



**Gary Beevers**  
International Vice President

**DATE:** February 3, 2009

**TO:** National Oil Bargaining Groups  
Staff Representatives service NOBP Locals

**FROM:** Gary Beevers, International Vice President

**COPY:** USW International Executive Board  
NOPB Policy Committee

### **NOPB General Message 13**

#### **Greetings:**

Please be advised that the following offer submitted to USW Locals 5 and 13-423 by Shell/Motiva has been approved by the National Oil Bargaining Policy Committee as the minimum settlement on issues covered by the 2009 National Oil Bargaining Policy Program, and in accordance with the International Policy, it should be placed on all bargaining tables as the basis for settlement for National Policy Issues.

#### **SETTLEMENT OFFER**

The Company proposes that all issues raised by the 2009 National Oil Bargaining Policy be resolved as follows:

#### **TERM OF AGREEMENT**

February 1, 2009 through January 31, 2012. (Applicable to contracts expiring January 31, 2009).

## **WAGES**

Effective February 1, 2009, all hourly wage rates will be increased 3.0% rounded to the nearest cent.

Effective February 1, 2010, all hourly wage rates will be increased 3.0% rounded to the nearest cent.

Effective February 1, 2011, all hourly wage rates will be increased 3.0% rounded to the nearest cent.

## **RATIFICATION BONUS**

All represented, full time, active employees in the USW represented bargaining units at eligible locations on the payroll as of the date of ratification of the agreement, will receive a one time, lump sum payment of \$2,500. For those locations on the national pattern settlement date (January 31<sup>st</sup>), the payment of this bonus is contingent upon ratification occurring by no later than February 16, 2009. For all other locations with expiration dates not on the national pattern settlement date, the payment of this bonus is contingent upon ratification occurring by no later than fourteen (14) calendar days from the applicable contract expiration date.

The ratification bonus, which will be paid as soon as practical following notification to the Company of Union ratification of this entire agreement, is non-benefits bearing. This means that it will not be included in the definition of earnings in calculating any benefit under any Shell benefit plan, policy, or payroll practice.

The ratification bonus will not be included in wages for purposes of calculating vacation pay, holiday pay, sickness and disability pay, occupational illness and injury pay, overtime pay, workers compensation premiums, or any other types of premium or special payment.

The ratification bonus will be subject to all deductions required by law, such as applicable withholding for federal, state and local taxes.

## **HEALTH CARE**

The Company renews and extends its current commitments that the Company's contributions toward premiums for the Shell medical plan for active employees will be based on an employer contribution rate of 80% of the premium and an employee contribution rate of 20% of the premium. The Company's contributions toward premiums for approved alternate company sponsored medical plans for active employees will be based on an 80% contribution, but in no case will it exceed its monthly contribution to the Hospital Surgical Medical (HSM) option.

## **NO RETROGRESSION**

The Company agrees to renew the letter agreements on layoff notice, plant closure, rate retention, national health insurance, health and safety, successorship, and job security where such letter agreements exist.

Agreed to this \_\_\_ day of February, 2009.

United Steel, Paper and Forestry, Rubber,  
Manufacturing, Energy, Allied Industrial  
Service Workers International Union

Shell Oil Products US

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Gary Beevers  
International Vice President

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Julian C. Dalzell  
Vice President  
Human Resources

**Please continue the rolling 24 hour extensions as the offers come in. We will be departing Austin, Texas at 3:00pm CST today and returning to Beaumont. Please send all offers received after 3:00pm CST by fax to the Beaumont office. 409-838-1972.**

**Remember no Staff Representative or local union official is authorized to execute a tentative agreement on this program until I have read and approved the offer.**  
**We will respond with approval and or rejection as fast as we can.**

***You will receive additional information with more detailed explanation of this proposal in the next day or two.***

**In solidarity,**

