

CENTRAL AGREEMENT

between

CATERPILLAR INC.

and the

UAW

March 15, 2017

This booklet also contains the

LOCAL SUPPLEMENT

for the

DECATUR FACILITY

and

LOCAL UNION 751

March 15, 2017

CONTENTS

Article 1	
Purpose*	
Article 2	
Recognition	1
Article 3	
Union Security	2
Article 4	
Representation	3
Article 5	
Grievance Procedure	7
Article 6	
Arbitration*	
Article 7	
Hours of Work and Overtime	10
Article 8	
Safety	19
Article 9	
Vacation and Separation Pay*	
Article 10	
Vacation Bonus*	
Article 11	
Seniority	20
Article 12	
Job Openings	23
Article 13	
Downgrade, Layoff, Recall	25

Article 14	
Leave of Absence	25
Article 15	
Salary & Income Security Plan*	
Article 16	
General	26
Article 17	
Training*	
Article 18	
Wages*	
Article 19	
Group Seniority	28
Article 20	
Duration	35
Letter of Agreement #1 – Service Claim Work	37
Letter of Agreement #2 – Top Rate for Employees Placed During Reductions in Force	37
Letter of Agreement #3 – Alteration of Wage Rates or Job Descriptions	38
Letter of Agreement #4 – Safe Hooking Procedure	38
Letter of Agreement #5 – Line Spacing Procedure	39
Letter of Agreement #6 – Scheduling Work During Plant Vacation Shutdown	40
Letter of Agreement #7 – Apprentice Overtime	42
Letter of Agreement #8 – Grievance Committee AWS Provision	42
Letter of Agreement #9 – Non-Traditional Lists	43
Exhibit B - Skilled Trades Groups	43
Exhibit C - NIO/IO Groups	44

*No Local Sections

AGREEMENT

This Agreement entered into and concluded at Decatur, Illinois, on this 15th day of March, 2017 by and between Caterpillar Inc., Decatur, Illinois, hereinafter designated and referred to as the “Company,” and International Union, United Automobile, Aerospace and Agricultural Implement Workers of America and its affiliated Local Union 751, thereafter designated and referred to as the “Union” through their duly authorized representatives, do hereby agree as follows.

ARTICLE 2 RECOGNITION

(2.1) The Unit appropriate for collective bargaining purposes is the unit covered by the certification of the National Labor Relations Board dated September 26, 1955, in Case No. 13-RC-4494 and Case No. 13-RC-4508, namely:

all production and maintenance employees of the Company’s Decatur, Illinois, Plant but excluding all employees in the job classification of: Clerk, File; Clerk, Routine; Messenger, A; Assistant, Laboratory; Clerk, General; Comptometer, B; Key Punch Operator, Numerical; Sorter Operator, IBM; Teletype Operator; Typist; Auxiliary Mach. Operator, IBM, B; Key Punch Opr., alphabetical; Switchboard Operator; Xerox Operator; Auxiliary Mach. Opr., IBM, A; Blueprint Machine Operator; Clerk, Advanced; Clerk, Blueprint Control; Clerk, Car Dispatch; Clerk, Production Accounting; Comptometer, A; Multilith Operator; Receptionist, A; Safety Cart Operator; Stenographer; Tabulating Mach. Opr., IBM, B; Chauffeur; Clerk, Production Acctg., General; Detailer; Locksmith; Secretary- Stenographer, B; Tabulating Mach. Opr., IBM, A; Technician, Metallurgical; Clerk, Accounting, Jr.; Clerk, Layout; Clerk, Safety Store; Coordinator, Duplicating; Investigator, Accident; Nurse, Industrial; Secretary- Stenographer, A; Bookkeeper, General Ledger; Coordinator, Insurance; Secretary; Chemist, Metallurgical; Clerk, Accounting; Clerk, Cutting Tool Records; Clerk, Inbound Shipments; Clerk, Outbound Shipments; Clerk, Stock Control; Coordinator, Equip. & Communications; Detailer, Sr.; Draftsman, Layout; Technologist, Physical; Analyst, Stores Requirements; Clerk,

Engr. Release & Change; Clerk, Follow-up; Draftsman; Inspector, Safety; Releaser, Production; Accountant, Accounts Payable; Clerk, Accounting, Sr.; Technician, Plant Engineering; Technician, Punched Card Acctg. Sys.; Analyst, Job; Coordinator, Scheduling; Designer, Tool, B; Engineer, Timestudy; Interviewer; Planner, Layout; Releaser, Sr.; Scheduler, Factory; Accountant, Projection; Analyst, Rate; Designer, Tool, A; Engineer, Processing; Clerk, Prime Products Follow-Up; Clerk, Weight; and plant protection employees and professional and supervisory employees as defined in the Act, as amended.

ARTICLE 3

UNION SECURITY

(3.1) "Authorization for Dues Check-Off" will be placed in effect by the Company, in accordance with Article 3 of the Central Agreement, during the next month following delivery to the Company, if such assignment is delivered not later than the twenty-fifth day of the month.

(3.2) The Company shall submit a check for the amount of deductions made, in accordance with the provisions of Section 3.2 of the Central Agreement, accompanied by a statement listing the names of the employees and the amount of deductions made, payable to the Financial Secretary of the Union.

(3.3) The Company recognizes and will not interfere with the right of employees to become members of the Union, and will not discriminate against employees because of their Union affiliation or legitimate Union activity. The Union agrees that there shall be no Union activity on Company time unless such activity is permitted elsewhere in this Agreement, or the Company grants permission therefor in writing.

ARTICLE 4

REPRESENTATION

(4.1) In order to provide a system of Union representation for the settlement of grievances, the representation structure will be as follows:

One Steward shall represent the employees under each Supervisor. The Steward shall be an employee within the group he represents.

There shall be a Plant Grievance Committee composed of five (5) members, one of whom shall be designated as the Chairman of the Grievance Committee. One Committeeman shall represent Assembly and Test Specialists and Fabrication Specialists on first shift. One Committeeman shall represent all other employees on first shift. One Committeeman shall represent employees on second shift. One Committeeman shall represent employees on third shift. Each Committeeman shall be elected from among the employees whom he/she represents.

The Union may designate a number of Alternate Committeemen equal to the number of Committeemen on such grievance committee. Each Alternate Committeeman shall be selected from among the employees whom he/she represents. The Union will provide the business unit Labor Relations Manager with a list of all Alternate Committeemen for that business unit and shall notify the business unit Labor Relations Manager of any changes to this list as promptly as possible.

When it is necessary for a Committeeman to be absent for a full day or more, such Committeeman may be replaced by an Alternate Committeeman, provided the business unit Labor Relations Representative is notified no later than Thursday of the week preceding the week in which the time off is to be taken. In the event an emergency or unforeseen circumstances prevent such advance notification, the Labor Relations Manager may elect to waive such requirement.

(4.2) In taking Step I, Stewards may, without loss of pay for regularly scheduled hours discuss a grievance (1) with the aggrieved employee, provided the aggrieved employee first informs his immediate supervisor of the specific issue the aggrieved employee believes the

Company has violated (2) with the aggrieved employee's immediate Supervisor, and (3) if the grievance is not satisfactorily settled in Step I, with the appropriate Committeeman who would handle the grievance in Step II. However, in the absence of the Steward, or if for a temporary period there is no Steward, a Steward from an adjacent area may represent the employee under the jurisdiction of the Steward involved. Where the individual aggrieved employee is the Steward, the aggrieved Steward will be represented by the appropriate Committeeman.

In taking Step II, Committeemen may, without loss of pay for regularly scheduled hours in accordance with Article 4 of the Central Agreement, discuss the grievance individually with each of the following: (1) the Steward, (2) the aggrieved employee, (3) the Supervisor/Superintendent or other Company designated representative. Where the individual aggrieved employee is a Committeeman, he may be represented in the second step by the Alternate Committeeman.

The Chairman of the Grievance Committee may elect to perform his duties as stated below while on Union Leave or on Union call-out for the duration of their term of office.

Those privileges granted to the Chairman of the Grievance Committee are as follows: (1) discuss grievances in the Final Step with the Company representatives as provided in Article 5.5 of this Local Agreement; (2) participate in joint investigations agreed to in a Final Step Grievance meeting.

An Alternate Committeeman shall have no contractual privileges, duties or responsibilities unless called upon to replace a Committeeman. While replacing a Committeeman, the Alternate Committeeman shall assume all of the privileges, duties and responsibilities of the Committeeman whom he/she is replacing. The Alternate Committeeman may exercise such privileges without loss in pay for regularly scheduled hours when replacing a Committeeman.

(4.3) If an employee working overtime desires to process a grievance related to an incident occurring during such overtime period, Union representatives handling such grievance shall,

without loss of pay during such overtime period in accordance with Article 4 of the Central Agreement be permitted to process such grievance as provided in Article 5 of this Agreement.

(4.4) If a Steward or alternate committeeman is absent from work, the President of the Union (or his designated representative) may appoint an alternate who will be temporarily recognized following notification of such appointment, in writing, to the Labor Relations Department.

(4.5) It is understood that the President of the Union may attend Final Step Grievance Meetings. The President may also serve as alternate to the fulltime Chairman, as provided in Section 4.2 of this Local Agreement. The President may elect to perform the duties of his office while on union leave or while on union call-out. He shall notify the Company in writing of his intended status within thirty (30) days of the effective date of this Agreement or the beginning of his elected term. His status shall remain in effect for the length of his term in that office.

ARTICLE 5

GRIEVANCE PROCEDURE

(5.1) It is mutually desired that grievances be satisfactorily settled as quickly as possible. Whenever a grievance arises, an earnest effort will be made to settle such grievance in the following manner.

(5.2) STEP I. The aggrieved employee or Steward shall present the grievance directly to the employee's immediate Supervisor at the time the grievance arises. If the employee has identified the issue for his/her Supervisor, upon request of the employee the Supervisor shall without undue delay send for the Steward for the purpose of (1) discussing his grievance with him prior to presentation to his Supervisor, and (2) presenting the grievance. The aggrieved employee shall be present at the time the grievance is presented to the immediate Supervisor, except when the aggrieved employee has requested his Supervisor to send for the Steward, in which event presence of the aggrieved employee is optional. The Supervisor shall render his decision within three working days from the date of referral to first step. The time limits for

answering grievances as prescribed in the above procedure may be extended by mutual agreement between the parties.

(5.3) STEP II. Grievances not satisfactorily adjusted in the first step shall, at a mutually agreed time within two working days after the date of appeal to this step be discussed between the appropriate area Committeeman as defined in Section 4.1 of the Local Agreement and the Superintendent or other Company designated representative who shall render a decision within two working days. The time limits for answering grievances as prescribed in this section may be extended by mutual agreement between the parties.

(5.4) Any grievance not appealed from a decision in Step I within five working days or Step II within ten working days of such decision shall be considered settled on the basis of the last decision and not subject to further appeal.

(5.5) FINAL STEP. If the grievance is not satisfactorily adjusted in the second step, the Chairman of the Grievance Committee of the Union or his designated representative shall present the grievance to the Final Step of the grievance procedure in writing prior to the Final Step meeting. Each Thursday from 12:00 p.m. until 4:30 p.m., a meeting will be held between the Grievance Committee and Labor Relations. On the days of these meetings, the time from 12:00 p.m. until 1:00 p.m. shall be allotted to discuss issues of mutual concern. The balance of the meeting shall be used to discuss grievances that have been referred to the Final Step, provided there are grievances to discuss. The Grievance Committee shall have an opportunity to assemble in the Conference Room forty minutes prior to the Final Step Meeting.

(5.6) Except as provided in Section 5.5 of the Central Agreement, to be processed under the above grievance procedure, a grievance must be presented in Step I within a reasonable period after the occurrence of the action asserted to be the cause of a grievance or within a reasonable period after the time the employee or Union could have been aware of such action asserted to be the cause of the grievance. In all cases, presentation of grievances within fifteen calendar days shall be considered within the above referred to "reasonable period." The time limits for

answering grievances as prescribed in the above procedure may be extended by mutual agreement between the parties.

(5.7) At the Final Step grievance meeting safety grievances, grievances concerning layoffs, current separations and indefinite disciplinary suspensions will be discussed first in chronological order of referral to Final Step. The balance of the grievances will be discussed in order of referral to Final Step.

(5.8) The Company will prepare minutes of each Final Step Grievance Meeting. Such minutes will include (a) date of meeting, (b) names of individuals attending, (c) brief statement of grievances discussed, (d) summary of Union's contention in the event of failure to adjust, (e) management's answer to each grievance. If there is no objection raised at the succeeding meeting between the parties, the minutes shall be initialed by the parties and shall stand of record. Union Statements of Unresolved Grievance may be delivered to the Plant Labor Relations Manager within 30 calendar days of the date of exchange of such written minutes. However, this time will not delay the time limits established in Article 6 of the Central Agreement.

(5.9) Meetings requested by the Union will not be held on Company time except as provided in the handling of grievances. Final Step Grievance meetings and meetings called by Management, however, will not result in loss of pay for regularly scheduled hours of those Union representatives while in attendance at such meetings, provided that such Union representatives are not on Union call out during that time.

ARTICLE 7

HOURS OF WORK AND OVERTIME

(7.1) When overtime is scheduled, the opportunity to work such overtime shall be offered to qualified employees, in the classification, in the area under the jurisdiction of each Supervisor, who normally perform such work, beginning with the employee or employees having the least amount of charged overtime hours. In the event two or more employees have

an equal number of charged overtime hours, the opportunity shall be offered first to the most senior employee.

In the event employees who are eligible as provided above are not available, the overtime will be assigned in the following order:

- a. to other qualified employees on the shift under the jurisdiction of the supervisor which the overtime work is delegated.
- b. to qualified employees, in the classification, on the shift, under the jurisdiction of the second level supervisor.
- c. to any qualified employee.

(7.2) Whenever an employee is temporarily or permanently assigned to another overtime allocation unit, he shall immediately be charged with the average of the overtime hours between the employee with the least and the employee with the most overtime hours.

(7.3) Employees in training shall share in overtime if such overtime involves work which they normally perform during their regularly scheduled work hours. When an employee in training is replaced by another employee in training, the replacing employee shall assume the same number of charged overtime hours as the employee in training he replaced.

(7.4) When the opportunity arises for an employee to be offered an overtime assignment, the hours available at such time shall immediately be charged against him as hours worked, provided such overtime hours were available in accordance with the provisions of Section 7.12 of the Central Agreement. However, this shall not apply to any employee on a regular scheduled vacation. For purposes of this Section, "hours available" shall be interpreted to mean pay hours.

(7.5) When an employee is brought in to work in a job classification on a job which the Company requires to be performed on overtime, that employee may be asked to perform work in other job classifications/allocations provided that such work in such other job classifications/allocations does not exceed 25% of the time he is required to work on that particular day, and provided such employee does not perform work in a classification in a higher labor grade than the labor grade to which such employee was assigned for the overtime opportunity.

(7.6) A list of those receiving overtime charges (including totals) in the allocation unit shall be given to the Steward and displayed at the Supervisor's desk on the scheduling day. If such list is presented to the Steward on the regular scheduled workday immediately prior to overtime being worked on a regular scheduled workday or on the second regularly scheduled workday prior to overtime being worked on a Saturday, Sunday or holiday, and the employee or Union fail to call an error in overtime assignment to the Company's attention at least two hours in advance of the end of the employee's last shift before the date upon which the overtime is to be worked, the Company shall not be liable for such error.

Stewards are granted the privilege of taking a reasonable amount of time to check the accuracy by recording of overtime lists provided by the Company. This privilege shall be subject to the provisions of Section 4.2 of the Central Agreement.

(7.7) OVERTIME GROUND RULES

Charge Overtime Pay Hours:

1. When an employee is asked to work overtime in his own overtime allocation unit at least two regularly scheduled workdays prior to a Saturday, Sunday, and/or holiday overtime assignment.
2. When an employee is asked to work in his own overtime allocation unit on a regularly scheduled workday at least on the regularly scheduled workday prior to the day upon which the overtime is to be worked.
3. Whenever an employee accepts any overtime assignment.

4. When an employee has left work or is absent, for any reason, at the time overtime is properly scheduled.
5. Although overtime pay hours made available are charged against an employee when properly scheduled, when an employee works less overtime hours than initially scheduled due to machine failure, lack of work, etc., adjust overtime pay hours to hours actually worked. Do not adjust if reason for starting late and/or leaving early results from employee's own action including leaving when an alternate assignment is available, or disciplinary action.
6. Whenever an employee works any overtime.

Do Not Charge Overtime Pay Hours:

7. When an employee refuses an overtime assignment within his own overtime allocation unit and such offer was not made two regularly scheduled workdays prior ... in the case of Saturday, Sunday, and/or holiday, and ... one regularly scheduled workday prior, in the case of regularly scheduled workdays.
8. When an employee refuses an overtime assignment outside his own overtime allocation unit.
9. When an employee is unable to accept an overtime opportunity for the sole reason of fulfilling a jury duty obligation or training obligation with a reserve component of the Armed Forces or the National Guard, provided the employee notifies his supervisor of such obligation.
10. When management determines the employee is not qualified to perform the work assignment for the overtime opportunity without being trained. Should an employee be deemed not qualified under this ground rule he shall be notified prior to the overtime in question being worked.
11. When employees are on temporary layoff scheduled under the provisions of Sections 13.2 or 13.6 of the Central Agreement.
12. Whenever a supervisor is assigning overtime and determines that such overtime, if worked by the employee, would violate the state Six- Day Week Law, he should skip the employee in rotation. The overtime hours should not be charged against the employee.

13. When an employee is not available to accept an overtime opportunity because he is assigned to another shift during the scheduled overtime hours.

Other:

14. Whenever an employee has been scheduled to work overtime and there is one or more days between the scheduling of such overtime and the time such overtime is to be worked, it is the employee's responsibility, in the case of absence on the day prior to such overtime, to notify the Company as to whether or not he will be available for such overtime. Such notification is to be given within four hours following the beginning of that employee's shift preceding the scheduled shift of overtime. If the employee fails to notify the Company accordingly, the overtime will, if necessary, be rescheduled.
15. Whenever an employee has been scheduled to work overtime on a regularly scheduled workday, it is the employee's responsibility—in the case of tardiness and/or absence on such day—to notify the Company of his intent to work such overtime no later than forty-five minutes following the commencement of such overtime. If no word is received during this period, the supervisor will, if necessary, call in a replacement.
16. An employee must accept or reject an overtime opportunity at the time such overtime is offered. If an employee rejects such overtime opportunity, no further offer for the same overtime opportunity shall be made to that employee. "Same overtime opportunity" shall be defined as an offer for the same span of hours.
17. The term "regular scheduled vacation" shall, for the purpose of applying the provisions of Section 7.4 (and only Section 7.4), be interpreted to mean one or more seven consecutive calendar days, including holidays, that commence on Monday. In the case of employees assigned to third shift the week shall begin concurrent with their normal start time for their Monday. Under this ground rule, employees on vacation are not to be charged for any pay hours related to an overtime opportunity that involves working overtime during their vacation or for any overtime opportunity involving scheduling overtime during such vacation.
18. If an employee working on overtime is unable because of machine breakdown, material shortage or other unforeseen circumstances to complete the assignment for which he/she was originally scheduled, the Company may, at its discretion, assign such

employee to perform work in any classification for up to four hours, in which event the Company assumes no liability to other employees.

19. In the event an employee has been scheduled to work an overtime assignment in accordance with Article 7 of this Agreement and that employee fails to report for work on such overtime assignment, another employee in any classification may perform the scheduled work assignment of the absent employee in which event the Company assumes no liability to other employees.
20. If an employee is absent on scheduling day (proper notice) he/she may notify his/her supervisor that he/she desires to be scheduled for overtime. Such request will be honored provided he/she works or notifies the supervisor within the first 4 hours on the regularly scheduled work day immediately preceding the overtime day.
21. Employees who are absent on the scheduling day (proper notice) shall be reconsidered in rotation order for any additional overtime work within their allocation unit once the allocation unit is exhausted, but before such work is offered to employees in another allocation unit. If an employee refuses such opportunity, his/her original charge and count shall stand.
22. In the event overtime is to be scheduled on a day outside of an employee's regular workweek schedule, it is understood and agreed between the parties that when such an overtime opportunity arises, the eligible employees within the allocation unit in which the overtime is required who are working on the day the overtime is scheduled will be offered the opportunity first. If additional employees are required to perform the available work, the appropriate call-in provisions will be implemented, beginning with employees in the overtime allocation unit in which the overtime is needed. Under the circumstances described above, refusals by either employees working or employees called will not be charged.
23. It is understood that second shift will have the opportunity to work up to four (4) hours over on Friday and third shift will have the opportunity to work up to four (4) hours early on their Monday without violating any other shift's overtime allocation. It is understood that under this ground rule second shift will have the opportunity to voluntarily work over, up to four (4) hours, on Friday and that third shift will have the opportunity to voluntarily work, up to four (4) hours, early on Monday.

ARTICLE 8

SAFETY

(8.1) It is agreed that the Union shall have a Union Safety Committee composed of one employee working on each shift and in each of the buildings of the Decatur Plant from each shift (provided there is a minimum of 50 employees regularly working in that building on that shift) to encourage the observation of safety rules and the furtherance of the safety program. The President of the local, or his/her designated representative, will be the Director of the Union Safety Committee. Each Union Safety Representative shall be appointed by the President of the local (or his designated representative) from the jurisdiction he represents. Members of this committee may not serve in the capacity of Steward or Grievance Committeeman while serving as a Union Safety Representative.

The Union Safety Committee may appoint one Union Safety Sub-Representative for each Superintendent's jurisdiction who will also encourage the observation of safe practices and the furtherance of a safety and sanitation program. A Union Safety Sub-Representative's jurisdiction shall be only the area for which his Superintendent is responsible. Union Safety Representatives and Union Safety Sub-Representatives may not serve in the capacity of Steward, or Grievance Committeeman.

A safety tour will be conducted monthly on each shift by a major product area manager, or his designated representative, and the President of the Local Union, or his designated representative.

(8.2) As a condition of employment, employees shall wear approved safety glasses or goggles in all work areas outside of the designated office and cafeteria areas. Employees who are required to wear prescription glasses shall not be required to purchase prescription safety glasses. However, such employees shall wear approved safety goggles or shields over such prescription glasses in all work areas outside of the designated office and cafeteria areas.

(8.3) Replacement costs of safety glasses lost by an employee shall be solely the employee's responsibility.

(8.4) The Company will keep minutes of each monthly Safety Committee meeting, a copy of which will be provided to the Local Union President or his authorized representative within 15 calendar days.

(8.5) The Company will provide to the facility Union Safety Committee Chairman a copy of that facility's report on OSHA Form #301 and the manhours worked at that facility during the period covered by such report.

ARTICLE 11

SENIORITY

(11.1) For the purpose of applying Article 13 of the Central Agreement and Article 12 of the Local Agreement, seniority units shall apply by "Non-Interchangeable Occupational Groups" (NIO) and an "Interchangeable Occupational Group" (IO) except as expressly provided elsewhere in this Agreement. The Non-Interchangeable Occupational Groups are as follows:

1. Assembly
2. Press Shop
3. Welding
4. General Machining
5. Tool Grinding
6. Materials
7. Inspection
8. Training
9. Tooling
10. Facilities Engineering
11. Maintenance Mechanic

12. Paint

13. Pressure Check and Adjust

(11.2) In the event of a reduction in force or layoff, members of the Grievance Committee (Section 4.1 of the Local Agreement) shall be considered to have sufficient seniority in their respective jurisdiction to retain a job in their respective jurisdiction as long as there is a job remaining in their respective jurisdiction which they are able to perform without being trained.

(11.3) Stewards who have served as Stewards for a continuous period of at least six months, shall, in the event of a reduction in force, be retained in their classification within their jurisdiction, provided they have sufficient seniority to retain that same classification in their seniority group, and further provided there is a job in that classification within their jurisdiction which they are able to perform without being trained. Stewards who have served as Stewards for a continuous period of at least six months, shall, in the event of a layoff, be retained at work as long as there is a job in their respective jurisdictions which they are able to perform without being trained, and shall be recalled to work in their respective jurisdictions which they are able to perform without being trained.

Stewards, who have served as Stewards for a continuous period of less than six months, shall, in the event of a reduction in force, be permitted to remain in their respective jurisdictions as long as there is a job which they are able to perform without being trained and on which their seniority holds them.

(11.4) A seniority list shall be submitted to the Union every three months. This list shall give each employee's name, identification number, seniority date, rate, shift, and shall be in seniority date order within each Group, NIO, and IO. Additionally, once each year, a seniority list will be submitted to the Union in plant seniority order. This list shall provide each employee's name, identification number and plant seniority date.

(11.5) In applying the provisions of this Agreement, the seniority of employees in job classifications not included in Exhibit B who have the same seniority shall be determined by

such employees' identification numbers. Where employees have identical seniority, the employee with the lowest identification number shall be deemed to have the greatest seniority.

(11.6) For purposes of this Article 11, "without being trained" means that the employee already possesses the knowledge and skill to perform the work, needing only a brief period to familiarize himself with the work to be performed and the equipment, if any, to be operated.

ARTICLE 12

JOB OPENINGS

(12.1) If the employee is unable, for reasons of lack of skill or knowledge, to perform satisfactorily on a job to which he was assigned under the provisions of Article 12 of the Central Agreement, such employee will be placed in accordance with the following:

- a. He shall be placed on an open job which he can perform (within the seniority unit in which he is working).
- b. In the event placement under (a) above cannot be made, then the employee will be placed under the provisions of Section 13.5 of the Central Agreement.

A grievance arising under the provisions of this Section, may be presented in writing, directly to the Final Step of the grievance procedure.

(12.2) In the event an employee is unable to perform satisfactorily the job to which he is assigned solely as a result of a health defect, he shall be placed on an open job which he is able to perform in the seniority unit in which he is then working.

Employees who cannot be placed in accordance with the above paragraph may be placed on an open job which he is able to perform in any seniority unit.

Any such employee who is so assigned to an open job because of a health defect for a period over 30 calendar days will return to his former job to which he was regularly assigned

immediately prior to such medical placement when his medical restrictions are removed or modified to the extent that would allow him to perform such job. An employee refusing to return to his former job shall be separated as a quit. If upon return to his former job to which another employee is assigned, the replacement employee shall be placed in accordance with Article 13 of the Central Agreement, subject to the circumstances prevailing at that time.

Any such employee assigned to an open job because of a health defect for a 30 calendar day period or less will return to his former job when his medical restrictions are removed or modified to the extent that would allow him to perform such job. If upon return to his former job to which another employee was assigned, the replacement employee will return to his previous job as long as his seniority permits.

Employees who are medically placed in accordance with Article 12 of this Agreement will no longer continue to have rights or be required to return to their former job after successfully bidding to another job.

ARTICLE 13

DOWNGRADE, LAYOFF, RECALL

(13.1) The provisions of Sections 11.2 and 11.3 of this Agreement shall apply in all matters relating to Section 13.6 of the Central Agreement with respect to the seniority status accorded members of the Grievance Committee and Stewards.

ARTICLE 14

LEAVE OF ABSENCE

(14.1) The Company will promptly return to work an employee who returns from a leave of absence of more than one month's duration, provided the employee notifies the Human Resources Department, in writing, of the date of return not more than ten days, and not less than three days, in advance of such return. Otherwise, the Company shall return the employee to work as soon as necessary arrangements can be made. Employees returning from a leave of

absence will be placed on their former job subject to circumstances prevailing at the time of their return.

(14.2) An employee who accepts a position with the United Way of Decatur and Macon County shall, upon written request by the Union, be granted a leave of absence for the period of time he holds such position with said United Way of Decatur and Macon County, provided that no more than one such leave of absence shall be in effect at any one time.

(14.3) In granting leaves of absence under the provisions of Section 14.10 of the Central Agreement, not more than nine such leaves shall be in effect at any time.

Also, in granting time off for the purposes of attending Union meetings under the provisions of Section 14.9 of the Central Agreement, not more than twenty employees will be granted time off during any one day. No more than 2 of these employees, excluding committeemen, will be from the same Supervisor. Exceptions to the number of employees granted time off can be made by mutual agreement.

ARTICLE 16

GENERAL

(16.1) The Company shall provide eight (8) bulletin boards placed in convenient places to be used exclusively for Union notices. The notices will be furnished by the Union and posted by the Company. Notices delivered to the Company not later than noon on one workday will be posted within two regularly scheduled workdays.

(16.2) Any dispute concerning an increase in a production standard which has been increased after the date of this Agreement, or any dispute concerning the addition of machines to an operation, which addition of machines does not conform to past practice and occurs after the date of this Agreement, may be referred to the grievance procedure beginning with Step I, but shall not be subject to arbitration.

With respect to disputes arising under this Section 16.2 and arising out of changes to production standards, or additions of machines to operations, which addition of machines does not conform to past practice and occurs after the date of this Agreement, the provisions of Section 16.5 of the Central Agreement insofar as, but only insofar as, it refers to strikes, shall be inoperative with respect to disputes arising under this Section 16.2, and then shall be inoperative only with respect to a strike which (a) is officially called and sanctioned by the Union for the sole purpose of enforcing its demands with respect to a disputed matter covered by this Section 16.2, and (b) is commenced within a period of sixty days following the Company's final answer concerning such dispute in the Final Step of the grievance procedure.

(16.3) Exhibits A and B are incorporated as a part of this Agreement pursuant to Sections 18.4 and 10.1, respectively, of the Central Agreement.

(16.4) A supervisor will introduce an employee entering his area of jurisdiction on a permanent basis to the steward representing the employees under such supervisor.

(16.5) The Company will inform employees when "work sampling" his/her work area prior to the time such work sampling is to begin.

ARTICLE 19

GROUP SENIORITY

(19.1) Within the product areas as defined in Section 7.1 of this Agreement there shall be established skilled trades groups (hereinafter referred to individually as "groups") as set forth in Exhibit B.

(19.2) Group seniority will be measured from an employee's last date of hire in a group, in any capacity, at the Company's present Decatur Plant, provided that for a graduate apprentice who enters a group, his group seniority within the group shall be the period of his apprenticeship plus his length of service in that group. ("Date of hire" for an employee moved

to a group at the Company's present Decatur Plant, in any capacity, either at his request or the Company's request, shall be considered the date of such move.)

(19.3) Group seniority is broken for the following reasons only:

- a. If the employee quits.
- b. If an employee is discharged and not reinstated.
- c. If the employee refuses, while laid off, to accept a recall to work (issued by the Company) or fails to report for work in accordance with such recall within a period of ten calendar days after the mailing of recall notification by the Company. The Company will grant an extension to the ten-day period if prior to the expiration of the ten-day period a satisfactory reason is given for the employee's inability to immediately report for work.
- d. If an employee has been laid off from a group for a period greater than his accumulated group seniority at time of layoff. (However, this shall not apply during the first two years of layoff.)
- e. If an employee fails, unless satisfactory reason is given, to report for work by his fourth scheduled workday following a temporary reduction in force or any other layoff where the return to work date has been announced prior to the beginning of such layoff and such employee has received written notice of such date.

(19.4) An employee who moves from one group to another group, or from a job in a group to another job outside of any group but within the Bargaining Unit, shall retain his group seniority in the group from which he was moved, but shall not accumulate group seniority in the group from which he was moved after the date of such move.

(19.5) If, under this Agreement, an employee is laid off from a group, the employee's group seniority shall accumulate during the layoff in the group in which he last worked.

Upon an offer by the Company to the employee of the opportunity to return to a job within a group, he may exercise the seniority he accumulated prior to such date plus any additional seniority he acquired while working on a job within a group subsequent to such dates in accordance with the provisions of Section 11.3 of the Central Agreement.

(19.6) The provisions of Article 13 of the Central Agreement and applicable to employees covered by this Article 19 and, in such application, the term "seniority" where used in Article 13 of the Central Agreement, shall be deemed to mean "group seniority" and the term "NIO" where used in Article 13 of the Central Agreement, shall be deemed to mean "group." In the event of a reduction in force within a classification within a group, group seniority with that group will be used.

(19.7) In the event of a reduction in force or layoff members of the Grievance Committee who are within a group, shall be considered to have sufficient group seniority in their respective group to retain a job in their respective jurisdiction as long as there is a job remaining in their respective jurisdiction which they are able to perform without being trained.

For purposes of application of these Sections 19.7 and 19.8, the definition of "without being trained" in Section 11.6 of this Agreement shall be applicable.

(19.8) If employed within a group, any Steward who has served as Steward for a continuous period of at least six months, shall, in the event of a reduction in force, be retained in his classification within his jurisdiction and group, provided he has sufficient group seniority to retain that same classification in his group, and further provided there is a job in that classification within his jurisdiction and group which he is able to perform without being trained.

If not so retained in his classification, any such Steward shall be continued at work on a job in his jurisdiction and group, but outside his classification, as long as there is any such job which he is able to perform without being trained.

If not so retained within his group, any such Steward shall be retained on a job within his jurisdiction, but outside any group, as long as there is any such job which he is able to perform without being trained, and, if not so retained in his jurisdiction, shall be returned to work in his jurisdiction as soon as there is work in such jurisdiction which he is able to perform without being trained.

If employed in a group, any Steward who has served as Steward for a continuous period of less than six months shall, in the event of reduction in force, be permitted to remain in his jurisdiction and group as long as there is a job therein which he is able to perform without being trained and on which his group seniority holds him.

(19.9) The provisions of Section 13.1 of this Agreement shall be applicable to employees on layoff from a group, provided that for the purpose of this Section only, the term “seniority” shall be deemed to read “group seniority” and/or “seniority.”

(19.10) In the application of the group seniority provisions of this Article, a layoff shall be considered as an interruption of employment caused by a reduction in force due to a reduction in regular operating schedules, as distinct from ones which are due to material shortage, equipment failure, power failure, labor dispute, plant rearrangement or retooling, or other circumstances which cause a temporary cessation or reduction in operations.

(19.11) No temporary layoff in a group shall exceed ten working days without consultation with the Union concerning the feasibility of applying the regular group seniority provisions set forth in Article 13 of the Central Agreement.

(19.12) A temporary reduction in force for the purpose of reducing, or avoiding an increase in, inventory of finished products because of sales prospects shall hereafter be subject to Article 13 of the Central Agreement.

(19.13) In applying the provisions of this Agreement, the group seniority of employees within a group who have the same group seniority date in that group shall be determined by their seniority as measured in Article 11 of the Local and Central Agreements, provided that as to any such employees who have the same seniority, as measured in Article 11 of the Local and Central Agreements, the employee with the lowest identification number shall be deemed to have the greatest group seniority.

(19.14) The provisions of Article 12 of the Central Agreement shall be applicable for filling job openings within a group. For the purposes of such filling of job openings in a group, eligible employees having group seniority within that group, shall be considered as having more seniority than otherwise eligible employees who have bargaining unit seniority but no group seniority in that group.

Job openings within a group shall not be filled by employees not having group seniority so long as employees possessing group seniority and the basic qualifications are laid off from the bargaining unit.

“Reassignment” applicable to employees with group seniority means the assignment of an employee within a group (1) to a job opening in the same classification in the same group on the same shift within that group but under a different Supervisor, or (2) to a job opening in a different classification in that group on the same shift within that group, which has a maximum rate equal to the maximum rate of the classification from which he is moved.

(19.15) If an employee in a group is unable, for reasons of lack of skill or knowledge, to perform satisfactorily on a job to which he was assigned under the provisions of Article 12 of the Central Agreement and Section 19.14 of this Agreement, such employee will be placed in accordance with the following:

- a. He shall be placed on an open job which he can perform in that group (within the Non-Interchangeable Occupational group in which he is working) which is in a classification with a maximum rate not more than one classification rate level lower than the maximum rate of the job on which he was unable to perform satisfactorily.
- b. In the event placement is not made under (a) then the employee will be placed under the provisions of Section 19.6.

(19.16) In the event an employee is unable to perform satisfactorily the job to which he is assigned solely as the result of a health defect, he shall be placed on an open job which he is able to perform in the seniority unit in which he is then working.

Employees who cannot be placed in accordance with the above paragraph may be placed on an open job which he is able to perform in any seniority unit.

Any such employee who is so assigned to an open job because of a health defect for a period over thirty calendar days will return to his former job to which he was regularly assigned immediately prior to such medical placement when his medical restrictions are removed or modified to the extent that would allow him to perform such job. An employee refusing to return to his former job shall be separated as a quit. If upon return to his former job to which another employee is assigned the replacement employee shall be placed in accordance with Article 13 of the Central Agreement, subject to the circumstances prevailing at that time.

Any such employee assigned to an open job because of a health defect for a thirty calendar day period or less will return to his former job when his medical restrictions are removed or modified to the extent that would allow him to perform such job. If upon return to his former job to which another employee was assigned, the replacement employee will return to his previous job as long as his seniority permits.

Employees who are medically placed in accordance with Article 12 of this Agreement will no longer continue to have rights or be required to return to their former job after successfully bidding to another job.

ARTICLE 20

DURATION

(20.1) Subject to the ratification of this Agreement by the membership of the Union on or before March 26, 2017 this Agreement shall be effective as of March 27, 2017 and shall remain in effect until March 1, 2023 and thereafter from year to year unless sixty days prior to the date of expiration either party gives notice to the other, in writing, that it desires to modify or terminate.

Agreed and subscribed to the date and year above written.

CATERPILLAR INC.

By: Brian Brodnick	Mikel Bosler
Jennifer Carter	Andy Beals
Jennifer Mahle	Tony Brewster

INTERNATIONAL UNION, UNITED AUTO-MOBILE, AEROSPACE AND
AGRICULTURAL IMPLEMENT WORKERS OF AMERICA

By: Wes Hogsett

LOCAL NO. 751 OF INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE
AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA

By: Steve Collins	Craig Karnes
Dave Le Duc	Jason Hess
Rob Walters	Randy Marquis

Letter of Agreement No. 1

Service Claim Work

This will confirm our understanding in regard to parts and/or assemblies returned to the Decatur Plant under the Company's service claim procedure, that: (a) measurement requirements, with the exception of checks made with tape and/or scale, to determine compliance with blueprint specifications, (b) movement of parts and/or assemblies to and from a location where such parts and/or assemblies are to be measured, (c) disassembly work related to service claims, and (d) tagging parts for normal inplant routing will be performed by Bargaining Unit employees except as provided in Section 16.1 of the Central Agreement.

Letter of Agreement No. 2

Top Rate for Employees Placed During Reductions in Force

This will confirm our understanding that for the duration of this Agreement, the Company will give the top rate of the classification involved to a downgraded employee if either (i) he has previously, while working in that classification, earned at least the next to top rate of that classification, and since leaving that classification he has continued in the same line of work (i.e., product assembly, machine operation, welding, clerical, etc.) and has earned a rate at least equal to such top rate, or (ii) he previously worked at a rate higher than such top rate in a higher rated classification in which he acquired experience which would qualify him for such top rate in the classification to which downgraded.

Letter of Agreement No. 3

Alteration of Wage Rates or Job Descriptions

During the life of this Agreement the Company will not alter either the wage rates of, or the description of the work performed in, a job classification, except as the work in such job classification is significantly altered subsequent to the effective date of the new basic Local Agreement. If a dispute arises hereunder it shall be referred to the grievance procedure

provided in the new basic Local Agreement, beginning in the Final Step thereof, but such dispute shall not be subject to arbitration.

If such dispute is not settled in such Final Step, the provisions of Section 16.5 of the Central Agreement shall be inoperative insofar as it refers to “strikes,” and insofar as, but only insofar as, such dispute is concerned, for sixty days from the date on which the grievance was filed in such Final Step, and upon the expiration of such sixty days all provisions of said Section 16.5 shall be automatically effective if no strike action has as yet been taken.

Letter of Agreement No. 4

Safe Hooking Procedure

The Company and Union recognize the need for safe hooking when lifts are made by employees in the Assembly Area in the Assembly & Test Specialist III classification. To assure that hooking related to remote control crane operations is performed safely and properly, management will provide an employee experienced in hooking whenever a two-man lift is necessary.

Letter of Agreement No. 5

Line Spacing Procedure

The Company and Union recognize the desirability of having reasonable spacing between units on prime product paint and assembly lines to assure adequate working room and safe working conditions.

As a part of this concern for adequate working room and safe working conditions, if management determines the need to “unpin” prime product units from such a moving line, the Union Safety Sub-Representative for the area will be informed such “unpinning” is taking place and will be given an explanation of the action.

It is the intention of management to provide such spacing; therefore, whenever an employee feels the spacing on the above assembly lines constitutes a serious hazard to imperil his safety,

he may make the condition known to his Supervisor. The Supervisor shall investigate such spacing promptly and report the finding and/or reason for the spacing to the employee. If the employee does not agree with the Foreman's position, the problem shall be turned over to the Union Safety Representative for the area who is authorized to bring the spacing problem to the attention of the Major Product Area Manager or his designated representative, during that shift.

Letter of Agreement No. 6

Scheduling Work during Plant Vacation Shutdowns

In the event the Company decides to schedule work during a vacation shutdown, such work will be scheduled as follows:

1. Notify employees in the area where the work is to be performed that vacation work is available. Only employees who indicate their desire to work during the vacation period will be considered as volunteers for vacation work.
2. When the Company is able to determine its vacation work requirement, it will make offers to work to the volunteers as defined above. Offers to work will be made to the volunteers who can perform the work without being trained, who are in the classification and in the area under the jurisdiction of each day shift Superintendent. Such offers will be made beginning with the most senior employee in the above work group.
3. If there are not sufficient volunteers, the Company may require employees to work after considering those employees who can perform the work without being trained, regardless of shift, in the classification, in the area under the jurisdiction of each day shift Superintendent. If there are not sufficient volunteers under a day shift Superintendent, the Company will go to other qualified employees in the classification in the major product area as defined in Section 7.1 of this Agreement who have volunteered to work. When it is necessary to require employees to work, assignments will be made beginning with the least senior employee.

4. After the vacation work is scheduled, any employee entering the work group will be offered the opportunity to work during the vacation period only if additional employees are needed. Should an employee already scheduled to work during a vacation period leave the work group for any reason, the employee will be removed from the schedule.
5. Employees scheduled to work vacation will be put on a separate overtime list to be used for scheduling vacation overtime. All charged hours from the vacation overtime list will be added to an employee's regular overtime list.

When the vacation schedule is complete, employees who are scheduled to work during the vacation shutdown will be notified and a copy of the proposed schedule will be given to the Steward no later than ten (10) days prior to the vacation period. The Company will endeavor to schedule vacation work in accordance with this letter. If an employee calls to the Company's attention within five workdays after the scheduling is announced his belief that he should have been scheduled to work, the Company will investigate and, if warranted, place the employee on the vacation work schedule. However, the Company will accept no financial liability to any employee for any hours not worked by that employee.

Letter of Agreement No. 7

Apprentice Overtime

The following procedure shall be used to schedule overtime for apprentices assigned to Skilled Trades Groups: Apprentices in an overtime allocation unit may be scheduled to work overtime if such overtime involves work which they normally perform during their regularly scheduled work hours or if the work is determined to be of an educational benefit to the apprentice. At no time will more apprentices be scheduled than the number of working journeymen.

Letter of Agreement No. 8

Grievance Committee AWS Provision

During the 2004 negotiations, the parties discussed the importance of ensuring the Bargaining Chairman and Committeemen were available to represent employees and to

perform their privileges and duties under the terms of Articles 4 and 5 of the Local Agreement. The parties agreed, therefore, that the Bargaining Chairman and Committeemen would not be required to accept an assignment on an alternate work schedule during the life of the Local Agreement unless the entirety of the Committeeman's jurisdiction has been assigned to such a work schedule. In the event that a Committeeman would otherwise be involuntarily assigned to an alternate work schedule, such Committeeman shall be placed in accordance with the provisions of Section 11.2 of the Local Agreement on a job within the Committeeman's respective jurisdiction on a regular work schedule.

Letter of Agreement No. 9

Non-Traditional Lists

The Company will provide the union a quarterly list of Non-Traditional employees and a description of their assignments.

Exhibit B

GROUP I

6T68 Boring Machine Operator, (Tool Room)	(6)
6T70 Precision Tool and Die Maker (Tool Room)	(6)(SC)
4T71 Mill Operator, (Tool Room)	(5)
4T86 Grinder Operator, (Tool Room)	(4)
4T75 Lathe Operator, (Tool Room)	(4)
5S51 Layout Developer (Tool Room)	(5)
5T72 Mill Operator, (Tool Room)	(4)
4T72 Gear Machine Operator, (Tool Room)	(4)
4H52 Tool Hardener (Tool Room)	(4)
4T55 Horizontal Shaper Operator (Tool Room)	(4)
4T66 Vertical Shaper Operator (Tool Room)	(4)
4T64 Planer Operator, (Tool Room)	(4)
4T86 Grinder Operator, (Tool Room)	(4)
3T55 Drill Operator, (Tool Room)	(3)

GROUP II

6E51 Electrician	(6)(SC)
5E72 Refrigeration and Ventilation Equipment Mechanic	(5)(SC)
5E70 Welder	(5)(SC)
5E64 Carpenter	(5)(SC)
5E63 Tinner	(5)(SC)
5E55 Automotive Mechanic	(5)(SC)
5T62 Blacksmith	(5)(SC)
4E51 Maintenance Painter	(4)(SC)
3E51 Maintenance Specialist	(3)

GROUP III

6T90 Maintenance Mechanic	(6)(SC)
6T81 Machine Repair Mechanic	(6)(SC)
5E66 Maintenance Specialist	(5)(SC)

GROUP IV

4T68 Machine Repair Mechanic	(4)(SC)
------------------------------	---------

Exhibit C
NON-INTERCHANGEABLE OCCUPATIONS
(NIO)

1. Assembly
2. Press Shop
3. Welding
4. General Machining
5. Tool Grinding
6. Materials
7. Inspection
8. Training
9. Tooling
10. Facilities Engineering
11. Maintenance
12. Paint
13. Pressure Check and Adjust

NOTE:

SC = Specific Classification — Employee must have held the classification to be downgraded to it.

SJ = Specific Job — Employee must have held the specific job to be downgraded to it.

NON-INTERCHANGEABLE OCCUPATIONS
(NIO)

	Labor Grade
NIO #1 - Assembly	
3A61 Assembly and Test Specialist	(3)
NIO #2 - Press Shop	
3S51 Metalworking Specialist	(3)

4S51 Metalworking Specialist	(4)
NIO #3 - Welding	
3S61 Fabrication Specialist	(3)
4S61 Fabrication Specialist	(4)
NIO #4 - General Machining	
3M55 Drill Specialist	(3)
3M65 Boring Specialist	(3)
4M65 Boring Specialist	(4)
3M71 Mill Specialist	(3)
3M91 Mill, Drill & Bore Machine Specialist	(3)
4M91 Mill, Drill & Bore Machine Specialist	(4)
4M92 Manufacturing System Operator	(4)
5M92 Manufacturing System Operator	(5)
3M75 Lathe Specialist	(3)
4M75 Lathe Specialist	(4)
3M85 Grinding Specialist	(3)
3M81 Gear Machine Specialist	(3)
4M81 Gear Machine Specialist	(4)
NIO #5 - Tool Grinding	
3T52 Tool Grinding Specialist	(3)
4T52 Tool Grinding Specialist	(4)
NIO #6 - Materials	
3P51 Materials Specialist	(3)
3V51 MEO/Crane Operator	(3)
NIO #7 - Inspection	
3Q61 Quality Specialist	(3)
4Q61 Quality Specialist	(4)
5Q66 Electrical Inspection Analyst	(5)
NIO #8 - Training *	

2X10 Machine Repair Apprentice	(SC)
2X31 Electrician Apprentice	(SC)
2X15 Machinist Apprentice	(SC)
2X40 Maintenance Specialist Apprentice	(SC)
2X12 Tool Maker Apprentice	(SC)
2X13 Machine Shop Trainee	(SC)
2X16 Welding Trainee	(SC)
2X20 Associate Degree Trainee	(SC)
2X19 Cooperative Trainee	(SC)
2X18 College Graduate Trainee	(SC)
2X36 Maintenance Mechanic Apprentice	(SC)
NIO #9 - Tooling	
3T45 Milling Machine Operator (TR)	(3)
NIO #10 - Facilities Engineering	
5E78 Utilities Operator	(5)(SC)
3E55 Machine Lubricator	(3)
NIO #11 - Maintenance	
NIO #12 - Paint	
3A60 Product Painter	(3)
NIO #13 - Pressure Check and Adjust	
3A64 Assembly and Test Specialist	(3)

*Special labor rates are applicable

INTERCHANGEABLE OCCUPATIONS

(IO)

	Labor Grade
2A61 Assembly and Test Specialist	(2)
1E51 Maintenance Laborer	(1)
2E51 Maintenance Specialist	(2)
2H51 Metal Treating Specialist	(2)
1M51 Shop Helper	(1)
2M55 Drill Specialist	(2)
2M65 Boring Specialist	(2)
2M71 Mill Specialist	(2)
2M75 Lathe Specialist	(2)
1P51 Materials Handler	(1)
2P51 Materials Specialist	(2)
2S61 Fabrication/Metal Working Specialist	(2)