a community of interest in resolving labor-management problems through orderly procedures..." might serve the best interest of the employees, the IUE-CWA and Delphi Corporation.

Accordingly, pursuant to the Union's suggestion, the Corporation has, in cooperation with the International Union, developed a joint pilot orientation program to be presented to new job applicants prior to the time they start their jobs.

ORIENTATION PROGRAM

The content of the orientation program was developed by the Corporation and the International Union and implemented on a pilot basis in Packard Electric System Division where significant numbers of new employees were being hired. This experience has formed the basis for the adoption and implementation of a program at all other plants where a sufficient number of new employees are being hired to warrant such a program:

The Corporation and the International Union shall continue to determine how the various portions of the orientation program are implemented. Some subjects might most appropriately be presented by a Management representative, some by a Union representative, and others by both Management and Union representatives.

The orientation program is not subject to the grievance procedure and may be terminated at any plant by either the International Union or the Corporation, in the event that the program at that plant is not being carried on in a manner consistent with the purpose and intent of the program as established by the national parties. The Joint Orientation Program will be limited to those subjects agreed to by the Corporation and the International Union and the establishment of such a program will not limit any other communication by Management with its employees or by the Union with its members.

The Corporation and the International Union will commence development of an orientation program at all Delphi Corporation plants where a sufficient number of employees are being hired to warrant such a program in accordance with the understanding expressed in this letter.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

MEMORANDUM OF UNDERSTANDING EMPLOYEE ASSISTANCE PROGRAM

Delphi Corporation and the International Union express their determination to work jointly with personal problems including substance abuse and mental health among Delphi workers and their families.

Alcoholism and drug dependency is recognized by medical, public health authorities, Delphi Corporation and the IUE-CWA as a disease. These diseases can impair workers' ability to function in their lives and on their jobs. Alcoholism and drug dependency as well as other personal problems contribute to increased absenteeism and tardiness and deterioration of job performance. This in turn disrupts work schedules with consequent dissatisfaction among the majority of workers who are sincerely trying to do conscientious jobs. The combination of factors is recognized as having a potentially damaging effect on plant efficiency and endangers the job security of the worker.

The causes of personal problems including alcoholism, drug dependency and mental health are not well understood and cures are difficult. Nonetheless, Delphi Corporation and the IUE-CWA believe that constructive measures are possible to deal with these problems which can be a major cause of family breakdown and are related to personal breakdown and violence in the community.

Delphi Corporation and the International Union agree that the Delphi-IUE-CWA Employee Assistance Program should be used to provide all EAP services for all IUE-CWA-represented employees.

I. Objectives

The objectives of this joint effort are to help employees and their family members develop healthier life styles and enhance the effectiveness of the workforce. Further the purpose of this program is designed to help prevent the development of personal problems and provide ~~access for treatment and after care for those already~~ affected.

Delphi Corporation and the International Union acknowledge that neither local management nor the local union working alone can always provide the level of motivation required by employees experiencing personal problems. As a result, joint efforts are imperative in encouraging the employee to seek EAP services, as needed, to respond successfully to treatment, and to maintain a resolve to avoid further personal problems.

II. Guidelines for Administration

Delphi Corporation and the International Union will engage in a cooperative effort and function administratively in consulting with and seeking the cooperation of local management and local union personnel. In this regard it is important to:

1. Generate a climate at the plant level which will eliminate the effects of the social stigma associated with mental disorders, alcoholism and drug dependency and other personal problems, which act as a barrier to employees seeking help to resolve personal problems;
2. Insist that local management and the local union at all levels exercise their best efforts toward the objective of earlier identification and motivation of the employee to accept EAP services;

3. Assure confidentiality in working with the employee;
4. Assist in developing educational and informational materials for use at the plant level.

III. Local Employee Assistance Program Administration

The local EAP Committee consists of the Plant Manager or a designated management representative, the Plant Personnel Director, the President of the Local Union and the Chairperson of the Shop Committee. It will be the responsibility of this Committee to review on a periodic basis the local Employee Assistance Program.

Delphi Corporation and the International Union will designate representatives of local management and representatives of the local union to work jointly on these problems. Among the responsibilities of the local EAP team are:

1. In cooperation with the central review organization (CRO), the carrier and the local central diagnostic referral (CDR) agency, survey community resources to determine the availability of appropriate treatment facilities and the cost of treatment. Where facilities are inadequate or unavailable, undertake efforts to improve the situation.
2. Help employees understand that they may consult on a confidential basis with the Local EAP team, or an outside central diagnostic and referral (CDR) agency, concerning their problem.
3. Arrange for the local union benefits representative to be available to explain to the employee and others who may be involved the extent to which recommended treatment qualifies for payment under the Delphi Health Care Program.

4. Establish and maintain active aftercare and follow-up programs. Help employees understand the therapeutic benefits of self-help groups and engage EAP participants in these group activities.

Delphi Corporation and the International Union acknowledge that:

1. Nothing in this statement is to be interpreted as constituting any waiver of management's responsibility to maintain discipline or the right to invoke disciplinary measures in the case of misconduct which may result from or be associated with the use of alcohol or drugs or personal problems. The Union may exercise its right to process grievances concerning such matters in accordance with the Delphi-IUE-CWA National Agreement;
2. During or following treatment the employee should not expect any special privileges or exemptions from standard personnel practices; and
3. When a leave of absence is necessary so that an employee may undergo medical treatment for alcoholism or drug dependence or personal problems in or from an appropriate facility in accordance with this program, and when the employee has voluntarily submitted to such treatment and provided the employee has unbroken seniority, a sick leave of absence will be granted pursuant to the National Agreement and the employee will be eligible for benefits in accordance with the Delphi Health Care and Life and Disability Benefits Insurance Programs as negotiated with the International Union.

IV. Additional Understandings

The parties have held extensive discussions over a wide range of EAP subjects. The following represents the

highlights of those discussions and the commitments arrived at between the parties:

1. A key ingredient in combating personal problems lies in education, early identification and early intervention. Accordingly, the National Parties with the assistance of the Joint Activities Center will develop an education and training program directed at all levels of local management, local union, and the workforce. Costs of these activities and the implementation of any recommendations will be funded by Joint Training Funds.
2. The National Parties have developed standards for IUE-CWA-Delphi Employee Assistance Programs.
3. The National Parties will continue efforts towards facilitating the professional development of individual plant EAP Representatives. In line with professional development, the parties commit to expand professional development efforts to include mandating certifications of future EAP Representatives.

V. EAP Representation

1. Employee Assistance Representatives will be scheduled to report for Employee Assistance representation purposes during overtime, part-time or temporary layoffs, or inventory when 50% or more of the people they represent on their shift are scheduled to work.
2. During overtime hours, when less than fifty percent (50%) of the people they represent on their shift are scheduled to work, they will not function pursuant to this Memorandum of Understanding, but will be scheduled to perform EAP activities if they would otherwise have work available in their equalization group.

VI. Drug Testing

Because of the recent emergence of a substantial body of legislation requiring drug testing of many of the Corporation's employees, both represented and non-represented, the parties have had extensive discussions surrounding drug testing and have agreed to the following:

1. All drug testing performed will be conducted in accord with applicable laws mandating or regulating such testing; such as, Federal Aviation Administration, Department of Transportation, or Department of Defense.

VII. Conditions of Employment Guidelines - For those Employees in the Employee Assistance Program Whose Seniority has been Broken

When Employee Assistance Program participants or other employees suspected of being in need of EAP services return to work, the following can be agreed upon between the bargaining unit representative, Labor Relations, the EAP team and the employee.

The specific items to be included will depend on the individual case and should be developed to meet the particular circumstances. Accordingly, items one through five may be recommended for inclusion in a condition of continued employment by the joint EAP team.

1. Participation in in-plant self-help meetings. Length of participation that will be required and frequency of meetings can be either specified in advance or left up to the discretion of EAP team.
2. Participation in outside self-help groups and mandatory completion of an aftercare plan which might include antabuse recommended by a treatment facility and monitored by the EAP team.

3. Mandatory cooperation in follow-up and monitoring for a period of time specified by EAP team members.
4. Periodic scheduled urine screening when it is felt this procedure could be of value in monitoring and encouraging abstinence. In cases of positive findings, the results must be confirmed by a second testing method.
5. A specific period of total non-use of alcohol or other drugs can be agreed to between the parties. The EAP team and the employee must concur with this probationary period which is defined as not less than six months nor more than two years and it must be understood by all parties that resumed use could result in termination of employment during this period.

The above items (one through five) will be administered jointly by the EAP team for those employees returning under these conditions. Any conditions of continued employment agreed to by Management, the Union and the employee are considered contractually binding and non-compliance could result in disciplinary action up to and including discharge. The employee's previous disciplinary record and action which may be taken for further misconduct will be matters reserved to the actual settlement of any grievance(s) involved and/or will be resolved between the bargaining unit representative and Labor Relations.

The seniority status of the employee must be specified as either a new hire or reinstatement of former seniority. If seniority is reinstated, all rights and privileges which would normally accrue in line with the reinstated

seniority under the terms of the national or local agreement must be granted.

**International
Union, IUE-CWA**

James D. Clark
Stephen E. Trent

**Delphi
Corporation**

Bernard J. Quick
Charles E. Rucker

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

In the current negotiations between Delphi Corporation and the IUE-CWA, the parties agreed that in plants employing six hundred (600) or more IUE-CWA-represented employees, the local Union member of the Employee Assistance Program Committee may be excused from the job with pay during the regular straight-time hours of the shift for the time needed to participate in legitimate in-plant activities pursuant to the "Statement of Cooperation" between Delphi Corporation and the IUE-CWA. The matter of time-off the job without loss of pay in units with less than six hundred (600) employees will be the subject of discussion by the National parties taking into consideration the availability of qualified Medical Department personnel and other factors relevant to the particular location involved.

The parties further understood that the local Union member of the Employee Assistance Program Committee will be under the supervision of the Medical Department when excused from the job pursuant to this understanding. Procedures have been established so that the services of the Union member shall be requested through, and approved by, the Medical Department.

Any time spent by the local Union member of the Committee away from the job other than in accordance with this letter and procedures established thereto shall not be paid for by Delphi Corporation.

**USE OF TIME BY THE LOCAL UNION EMPLOYEE
ASSISTANCE PROGRAM REPRESENTATIVE**

The local Union member of the Employee Assistance Program Committee will be selected by the Chairman of the Conference Board based on experience, training, and qualifications. The Corporation will be furnished the names of the individuals selected.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the Delphi-IUE-CWA National Negotiations, the parties discussed potential modifications to the IUE-CWA Delphi Legal Services Plan and concluded that the modifications discussed would be provided if no additional costs were incurred.

In order to provide funding for the IUE-CWA Delphi Legal Services Plan it was agreed that an amount equal to 7.0 cents per straight time hour worked would be maintained as the Legal Services Plan funding and that an amount equal to \$1,500,000.00 over the life of the Agreement would be budgeted in the funding of the Joint Skill Development and Training Program and made available for the continuation of Legal Services if approved by the National Joint Skill Development and Training Committee.

Sincerely,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, Delphi Corporation and the International Union again discussed at length problems encountered in the administration of Grievance Procedure at some locations. The parties reaffirmed their mutual determination that the purpose of the Agreement as stated in Paragraph (1) is "to provide orderly collective bargaining relations between the Corporation and the Union, to secure a prompt and equitable disposition of grievances." In addition, the Union and the Corporation agreed that the delaying or holding of grievances at any step of the Grievance Procedure was contrary to the best interests of the employees and the parties. In this regard the parties emphasized that full implementation of this document would result in the timely processing of continuing liability cases.

The parties reaffirmed their mutual desire and intention to assure that grievances will not be allowed to accumulate at any step or steps in the Grievance Procedure in any plant.

The Corporation asserted that the provisions of the Grievance Procedure, if closely administered, make it impossible for committeepersons unilaterally to stall any grievance from consideration or decision at the next step of the Grievance Procedure and to delay the processing of grievances in the procedure. The Corporation stated further that the current language provides Management with the right after a lapse of

EXPEDITIOUS GRIEVANCE HANDLING - DELPHI TO IUE-CWA

a reasonable time to initiate answers to grievances in order to prevent them from being delayed at any step in the Grievance Procedure.

Following the conclusion of negotiations, the Chairman of the Conference Board and a representative of the Corporation will conduct an audit of the administration of the Grievance Procedure at each Delphi-IUE-CWA location and discuss their findings and may recommend improvements to the local parties.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

IUE-CWA AUTOMOTIVE CONFERENCE BOARD

November 16, 2003

Delphi Corporation
Delphi World Headquarters
Troy, Michigan 48098

Attention: Kevin M. Butler
Vice President
Human Resource Management

During the current negotiations the International Union, IUE-CWA, informed Delphi Corporation that the content of Homer C. Pierce's letter of November 16, 1970 regarding expeditious grievance handling was again being published as a position of the International Union, IUE-CWA.

During the 1970 negotiations, the Corporation complained that at certain locations some Committeepersons made little or no effort to resolve grievances they have written or to process them from one step of the procedure to the next in an expeditious manner. The Union pointed out to the Corporation that grievances accumulate under the circumstances complained of in some instances because the Local Managements take no independent action to answer grievances or to move them from one step of the procedure to the next.

The International Union advised the Corporation that it fully subscribes to the principle set forth in Paragraph (18) that "...the prompt adjustment of grievances is desirable in the interest of sound relations between the employees and the Management."

Grievances should not be unduly delayed at any step of the procedure, whether such delay is occasioned by a committeeperson or the committeeperson's supervisor refusing or failing to meet the supervisor's responsibility.

Following the conclusion of negotiations, the Chairman of the Conference Board and a representative of the Corporation will conduct an audit of the administration of the Grievance Procedure at each Delphi-IUE-CWA location and discuss their findings and may recommend improvements to the local parties.

Very truly yours,

James D. Clark
Chairman.
IUE-CWA Automotive
Conference Board

DELPHI CORPORATION

November 16, 2003

International Union, IUE-CWA, AFL-CIO, CLC
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Attention: Mr. James D. Clark
~~IUE-CWA Automotive~~
Conference Board

Dear Mr. Clark:

During current negotiations, the parties discussed the situation where the duration of an impending disciplinary layoff would encompass or abut a specified holiday. It was mutually recognized that a wide variety of local practices exist on whether loss of holiday pay is appropriately included in the layoff penalty.

To insure uniformity between plant locations in the administration of discipline in such situations, the Corporation advised the Union that, as a matter of policy as of the effective date of the 1979 National Agreement, loss of holiday pay will not be included as part of the disciplinary penalty assessed.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

The following is the text of Delphi Corporation written and published policy regarding sexual harassment.

"Delphi Corporation has had for many years a written and widely distributed policy on equal opportunity employment. Sexual harassment, as in the case of harassment based on age, race, color, sex, religion, national origin, disability or sexual orientation has long been regarded as a violation of this policy.

"All employees are expected to deal fairly and honestly with one another to ensure a work environment free of intimidation and harassment. Abuse of the dignity of anyone, through ethnic, racist or sexist slurs or through other derogatory or objectionable conduct, is offensive employee behavior. Sexual harassment also includes unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature.

"All Delphi employees are entitled to a work environment in which words and actions do not have even the appearance of disrespect. Sexually-oriented jokes, cartoons, pictures, language, certain gestures and touching may be offensive to people and, therefore, may result in a hostile work environment. This type of conduct will not be tolerated in the workplace. Delphi

DELPHI POLICY REGARDING SEXUAL HARASSMENT

Corporation facilities must be free of hostility resulting from sexually-oriented behavior. It is the responsibility of management and each employee to maintain an environment free of hostility.

"As in the case of other unfair employment practices, if you believe you have been subjected to sexual harassment, you may bring your concerns to the attention of either your immediate supervisor, personnel director, representative, or union representative or you may utilize appropriate and existing internal complaint procedures."

Delphi Corporation and the IUE-CWA are in agreement that complaints of sexual harassment should be dealt with promptly and fairly under existing internal procedures as provided under Paragraph (5a) of the National Agreement.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations the IUE-CWA complained that procedures set forth in Paragraph (86d) are not being satisfactorily implemented by Management in many instances.

This letter is intended to clarify the intent and purpose of this provision:

1. The "advance discussion" except where time and circumstances prevent it, will take place "prior to letting the contract for the performance of maintenance and construction work," before any decision has been made as to whether the work should be contracted out. The "advance discussion" will include information as to "why Management is contemplating contracting out the work." It is evident that except as noted above, since Management is only "contemplating contracting out the work" when the "advance discussion" takes place, Management should not have made any decisions concerning whether or not to contract out the work before such "advance discussion" is held.
2. Management will advise the local union of the "nature, scope and approximate dates of the work to be performed and the reason or reasons (equipment, manpower, etc.), why Management is contemplating contracting out the work." This information is related to the letter dated

December 19, 1967, to the International Union signed by Mr. Louis G. Seaton. That letter makes reference to "manpower skills, equipment and facilities" and also as to whether the Corporation "can do the work competitively in quality, cost and performance and within the projected time limits." Since any or all of these conditions may be entailed in the determination as to whether a particular contract should be let out or not; it is necessary that Management advise the local union in the "advance discussion" concerning the item or items which are relevant to the decision making.

3. If in the "advance discussion" it is clear that Management is only "contemplating contracting out the work" and if in addition all the pertinent information as noted above is supplied to the local union, then local union representatives will be given a better opportunity "to comment on Management's plans" and will also give an opportunity to Management "to give appropriate weight to those comments in the light of all attendant circumstances."
4. These advance discussions will include appropriate Management representatives of the Plant Engineering and/or Maintenance activities knowledgeable of the issues.

In addition the Union complained that in certain instances plant Management contracted for extended warranty arrangements or service contracts were being purchased which impacted the job security of seniority employees in skilled trades classifications. Management stated that, while Paragraph (86b) covers the "fulfillment of normal warranty obligations by the vendor", warranty arrangements that extend beyond those customarily provided or the obtaining of service contracts are not covered by

SUBCONTRACTING - IMPLEMENTATION PARAGRAPH (86d)

these provisions. Rather, such arrangements or service contracts covering work normally and historically performed by represented skilled trades employees are to be considered in the same manner as contracts for the performance of maintenance work and such decisions are covered by the provisions of Paragraph (86c) of the National Agreement. The local plant Managements will be advised accordingly.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations the parties discussed the matter of subcontracting major tool and die projects.

The parties recognized that such subcontracting within the Corporation is an extremely complex subject. The different types of such work being subcontracted, time constraints imposed upon completion, facilities limitations and the variety of ways such work is handled within the Corporation all add to the complexity of this subject.

The Corporation stated that tool, die and engineering shops in the plants are primarily equipped and staffed to provide maintenance and service to productive operations. To provide individual notice of each subcontract would be complex and burdensome, therefore, the parties focused their discussions on broader information concerning annual model programs and the introduction of major new products.

Accordingly, in recognition of the Union's desire to better understand the overall competitive nature of the business, Local Management representatives will meet with affected Local Union representatives from time to time to review the nature and scope of the die construction work involved in major new or modified product programs of the type normally and historically performed by represented employees that Management anticipates subcontracting to non-

Delphi sources.

We believe that by cooperatively working together we can improve the efficiency and productivity of our tooling operations, thereby providing our employees with improved job security.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During negotiations leading to the current National Agreement, the parties discussed pre-apprentice training as one method of achieving our common goal of bringing a greater number of members of minority groups and females into the apprentice training program. It is evident that we share a serious concern about the establishment of effective methods of achieving this desirable goal.

Accordingly, the Delphi-IUE-CWA Skilled Trades and Apprentice Committee, upon determining that a plant's skilled trades workforce is under-represented by minority groups and females, will consider matters pertaining to pre-apprentice training as it relates to achieving the above objective.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

This will confirm our understanding that the parties have agreed to continue the Pre-Retirement Counseling Program made available to employees in an effort to assist them in their personal planning prior to retirement. The National Joint Skill Development and Training Committee may meet as required to explore and analyze the various other options available, including a Post-Retirement Program and may modify the program to meet the needs of Delphi Corporation employees.

The Program will be supported by joint training funds and will be jointly administered under the direction of the National Joint Skill Development and Training Committee.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

Date: November 16, 2003

Subject: Apprentices Testing and
The Local Apprentice
Committee

To: All Personnel Directors
Plants Covered by the Delphi-IUE-CWA
National Agreement

During the current IUE-CWA negotiations, the Corporation agreed that the Union members of the Local Apprentice Committee would be informed of Local Management's Apprentice testing procedure. In this regard, the Union members of the Local Apprentice Committee are to be advised of the location, date and time that Apprentice selection tests are to be administered. Where tests are given on a regularly scheduled basis, the Union members should be advised of this schedule.

In addition, and as soon as is practicable, a meeting should be arranged with the Union members of the Local Apprentice Committee, in which the Union members are to be informed of the procedures followed in administering the Apprentice tests. In this regard, the Management representative should explain each of the tests and the instructions given when the tests are administered. Further, a Union member of the Local Apprentice Committee may sit in on testing sessions.

In areas where consolidated testing is conducted, one Union representative, who is a member of a Local Apprentice Committee, may sit in on testing sessions.

Kevin M. Butler
Vice President
Human Resource Management

Inter-Organization

DELPHI CORPORATION

Date: November 16, 2003

Subject: Date of Entry Status -
Apprentices and Upgraders

To: All Personnel Directors
Plants Covered by the Delphi-IUE-CWA
National Agreement

During the course of the discussions leading to the current National Agreement, the Corporation and the IUE-CWA discussed situations where the placement in the program of a selected apprentice or upgrader applicant is delayed. The Union emphasized that problems resulted when such a delay occurs due to (1) an approved leave of absence for jury duty, (2) approved vacation time-off pursuant to the Vacation Section, (3) a sick leave of absence under the provisions of Paragraph (90) or (91), (4) the short term needs of Local Management such as the necessity to train a replacement for the person who has been selected, or (5) an absence which qualifies the employee for bereavement pay, (6) paid absence allowance time-off under the provisions of prior agreements, (7) short term military duty.

The Corporation has advised the Union that if an opening occurs and the person selected to fill the opening is delayed for one of the reasons specified above and the delay is for not more than 21 calendar days, that person's date of entry for seniority purposes shall be the date the selected applicant would have originally been placed in the opening.

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2009

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

This will confirm the understanding reached during the current negotiations that within a reasonable period after a laid-off apprentice or upgrader has been recalled to work, at any Delphi Corporation plant such employee will be paid an incentive bonus in recognition of satisfactory completion of any related training courses, required pursuant to the Delphi-IUE-CWA Standard Apprentice Plan or Paragraph (79)(a), in which the employee was enrolled at the time of layoff.

In addition, with prior Management approval and arrangements with the school, apprentices whom Management anticipates recalling to the apprentice classification prior to the expiration of the school term may be enrolled for one term and become eligible for an incentive bonus on the same basis.

This incentive bonus will amount to a figure to be arrived at by multiplying the number of class hours in each course times the employee's straight time hourly rate less the amount, if any, paid to the employee for such related training prior to layoff.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 18, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the negotiations leading to the current National Agreement, the parties discussed at length the matter of who attends the advance discussion meetings held pursuant to Paragraph (86d) of the National Agreement.

As a result of these discussions, the Corporation and the International Union agreed that each Local Union will be allowed to designate in writing the Local Skilled Trades Chairperson as a Special Skilled Trades Representative who, at the request of the Chairperson of the Shop Committee, will replace another representative at the advance discussion meetings held pursuant to the provisions of Paragraph (86d) of the National Agreement, or the subcontracting communications meetings described in Document #76 attached to the National Agreement. When attending such meetings, the special representative shall serve in a consultative and advisory capacity.

It was further agreed that if the Special Skilled Trades Representative is not a Committeeperson, the Representative's sole function under the terms of the National Agreement shall be to attend the advance discussion meetings as provided herein and the provisions of Paragraph (20) will not be applicable.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations the parties discussed the subject of conversion to the metric system and its effect on certain employee owned tools.

During these discussions the Corporation indicated its intention to make available during the transition period necessary metric tools and calibrated measuring instruments to skilled trades employees when required in the performance of their work. Such tools will be available in the tool cribs and charged out to skilled trades employees when they have need for them.

This policy does not preclude the use of conversion tables or any other alternate means of changing to the metric system in place of utilizing such tools or calibrated measuring instruments, nor does it alter the present requirement that skilled trades employees provide their own tools necessary to perform their duties, except as provided in the second paragraph hereof.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

DATE: November 16, 2003
SUBJECT: Union Work Centers
TO: All Presidents
All Personnel Directors

As a part of the current negotiations, Delphi Corporation informed the International Union, IUE, CWA, that the content of Mr. L. G. Sexton's letter of December 15, 1967 regarding Union Work Centers would again be published.

During 1967 negotiations the Union requested that a work center be furnished in each plant where designated Union representatives could meet internally regarding representation matters, prepare statements required by the Grievance Procedure Section of the National Agreement, and keep files necessary to carry out their functions.

The Corporation agreed to provide a suitable work center for the internal use of designated Union representatives in plants employing 200 or more employees. The Union recognizes that the work center will be for the use of designated Union representatives for the purpose only of handling internal Union affairs required by the National Agreement as they relate to the duties of their office. It is further understood that other employees may contact Union representatives in the work center during the non-work time of such employees.

The size and location of the work center should be consistent with the use for which it is intended and shall be determined by the local management after consultation with the Chairperson of the Shop Committee. The International Union has been informed by the Corporation that each work

UNION WORK CENTERS

center will include appropriate furnishings, such as desks or tables, chairs, filing cabinets, and an in-plant telephone. It will, upon request of the local union, also be equipped with a private telephone billed directly to the local union.

Since Union Work Centers are not provided in plants with fewer than 200 employees, the Chairperson of the Shop Committee in those plants will be provided with two three-drawer file cabinets located in a mutually satisfactory central location. Suitable work space, to be determined by Local Management in accordance with availability of space and local conditions and after consultation with the Chairperson of the Shop Committee, will be provided on an as-needed basis. When it is necessary for the Chairperson of the Shop Committee to conduct a private conversation in the performance of the Chairperson's duties, local Management will make an appropriate private location available upon request.

Any problems associated with implementation or administration of this letter may be reviewed with the Corporation's Labor Relations Staff by the Chairman of the IUE-CWA Automotive Conference Board.

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Center for Benefit Plans and
Health and Safety Representatives

To: Presidents
Personnel Directors

As a part of the current negotiations, Delphi Corporation informed the International Union, IUE-CWA, that the content of Mr. George B. Morris, Jr.'s letter of November 19, 1973 regarding the Centers for Benefit Plans and Health and Safety Representatives would again be published.

During the 1973 negotiations, the Union indicated that the increased complexities of the Benefit Plans Representatives' duties and the function that the Health and Safety Representative will be expected to perform make it desirable for these Representatives to be provided a Center from which to conduct their important activities. Such a Center would provide these Representatives a place to carry out their respective duties in a professional manner and to retain orderly records necessary to their functions.

The Corporation agreed that such a Center is desirable for the internal use of the Benefit Plans and Health and Safety Representatives in the larger manufacturing and assembly plants.

Following the conclusion of negotiations, the Corporation will advise the International Union of the plants in which such Centers will be included and will discuss with the International Union the size and location of the Centers, appropriate furnishings and other matters related to the uniform implementation of this Center letter.

Doc. No. 40
**CENTER FOR BENEFIT PLANS AND
HEALTH AND SAFETY REPRESENTATIVES**

The Corporation and the Union, realizing the value of proper administration in these areas, agree that the Center shall be used only by the Benefit Plans and Health and Safety Representatives.

Kevin M. Butler
Vice President
Human Resource Management

Inter-Organization

DELPHI CORPORATION

November 16, 2003

Facilities for Union Members
of Local Apprentice Committee

To: All Personnel Directors
Plants Covered by the Delphi-IUE-CWA
National Agreement

During the course of the current negotiations, the Union cited the problem Union members of the Local Apprentice Committee have relative to keeping necessary records and preparing written materials.

To meet this problem, each location employing less than 50 apprentices is requested to furnish a file or a cabinet which will provide the Union members of the Local Apprentice Committee a place to store their records and do their necessary writing. This file or cabinet should be similar to that which has been furnished District Committee persons in the plant and should be placed in an appropriate and secure location near their work area.

In addition, the Union requested and the Corporation agreed that at plants employing 50 or more apprentices, the Union members of the Local Apprentice Committee will be furnished a desk and chair for their use in the Center for Benefit Plans and Health and Safety Representatives to perform legitimate clerical functions which are related to their duties as provided in the Delphi-IUE-CWA National Agreement.

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane

Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the parties discussed the matter of space and furnishings provided for union representatives with responsibility for benefit plans, health and safety and apprentice matters.

We are interested as you are in providing facilities which enable all of these representatives to carry out their responsibilities. As soon as practical after the effective date of this Agreement, in the locations where there is insufficient room to accommodate these union representatives in the present facility local Management will expand it to make this accommodation. It is understood that at some of these locations where plant layout considerations are involved local Management may accommodate the need for additional room by relocating the facility or by providing a separate space in a suitable location for some of these union representatives. In that regard, at locations employing 600 or more employees a second desk and chair will be provided for benefit plans representatives. We will work with you and our divisions on any problems in this regard brought to our attention.

Doc. No. 42

**SPACE AND FURNISHINGS FOR UNION BENEFIT PLAN AND
HEALTH AND SAFETY REPRESENTATIVES AND THE UNION
MEMBERS OF THE LOCAL APPRENTICE COMMITTEE**

The specifications of such new or expanded facilities will be consistent with the specifications originally established as a result of the George B. Morris, Jr. letter to the International Union, IUE-CWA, dated November 19, 1973, regarding the Centers for Benefit Plan and Health and Safety Representatives.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During these negotiations, the parties discussed the duties of the Local Union President at certain Delphi Corporation locations and agreed that the special role of the Local Union President in the IUE-CWA Automotive Conference Board includes, in addition to administrative duties as the Local Union's Chief Executive Officer, certain elements of National Agreement administration.

Accordingly, the Corporation agreed that in plants employing 500 or more employees where the Local Union President is a full-time employee, such president will be allowed to perform legitimate administrative functions without loss of pay up to a total of forty (40) straight time hours per week. Moreover, in those same plants such president, as a portion of the forty (40) hours will be permitted to leave the plant in accordance with Paragraph (23) of the Delphi-IUE-CWA National Agreement and will be paid the regular rate for up to six (6) hours per day Monday through Friday to perform legitimate administrative functions.

Such Local Union President shall notify the designated Management representative, when leaving and returning to the plant during working hours.

Moreover, in those same plants when such Local Presidents are absent for at least one full working day for reasons other than those provided herein,

Management will recognize a temporary replacement from among the full-time employees. Notification of such replacement shall be submitted in writing at least twenty-four hours in advance to Local Management's designated representative. In the event such a replacement is made, the Local President shall not be paid and the replacement will be permitted to utilize time out of the plant with pay pursuant to the provisions herein.

In plants employing less than 500 employees but more than 250 employees where the Local Union President is a full time employee, such president will be allowed to leave the plant in accordance with paragraph (23) of the Delphi-IUE-CWA National Agreement to perform legitimate administrative functions without loss of pay for up to a total of ten (10) straight time hours per week. Any single period of absence must be for a minimum of two (2) hours.

In plants employing less than 250 employees but more than 100 employees where the Local Union President is a full time employee, such president will be allowed to leave the plant in accordance with Paragraph (23) of the Delphi-IUE-CWA National Agreement to perform legitimate administrative functions without loss of pay for up to a total of eight (8) straight time hours per week. Any single period of absence must be for a minimum of two (2) hours.

Any problems associated with the implementation or administration of this letter will be reviewed by the Corporation Labor Relations Staff with the Chairman of the IUE-CWA Automotive Conference Board.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the Union stated that at some plants local unions had experienced a problem with application of Paragraph (55) of the *National Agreement*. This problem concerned situations where Shop Committees did not have timely advance discussion of changes in established shift hours and lunch periods.

The Corporation stated that local managements have been advised as to the scope and meaning of this paragraph in the *National Agreement*. In addition to the need for timely advance discussion of changes in established shift hours or lunch periods, the Corporation stated that it is important to recognize that such advance discussion will necessarily be based upon the facts of the situation involved. In any event, however, Management should not unnecessarily delay such discussion where changes in the established shift hours or lunch periods are involved.

The International Union and the Corporation have also discussed the provisions of Paragraph (55) which direct that such discussions of changes in established shift hours or lunch periods shall take place with the Shop Committee. The Corporation pointed out that in many locations the nature of the operation, the size of the plant and the time factors involved often make advance discussions with the

entire Shop Committee impractical. As a matter of practice, many locations currently have mutually agreeable practices which have satisfied the requirement for advance discussion, but which have not involved the entire Shop Committee.

The International Union stated that, in applying Paragraph (55) to such situations, the National Agreement would be satisfied if another mutually satisfactory arrangement is made locally to implement the advance discussion provision of Paragraph (55) which does not include the entire Shop Committee.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During current negotiations, the parties discussed at length the worsening drug problem in our country and the rising incidence of chemical dependency. Chemical dependency on the part of employees impacts the workplace in terms of quality, productivity, and effectiveness of operations, while threatening the safety and well-being of both the chemically-dependent employee and co-workers. Accordingly, except where otherwise specifically negotiated locally, the parties have agreed to institute the following screening program:

Process

Employees may be screened for substance abuse (alcohol and drugs) in the following instances:

- (1) As a part of return to work physicals for employees returning from substance abuse related sick leaves of absence.
- (2) As required by law, such as F.A.A., D.O.T., and D.O.D.

All testing and reporting will be conducted in accordance with the guidelines established by the Department of Health and Human Services.

Implications

An individual who tests positive will be handled in the following manner:

- 1. FIRST POSITIVE:** The employee will be deferred from working for approximately two weeks and scheduled for follow-up testing. EAP services are to be offered to the employee and the employee is to be referred to the CDR. The employee will automatically be subject to further unannounced screening for a period of three months.
- 2. SECOND POSITIVE:** The employee will again be deferred from working for approximately two weeks and scheduled for follow-up testing. EAP services are to again be offered to the employee and the employee is to be referred to the CDR. The employee will automatically be subject to further unannounced screening for a period of six months.
- 3. THIRD POSITIVE:** The employee will again be deferred from working for approximately two weeks and scheduled for follow-up testing. EAP services are to again be offered to the employee and the employee is to be referred to the CDR. The employee will automatically be subject to further unannounced screening for a period of twelve months.
- 4. FOURTH POSITIVE:** The employee will be discharged regardless of prior disciplinary record or length of service. Grievances protesting irregularities in the testing procedure may be taken through the grievance procedure; however, extent of penalties arguments are not subject to the Umpire's discretion.

All positive test results will be subject to a mutually agreed to third party evaluation upon request of either party. Problems selecting a third party may be

DRUG SCREENING PROGRAM

referred to the National Parties. Employees who refuse to be tested will be treated as though they had tested positive.

Once terminated, if the employee satisfactorily documents to local management and local union six months continuous sobriety, within the 60 months following discharge, the employee will qualify for re-employment under Article VII of Document 23 of the National Agreement.

General

Employees who refuse assessment, treatment, or testing in accordance with this procedure will be treated as though they had tested positive.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

This is to confirm our understanding concerning the Christmas holiday periods provided under our National Agreement.

The agreement is intended to continue the concept of an unbroken Christmas Holiday Period from the day before Christmas through New Years Day (inclusive), a period that encompasses two weekends.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

Date: November 16, 2003

Subject: Overtime Policies

To: All Presidents

As part of the current negotiations Delphi Corporation informed the International Union, IUE-CWA that it was the Corporation's intention to republish the content of Mr. Edward N. Cole's letter of November 20, 1970 regarding Overtime Policies as follows:

There was considerable discussion in the 1970 negotiations about the claims of the International Union, IUE-CWA that too many employees who are required to work overtime over extended periods are not excused from overtime work assignments even though they have legitimate reasons to be excused.

The Corporation pointed out that overtime serves a number of functions essential to the effective operation of Delphi Corporation tightly integrated and interdependent manufacturing system. In many instances overtime must be worked at one or more plants in order to permit other plants to meet their schedules. Emergency overtime to repair breakdowns in essential equipment is often necessary to prevent or minimize interruptions in plant operations and resultant short work weeks for many employees. Overtime is also necessary on bottleneck jobs and also during certain times of the year in order to meet model change deadlines and to satisfy fluctuations in customer demand for Delphi Corporation products.

Both the International Union and the Corporation recognized that the nature of the business requires overtime work assignments. In many instances, however, less than a full complement in a supervisor's group is needed to cover the jobs which are working overtime. When less than a full complement of employees is needed it is usually practicable for the supervisor to excuse employees who do not wish to work and confine the overtime assignments to those employees who do wish to work. In situations where there are sufficient employees available who wish to work overtime and who are capable of doing the overtime work assignments, employees who do not wish to work overtime are to be excused from doing so, insofar as practicable.

Employees who are required to work overtime should be given as much advance notice as is practicable so that they can make any personal arrangements that may be necessary.

An individual employee's personal problems in connection with working overtime should be given careful consideration and an employee's individual needs should be recognized. The individual employee's request to be excused from an overtime work assignment, when made a reasonable period of time in advance, should receive every possible consideration. When the employee's request is granted the employee will be notified as far in advance as possible so that the employee can make personal plans accordingly. Thereafter, any cancellation or change in the arrangements to excuse the employee will only be made with the employee's consent.

OVERTIME POLICIES

Except in situations of an emergency or crisis nature, an employee who is not assigned to a necessary continuous seven-day operation and who has worked thirteen consecutive calendar days will be excused from work on the next following Sunday provided the employee has requested the day off before the end of the employee's shift on the previous Friday.

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During these negotiations, the Union expressed concern regarding benefit servicing for hourly employees who retire or were retired on or before January 1, 2000, from locations which are now part of Delphi Corporation (Delphi).

The parties acknowledged that through the term of the 2003 Agreement, such retired hourly employees would have benefit services provided by the local Delphi-IUE-CWA benefit representatives although GM retains the responsibility for the benefits and administration of such retirees' benefit plans. It was also acknowledged that over time GM and Delphi benefit systems might become incompatible thereby creating difficulty for local Delphi-IUE-CWA benefit representatives to service retirees who have GM benefit plans.

The parties agreed that in the event such difficulties prevent adequate service during the term of the 2003 Agreement, the parties would work together to attempt to resolve such difficulties.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the Union cited several problems concerning the request for time-off under the provisions of (1011) of the Delphi-IUE-CWA National Agreement. The Union cited instances where certain employees have been unable to obtain time-off when such request has been made in advance of the requested day. The Union also stated that other employees have not been excused when the individual circumstances have not permitted an advance request.

The Corporation assured the Union that an individual employee's needs will be given every possible consideration when determining if an advance request can be accommodated. The parties recognized that such requests must be consistent with production requirements and other time-off requests and their effect on the Corporation's operations.

It is also recognized that there are instances where it may be impossible, due to unforeseen circumstances, for an employee to request time-off in advance. Payment for such instances must be determined on an individual basis with due consideration being given to all the attendant circumstances.

ADMINISTRATION OF PARAGRAPH (1011)

If a pattern of administration of Paragraph (1011) contrary to the intent of this letter is noted at any location the matter may be raised by the Chairman of the Conference Board with the Corporation to resolve such problems.

Very truly yours,

**Kevin M. Butler
Vice President
Human Resource Management**

STATEMENT ON TECHNOLOGICAL PROGRESS

The parties have recognized that continuing improvement in the standard of living of the employees covered by the National Agreement depends upon technological progress, better tools, methods, processes and equipment as well as a cooperative attitude on the part of all parties in such progress.

The Corporation is mindful of the Union's concern regarding the scope and work content of the job classifications of employees in the IUE-CWA bargaining unit and how such may be affected by advancing technology.

Accordingly, the Delphi-IUE-CWA Skilled Trades and Apprentice Committee will meet periodically to discuss the development of new technology at the Corporation level and its impact upon the scope of the bargaining unit.

It is not the Corporation's policy to assign to non-represented employees work which comes within the scope and content of that normally assigned to represented employees at a particular plant location. The Corporation recognizes that mere novelty or the sophistication of new technology alone is not grounds for withdrawing work from represented employees. Similarly, the Corporation does not believe that the perimeters of the bargaining unit at a particular plant location should be expanded simply by the introduction of new technology.

It is recognized that advances in technology may alter, modify or otherwise change the job responsibilities of represented employees at plant locations and that a change in the means, method or process of performing a work function including the introduction of computers, energy management systems, modem, art to part, tool

STATEMENT OF TECHNOLOGICAL PROGRESS

cutting paths, broadband communication systems and fiber optics, CAM, CMM, CAE, 3D visualization or other new or advanced technology will not serve to shift the work function from represented to non-represented employees. Therefore:

1. Where a work function at a plant location preceded the certification of the Union, the work function will be assigned as it was assigned at the time of certification, unless there has been written agreement otherwise.

2. Where a work function was introduced at a plant location following the certification of the Union, the work function will be assigned as it was originally assigned, unless there has been a written agreement otherwise.

The Corporation and the International Union are in agreement that the assignment of represented or non-represented employees depends upon the work function involved and not necessarily upon the work tasks required to accomplish such work function.

In view of the Corporation's interest in affording maximum opportunity for employees to progress with advancing technology, the Corporation shall make available, as far in advance of the Technology introduction to the plant as practical, short-range, specialized training programs for those employees who have the qualifications to perform the new or changed work, where such programs are reasonable and practicable. Therefore, in the event the work performed by employees covered by the National Agreement is altered as the result of technological changes so that additional short-range training may be required, the Corporation is willing to train such employees where practicable to enable them to perform such work.

STATEMENT OF TECHNOLOGICAL PROGRESS

Where, as the result of the initial introduction of new or advanced technology, it is anticipated that an impact upon the scope of the unit of Union represented employees may occur, the Local Management will discuss the matter with the Chairperson of the Shop Committee. Such discussion will take place as far in advance of implementation of such a technological change as is practicable in order to provide the Local Union with timely input into the particular application of the new technology.—The Local Management will at that time describe for the Chairperson of the Shop Committee the extent to which such technological changes may affect the work performed by represented employees at the plant location involved. Comments by the Chairperson of the Shop Committee concerning the information provided will be carefully evaluated by the Local Management in accordance with the Corporation's policy relative to the assignment of work which comes within the scope and content of that normally assigned to represented employees at the plant location. During the discussions the Chairperson of the Shop Committee may include other Local Union representatives such as the Health and Safety Representative, a representative from the Local Joint Skill Development and Training Committee, and the Chairperson of the Union Members of the Local Apprentice Committee, as necessary, in order to review the various matters of concern relative to the introduction of the new technology involved. Likewise, Local Management may include representatives from appropriate functions, such as Manufacturing Engineering, Industrial Engineering and Purchasing, as required, in order to enhance meaningful discussions. These discussions may take place with all parties present as a group or separately according to individual disciplines as practicable.

STATEMENT OF TECHNOLOGICAL PROGRESS

Should a dispute arise concerning the impact of a technological change upon the scope of the unit, or a dispute alleging improper work assignments to non-represented employees, such dispute may be made the subject of a grievance by the Union at the affected plant location.

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

Subject: POW/MIA Flags

During the current negotiations, the Union requested that Delphi Corporation facilities fly POW/MIA flags. As discussed, flying of flags at Delphi Corporation locations is a matter of Corporate policy.

In view of the special sensitivity associated with Vietnam era MIA and POW issues, the Corporation indicated a willingness to consider exceptions to its normal policy on flags when so requested by a Local Union. These exceptions may include: individual special requests, special days recognized by the U. S. Government to honor or remember POWs or MIAs, or other appropriate holidays such as Memorial Day and Veterans Day.

It is understood that this matter is one of Corporate policy and if revisions to the policy are made, the Union will be notified.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the 1990 negotiations, the Union expressed concerns relative to the assignment of work at certain locations by Electronic Data Systems (EDS), which the Union felt should have been assigned to the respective IUE-CWA bargaining unit. In this regard, the Corporation agreed to reissue the content of the B. P. Crane, Jr. letter dated February 20, 1986 as follows:

Delphi Corporation and Electronic Data Systems entered into a contractual agreement which defines the business relationship between the two entities. Under the terms of this agreement, EDS has assumed worldwide responsibility for the management, operation, provision and maintenance of computer and information processing services, communication services and health care administration activities for Delphi. It is also the intent of the parties that the Delphi User Organization continues to be the customer of EDS.

As such, it is of particular importance to bear in mind that EDS, under the terms of this business agreement, remains separate and distinct. It becomes, in part, our responsibility to offer assistance in the successful operation of this relationship. Specifically, this relates to our acknowledging the fact that EDS is not a party to our National and Local agreements with the unions representing Delphi Corporation employees. EDS does recognize the historical nature of Delphi job functions and agrees that those job functions associated with manufacturing processes,

CONTRACTUAL AGREEMENTS - EDS

which have been historically performed by Delphi hourly personnel, should continue to be performed by bargaining unit employees.

We can relate this to a case in point - the installation and maintenance of the new voice communication system. The role that EDS plays in this situation is the traditional role of the local telephone company. Structural preparation remains the responsibility of Delphi Corporation and is most often accomplished utilizing bargaining unit employees. The other job functions associated with this voice communication system, in most cases, are not functions historically performed by our bargaining unit and are, therefore, the responsibility of EDS.

Also, our understanding concerning bargaining unit work does not limit the fulfillment of warranty obligations by vendors. Such warranty obligations and/or other work performed by employees of an outside contractor, including EDS employees, will be handled pursuant to the provisions of the collective bargaining agreements pertaining to outside contracting, where applicable.

In summary, we have had several meetings with EDS to discuss our mutual concerns. We have arrived at an understanding assuring the continuation of historical practices as they relate to Delphi Corporation jobs functions associated with manufacturing processes. We feel that this position is fair and will best accomplish our joint goals and recognizes the traditional role of bargaining unit employees.

As always, I appreciate your comments and suggestions. Please refer any questions to the Delphi Labor Relations Staff.

During the 1993 Negotiations, the Union raised several instances wherein they felt that EDS misapplied the concepts outlined in the above letter, oftentimes when there was a change in local Account Managers, and specifically with regard to the

applicable notification requirements outlined in the subcontracting provisions of the National Agreement. The Corporation observed that much of the work at issue is non-core in nature, but reiterated its intent to continue the concepts outlined in the B. P. Crane, Jr. letter.

Furthermore, necessary arrangements will be made to review these concepts and contractual commitments with all Delphi-EDS Account Managers.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

MEMORANDUM OF AGREEMENT**Voluntary Political Contributions**

It is agreed between Delphi Corporation (Corporation) and the International Union, IUE-CWA (Union) that the following understandings have been reached in connection with the Union's request to have deductions taken for voluntary political contributions from the monthly pension checks of the Corporation's hourly retirees and eligible surviving spouses.

Delphi Corporation also will continue to take deductions from the paychecks of active hourly employees in the same manner as it has in the past.

1. A designated official of the Union will furnish to the Corporation for each hourly employee, retiree, or surviving spouse for whom a deduction is to be taken, an Authorization Card, satisfactory to the Corporation, signed by the employee, retiree or surviving spouse.

Cards that cannot be processed will be returned to the designated official of the Union for correction.

2. The Union will retain exclusive responsibility for soliciting employees', retirees' and surviving spouses' participation, including expenses and compliance with the Federal Election Campaign Act.
3. With respect to retirees and surviving spouses, the Corporation will take such authorized deductions from regular pension checks monthly, and continuing monthly while such authorization is in effect, absent any conflicting legal requirements. In any case, deductions will be taken from any pension checks transmitted to the retiree or surviving spouse through regular processing but will not be made

from checks prepared through special processing. Current processes for deducting from the pay of active employees will, in all respects, be unchanged.

4. A deduction not taken in one month will not be carried forward to a subsequent month. The amount that can be deducted from pension checks is limited by law. Deductions for IUE-CWA C.O.P.E. will be subordinate to all other deductions permitted or authorized by law if total deductions exceed legal limitations.
5. The Corporation will assume the actual costs of general administration, as part of the economic settlement of these negotiations.
6. Retirees, surviving spouses, and employees who wish to cancel their authorizations for deductions will sign a card supplied by the Union for that purpose. Refunds will be the responsibility of the Union.
7. Designated officials of the Union will collect and forward to the Corporation, as one transmittal, all signed Authorization Cards and Cancellation Cards for the initial processing and once each month for subsequent additions, deletions, and changes.
8. The Union will indemnify and hold harmless the Corporation from any and all liability or claims arising from any claims or administrative errors resulting from the deductions provided for in this Agreement.
9. With respect to this Memorandum, the parties acted in reliance upon FECA Advisory Opinion 1981-39. This Memorandum is being entered into as part of the economic settlement with the Union. In entering this Memorandum, the Corporation reserved its right

VOLUNTARY POLITICAL CONTRIBUTIONS

to unilaterally, following discussion with the Union, terminate its Agreement to bear the ongoing administrative costs of processing IUE-CWA C.O.P.E. deductions and contributions upon discovery or the issuance of any decision, opinion, regulation, or statute by an agency, court or legislature that would call into question the lawfulness of the Corporation's assumption of these costs.

**International Union,
IUE-CWA**

James D. Clark

**Delphi
Corporation**

**Bernard J. Quick
Brenda D. Page**

DELPHI CORPORATION

November 4, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

As a result of our continuing discussions regarding the IUE-CWA's ability to defend and retain work and to have expanded opportunities to perform additional work, this is clarification of our mutual understanding regarding new, current, new design, or redesigned components, fabricated parts, and component products.

In situations wherein the Corporation is introducing a new, current, new design, or redesigned component, or other product that does not replace or update an existing product, as jointly reviewed by the National Parties, the Delphi-IUE-CWA National Agreement Future Product Sourcing process will be utilized and will provide the IUE-CWA with early involvement and timely access to all pertinent data, including financial information.

The elements of this letter are not intended to circumvent and/or change the definition of outsourcing in the Delphi-IUE-CWA National Agreement and Appendix F provisions. The sole principle and intent of this letter is to provide the IUE-CWA with expanded opportunities to defend its work and create opportunities to grow its membership as provided by the commitments contained in Appendix F.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the parties reviewed at length the numerous joint activities and programs currently in place as well as those yet to be established as a result of these negotiations which are administered at the National level. As a result of these discussions, the parties recognize the continued need of consolidating the administration of these various joint endeavors at the Joint Activities Center in the Dayton, Ohio area operating under the direction of the National Joint Skill Development and Training Committee.

The coordination and administration of such joint programs as Human Resource Development, Joint Skill Development and Training, the Individual Upward Educational Plan (IUEP), Health and Safety and such other joint activities as may be deemed appropriate by the National Joint Skill Development and Training Committee will be the responsibility of the Staff of the Joint Activities Center.

It is understood that all costs associated with the establishment and on-going operation of the Joint Activities Center will be supported by joint training funds.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the parties considered methods of making child care/elder care referral services available to requesting Delphi Corporation locations. Such methods are designed to assist employees in finding and selecting quality child care/elder care, which meet their individual needs and provides information to make them more informed consumers of child care/elder care services.

Local Unions and Managements interested in providing such services may submit a joint, written request to the National Joint Skill Development and Training Committee. The new service will then be made available as early as practical consistent with the need to ensure a high quality service.

The national parties will continue to review methods of providing child care/elder care and report the results of the findings to Local Union Presidents, Chairpersons, Plant Managers, and Personnel Directors.

The National Joint Skill Development and Training Committee and their designated representatives will be responsible for monitoring such methods and evaluating their effectiveness and utilization. Funding will be provided by Joint Training funds.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

This will confirm the understanding reached during the present negotiations that a Retiree Individual Upward Educational Plan for retired IUE-CWA-represented Delphi employees shall continue to be funded under the Individual Upward Educational Plan. Retirees would be eligible to take classes approved on-site at the plant or local union hall at the location from which they retired. The courses offered to retirees must be those that are available to the active workforce.

The program provides up to \$1,500 per calendar year per retiree for the prepayment of tuition and compulsory fees for approved courses. This includes approved courses leading to credits or degrees at approved educational institutions, or courses included in a special range of approved competency based courses, including non-credit and non-degree courses or activities.

The Plan will be administered under the direction of the National Joint Skill Development and Training Committee. The Committee has the authority and discretion to interpret the terms of the plan including, but not limited to, school and course approval, location of courses and program guidelines.

In addition, the grievance procedure set forth in the Delphi-IUE-CWA National Agreement has no application to or jurisdiction over any matter related to this joint program.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2009

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the course of the current negotiations, the parties agreed the content of the October 24, 1987 letter regarding the anticipated termination of sick leaves would again be published as follows:

During the current negotiations, the parties discussed at length the Union's concern that certain employees on sick leaves of absence were not made aware of the anticipated return to work date supplied to Management by the employee's personal physician.

As a result of these discussions the Corporation advised the International Union that as a matter of policy, in those instances where such information was submitted directly to Management by the employee's attending physician, an employee on a sick leave of absence would be provided written notification of the most current anticipated return to work date designated by the employee's attending physician. A copy of this notification will be provided the Chairperson of the Shop Committee.

In establishing such a procedure, it is mutually recognized that providing or not providing such information will be without prejudice to either party in the application of any terms of the National Agreement and will not be cited or relied upon by an employee, the Union, or Management as a basis for any claim.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the parties reviewed the existing Human Resource Development (HRD) Programs in IUE-CWA-represented plants. As a result of this review, the Corporation and the Union reaffirmed their support for ongoing Human Resource Development Programs and agreed to encourage local managements and local unions to participate in such programs.

In these discussions, the Union described instances where local unions were unable to participate fully in joint projects due to a lack of trained bargaining unit personnel.

As a result, the Union agreed to appoint a bargaining unit Human Resource Development Program Coordinator at those plants which have an ongoing joint Human Resource Development Program. The Union also recognized that frequent replacements of Human Resource Development Program Coordinators can seriously affect the progress of Human Resource Development Programs as well as increase expenses related to Coordinator training.

The selection of the Coordinator will be made by the Union subject to the approval of the National Joint Skill Development and Training Committee. The Coordinator will work in cooperation with the locally established joint Human Resource Development Committee and will report to designated representatives of the local parties. It is understood

that the coordinator will be paid by the Corporation during the regular straight-time hours of the shift for time spent as the coordinator. Furthermore, matters such as shift hours, meeting schedules, etc. will be subject to determination by the local parties.

The duties of the Human Resource Development Program Coordinator shall include, but not be limited to: training of management and union officials; establishing joint workshops for management, union officials and community leaders; and other duties designated by the parties.

The National Joint Skill Development and Training Committee shall periodically review and evaluate the Human Resource Development Program and the duties of the Human Resource Development Program Coordinator at each location and thereafter, make recommendations to the local parties for necessary improvements.

In the event either local party has reason to believe that the Coordinator is not functioning in the best interests of the Human Resource Development Program, the matter may be reviewed with the National Joint Skill Development and Training Committee for resolution.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

Delphi Corporation and the International Union IUE-CWA reaffirm the need for continued support of Human Resource Development activities. The Corporation and the Union recognize the critical need for continued change in order to meet the competitive challenge facing our industry. In order to facilitate this change, the parties are committed to work cooperatively in achieving the common goals of our industry in order to assure its continuing success. In order to realize our full potential, the parties are dedicated to improving the Human Resource Development process and to establishing an atmosphere of mutual trust.

Over the past decade, Human Resource Development activities have produced an environment which simultaneously has met human, social and business objectives at many locations. A stimulated, involved, informed workforce with open communications, broadened participation and employee commitment has been the result of these activities.

It is recognized by the parties that continuing the implementation of the Human Resource Development process requires commitment on the part of management (both Corporate and local) and the Union (both International and local). The parties are mutually committed to promote Human Resource Development with the goal of providing training and skill development with every employee given the opportunity to become a full participant in the

organization thereby making these innovations an integral part of our business.

In order to more effectively address our mutual interest in this regard, the parties have jointly selected and trained a full-time HRD coordinator for the purpose of facilitating HRD activities in those plants which have an on-going joint HRD program.

As a means of further enhancing efforts in the area of Human Resource Development, the parties agreed to continue such activities as:

- Skill development and training activities to enhance such goals as improved product quality and operational effectiveness.
- Establishment of joint workshops which would involve *International, District, and Local Union* officials; Corporate Labor Relations personnel; Divisional Presidents and Divisional Labor Relations personnel.
- Establishment of community labor/management workshops which are designed to explore the feasibility of creating increased employment opportunities in the community.

The National Joint Skill Development and Training Committee will provide the leadership concerning these and other potentially innovative activities and will give assistance and support to local managements and local unions during the development of these processes.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During these negotiations the Union raised a number of concerns regarding the subject of personal privacy. The discussions centered on the collection and dissemination of personal data concerning employees and/or their conduct in the workplace.

The Corporation reassured that it places as much importance on the confidentiality of such information as does the Union. In this regard, the Corporation will continue to protect and respect the confidential nature of all personal information. Both the Corporation and the Union agreed that the collection and dissemination of all such data must be related to the legitimate needs of the business or as required by any local, state or federal law, regulation, or court order.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During these negotiations, the parties discussed the importance of continuing education for school-aged dependent children of IUE-CWA represented employees. In this regard, the IUE-CWA and the Corporation have agreed to continue the IUE-CWA-Delphi Scholarship Program for Dependent Children.

The joint committee established by the National Joint Skill Development and Training Committee will continue to direct delivery of the program based on the following parameters:

- **Eligibility:** Dependent children of active, retired, or deceased IUE-CWA represented employees who are pursuing post-secondary education or training at an institution accredited by a governmental or nationally recognized agency are eligible to apply for continuing education support. For purposes of this program, the definition of dependent children will be the same as defined in the IUE-CWA-Delphi Legal Services Plan.
- **Amount of Support:** An annual voucher of up to a maximum of \$1,500 will be distributed directly to the recipient's educational institution for tuition and/or compulsory fees.
- **Funding:** Funding for this program, including administrative costs, will be provided through joint training funds. Total annual funding and

**IUE-CWA-DELPHI SCHOLARSHIP PROGRAM FOR
DEPENDENT CHILDREN**

expenditures for this program will be determined by the National Joint Skill Development and Training Committee.

- Administrative procedures: The joint committee will develop operating guidelines, administrative procedures, and selection criteria for approval by the National Joint Skill Development and Training Committee.
- Payments under the IUE-CWA-Delphi ~~Scholarship Program for Dependent Children~~ will be subject to applicable federal, state, and local income tax provisions.

The Grievance procedure set forth in the current Delphi-IUE-CWA National Agreement has no application to, or jurisdiction over, any matter related to this program.

Very truly yours, ..

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

Subject: Plant Closing and Sale Moratorium

As a result of your deep concern about job security in our negotiations and the many discussions which took place over it, this will confirm that during the term of the new Collective Bargaining Agreement, until October 12, 2007 the Corporation will not close, nor partially or wholly sell, spin-off, split-off, consolidate or otherwise dispose of in any form, any plant, asset, or business unit of any type, beyond those which have already been identified, constituting a bargaining unit under the Agreement.

In making this commitment, it is understood that conditions may arise that are beyond the control of the Corporation, e.g., act of God, and could make compliance with this commitment impossible. Should such conditions occur, the Corporation will review both the conditions and their impact on a particular location with the Union.

Should it be necessary to close a plant constituting a bargaining unit, consistent with our past practice, the Corporation will attempt to redeploy employees to other locations and, if necessary, utilize the "Special Programs" identified in Appendix D of the Delphi-

PLANT CLOSING AND SALE MORATORIUM

**IUE-CWA National Agreement or other incentivized
attrition programs as agreed to by the National JOBS
Committee.**

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During these negotiations, the parties discussed the problem created when local managements are reluctant to recall laid-off employees to perform work of known short-term duration because under the terms of the 1982 Agreement such employees regenerate costly benefits.

As a result of these discussions, changes are incorporated in the current agreement which delay regeneration of certain benefits. In response to those changes the Corporation assured the International Union that local management would discuss with the Local JOBS Committee plans to recall available laid-off employees or hire available laid-off IUE-CWA represented employees, under current Delphi Corporation policy, to fill such short-term openings.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

This is to confirm our understanding that the Pre-Retirement Leave Program set forth in Document No. 65 in the National Agreement shall be renewed for the duration of the 2003 Collective Bargaining Agreement.

The renewal shall be on the same terms and conditions. Eligibility shall be limited to employees who would be eligible for a regular early retirement based on attaining 30 years of service within twenty-four (24) months of participating in a pre-retirement leave. Upon attainment of 30 years of service, the participating employee will retire. The National JOBS Committee is authorized to make jointly approved modifications to the program, as necessary.

Employees on pre-retirement leaves are considered to be Protected employees under the JOBS Program and will receive the same insurance benefits.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

Subject: *Working on a Holiday/Vacation
Entitlement Conversion Option*

During the negotiations, the parties agreed that employees who work on a designated holiday, and are otherwise eligible for holiday pay, may request that eight (8) hours be credited to their Vacation Entitlement Allowance, in lieu of receiving holiday pay.

Eligible employees who work on any designated Christmas Period Holiday, may request that eight (8) hours for each day worked be credited to their Vacation Entitlement Allowance, in lieu of receiving holiday pay. Additional time-off resulting from the Christmas Holiday Period may be utilized, per local plant practice, at any time during the following year prior to the next Christmas Holiday Period.

To provide sufficient time for administration, the employees must submit their request in writing no later than the Friday of the week in which the holiday occurs.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the parties agreed to provide an up-front lump sum payment of \$3,000 to each eligible employee who is represented by the Union. Such payment will be made in the second pay period following receipt by the Corporation of written notification of ratification of this Agreement. Eligible employees who are represented by the Union are defined as those whose status with the Corporation on the effective date of this Agreement is one of the following:

- (a) Active (excluding those hired pursuant to Appendix E, Section VI and any other temporary part-time employee not acquiring seniority);
- (b) In protected status;
- (c) On temporary layoff status;
- (d) On one of the following leaves of absence not greater than ninety (90) days:
 - Informal (Paragraph 87)
 - Formal (Paragraph 88)
 - Sickness and Accident (Paragraph 90/91)
 - Pursuant to Family and Medical Leave Act
 - Military (Paragraph 95)

- Educational (Paragraph 96);

- (e) Employees, represented by the Union,
otherwise eligible with retirements processed
for an effective date of October 1, 2003 or
November 1, 2003.

In addition, should the International Union, -IUE,
CWA Automotive Conference Board raise any
question of equity in application regarding specific
employees who are represented by the Union, the
Corporation agrees to meet on such cases in order to
review the facts.

As has been our practice with prior up-front lump
sum payments, the payment is conditional solely on
the membership's ratification of the Agreement and is
paid to eligible employees in the above status
whether or not they vote for ratification or perform
any services for the Corporation.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, Delphi Corporation and the International Union, IUE-CWA, discussed the problem of "seniority slippage" under Paragraph (30a) which inhibits bargaining unit employees from accepting assignments to fill supervisory positions. It was recognized that in many instances it would be of mutual benefit to the parties for these employees to function in such positions.

Accordingly, this letter serves to confirm the agreement reached between the National parties that:

1. The transfer of any employee from a job classification in the bargaining unit to a supervisory position will result in the recall of a seniority employee from layoff status, if available, consistent with the provisions of the J.O.B.S. Program, and/or;
2. The transfer of an employee from a supervisory position back to the bargaining unit does not result in the layoff of a seniority employee;

Paragraph (30a) of the National Agreement will be modified in the following manner:

(30a) Any employee who has been transferred from a supervisory position to a job classification in the bargaining unit shall be credited with the seniority the employee had established prior to March 1, 1977, all time worked in the bargaining unit subsequent to

March 1, 1977, and all time worked in a supervisory position subsequent to the effective date of this agreement provided:

- (a) The employee previously worked on a job classification in the bargaining unit. This shall also be applied to employees who were promoted prior to certification of the Union.
- (b) The employee's employment with the Corporation has remained unbroken.

Such employee may be placed on the job to which seniority would entitle the employee under the local seniority agreement, beginning with the last previous job held in the bargaining unit; provided however, that if such last previously held job is no longer in existence, the employee may be placed in accordance with Paragraph (30). In no event shall such employee be transferred to a bargaining unit job at a time when the employee has insufficient seniority to be so placed.

In order to assure accurate and timely administration of the conditions stated above in Paragraph (30a) of the 1984 National Agreement, the following procedures will be instituted:

1. When any employee is transferred from the bargaining unit to a supervisory position, the Chairperson of the Local Union's Shop Committee will be given a letter specifying the employee's name and the name of the seniority employee who is recalled from layoff status.
2. When such supervisory employee, specified above, is returned to a job classification in the bargaining unit, the Chairperson of the Local Union's Shop Committee will be given a letter, notifying the Chairperson of such transfer back into the bargaining unit.
3. It is understood that any mutually satisfactory local agreement or practice in effect prior to the

MODIFICATION TO PARAGRAPH (30a)

effective date of this agreement that allows an employee in a supervisory position to accumulate bargaining unit seniority pursuant to Paragraph (30a) of the 1982 National Agreement will remain in effect.

Any complaints regarding the administration of this procedure may be raised by the Chairperson of the Shop Committee directly with the Plant Personnel Director.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During current negotiations, the Union expressed concern that the increased requirements on the Committeeperson's time for attendance at management meetings other than those involving Grievance Procedure related matters was, on occasion, preventing employees from receiving representation in a timely manner.

In this regard, the Corporation and the Union agreed that when such a situation exists, the local parties will allow the Alternate District Committeeperson to handle current grievances until such time as the District Committeeperson becomes available.

In the case of District Committeepersons who are also members of the Shop Committee pursuant to Paragraph (10) of the National Agreement, the local parties will allow their Alternate District Committeeperson to handle current grievances during the period that such District Committeeperson is legitimately involved in meeting with Management at Step Three and the Appeal Step of the Grievance Procedure or during other mutually agreed upon local contract negotiations meetings.

Any problems in this area should be raised with the Chairman of the Conference Board or with the Corporation Labor Relations Staff.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH - 45439

Dear Mr. Clark:

This will describe the methods to be used by the Compensation activity in regard to withholding of Federal income tax from employee's wages attributable to grievance awards, vacation pay and pay in lieu of vacation from employee's wages.

Grievance awards in excess of \$500.00, but involving periods less than one calendar year, will be treated as supplemental wages and income tax withholding will be calculated using the Federal income tax regulations regarding supplemental earnings.

Likewise, pay in lieu of vacation also will be treated as supplemental wages and income tax withholding will be withheld using the Federal income tax regulations regarding supplemental earnings.

It should be noted that the tax withholding referenced above only covers the Federal withholding amount. An amount for FICA taxes and state or local income taxes, where applicable, will be in addition to the amount withheld for Federal income tax.

Grievance awards which are less than \$500.00 will be aggregated with the regular payroll and the income tax withholding will be calculated on the total amount.

If a grievance award is made for a period of more than one calendar year, the income tax withholding

will be calculated as if the payment were for a single annual period. Thus, in such situations, the Compensation activity will use the annual percentage table to calculate the income tax withholding for such awards. This method would be the same as considering the award as having been paid equally over the preceding 52 weeks.

For vacation payments made for time away from work, such payments will continue to be treated as a regular wage payment; i.e., income tax withholding will be calculated as if the vacation payment represented a regular weekly wage payment.

The above methods are dictated by Federal Income Tax Regulations. Therefore, any change or amendment to such Regulations will, of necessity, have to be reviewed for compliance with the above changes.

Formal procedures to effect these changes are being communicated to the Compensation activity by separate letter, with instructions to make these changes as soon as practical.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH-45439

Dear Mr. Clark:

During the current negotiations the parties discussed the situation where an employee has applied for and been granted a vacation for a calendar week which contains a holiday as defined by Paragraph (102) of the Delphi-IUE-CWA National Agreement. The Union was concerned that if an employee was credited with a full week of vacation time-off under this situation the employee would not be able to receive the full eligible vacation time-off as contemplated in the Vacation Section.

The Corporation recognizes the desirability of providing vacation time-off up to the employee's eligibility for vacation entitlement as of the end of the current eligibility year. Accordingly, the Union was advised that in situations described above an employee would be eligible for an additional day of absence for vacation purposes to be scheduled in accordance with local practice. This would not apply to holidays falling within the Christmas Holiday Period as defined in Paragraph (102).

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

Inter-Organization

DELPHI CORPORATION

Date: November 16, 2003

Subject: Administration of Paragraph (84)

To: All Personnel Directors
Plants Covered by the Delphi-IUE-CWA
National Agreement

During the current negotiations the Union complained about improper administration of Paragraph (84) by local managements.

These complaints centered around the hiring of skilled trades employees as journeypersons without sufficient checking by local Management of the documents presented by the applicants to assure they qualify for such status in accordance with the provisions of Paragraph (84). They also complained that in some instances Management shifted the blame to the Union when such an employee had to be released because, upon further investigation, the information upon which Management relied to hire the individual did not meet the criteria of Paragraph (84).

In response to these complaints the Corporation stated it would inform local managements that when proof of journeyperson status is not clearly established, such documentation will be furnished to the Chairperson of the Shop Committee and the matter will be thoroughly investigated before an employee is hired. Additionally, the Corporation assured the Union that any explanation concerning the reasons a newly hired journeyperson employee must be terminated because of failure to meet the requirements of Paragraph (84) is to be based on those factual reasons and not on the fact that the Local Union may have questioned the matter.

The parties mutually agreed that both the local Management and the local Union must exercise fair but sound judgment when considering matters relative to Paragraph (84).

Kevin M. Butler
Vice President
Human Resource Management

MEMORANDUM OF UNDERSTANDING - JOINT ACTIVITIES

During current negotiations, the parties mutually recognized that the challenge from foreign and domestic competitors requires a fundamental change to maximize the potential of our human resources. The parties agreed that in order to make constructive progress in this regard, there is a need to reaffirm the necessity of assuring that the various programs related to changes in the work environment are appropriately and effectively administered. Decisions concerning those programs must be mutual at all levels, and must respect the concerns and interests of the parties involved.

National Joint Skill Development and Training Committee

The parties have agreed to continue the National Joint Skill Development and Training Committee as the facilitating mechanism for joint endeavors. The Co-Directors of the National Joint Skill Development and Training Committee will be the Executive Director of Industrial Relations and the President of the IUE-CWA. Each will appoint an equal number of persons from their respective organizations as members of the National Joint Skill Development and Training Committee.

The National Joint Skill Development and Training Committee will actively direct and support the National Joint Health and Safety Committee, the National Employee Assistance Program, the JOBS Program, the Individual Upward Educational Plan and such other national joint committees and activities as may be mutually agreed to by the Union and the Corporation. The Co-Directors will appoint an equal number of representatives from their organizations to serve on these Joint National Committees. Additional persons

external to either party may also be appointed with the mutual approval of the Co-Directors.

The duties and responsibilities of the National Joint Skill Development and Training Committee will include, but not be limited to, the following:

- A. Setting policies and providing guidelines;
- B. Allocating funds for projects and activities;
- C. Monitoring expenditures for approved projects and activities;
- D. Coordinating the efforts of the National Committees referred to above;
- E. Evaluating and auditing the ongoing performance and results of these committees;
- F. Keeping IUE-CWA leadership and Corporate management informed of joint Union-Management activities and the progress of the national committees in achieving their objectives;
- G. Reviewing and approving proposals for National Meetings, conferences, and workshops.

Joint Skill Development and Training

The parties have agreed to provide resources from available funds to promote the development and implementation of skill development and training activities, including technical training for active and displaced employees. Programs funded by this Agreement will be jointly conceived, implemented, monitored and evaluated.

Additionally, Joint Skill Development and Training Committees will continue to function at the local level, comprised of the President of the Local Union, the

Chairperson of the Shop Committee or their representatives and the Plant Manager, the Personnel Director or their designated representatives. The National Joint Skills Development and Training Committee and/or their designated representatives should be fully involved in local skill development and training efforts, including any action of each Joint Local Committee.

Other Joint Activities

In addition to its previously described functions, the National Joint Skill Development and Training Committee will support other joint National Committees by:

- (1) Coordinating requests for funding of joint activities, studies, pilot programs, training, etc.
- (2) Providing appropriate communication vehicles or information sharing processes for joint activities;
- (3) Providing mechanisms to monitor, audit, and evaluate joint activities; and
- (4) Coordinating joint efforts, projects, and the various national committees.

Approval Process

Any requests for authorization to expend funds must be jointly approved by the local parties and submitted to the National Committee for approval. In situations where mutual agreement regarding fund approval cannot be reached locally, either party may appeal the issue to the National Joint Skill Development and Training Committee for resolution. When the local parties request funds for Human Resource Development endeavors, the proposal must be forwarded to the

National Joint Skill Development and Training Committee for review and monitoring in accordance with its guidelines.

Funds Utilization

Funds may only be used for joint endeavors in furtherance of this Memorandum of Understanding, or in support of those Joint National Committees specified above. The parties are specifically empowered to review and evaluate this Memorandum and the guidelines and make mutually satisfactory adjustments and modifications during the term of this Agreement.

Following are illustrative examples of appropriate uses of the various funds.

- Specific projects dealing with active workers
- Joint National Studies
- Joint National Pilot programs
- Joint National Agreement administration
- Training efforts of active employees in job related skills, basic education enhancement, interpersonal skills and Human Resource Development
- Specific studies, pilots, activities, etc. agreed to by the National Parties

It is understood that funds may not be utilized for contractually specified training such as apprentice training nor for funding of time-off the job of designated or elected IUE-CWA representatives routinely functioning in administration of the contract.

It is understood that nothing in this Memorandum limits the rights of either party to provide education and training programs on the same, similar or other subjects.

Agreement Expiration

In the event the parties should agree to discontinue, in whole or in part, this Memorandum prior to the expiration date of the new National Agreement, or upon expiration, the parties shall meet to discuss any problems arising out of the termination.

**INTERNATIONAL
UNION, IUE-CWA**

James D. Clark
Stephen E. Trent

**DELPHI
CORPORATION**

Bernard J. Quick
Charles E. Rucker

MEMORANDUM OF UNDERSTANDING - HUMAN RESOURCE DEVELOPMENT

A landmark letter appeared in the National Agreement in 1973 which recognized the desirability of mutual organizational change efforts designed to improve the quality of work life of employees and the success of the Corporation. Going forward, Delphi Corporation and the International Union, IUE-CWA, have agreed that a single focus must be communicated throughout the organization.

This focus should revolve around People and the beliefs and values of the Quality Network, recognizing that the total involvement of People in all that we do is essential to job security and the success of both the IUE-CWA and the Corporation.

In accordance with this focus, the parties recognize that all joint activities will continue to encompass a philosophy that emphasizes joint relationship(s) built on mutual trust, cooperation and respect. Therefore, the parties agree that all processes directed at developing our human resources will be jointly developed, implemented, monitored and evaluated.

The parties further recognize the need for organizational strategies that focus on large systems change and the integration of all people involvement efforts. Joint resources will be provided to support this objective.

The National Joint Skill Development and Training Committee composed of representatives of the International Union and the Corporation will have responsibility for:

- Promoting and initiating processes, projects, and training that enhances the development of our human resources;

- Making Human Resource Development Training available for local Union and Management representatives who initiate joint processes;
- Sponsoring joint training conferences for those individuals responsible for coordinating/consulting Human Resource Development activities;
- Providing information to local parties on the availability of resources including consulting and training;
- Assuring that joint Union and Management groups at the local level receive consultative support and assistance as requested;
- Sponsoring joint Human Resource Development Leadership conferences;
- Publishing Human Resource Development guidelines and materials;
- Assuring that consultative resources are established and maintained;
- Approving and monitoring the use of non-IUE-CWA/Delphi consultants.

The Local Joint Activities Committee, will be responsible for the local Human Resource Development processes, setting goals and policy direction consistent with guidelines established by the National Joint Skill Development and Training Committee and will jointly guide, maintain and evaluate the process.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives on November 16, 2003.

**INTERNATIONAL
UNION, IUE-CWA**

James D. Clark
Stephen E. Trent

**DELPHI
CORPORATION**

Bernard J. Quick
Charles E. Rucker

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations the parties discussed at length a problem encountered at some plant locations where upgraders and apprentices are in training to become journeypersons in the skilled trades classifications.

The parties recognize the desirability of providing opportunities and training for employees through both the Delphi-IUE-CWA Standard Apprentice Program and the Upgrader Program consistent with the needs of the business. To preserve the continuity of the Apprentice Program, which has generally been viewed as the preferred long-run source of skilled trades personnel in the apprenticeable classifications, the parties have negotiated appropriate provisions in the National Agreement to avoid unnecessary interruptions of the program. The Upgrader Program has been continued as necessary by the parties to supplement the journeyperson workforce, at times, during shortages of skilled trades personnel.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the recent negotiations, there were discussions concerning subcontracting which resulted from inadequate communication about such matters. As a result of these talks, Management reaffirmed the commitment which was made in an A. S. Warren, Jr. letter to General Managers in 1987 as follows:

During the current agreement we have experienced many labor relations problems in the plants in handling subcontracting matters.

In many of these instances the root cause of the problem is lack of communication. Inadequate communication has occurred at the Divisional and local plant levels. The Delphi-IUE-CWA National Agreement currently requires timely meetings in advance of the decision to subcontract work normally and historically performed by Delphi Corporation skilled trades employees. I am informed, however, that some meetings relative to major die construction are not held at all or not in advance of the subcontracting associated with the program.

In addition, plant level meetings with local union representatives relative to routine maintenance contracting are often held after the contract has been let and insufficient useful information is provided to the union for them to consider and make appropriate comments relative to Management's plans.

SUBCONTRACTING COMMUNICATIONS

The Corporation intends to achieve worldwide competitive status utilizing not only the skills of our employees but also the suggestions and ideas of the people and the unions as to how work can best be accomplished at the lowest possible cost with the highest possible quality and on time.

This approach to managing the business should be utilized throughout the Corporation at all levels: production, skilled and technical. Obviously such discussions should be held in a timely manner with appropriate management and union personnel.

Accordingly, please assure that an appropriate representative of management in each personnel department is responsible for having adequate information about each subcontract for the performance of skilled trades work covered by the subcontracting provisions of the agreement. After determining that required discussions have been held this representative would approve the contract prior to its being let to an outside firm. This will require complete understanding and cooperation of our contractual requirements by the plant's engineering and purchasing personnel.

The restructuring of the Corporation has resulted in different people and a variety of teams now having responsibility for advance model die construction. Please assure that all executives or others involved with product teams are made aware of our contractual requirements. A specific member of each team should be given the responsibility of informing the personnel director well in advance of the actual beginning of die construction. The objective is to enable the personnel director to inform the union in advance of any impact on the bargaining unit in accordance with Document 31 in the National Agreement.

There are numerous examples where complete, advance communications with the union and the skilled trades employees has resulted in important projects being completed on a competitive basis in terms of quality, cost and timeliness. The result has been a feeling of pride of accomplishment shared by the union, employees and the managers.

Plant relationships can only be improved by open, frank communications in all areas, particularly in carrying out our subcontracting responsibilities.

Mr. Battenberg and the Strategy Board are in complete agreement that extraordinary attention must be given to our managerial responsibilities in this area. I have been assured by the International Union that we will have the full assistance of the IUE-CWA Automotive Conference Board Staff in bringing about improved plant relationships when we have installed full, advance communications relative to business decisions involving subcontracting.

Furthermore, with regard to tool, die and represented engineering work, including prototype and pre-prototype work, several local Managements and Unions have implemented a process of advanced notification, review, and competitive analysis which has enabled the parties to consider and serve the interest of skilled tradespersons in job security, as well as Managements' needs for competitive and timely performance of this kind of work. Therefore, the Corporation and the International Union are in agreement that they will expect other locations to implement this approach in order to avoid conflicts over the subcontracting of such work.

SUBCONTRACTING COMMUNICATIONS

Finally, in this regard, the use of joint Management and Union work schedule and business opportunity planning teams work very successfully in many of our locations. This approach has not only enhanced job security, but has allowed a better understanding as to the competitive challenges facing the parties. As such, each location is expected to establish a skilled trades business team involving both Management and Union representation who will work jointly to develop the most efficient approach to the work to be performed.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH. 45439

Dear Mr. Clark:

During the current negotiations the Union complained there has been inconsistent administration of the "normal warranty" provisions of Paragraph (86b) of the National Agreement. The Union indicated that plant managements insist on warranties beyond normal periods of time and that our skilled employees are not assigned to the new equipment or machinery until long after it has been in the plant. This does not provide the opportunity for our own skilled trades to learn how to keep such equipment operating effectively.

The Corporation informed the Union that good business practice includes the use of warranty arrangements sufficient to assure that the equipment purchased by the Corporation performs according to specifications required by the purchase contract.

The Corporation agreed to remind the Divisions that the training and expertise that will be required of our own skilled trades must also be kept in mind as an important business consideration. The transition from vendor to our employees and the training and timing of the transition are important parts of that consideration. The parties agreed that many locations through cooperative efforts such as assigning appropriate respective IUE-CWA-Delphi skilled trades employees with vendors during installation and servicing, progressive training arrangements provided by the vendor both onsite and offsite, etc., have resolved all their problems

attendant to this issue. The Corporation and the International Union encourage each local union and local management to pursue such reasonable working agreements.

Instances that are not resolved may be handled under the appropriate subcontracting provisions of this agreement.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the parties discussed and noted that in many instances the early indicators of an employee suffering from medical and personal problems such as those associated with substance abuse, for example, are manifested in disciplinary situations involving violations of the Shop Rules. In those initial stages it is generally the first line supervisor and the district committeeperson who are first exposed to the potential of such underlying causes behind employee behavioral problems.

Although the parties acknowledge Management's responsibility to maintain discipline and to invoke disciplinary measures where violations of the Shop Rules occur, it is also recognized that local management and union representatives at all levels are necessarily charged with the responsibility to exercise their best efforts toward the objective of early identification of employees whose behavioral problems may be linked to medical and personal causes and to strongly encourage them to seek assistance. In many cases this could be accomplished through referral to the local Employee Assistance Program Committee.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark

Chairman

IUE-CWA Automotive Conference Board

2360 W. Dorothy Lane

Suite 201

Dayton, OH 45439

Dear Mr. Clark:

During these negotiations, the parties discussed at length the necessity for the Corporation to become competitive in all aspects of the business. Among the issues discussed was the existing Skilled Trades classification structure.

With regard to the Skilled Trades classification structure, the Union expressed concern over apprenticeable Skilled Trades classifications being consolidated. In this regard, the Corporation observed that it will not dictate consolidation of apprenticeable Skilled Trades classifications to its plants. The Corporation advised, however, that they intend to rely on the current and future apprenticeable Skilled Trades classifications as the basis for our Skilled classification structure moving forward. Competitive advantages of a review of existing Skilled Trades classifications at any Delphi-IUE-CWA facility must be weighed and determined by the local parties in view of all attendant circumstances at that location, consistent with the intent of the National Parties. Appropriate training plans necessary to accomplish any consolidation must be submitted in a timely manner for approval by the Delphi-IUE-CWA Skilled Trades and Apprentice Committee.

Due to the nature and sensitivity of this subject the parties agree that if such Skilled Trades classification structure cannot be accomplished during current Local Negotiations, the local parties

will enter good faith discussions as soon as practicable thereafter, regarding specific Skilled Trade classifications. These discussions should concentrate on competitiveness, while protecting the integrity of the Skilled Trades classifications.

To attain this goal the Delphi Labor Relations Staff and the IUE-CWA Automotive Conference Board Staff will, upon invitation of the Local parties, support these good faith discussions to attain the goals which would be beneficial to both Delphi and the IUE-CWA Skilled Trades workforce. The onset of these discussions should take place no later than 90 days from the conclusion of the current National and Local Negotiations. Any exceptions to the above must be approved by the Delphi-IUE-CWA Skilled Trades and Apprentice Committee.

With regard to work rules and past practices, the Corporation stated that many plants feel hampered in their efforts to enhance competitiveness in today's environment by historical practices which originated at a time when competition was less threatening. Therefore, the National parties concur that local Management and the Local Unions will review existing work rules and practices with today's competitive environment in mind. Lines of Demarcation between Skilled Trades classifications which allow for incidental, overlapping and other minor access-type work is strongly encouraged and will be discussed and handled locally by mutual agreement consistent with sound business judgment. To accomplish this task, the local parties should establish a Lines of Demarcation Committee, to meet on a regular basis, to address the issues outlined in this paragraph.

WORK ASSIGNMENTS - SKILLED TRADES

If either of the local parties feel that abuses of the spirit and intent of this document exist, they will request the issue be reviewed, via plant entry, by the IUE-CWA Automotive Conference Board Staff and the Delphi Labor Relations Staff.

Very truly yours,

Kevin M. Butler

Vice President

Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

Subject: Job Security - Apprentice Training and
JourneyPerson Development

During these negotiations, the Union and the Corporation acknowledged that skilled trades personnel provide vital support to operations, and that there is a direct relationship between the effectiveness of skilled trades personnel and the success and viability of the operations they serve.

Establishing new levels of competence within the apprenticeable trades through training and retraining will permit the Union and the Corporation to pursue the critical objective of continuous improvement in quality, flexibility, operational effectiveness and in turn, enhance job security.

Consistent with these discussions and in response to current skilled trades demographics, potential future retirements, and attrition, the Corporation has agreed to continue to place primary reliance on the Delphi-IUE-CWA Apprentice Program as the training source for future skilled trades employees. Exceptions to this must be approved by the Delphi-IUE-CWA Skilled Trades and Apprentice Committee. Integral to this job security-related commitment would be actions to enhance the flexibility of both future apprentice graduates and current journeypersons.

**JOB SECURITY - APPRENTICE TRAINING AND
JOURNEYPerson DEVELOPMENT**

With regard to the utilization of the Apprentice Program, business conditions permitting, the objective would be to indenture an aggregate of 120 apprentices Corporation-wide (at Delphi-IUE-CWA locations) in the apprenticeable trades, and will make a good faith effort to increase the aggregate to 145. These additional apprentices will be added by October, 2007, provided that qualified candidates can be found who meet all the selection criteria and affirmative action goals can be met. While the placement of apprentices will depend on a variety of business condition factors such as attrition, business sector performance, future product plans and product allocation, the general economy and sales and market trends, Delphi Corporation intends to pursue the objective to place apprentices during each of the next four (4) years. Requests for apprentices, the rate of placement, and forecasted requirements will continue to be reviewed by the National Parties consistent with other understandings regarding skilled trades job security.

It is understood that in cases where the above goals cannot be met, or there is an immediate need for Journeypersons' skills at a particular location, it may be necessary to hire Journeypersons and/or Upgraders in place of the apprentices agreed upon in this letter. In that case, the Corporation will inform the International Union of the number of Journeypersons hired and the reasons. Also, in these discussions the parties reviewed the need to give priority consideration to the placement of laid-off Delphi-IUE-CWA skilled tradespersons (Journeypersons, Upgraders, Apprentices) as well as those assigned to a JOBS Bank.

Furthermore, where changes in the type of operation, volume, product life cycle, or other reasons, have caused an excess number of Journeypersons in a particular Skilled Trade classification and placement in their trade classification is not possible, the parties will pursue, where feasible and practical, the retraining of Journeypersons to qualify them in

another Skilled Trade. Such retraining could be done within or outside the Delphi-IUE-CWA Apprenticeship Program. In any event, any such retraining programs must be approved by the Delphi-IUE-CWA Skilled Trades and Apprentices Committee.

It is anticipated that progress in the goals set forth in this letter will be reviewed periodically in regular meetings of the Delphi-IUE-CWA Skilled Trades and Apprentices Committee. Progress will be reported annually to the Chairman of the IUE-CWA Automotive Conference Board and the Vice President of Human Resource Management for Delphi, for review and adjustment where necessary.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the discussions that led to the 1993 Collective Bargaining Agreement, the parties held lengthy discussions regarding the grievance procedure and its proper implementation. Both parties acknowledged that the Grievance Procedure has worked well over the years in resolving problems when it was properly administered as outlined in the National Agreement.

The Union claimed that in some instances, the Grievance Procedure provisions have not been properly applied relative to the intent of the National Agreement. Specifically, the Union remarked that at some locations, grievances were allowed to accumulate at the various steps of the Grievance Procedure and/or were not answered in a timely manner at the lower steps of the procedure. The Union further claimed that in some cases Management representatives were not available for or were unwilling to schedule regular grievance meetings. The Corporation stated their concern that at times, Union Representatives demanded answers to grievances before Management had an opportunity to investigate the charges contained in the grievance.

As a result of the foregoing, the parties reviewed the contents of Document No. 26 and Document No. 27 and reaffirmed their mutual desire and intention to assure that grievances will not be unduly delayed nor allowed to accumulate at any step in the

Grievance Procedure in any plant. Furthermore, it was recognized that both parties have the responsibility to meet regularly on grievances in accordance with the terms of the National Agreement and that such meetings should not unnecessarily be postponed or delayed. In this regard, the parties agreed that complaints in this area will be handled under the provisions of Paragraph (1a) of the National Agreement. Before such problems are referred from the plant, however, the situation will be discussed between the Chairperson of the Shop Committee, the President of the Local Union, the Chairman of the IUE-CWA Automotive Conference Board and the Plant Manager and Personnel Director.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

Subject: Coordination of Sourcing Evaluations

During these negotiations, the National Parties had extensive discussions regarding the implementation of Appendix F. In this regard, it was recognized that effective implementation is dependent in large part on the efforts of the local parties.

Both parties to this agreement acknowledge and commit that these matters should be viewed as high priority at the local level. Access to confidential information such as quote packages and pertinent financial data is essential. Therefore, in order to facilitate the sourcing evaluation process and the effective preparation of a quote response, the Plant Personnel Director will assign coordination responsibility and authority to a designated local management representative. Such responsibilities may include identification of the appropriate management resources to respond to Union inquiries, on a timely basis, and the scheduling of meetings, as required.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

The IUE-CWA and Delphi have worked together for many years to understand and promote diversity in the workplace, a goal we absolutely agree on and are fully committed to. The parties have long recognized that diversity is the collective mixture of our similarities and differences. Both organizations recognize that diversity includes race and gender, as well as broader dimensions such as family status, religion, sexual orientation, education, abilities, disabilities, military status, union, non-union, language and many others.

Diversity is a positive asset to an organization because only by leveraging our diversity will we be able to achieve the kind of relationship that we know is necessary if Delphi Corporation is to prosper and provide good jobs that allow employees, both union-represented and salaried, to be secure in today's complicated world.

Our vision is to have a workplace that naturally enables the people of IUE-CWA-Delphi to fully contribute and achieve personal fulfillment. The IUE-CWA and Delphi continue to support and integrate the many voices of diversity, increasing our appreciation of cultural differences, beliefs, values, abilities, disabilities and sexual orientation. The IUE-CWA and Delphi work together at the national and local levels to develop and deliver diversity training. The principles that guide IUE-CWA-Delphi Diversity Initiatives include:

DIVERSITY TRAINING

- creating a learning organization;
- seeking diverse input and involvement;
- leading the cultural change process; and
- pursuing continuous improvement in diversity actions and programs.

The National Human Relations Committee works with local Plants to provide educational materials to the IUE-CWA-Delphi workforce regarding diversity and equal employment opportunities. They also identify community agencies involved in civil rights and diversity activities and work with community leaders to discuss and work towards solutions to mutual problems regarding discrimination. Action plans can be developed to include such activities as:

- utilizing plant communication methods to celebrate cultural diversity and share the IUE-CWA-Delphi joint commitment to diversity;
- seeking input from identifiable diverse employee groups and individuals;
- identifying opportunities to celebrate diversity with educational awareness events and exhibits;
- communicating how diverse employee groups can participate in plant and community projects; and
- recognizing activities that are inclusive of diverse employee groups.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

The parties to this agreement recognize the critical impact outsourcing proposals have on the parties' relationship at both the National and local level. In this regard, when potential outsourcing is under consideration, the local parties should have sufficient time to evaluate the proposal to insure that they have the opportunity to develop a plan to retain the work. During the discussions leading to the current Agreement, the sourcing process was modified to provide a more meaningful role for the Union in sourcing decisions through involvement in the request for quotation process. Under this process, which provides for earlier involvement, the Union will generally have as much time to evaluate methods to retain the work as the 150 day notification process provided under the 1993 National Agreement. In those instances where it is anticipated that less than 150 days will be required to complete the sourcing process, the Chairperson of the Shop Committee will be so advised.

However, in such instances where the Union believes that insufficient time has been provided for input into a pending sourcing decision, the matter should be referred to the National Parties for further discussion.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During these negotiations, the parties discussed at length the Delphi Manufacturing System (DMS) and its proper relationship to the IUE-CWA-Delphi Quality Network process.

As a result of those discussions, the parties agree that within one year of this Agreement, the Co-Directors of the IUE-CWA Quality Network will conduct a complete investigation of activities currently underway in several Delphi locations to jointly determine "best practices" for the appropriate approach to full implementation of ON-DMS through the Quality Network process.

Once completed the Co-Directors will review their findings with the Chairman of the IUE-CWA Automotive Conference Board and Vice President - Human Resource Management for comment and direction.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During these negotiations, the Union raised concerns relative to the timeliness of remitting Union Membership Dues to the financial officer of the Union.

Accordingly, the parties agreed that, upon ratification of the 2003 National Agreement, Management will develop a process to have dues remitted to the IUE-CWA utilizing a weekly electronic funds transfer (EFT) method. It is anticipated that this weekly EFT method will be implemented during the first quarter of 2004.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

**2003 DELPHI-IUE-CWA
CONTRACT SETTLEMENT
AGREEMENT**

**2003 DELPHI CORPORATION-IUE-CWA
CONTRACT SETTLEMENT
AGREEMENT**

Agreement dated this 16th day of November, 2003 between Delphi Corporation, hereinafter referred to as the "Corporation," and IUE-CWA, the Industrial Division of the Communications Workers of America, AFL-CIO, CLC hereinafter referred to as the "Union." The parties hereto agree as follows:

1. New National Agreement

A new National Agreement to be dated November 16th, 2003 and to become effective as hereinafter provided in Paragraph (17) of this Agreement, has been agreed upon and consists of the provisions of the National Agreement between the parties dated November 14, 1999 except for the changes hereinafter noted, as supplemented by the provisions of the Memorandum of Understanding entered into on October 17, 1957 and amended on May 26, 1964, except for the amendments, additions, substitutions and deletions hereinafter provided.

2. Unchanged Paragraphs

The following paragraphs and appendices of the November 14, 1999 Agreement as supplemented, shall be included in the new Agreement without change:

Introduction	(4b)	(4i1)(b)	(4q)
Preface	(4c)	(4j)	(4r)
(1)	(4d)	(4k)	(4s)
(1a)	(4e)	(4l)	(5)
(2)	(4f)	(4l)(a)	(5a)
(3)	(4g)	(4l)(b)	(6)
(3a)	(4h)	(4m)	(7)
(4)	(4i)	(4n)	(8)
(4a)	(4i1)	(4o)	(9)
(4a1)	(4i1)(a)	(4p)	(10)

(11)	(28c)(2)	(31c)(c)(2)	(42)
(12)	(28c)(2)(1)	(31c)(d)	(42a)
(13)	(28c)(2)(2)	(31c)(e)	(42b)
(14)	(28d)	(31c)(f)	(43)
(15)	(28f)	(31c)(g)	(43a)
(16)	(28g)	(31d)	(44)
(17)	(28g)(a)	(32)	(45)
(18)	(28g)(1)	(33)	(46)
(19)	(28h)	(33)(a)	(46a)
(20)	(28i)	(33)(b)	(46b)
(20)(1)	(28i)(b)	(34)	(46c)
(20)(2)	(28i)(1)	(34)(a)	(46d)
(20a)	(28k)	(34)(b)	(46e)
(20b)	(28k)(1)	(34)(d)	(46f)
(20c)	(28k)(2)	(34)(e)	(46f)(a)
(21)	(28l)	(34)(e)(1)	(46f)(b)
(21a)	(28m)	(34)(e)(2)	(46f)(c)
(21b)	(28n)	(34)(f)	(47)
(22)	(28o)	(34)(f)(1)	(47)1
(22a)	(28p)	(34)(f)(2)	(47)2
(23)	(28q)	(34)(f)(3)	(47)3
(23a)	(29a)	(34)(g)	(48)
(24)	(30)	(34)(g)(1)	(49)
(25)	(30a)	(34)(g)(2)	(50)
(26)	(30a)(1)	(34)(h)	(51)(a)
(27)	(30a)(2)	(34)(i)	(51)(b)
(27a)	(31)	(35)	(51)(c)
(27b)	(31a)	(36)(a)	(52)(a)
(28)	(31b)	(36)(b)	(52)(b)
(28)(1)	(31b)(a)	(36)(c)	(52)(c)
(28)(2)	(31b)(b)	(36)(d)	(53)
(28)(3)	(31b)(c)	(37)	(54)
(28)(4)	(31b)(d)	(38)	(54)(1)
(28)(5)	(31c)	(39)(a)	(54)(2)
(28)(6)	(31c)(a)	(39)(b)	(54)(3)
(28a)	(31c)(b)	(39)(c)	(54)(4)
(28b)	(31c)(c)	(40)	(54)(5)
(28c)(1)	(31c)(c)(1)	(41)	(55)

(56)	(65l)	(76)	(95)(2)
(56a)	(66)	(79)	(95)(3)
(57)	(66)(1)	(79)(b)	(95a)
(57)(a)	(66)(1)(a)	(79)(c)	(96)
(57)(b)	(66)(1)(b)	(79)(d)	(96a)
(57)(c)	(66)(1)(c)	(80)	(96b)
(57)(d)	(66)(1)(d)	(81)	(97)
(57)(e)	(66)(1)(e)	(82)	(98)
(57)(f)	(66)(1)(f)	(83)	(99)
(58)	(66a)	(84)	(100)
(58a)	(67)	(85a)	(101)
(59)	(67)(a)	(85b)	(101a)
(60)	(67)(b)	(85c)	(101b)
(60a)(a)	(67)(b)(1)	(85d)	(101c)
(60a)(a)(1)	(67)(b)(2)	(86a)	(101d)
(60a)(b)	(67)(b)(3)	(86b)	(101e)
(60a)(c)	(67)(b)(4)	(86c)	(101f)
(61)	(67)(b)(5)(a)	(86d)	(101f)(1)
(61)(1)	(67)(b)(5)(b)	(86e)	(101f)(2)
(61)(2)	(67)(b)(5)(c)	(87)	(101g)
(61)(3)	(67)(b)(6)	(88)	(101h)
(61)(4)	(67)(b)(7)	(89)	(101i)
(61)(5)	(67)(b)(8)	(89a)	(101j)
(61)(6)	(67)(b)(9)	(90)	(101k)
(61a)	(67)(b)(10)	(91)	(101l)
(61b)	(67)(b)(11)	(92)	(101m)
(61c)	(67)(b)(12)	(92a)	(101n)
(61d)	(67)(b)(13)	(93)	(101o)
(62)	(67)(b)(14)	(93a)	(101p)
(63)	(68)	(93b)	(101q)
(63a)	(69)	(94)	(101r)
(64)	(70)	(94)(a)	(101s)
(65c)	(71)	(94)(b)	(101t)
(65d)	(71)(a)	(94)(c)	(101u)(1)
(65e)	(72)	(94)(d)	(101u)(2)
(65i)	(73)	(94)(e)	(101u)(3)
(65j)	(74)	(95)	(101u)(3)(a)
(65k)	(75)	(95)(1)	(101u)(3)(b)

(101u)(3)(c)	(102)(1)	(102f)(4)	(109)
(101u)(4)	(102)(2)	(102g)	(110)
(101u)(5)	(102a)	(102h)	(111)
(101u)(5)(a)	(102b)(1)	(102i)	(112)
(101u)(5)(b)	(102b)(2)	(102j)	Appendix A
(101u)(5)(c)	(102c)	(102k)	Appendix B
(101u)(6)	(102d)	(102l)	Appendix B-1
(101u)(7)	(102e)	(102l)(a)	Appendix C
(101u)(8)	(102f)	(102l)(b)	Appendix G
(101v)	(102f)(1)	(104)	
(101v)(1)	(102f)(2)	(105)	
(101w)	(102f)(3)	(106)	

3. Amendments, Additions, Substitutions and Deletions

A. The following paragraphs and appendices of the November 16th, 2003 as supplemented, shall be amended, as initialed by the parties and attached hereto, and shall be included in the New Agreement:

Agreement	(60a)(b)(a)	(78)	(107)
(28e)	(60a)(b)(b)	(79)(a)	(108)
(28i)(a)	(65a)	(101u)	Appendix D
(29)	(65b)	(102)	Appendix E
(34)(c)	(65f)	(102)(3)	Appendix F
(43b)	(65g)	(103)	
(54)(6)	(65h)	(103a)	
(60a)(a)(3)	(77)	(103b)	

B. The following new paragraphs as initialed by the parties and attached hereto, shall be included in the new Agreement:

(65b)(1)	(65b)(3)	(101x)
(65b)(2)	(65b)(4)	

C. The following paragraphs and documents as initialed by the parties and attached hereto, shall be deleted from the new Agreement:

(60a)(a)(2)	(60a)(d)	(60a)(e)
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4. Union Bulletin Boards and Publication Racks

The Union agrees to indemnify the Corporation against any and all actions, charges, claims, damages or losses of any kind or nature whatsoever resulting from, arising out of, based upon, or attributable to (1) any material posted or displayed on Union bulletin boards bearing the written approval of the President of the Local Union or the Chairperson of the Shop Committee, or (2) the display and/or distribution through the Union ~~Publication Racks of publications of the Local Union~~ and International Union which have been certified to Management as official by the President of the Local Union, the Chairperson of the Shop Committee or the International Union Representative.

5. Indemnity Agreement

The Union agrees to enter into indemnity agreements with the Corporation and the Trustee of the Delphi-IUE-CWA Supplemental Unemployment Benefit Plan Fund whereby the Union indemnifies and protects the Corporation and the Trustee against liability arising from the check-off of Union membership dues and initiation fees from employees' wages or from any Regular Benefits received under the Delphi-IUE-CWA Supplemental Unemployment Benefit Plan. Each of these agreements is to be similar in form and substance to the indemnity agreement executed by the parties in connection with the most recently expired Agreement, with such changes as may be necessary to make them conform to the current understanding of the parties.

6. Grievances Under Prior National Agreements

Grievances filed with Management prior to the effective date of the new Agreement may be appealed to the Umpire and considered by the Umpire under the provisions of the November 14, 1999 National Agreement as though that Agreement were in effect until the effective date of the new Agreement.

7. Local Agreements

It is agreed that any written local agreements, including but not limited to, local wage agreements, local seniority agreements and local shift preference agreements, entered into by the Shop Committees and Local Managements after November 16th, 2003 shall become effective as local agreements between the respective Local Management and Shop Committee subject to their respective terminal provisions, if any, and subject to the provisions of the new Agreement, for the life of the Agreement. Any local agreement without a termination clause shall terminate, without further action by either party to such local agreement, with the effective termination of the new Agreement, and such local agreement shall not be terminated otherwise except as the parties to such local agreement may agree hereafter in writing.

8. Hiring Rates

An employee hired during the term of the 1999 Delphi-IUE-CWA National Agreement who has not attained the maximum base rate of the job classification as of the effective date of the new Agreement shall progress to the maximum base rate of the job classification in accordance with the provisions of Paragraph (61) of the 1999 Delphi-IUE-CWA National Agreement not including the amount transferred from the Cost of Living Allowance pursuant to Paragraph (65g) of this Agreement.

The parties agreed that Paragraph (61) of the new Agreement is not intended to change any of the provisions or applications of local wage rules. However, where such wage rules are applied to employees who have not attained the maximum base rate of the job classification and who are covered by Paragraph (61), (61a), or (61b) of the new Agreement, the appropriate rate in Paragraph (61), (61a), or (61b) of the new Agreement will apply.

An employee, who has received the hire rate and rate progression set forth in Paragraph (61), (61a), or (61b) of the new Agreement and who, at the expiration of one hundred and fifty-six (156) weeks of employment, is assigned or continues to be assigned to a job classification that has an extended training period, but has not completed the required time in such classification to receive the maximum base rate, will continue at the current rate or the rate specified in the local wage agreement for time worked in such classification, whichever is higher. Thereafter, such employee will receive a rate in accordance with the provisions of the local wage agreement.

For the purpose of determining the respective rates specified in Paragraph (61), (61a), or (61b) of the new Agreement, the Engineering Method of Rounding specified in the current Kevin M. Butler letter regarding COLA-Calculation apply.

9. Related Supplemental Agreements

Amended Supplemental Agreements covering Pension Plan (Exhibit A), Life and Disability Benefits Program (Exhibit B), Health Care Program (Exhibit C), Supplemental Unemployment Benefit Plan (Exhibit D), Guaranteed Income Stream Benefit Plan (Exhibit E), Profit Sharing Plan (Exhibit F), Personal Savings Plan (Exhibit G), and Legal Services Plan (Exhibit I) are agreed to and renewed and shall be the same as those dated November 14, 1999, except that they shall be revised as shown on the pages which are initialed by the parties, effective in accordance with and subject to the provisions of such pages.

10. (This item number is not being used in the 2003 National Agreement.)

11. Computing Seniority - Jury Duty

In the event a temporary employee is summoned and

reports for jury duty as prescribed by applicable law during the period of six continuous months preceding the date the employee acquires seniority pursuant to Paragraph (29) the employee's seniority when acquired will be adjusted to give the employee credit for seven additional days for each week in the period in which the employee did not work and during which jury duty was performed. The employee must furnish evidence that the jury duty was performed in order to receive seniority credit in accordance with this provision.

12. Local Issues Strikes

The Corporation will waive the provisions of the National Agreement prohibiting the right to strike with respect to each plant in which the International Union, IUE-CWA, authorizes a strike arising out of current negotiations of local issues, demands and supplemental agreements for the duration of the continuance of such strike at such plant. No such strike shall be authorized or called, however, without at least five (5) working days prior written notice by the Union to the Corporation of the intention to authorize any such strike.

13. Health Care Benefits

The Joint Committee on Health Benefits will engage in activities which have a high potential for cost savings, while achieving the maximum level of health care coverage and services for the money spent for such protection. The Corporation will make available funds up to \$225,000 which may be spent, over the four-year period beginning with the effective date of the 2003 Delphi-IUE-CWA National Agreement, to fund such mutually agreed upon activities as studies, pilot projects and use of consultants.

14. *(This item number is not being used in the 2003 National Agreement.)*

15. National Agreement Changes and/or Waivers

It is agreed that it may be beneficial for local unions and local managements to consider alternative work schedules or other means to improve the competitive position at particular plant locations. It is agreed that in order to facilitate and encourage such innovations, it may be necessary to change and/or waive certain provisions of the National Agreement and Exhibits ~~attached thereto at such plant locations. It is further~~ understood if either the Local Union or Local Management intends to propose any change or waiver of the National Agreement and Exhibits attached thereto, including but not limited to wages and benefit programs, prior written notice shall be given by the Local Union to the Chairman of the IUE-CWA Automotive Conference Board and by the Local Management to the Executive Director of Industrial Relations of the Corporation. Prior to the commencing of negotiations at the local level pursuant to this paragraph, discussions at the National level will take place if requested by either the International Union or the Corporation. It is understood that any National Agreement and/or Exhibits thereto change(s), or waiver resulting from such local negotiations will not be effective unless approved in writing both by the Corporation and International Union; and such change(s) will be effective only at the plant location(s) specifically designated. In addition, the parties agree that any local agreements negotiated and approved pursuant to this paragraph will not be considered in conflict with any provision of the National Agreement as specifically provided for in Paragraph (104) of the National Agreement.

16. Funding: Joint Skill Development and Training

It is agreed that the Corporation will make available to the National Joint Skill Development and Training

Committee for use in nationally approved national or local projects, including health and safety training, subject to the provisions of the Memorandum of Understanding - Joint Activities, funding up to \$41,000,000.00, over the life of the Agreement, of which \$1,500,000.00 would be made available for the continuation of Legal Services if approved by the National Parties, subject to an annual budget process. If the funding is fully utilized prior to the expiration of this contract period, the Corporation agrees to continue the funding of Nationally approved projects (for example, IUEP, Dependent Scholarship Program, Retiree IUEP and operation of the IUE-CWA-Delphi Joint Activities Center) up to an additional \$10,000,000.00.

17. Ratification and Effective Date

The new Agreement shall become effective on the first Monday following the date on which the Corporation receives satisfactory notice from the International Union that the new Agreement has been ratified by the Union membership provided that the Corporation receives said notice from the International Union on or before November 30, 2003.

Counterpart Signatures

The signatures hereon shall be applicable to each of the various written agreements to which each party has committed itself in the same manner and with the same effect as if physically subscribed thereon.

The parties hereto, each by its duly authorized officials and representatives hereby accept this Contract Settlement Agreement and each and all terms and conditions thereof.

**IUE-CWA, the Industrial
Division of the Communications
Workers of America,
AFL-CIO, CLC**

EDWARD L. FIRE
JAMES D. CLARK
MICHAEL J. BINDAS
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PETER MITCHELL
LAUREN ASPLEN
ALEXIA MCCASKILL
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NICK BORDER
MARCUS STEVE LYKINS
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VIRGINIA BAILEY

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GUY HACHEY
JIM BERTRAND
RALPH E. HANDLEY
STEVEN L. GEBBLA
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BERNARD J. QUICK
MARK CASHDOLLAR
ROB GERLING
ED GOETTL
JUDY MATZELLE
D. SCOTT MITCHELL
M. BETH SAX
FRANCIS KUPLICKI
KAREN ZIMMER
SCOTT HARRIS
DAVID BODKIN
MICHAEL S. FLIGSTEIN
THOMAS SMITH
DALE JOHNSON
DAVE CAIROLI
DR. SALVATORE GALANTE
KARL BOSSUNG
BRENDA PAGE
DAVE PETTYES
CHARLES RUCKER
MARK A. WINFIELD
RICH BALGENORTH
JOHN L. DEMARCO
PAT McDONALD
LAURA HARDY
MARK PIERCE
BEVERLY HUMPHREY
LESLEY MARCOTT

**IUE-CWA, the Industrial
Division of the Communications
Workers of America,
AFL-CIO, CLC**

**Delphi
Corporation**

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JAMES PETRIE
SHARON SMITH
BRIAN STUDER
SHARON DELEZENNE
DEBORAH FRANCE
DEANNA DOROGY
MICHELLE TRIMBLE
LAWANDA WHITE
STEPHANIE DAMERON-CLARK
CHRISTINE DARBY
DEBORAH DOUGLAS
NANCY JULIUS
CRISTINA M. ZATEK
DENNIS RIPPEL
LUCE RUBIO
RENEE ATKINSON
MELINDA J. WILEY

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Chassis Systems**

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ED GOETTL
JIM FENNEL

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Kettering

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TODD T. WHARTON

Anaheim

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New Brunswick

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MICHAEL PALMER

Moraine

THOMAS MUNLEY
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ANTHONY RUSSELL
AARON JAMES

Clinton

CURTIS L. WEAKLEY

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**LARRY PHILLIPS
RON HARDY**

Gadsden

DAPHNE HENRY

**Local No. 717
IUE-CWA, AFL-CIO
(Warren, Ohio)**

**GARY M. REISER
DONALD O. ARBOGAST**

Warren

**EMILEE A. CHAHINE
DIANE A. PROKOP**

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JULY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	AUGUST S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	SEPTEMBER S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
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