

**LETTER – PENSION PLAN NUMBER 1
NEW LETTER**

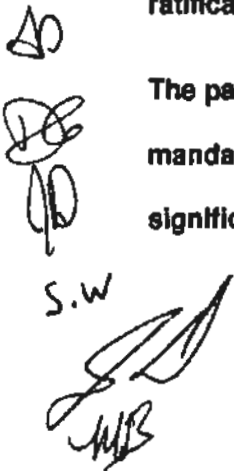
**Mr. J. Dias
National President
Unifor
205 Placer Court
Toronto, Ontario
M2H 3H9**

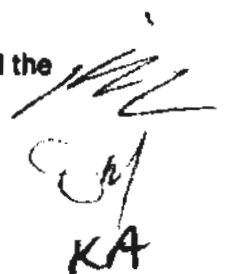
Dear Mr. Dias:

During 2020 negotiations, the parties discussed the union's interest in transferring members hired or rehired on or after November 7, 2016 who are currently enrolled in the Defined Contribution ("DC") portion of the pension plan to the College of Applied Arts and Technology ("CAAT") DBPlus Pension Plan. The parties recognize that the CAAT DBPlus plan provides a defined benefit pension, and may offer features that could be of value to employees, such as survivor benefits and early retirement options. The parties also considered that the decision on any such transfer would require due diligence activities by the parties to determine the feasibility, including any requirements to join the CAAT plan, and whether such transfer would meet the needs of the parties.

Accordingly, the parties agreed to continue to explore the CAAT plan further after ratification of the collective agreement.

The parties further discussed that the CAAT plan currently requires a minimum mandatory contribution of 5% by the employer and 5% by the employee, which is a significant difference from the mandatory contributions required of the Company and the


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employee under the current DC pension plan, and a significant difference from the voluntary nature of the current optional DC member contributions.



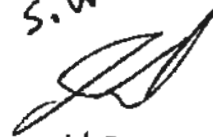

The parties also discussed that a change would be required to the voluntary nature of the current optional employee DC contributions in order to meet the requirements of the CAAT plan. It was therefore acknowledged that, should the parties jointly agree to join the CAAT plan, any changes to contributions would be made on a cost-neutral basis to the Company and to the employee when compared to the current DC arrangement, and that if it is determined that there are excess contributions owed by the Company to ensure cost-neutrality of contributions, these excess contributions could, at the member's election, be directed to the employee's Individual account in the Unifor-Ford Savings plan.

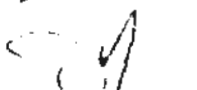
Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Ryan Kantautas
Vice President
Human Resources

Concur:


J. Dias

* Here insert the effective date of the new Collective Agreement.



S.W.





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