2026 BFG3/USW

Effects Bargaining Agreement

August 13, 2026

Site Closure Agreement

This agreement is made and entered into this 13th day of August 2026, by and between the United Steelworkers (the "USW") and its Local Union 351L, Tuscaloosa, Alabama (collectively the "UNION"), and BFGoodrich Tire Manufacturing, a division of Michelin North America, Inc. (the "COMPANY").

WHEREAS: The COMPANY has determined that all operations at its BFG Tuscaloosa, AL plant will permanently cease, as announced on June 25, 2026, with final closure anticipated on or before December 31, 2028, and;

WHEREAS: The Uniform Agreement and the Pension and Insurance Agreement dated July 27, 2025, between the COMPANY and the UNION sets forth various benefits to be applied to the bargaining unit employees who are terminated due to plant closure, and;

WHEREAS: The COMPANY and the UNION have agreed, notwithstanding the provisions of the uniform agreements, to engage in collective bargaining concerning the effects of the BFG Tuscaloosa, AL plant closure on members of the Tuscaloosa plant bargaining unit, and;

WHEREAS: The obligation to conduct "effects bargaining" concerning the BFG Tuscaloosa, AL plant closure has been concluded to the mutual satisfaction of both the COMPANY and the UNION on all issues as enumerated by the terms and conditions set forth herein.

NOW THEREFORE: The amended terms and conditions of the renewed BFG/USW Uniform and Local Supplemental Agreements are agreed as set forth below:

1. **Mutual Understanding**

    - The parties recognize that the current CBA does not provide termination/severance benefits for the majority of employees and that this language has not been updated in many years. The COMPANY has expressed its intent to provide a fair severance package for all employees while at the same time ensuring a safe and efficient wind down of operations at the site over the next two years. Therefore, it is the intent of the parties that this agreement shall supersede all provisions in the current CBA (Master Agreement, Local Agreement, Local Letters, and the Pension & Insurance Agreement), regarding benefits paid on a plant closure.

2. TIMING:

- The COMPANY has expressed its intent to cease operations at its Tuscaloosa, AL facility by end-of-year 2028. The parties recognize that this timing is a good faith

  estimate and that certain employees will be released from employment before that date. The COMPANY has committed that no employees will be released pursuant to this Closure Agreement before April 1, 2027.

- The Parties recognize that as the wind down progresses, employees will be released from employment before year-end 2028. It is recognized by both parties that it is in everyone's best interest for the wind down of production at the facility to be conducted in an efficient and safe manner. To that end, the COMPANY will provide a minimum of 60-days' notice to any individual that his or her employment will come to an end. The Company is committed to providing greater notice when possible.

- The Parties have outlined the operational requirements as Appendix A.

- Any employee who voluntarily leaves employment before his date of job suppression, or who is involuntarily terminated, will forfeit all rights and benefits under this Agreement.

- **Severance Pay**

  - The parties recognize that the current Pension and Insurance Agreement provides a termination allowance for a limited number of employees. Therefore, the Pension and Insurance Agreement will be amended to remove the application of the Termination Allowance to any Tuscaloosa employee receiving a benefit pursuant to this Closure Agreement.

  - The parties recognize that the current Pension and Insurance Agreement provides that a Termination Allowance offsets an employee's rights under the current pension plan. The COMPANY has no desire to enforce this offset. Therefore, the Pension and Insurance Agreement will be amended to remove the required offset as it would otherwise apply to these Tuscaloosa employees.

  - Employees who maintain successful employment based on performance, quality, attendance, and behavior, will be entitled to a severance payment as follows:

    - Two weeks' pay (ASTHE) per year of service,
    - With a minimum of Sixteen weeks' pay (ASTHE),
    - No Maximum Cap,

  - Employees will have the option to have their severance paid either as one lump sum or bi-weekly. If an employee chooses bi-weekly payments, the payments will be distributed in equal amounts for the total weeks of severance.
  - Eligible employees with thirty (30) or more years of service, who are declared surplus and offered alternative employment will be provided the opportunity to elect severance instead of alternative employment, for a maximum of one year of severance.
  - Receipt of severance benefits is contingent upon compliance with all Company separation requirements, including execution of any required separation agreement, release of claims, or other applicable documents consistent with federal, state, and local laws.

- **Retention Pay**
  - For Production Employees: The COMPANY will pay all employees active and, on the rolls, and in good standing (not under an LCA, administered after September 1, 2026) as of December 15, 2026, a retention bonus of $4,000.
    - Employees must be active and available for work from September 1, 2026 to December 15, 2026, and not otherwise on leave of absence (not including vacation, holiday, military, jury duty, Union Business or bereavement).
    - Employees on any medical leave of absence from September 1, 2026 to December 15, 2026, shall have their retention bonus reduced pro rata for the time missed from work.
    - The COMPANY reserves the right to make any future retention payment, including targeting specific jobs that the COMPANY determines to be necessary for both business and staffing priorities. In the event the COMPANY determines to make future retention bonus payment, the COMPANY will notify the UNION in advance of the payment.
  - For Maintenance Employees: The COMPANY will pay all employees active and on the rolls, and in good standing (not under an LCA, administered after September 1, 2026) as of December 15, 2026, a retention bonus of $10,000.
    - Employees must be active and available for work from September 1, 2026 to December 15, 2026, and not otherwise on leave of absence (not including vacation, holiday, military, jury duty, union business or bereavement).

- Employees on any medical leave of absence from September 1, 2026 to December 15, 2026, shall have their retention bonus reduced pro rata for the time missed from work.
- The COMPANY will pay these Maintenance Employees a quarterly Retention Bonus, generally at the same time as the quarterly COLA Payment, of $5,000.

- **UNION Representation**
    - The parties recognize that due to the declining head count at the site, the level of full-time union representation should also be reduced
        - Effective April 1, 2027, Full-Time Union Officers shall be limited to:
            - President
            - Chief Division Chairman (Vice President)
            - Health and Safety
            - Pension and Insurance
        - Divisional Chairmen:
            - Effective April 1, 2027, there shall be 4 Divisional Chairmen - Hot & Cold Prep/Maintenance/Tire Room/Curing & TV
        - All Green card imbalances will be forgiven upon the signing of this agreement.
        - Beginning April 1, 2027, Green card Hours will accumulate at 75 hrs./week. Green Card accumulation expires January 1, 2028.
        - The COMPANY shall continue to employ the Union President and the Pension and Insurance Representative for 2-years following the final closure of the facility. At that time these individuals shall be entitled to the Separation benefits provided in this agreement.

6. Funds

- The parties agree that ICD will continue to receive regular contributions through December 31, 2028, and the fund will terminate on December 31, 2030, or sooner if the funds have been exhausted. Beginning January 1, 2027, the COMPANY will no longer charge the ICD Fund for the Wages and Benefits of the ICD Coordinator.
- Funds generated through regular contributions and freed from other obligations shall be targeted at assisting employees in retraining and job-search/placement.

- The parties agree that Safety Fund will continue to receive regular contributions through December 31, 2026, at which time the Fund will terminate, with any remaining Funds now contributed to the ICD Fund.
    - Funds generated through regular contributions and freed from other obligations shall be targeted at assisting employees in retraining and job-search/placement.
    - Beginning January 1, 2027, any items that need to be purchased or replaced, that would have normally been paid for through the Health and Safety funds, will be purchased and/or replaced by the Company through the final closure date.
- The SUB Fund for Tuscaloosa will accrue no additional funds after September 1, 2026, and any remaining funds will return to COMPANY on December 31, 2026. No employee will be forced into a SUB event after December 31, 2026. The Company will offer available work for all employees until their final layoff date.
- The Dental Fund will continue to operate, as normal, under the existing CBA. At the time of closure, any monies remaining in this Fund will revert to the COMPANY and the COMPANY will then pay the Dental Premiums for 1-year during the COBRA Period.

7. Preferential Hiring Rights

- Employees laid off from Tuscaloosa have preferential hiring rights at Ft. Wayne pursuant to Article XXV of the current CBA.
- The parties agree to modify this article to provide that, beginning March 1, 2027,
  Ft. Wayne will post open positions at both sites before it hires from the outside. Tuscaloosa employees who have been given a notice of separation may apply for an open position for which they are qualified or for which the COMPANY would hire a new employee. Former Tuscaloosa employees may continue to apply for open positions at Ft. Wayne through March 31, 2029, provided they have not started retirement benefits or taken a severance payment.
- If an employee is awarded a position at Ft. Wayne, the COMPANY will take reasonable steps to make the employee available as soon as possible.
- Maintenance craft employees who are accepted as a preferential hire into a maintenance craft classification at Ft. Wayne will maintain their maintenance craft classification level attained while formerly employed at the Tuscaloosa site.

- Employees awarded a new position at Ft. Wayne are not eligible for severance benefits under this agreement, however, if the employee relocates and remains employed for at least 45 days, they will receive a $4,000 relocation payment.
- Any employee who transfers to Ft. Wayne will retain his COMPANY seniority for benefits but will be considered a new employee for site operations and assignments.

8. Benefits (Insurance and Retirement)

- Plant closure Retirement benefits will apply as written in the P&I agreement except as restructured in this agreement. All active employee insurance and retirement benefits will continue unchanged as long as the employee continues working.
- Employees separated from employment will be entitled to 12 months COBRA coverage, based on their insurance coverage at the time of separation (medical, dental, and vision), provided at no cost to the employee. After 12 months, the employee shall have the right to continue coverage at the standard COBRA rates for an additional 6 months.
- Employees who have been separated from the Company will remain on the 12 months of paid COBRA coverage before transitioning to retiree healthcare, if eligible.
- Effective December 31, 2028, all TUS employees on LTD shall be terminated from employment. This will have the following impact:
  - **Continues**
    - Payments of LTD benefits under the LTD policy according to policy eligibility rules
    - Plant closure provision in Letter #27 regarding eligibility for retiree medical benefits
    - Requirements for applying for Social Security Disability Insurance benefits
    - Requirements for applying for Medicare Parts A and B
    - Ability to transfer or receive their severance package if released from LTD after returning to work and working for 45-days prior to the final closure date.

- **Ends**
  - Employees with an open LTD claim at the time of their termination of employment are not eligible for severance payments.
  - If the employee's pending claim is subsequently determined to be not disabled under the LTD plan, then he would be eligible for a severance.
  - Accruals for Credited Service
  - Employer contributions to the DC plan
  - Continuation of active benefits under Articles 4, 5 and 6 of the P&I agreement

- Effective December 31, 2028, all employees on S&A will be terminated and S&A benefits will cease.

9. Miscellaneous Provisions

- Maintenance Employees keep tools and toolboxes if they stay until released.
- Interim Meetings – The COMPANY and the UNION agree to maintain the normal schedule for Interim Meetings, with Tuscaloosa representatives participating, for Fall 2026, Spring 2027, and Fall 2027. Tuscaloosa representatives will no longer participate in Interim Meetings after 2027. However, the Company commits to holding a specific meeting in Tuscaloosa in Spring 2028 and a second meeting before the final closure of the site.
- All temporary salary jobs will end September 1, 2026, and those EE's will move back to their bid job.

10. Post-Closure Activity

- All work on site performed after official closure date shall be performed by non-bargaining unit personnel and not subject to any bargaining unit rules. This work includes, but is not limited to, any equipment dismantling or transfer functions.

Appendix A - BFG3 Operational Requirements for Wind Down of Production

The COMPANY and the UNION mutually agree to modify certain provisions of the Collective Bargaining Agreement ("CBA"), established work rules, and local practices to facilitate an orderly and efficient phase-out of factory operations. These modifications are intended to support operational needs while maintaining a stable employment environment for affected employees until operations cease. The Parties recognize that it is best for all concerned that the COMPANY does not hire new employees during this wind-down phase. Therefore, as jobs are identified for suppression, employees currently in those jobs may bid on any open job and maintain their current rate of pay. If no jobs are up for bid or if an employee chooses not to bid, they may be placed in open positions in the site for which they are qualified or can qualify with minimal training.

- Employees with at least 30 years of service, after they receive a notice of separation and an offer of an open position, may elect to retire/resign and still receive the severance package. Employees with less than 30 years of service, and who do not accept an open position offered will forfeit any severance package.

- Effective April 1, 2027, Article XXVIII of the CBA shall be superseded by the following provisions:
  - Workforce reductions shall be determined by job classification/seniority rather than plant seniority.
  - Employees in job classifications designated for elimination shall be declared surplus at least 60 days in advance of the elimination of their classification. Surplus employees may bid on posted positions until their job classification is eliminated.

- Job postings shall occur Monday through Thursday.

- Only one position shall be filled from each job posting. The Bid Committee will consider awarding subsequent openings to Surplus Employees based on seniority and/or previous work experience.
- Surplus employees shall be granted plant-wide super seniority for purposes of bidding and placement.

- Non-Suppressed Employees may bid only on positions with a higher rate of pay than their current position.
  - Lateral bids shall not be permitted.
  - Bids to lower-rate positions shall not be permitted.
- The Company may utilize outside contractors or temporary labor services to supplement staffing requirements and maintain production levels when employee attrition results in staffing shortages. Contractors or temporary labor can only be used after employees on a current separation notice have had the opportunity to bid on or choose the open job that the Company intends to outsource. If an employee has received a separation notice and there is no open job available at the time, such employees can choose to continue their employment and will be assigned a job, at the company's discretion.
- Work schedules, as defined in the Collective Bargaining agreement, may be revised by the Company with a minimum of three (3) weeks' notice to employees
- Maintenance Employees may be reassigned either permanently or on a temporary basis to different Areas due to vacancies, workforce realignment, department or crew reductions out of the line of seniority.
- Job Combinations and Polyvalence training opportunities, as defined in the Collective Bargaining agreement, will be utilized to maintain stable employment conditions for the wage workforce.
- Employees with experience in open positions may be reassigned temporarily at the company's discretion to maintain stable employment conditions for the wage workforce.