

Gain Sharing

During each year of this agreement, Nexteer may establish a gain sharing program for all UAW Local 699 employees. This program will include specific goals to be attained during that calendar year. Goals can be either site wide, plant specific or some combination of both.

After determining the goals the Company will communicate the program to the union and announce it to all employees prior to January 1 (for 2016 this may be delayed due to timing of negotiations). It is expected that goals may change each year as business conditions change and potentially new areas or targets need to be addressed.

Payments upon meeting targets shall be payable per quarter per goal, achievable monthly and paid out quarterly, except gross margin (paid out semi-annually) if it is used. The Gross Margin goal may account for up to 50% of the payout.

To be eligible, an employee must be actively employed at the time of the payout.

For plant specific goals, payouts will be based on the employee's plant at the start of the quarter in which to be paid. Employees assigned to central functions (for example plant 99) will receive an average of all the plant payouts.

The definition of quarters will match the financial reporting dates.

Employees must work a minimum of 400 straight time hours in the quarter to qualify, and hours between 400-520 will be prorated.

Max payout per year is \$4000 combined for all metrics.

Management



Date

12-1-15

Union



Date

12/1/2015