

Feb. 8, 2017

The following terms constitute a tentative agreement reached between the IUE-CWA, the Industrial Division of the Communication Workers of America, AFL-CIO, CLC and its affiliated Momentive IUE-CWA, CLC Locals 81380, 84707, and 81359 to the Company. The IUE-CWA, as well as the Presidents and Executive Boards of Locals 81380, 84707 and 81359 all unanimously endorse this Tentative Agreement. This Tentative Agreement is contingent on the Company and the Union mutually agreeing to withdraw, within seven days of ratification, any grievances that arose from conduct or omissions that occurred between November 2, 2016 and the date of the Tentative Agreement, and withdraw with prejudice any claims, charges, petitions and actions, known or unknown, and appeals pending before any federal or state courts, administrative agencies (National Labor Relations Board, New York State Department of Labor, U.S Department of Labor) arising from or relating to the strike or collective bargaining over the CBA from June 6, 2016 to the date of the Tentative Agreement. This Tentative Agreement is also contingent upon the ratification of the agreement by the membership and the approval of the Company's Board of Directors.

1. Ratification Bonus:

- a. The Company proposes a \$2,000.00 ratification bonus be paid to all Bargaining Unit employees, conditioned upon the ratification of the National Agreement by February 14, 2017. The Ratification Bonus (if the proposed National Agreement is ratified by February 14, 2017) is to be paid within thirty (30) days of confirmation of ratification.
- b. Bargaining Unit employees will have the opportunity to defer the ratification bonus into either a 401(k) account or an HSA account. Any deferral of the Ratification bonus will be done on a non-Company matching basis.
 - i. Any errors in the deferral process will be handled through Human Resources and will not be subject to the Grievance and/or Arbitration process outlined in Articles XIII and XV, respectively.
 - ii. Any failure to timely defer the Ratification Bonus will result in the Bargaining Unit member being issued the bonus, in full, via direct deposit or pay card.

2. Contract Language Clean-Up
 - a. Editorial Changes (attached to this document).

3. Effective December 30, 2016 - Modify Article IX –Vacations per the attached language.
 - a. As of the date of Ratification, no Bargaining Unit member will have an annual allotment of vacation awarded for 2017; rather, all Bargaining Unit members will be on the Earn as You Go Vacation schedule effective as of December 30, 2016¹. This change does not impact the maximum entitlement for vacation a Bargaining Unit member can earn throughout the year.

 - b. Conditioned upon the ratification of the National Agreement by February 14, 2017, Bargaining Unit employees will receive a one-time cash payout (payable in the first pay period of March 2017) equivalent to the amount of unused, earned (for those Bargaining Unit employees hired after October 1, 2007) and available vacation hours from 2016. This is not intended to imply that there will be any accrual of vacation hours for work in 2016 to be used during 2017.

4. Personal Business/Personal Illness Payout/Carryover: Bargaining Unit employees can elect to receive a payout or carryover any unused and earned Personal Business/Personal Illness time from 2016 into 2017, pursuant to the terms of Article XXVII.

5. Modify Benefit Agreement – Health and Welfare Plans
 - a. Modify Article II, Sections A, and B (page 92 through top of page 96) of 2013-2016 Benefit Agreement with the following Health Care plan options for the 2017², 2018 and 2019 plan years:

²Upon returning to work, the Bargaining Unit members will be covered by the Company sponsored health insurance plans that were in effect in 2016 until the effective date of the changes. The changes to Health and Welfare benefits will be effective as soon as administratively feasible in 2017.

i. The Bargaining Unit members will have available the Consumer Health Plan 250 and the Consumer Health Plan 500 (the plan designs are attached to this proposal for clarification). The Cost share for the CHP 250/500 plans for Bargaining Unit Members is below:

1. 2017: 80% Company/ 20% Employee
2. 2018: 77.5% Company/ 22.5% Employee
3. 2019: 75% Company/ 25% Employee

ii. The weekly premium deductions for available health care plans for 2017 are attached to this proposal.

iii. HSA Contributions:

1. One time HSA Bonus: Bargaining Unit employees will be entitled to receive a one-time contribution into their HSA accounts equivalent to an additional Company Standard HSA contribution for the Consumer Health Plan selected by the Bargaining Unit members. Employees who do not enroll in a Company sponsored plan in 2017 may defer the additional one-time HSA Bonus to 2018. The Company Match, including the relevant maximum matching levels will follow the Company Standard method.

- a. For Example:

- i. If a Bargaining Unit member selects the Consumer Health Plan 250 for 2017 for their family, they will receive the following HSA contributions from the Company:

1. HSA Base Contribution:

Company Standard Base Contribution	One Time 2017 Bonus	Total Base Contribution from Company

\$500.00 ³	\$500.00	\$1,000.00
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2. HSA Company Matching: the Company will match \$.50 for every dollar the employee contributes to the HSA, up to \$500.

Your HSA Contributions	Company Matching Funds
\$1,000	\$500

3. Total HSA account balance in 2017:

Company Base Contributions:	Employee HSA Contributions:	Company Matching (\$.50/\$1)	Total HSA Funds:
\$1,000	\$1000	\$500	\$2,500

- iv. For the 2017, 2018 and 2019 plan years, Bargaining Unit employees enrolled in either Consumer Health Plan will receive the Standard Company annual Health Savings Account funding (including Company Match) for the Consumer Health Plan 250 or Consumer Health Plan 500. However, the HSA funding amounts in 2018 and 2019 shall be no less than Company Standard funding (including Company Matching) provided in 2017.

- b. The Company agrees that Davis Vision will be considered regarding Vision benefits through the normal Request for Proposal process.

³For 2017 only, the Company will double the base contribution for the HSA plan selected by the Bargaining Unit member. The bonus will range from an additional \$250.00 to \$1,000.00, depending on the exact plan selected by the Bargaining Unit member.

6. Bargaining Unit members will be paid via direct deposit or pay card only.
7. Revise Drug and Alcohol Policy.
 - a. Within 6 months of ratification of the Agreement, the Parties will meet and confer to discuss and implement by mutual agreement, a Drug and Alcohol Policy with specific local provisions applicable to each of the three Local Unions.
8. Beginning on January 1, 2017, the Company will change how it offers, to those that retire⁴ during the term of this Agreement⁵, access to health and welfare benefits, and how it provides retiree life insurance, pursuant to the following provisions:
 - a. As of January 1, 2017, the Company will no longer offer retiree health and welfare benefits (including dental and vision benefit plans) through a Company sponsored plan for Bargaining Unit members.
 - b. As of January 1, 2017, the Company will make available to retirees access to a private health and welfare exchange wherein retirees can select their medical, dental and vision plans with the help of a Company provided outside consultant.
 - i. The outside consultant will provide individualized service to each retiree and/or each eligible dependent. This service will provide each retiree the opportunity to discuss their individual circumstances with a knowledgeable person that can help them understand their options.
 - c. Individuals and their dependents who retire by January 1, 2018 and who meet the following criteria: (1) have not previously waived coverage through the Company; (2) are less than 65 years ("Pre-65") of age by January 1, 2018; (3) are not eligible for Medicare; (4) and are eligible and enrolled for coverage through the outside consultant will receive a monthly subsidy to help offset the cost of

⁴ Nothing in this Tentative Agreement, nor any proposals from the Company during these negotiations, has been or is intended to modify or reduce any Special Benefits Offerings from General Electric.

⁵

the retiree health and welfare plans through a Health Retirement Account (“HRA”). The exact amount of the subsidy will vary based on plan availability and geographic variances relating to access to health care. The subsidy for pre-65 retirees will be equal to the standard Company monthly subsidy (in similar geographic locations), per the table on the next page:

Pre-65	Per Member Per Month⁷
West Virginia	\$750
Indiana	\$750
Connecticut	\$750
South Carolina	\$600
Maryland	\$600
Kentucky	\$600
Georgia	\$600
Florida	\$600
Ohio	\$600
Arizona	\$600
California	\$600
Vermont	\$400
New York	\$400
Massachusetts	\$350

- d. Individuals, and their dependents, who have not previously waived coverage through the Company, retire prior to January 1, 2018, and who are eligible for Medicare, will receive a monthly subsidy of \$90.00 per month per eligible and enrolled person (through an HRA) to help offset the cost of a Medicare Supplemental Plan.
- e. All Bargaining Unit members who retire by January 1, 2018 will have their life insurance adjusted to their ultimate life insurance values, but in no case will the ultimate value be less than \$15,000.00.
 - i. Any Bargaining Unit member who retires before January 1, 2018 and has their life insurance value adjusted to its ultimate value will retain that benefit per the terms of the policy, as amended from time to time.

⁷The subsidy rates listed on the above chart are locked for the life of this contract.

- ii. Any Bargaining Unit member who retires after January 1, 2018 will not be entitled to any life insurance program paid or sponsored by the Company.

9. Voluntary Retirement Program:

- a. The Company will offer to the Bargaining Unit members who are at least 60 years of age⁸, with at least 10 years of service with the Company pursuant to the following terms:
 - i. An eligible Bargaining Unit employee who elects to participate in the program, and signs a Voluntary Retirement Agreement, will receive a lump sum payment of \$40,000.00 minus all applicable deductions and withholdings.
 - ii. Voluntary Retirement Agreement: Eligible Bargaining Unit employees will be required to sign a Voluntary Retirement Agreement that will include a release of any rights to file grievances, demand arbitration or claim any benefit they might otherwise be eligible for under Article XXII of the National Agreement. The language of the Voluntary Retirement Agreement will be agreed upon by the Union and the Company at a later date..
- b. The Company will offer these Voluntary Retirement Packages for up to 100 eligible Bargaining Unit employees by Plant Seniority and broken down as follows: 50 packages will be available for Bargaining Unit members that retire after January 2, 2018; 50 packages will be available for Bargaining Unit members that retire in 2019.
- c. In the event that there are more interested Bargaining Unit employees than available packages (oversubscription), the Company shall provide additional packages. The Company

⁸ Bargaining Unit members must be at least 60 years of age as of the date of their retirement under the Voluntary Retirement Program.

reserves the right to determine the retirement date for each oversubscribed employee who elected to retire. The Company may delay the retirement date for any oversubscribed employee up to and including December 31, 2020 provided a Voluntary Retirement Agreement is executed during the life of the Agreement.

10. Modify 2013-2016 Wage Agreement, Section 1, as follows:

The Company will provide general wage and salary increases as follows:

General Increases	
<u>Effective Date</u>	<u>Increase</u>
June 27, 2016	0 percent
June 25, 2017	2.0 percent
June 24, 2018	2.0 percent

11. Modify the definition of “automated manufacturing machine” as detailed below:

- a. The term “automated manufacturing machine” means a device for doing work ~~which has programmable controllers (PC), numerical controls (NC), computer numerical controls (CNC) or direct numerical controls (DNC)~~ with minimal or reduced human intervention.

12. Increase the weekly cap for Short Term Disability Benefits from \$685.00 to \$700.00.

13. Renew Safety Letter dated June 14, 2013, Appendix T to the Memorandum of Settlement for the life of this agreement.

14. Duration of the Agreement: The CBA will be modified to reflect that the contract is in effect from the date of ratification until June 25, 2019.

IUE-CWA, Locals 81359, 81380 & 84707

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