

Performance Bonus

In March 2, 2009, March 1, 2010 and March 11, 2011, workers will receive lump-sum performance bonuses equal to 2 percent of qualified earnings (including base wages, COLA, overtime, shift and seven-day operator premiums, call-in pay, vacation, holiday and other paid time off) over the preceding 52 pay periods.

Up-Front Lump-Sum

Eligible workers will receive an up-front \$5,000 lump-sum payment in the second pay period following official notification of ratification. Eligible workers are those whose status on the effective date of the proposed agreement is in one of the following categories:

- Active (excluding those hired pursuant to Appendix A)
- On layoff
- On one of the following leaves of absence not greater than 90 days
 - ◆ Informal (Paragraph 103)
 - ◆ Formal (paragraph 104)
 - ◆ Sickness and Accident (Paragraphs 106/108)
 - ◆ Pursuant to the Family and Medical Leave Act (FMLA)
 - ◆ Military (Paragraphs 112 or 218b)
 - ◆ Educational (Paragraph 113)
- Employees otherwise eligible with retirements processed for an effective date of June 1, 2008.

Holiday Bonus

UAW members will also receive \$500 Christmas bonuses in December of 2009, 2010 and 2011. This bonus will be paid in the first full pay period in December to those in the above categories, except for indefinite layoff status associates.

Dues: A Constitutional Matter

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

COLA Now Paid as an Annual Lump Sum

The tentative agreement calls for the cost-of-living allowance (COLA) to be accumulated quarterly based on all compensated hours for that period and paid annually in lump-sum payments. The quarterly adjustment of the COLA amount will continue accumulating each quarter after a diversion of 12 cents (\$0.12) per quarter.

There will be no negative adjustments to the accumulated COLA should the Consumer Price Index decline during any quarter. Compensated hours are all hours worked plus all paid time-off hours (vacation, holiday, etc.).

In 2011 the final COLA lump sum will be paid in December and will contain an additional \$50.

The lump sums will be paid at the following times for the periods as listed:

For compensated hours during the period paid

March 3, 2008, to May 25, 2008	First payday in July 2008
May 26, 2008, to May 31, 2009	First payday in July 2009
June 1, 2009, to May 30, 2010	First payday in July 2010
May 31, 2010, to Nov. 27, 2011	Payday for the week of Dec. 5, 2011

Duration and Ratification

The changes in this proposed agreement will not take effect until the tentative agreement is ratified by a majority of our membership. Changes will go into effect on the dates specified.

The new agreement, if ratified, would run four years and expire at 11:59 p.m., Feb. 25, 2012.