

Transition Assistance Plan

An employee on a Qualifying Layoff who exhausts his or her maximum eligibility for SUB Regular Benefit payments (i.e., 26, 39, or 52 weeks, depending on years of seniority) shall be eligible for subsequent benefits under the Transition Assistance Plan (TAP). The TAP shall provide a weekly benefit payment calculated as 50% of the employee's gross weekly wages, based on a 40-hour week, with duration of eligibility based on seniority as follows:

* Employees with at least one (1) year but less than ten (10) years of seniority as of the date of their Qualifying Layoff shall, upon exhaustion of their SUB Regular Benefit maximum eligibility, be eligible to receive TAP benefit payments for a maximum of 26 weeks during the life of the 2007 UAW-Ford Collective Bargaining Agreement subsequent to the effective date of this memorandum.

* Employees with at least ten (10) but less than twenty (20) years of seniority as of the date of their Qualifying Layoff shall, upon exhaustion of their SUB Regular Benefit maximum eligibility, be eligible to receive TAP benefit payments for a maximum of 39 weeks during the life of the 2007 UAW-Ford Collective Bargaining Agreement subsequent to the effective date of this memorandum,

* Employees with twenty (20) or more years of seniority as of the date of their Qualifying Layoff shall, upon exhaustion of their SUB Regular Benefit maximum eligibility, be eligible to receive TAP benefit payments for a maximum of 52 weeks during the life of the 2007 UAW-Ford Collective Bargaining Agreement subsequent to the effective date of this Memorandum.

* in calculating the weekly TAP benefits for an employee on Qualifying Layoff, the offsets for State Unemployment Compensation benefits received for that week shall apply.

An employee may elect, prior to becoming eligible for TAP benefits, to opt out of TAP benefits and receive a lump-sum cash payment; in doing so, the employee shall forfeit eligibility for weekly TAP benefit payments, and shall forfeit all recall rights. The gross (pre-tax) amount of the opt out lump-sum cash payment is calculated as \$10,000 plus the maximum TAP benefit for which the employee would otherwise be eligible (i.e., 50 percent of the employee's gross weekly wages, based on a 40-hour week, multiplied by either 26, 39, or 52, depending on the employee's seniority). An employee who elects to opt out of the TAP will continue to receive healthcare coverage for the remainder of the months of extended coverage for which he or she would have been eligible, based on years of seniority at the time of layoff, had he or she not elected to opt out of the TAP.

Gary Lifford
Chairman Stamping Unit
Representative
Local 387, UAW.

Shawn Campbell
Benefits
Local 387, UAW.

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