SUMMARY

Proposed Agreement

between

Goodyear

and the

United Steelworkers

UNITED STEELWORKERS

USW

UNITY AND STRENGTH FOR WORKERS

Effective July 22, 2006

Dear Brothers and Sisters:

On Friday, December 22, 2006, your Policy Committee concluded and voted to approve a proposed Tentative Agreement with the Goodyear Tire and Rubber Company.

We now submit this Tentative Agreement to you, our members, for consideration. The following Summary will provide you with a detailed outline of the Tentative Agreement. A copy of the full Tentative Agreement is available for your reviewing at your Local union hall.

We recommend that you study this Summary carefully before voting on the Tentative Agreement.

In solidarity,

Pete Stamich
President, Local 2

Howard Kropff
Local 2

Dennis Battles
President, Local 12

Randall Eubanks
Local 12

Mark Kurkowski
President, Local 135

Paul Dobrzenski
Local 135

Gary Glass
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INTRODUCTION

When bargaining started in this round of rubber negotiations it quickly became apparent that Goodyear was going to be difficult. We turned to Goodrich and reached a pattern agreement there. Even after achieving a pattern settlement, Goodyear ignored what our union and the tire industry had traditionally done in past agreements within the industry, and refused to settle on that basis, demanding more advantages than their competitors had bargained.

On the first day of talks we were confronted with a company proposal which broke from the pattern. Additionally Goodyear seemed emboldened by recent trends in manufacturing that encourage employers to slash health care, reduce wages and shift even more production offshore.

These proposals were especially insulting because they came only three short years after we had made major sacrifices to bring Goodyear back from the brink of bankruptcy and restore the company to profitability.

All in all, the proposals flew in the face of our primary objectives:

- saving jobs by obtaining major capital investments to secure the future of our plants, which are endangered by foreign imports; and,
- protecting more than 30,000 retirees and surviving spouses from having to absorb major increases in health care costs.

Unlike other stakeholders, the company clearly wasn't looking to reward us for accepting wage, pension and health care cuts, for allowing the closure of the Huntsville, Ala. plant, and for improving productivity and enhancing production efficiencies.

Instead, Goodyear wanted more concessions and more plant closures, furthering its ability to outsource more of our jobs and the productive capacity of our plants. In fact, its initial proposals called for closing up to four of our plants, walking away from its previous commitments for retiree health care, and gutting wage rates and medical benefits.

We stood firm in our resolve to resist these and other assaults on our economic security, including the elimination of COLA, and a two-tier wage and benefit package that the company was demanding.

When the company forced us out on strike on October 5, after months and months of intensive bargaining, we were still facing demands for multiple plant closings and an "offer" of a retiree medical benefit fund financed at less than 50 cents on a dollar of its billion-dollar-plus obligation.

Furthermore, if we had submitted to the company's demands for restructuring wages, almost 70% of us would have been forced to take big cuts and the New Employee program would have had us working side-by-side with folks earning a lot less and receiving zero benefits and vacation time

The Tentative Agreement presented here offers a range of protections entirely absent from the company's original proposal that ultimately drove us out on strike.

Among other significant provisions, it protects retiree medical coverage by securing initial funding of more than $1 billion for a benefit trust – more than $440 million more than the company's initial proposal – nearly an 80 percent increase!

This Tentative Agreement also ensures a future for our production by obtaining a company commitment to invest $550 million in our plants over the next three years and to protect our brands from being produced outside of our USW plants.

HIGHLIGHTS OF THE AGREEMENT

Following are a number of the more significant protections won in the Tentative Agreement approved by your Goodyear-Dunlop Policy Committee:

- **Secured health care for current and future retirees through creation of a $1 billion-plus, company-financed benefit trust called a Voluntary Employees' Beneficiary Association (VEBA).**

- **Tripled to $550 million the company's commitment to invest in our USW-represented plants.**

- **Protected at least 90% of the product ticket and manning levels in our plants.**

- **Secured our wages with grandfather protection for all current employees.**

- **Won continuation of COLA payments.**

- **Restored the two year frozen pension credit with a $55 multiplier.**

- **Preserved affordable, high quality health care coverage.**

- **Won the rights for all members to return to work with full seniority for the time you were on strike.**

- **Secured strikers 24 hours of pay for missed holidays.**

- **All temporary replacement scabs leave the plants before we go back in.**

PROTECTING RETIREE HEALTH CARE (VEBA)

$1 Billion Plus for Retiree Health Care

We preserved and secured healthcare for current and future retirees through an agreement with Goodyear to contribute $1 billion into a Voluntary Employees' Beneficiarys Association (VEBA) fund. You will remember that the company's final offer prior to the strike was only $550 million. The agreement also provides for additional funding through future COLA and profit sharing diversions that is expected to provide greater security for the future of retiree health care than we could have achieved under the current capped arrangement. The initial $1 billion contribution from Goodyear will come from a mix of cash and stock.

Goodyear cash payment	$700 million
Goodyear stock	$300 million
Total	$1 billion

We expect to be able to turn the stock into cash very quickly, leaving the VEBA with no exposure to the risk of owning Goodyear stock.

Because the VEBA is at the cutting edge of retiree insurance, it must be approved by a Federal Court before implementation.

Retiree Health Care

These negotiations confronted us with staggering challenges relating to retiree health care benefits.

First, Goodyear maintained that it had the legal right to completely eliminate insurance coverage for all current retirees for all time. The Union vehemently disagreed of course.

Second, and as if to drive home its first point, Goodyear fought relentlessly to "have as little to do with retiree insurance as possible."

Finally, Goodyear negotiators insisted that, if the bargaining on retiree insurance produced no agreement, the Company would simply apply the "cost caps" you have read about in our Solidarity Alerts as inflexibly and harshly as possible – so harshly that Goodyear could simply proceed to price more and more retirees out of our traditional program. Goodyear reasoned that if the "caps" could strip retirees of their ability to afford their share of program costs, then the Company could greedily pocket its share of those costs.

Faced with such huge challenges, your negotiators went to work. On the one hand, they overcame company resistance and produced stability and continuity in our retiree insurance program as well as reductions in monthly premiums for virtually all current retirees over the next three years. But more importantly, the proposed contract achieves fundamental changes in the retiree insurance program, including the introduction of added benefit security through pre-funding. The Union was also mindful of past experiences where corporations have filed for bankruptcy and the obligation for funding retiree healthcare benefits was cast aside.

For years, Goodyear has described its retiree insurance program as offering defined benefits (subject to a cap). And it is the Company that has administered the program, which has been totally unfunded. If the tentative settlement is ratified, the level of retiree benefits for Goodyear retirees will depend on contributions of a defined amount (described below), the program will no longer be administered by Goodyear but rather by a VEBA (explained below), and coverage will be pre-funded for the first time ever. Because the assets of the program will be in a trust that is legally separate from the Company, if Goodyear were to hit financial trouble or even go bankrupt, the money in the trust would still be available for the exclusive benefit of retirees.

In this context, the Union was able to negotiate a unique arrangement that allows Goodyear to cap its financial obligation for retiree health care benefits, but at the same time make a substantial and irrevocable financial commitment to fund these benefits for both current and future retirees.

The VEBA

If the agreement is ratified, the next several months will see the establishment of a VEBA trust to take over from Goodyear the responsibility for retiree health care for all current and future Goodyear retirees. In its simplest form, a VEBA or "Voluntary Employees' Beneficiary Association," is a trust fund, that is, a vehicle in which monies can be held for purposes of providing health and welfare benefits to participants. In this case, the participants of the VEBA will be the current and future retirees of Goodyear.

The proposed contract requires Goodyear to provide $1 billion in initial funding for the VEBA. $700 million of that $1 billion will be provided in the form of a cash contribution. For the other $300 million, Goodyear can contribute any combination of common stock and cash. The tentative agreement includes carefully negotiated provisions to ensure that the VEBA can convert any contributed stock to cash in a prompt and orderly fashion.

For many weeks of the strike, Goodyear insisted that the Union take only $560 million in the initial VEBA contribution. Later the Company offer increased to $660 million. It is a testament to the solidarity and activism of Goodyear strikers (and their supporters around the country and the world) that the Company was driven to the $1 billion mark, a level that management resisted bitterly until the end. All this said, contributions will actually top $1 billion.

In addition to the initial $1 billion, other ongoing contributions will be remitted to the VEBA by way of COLA and Profit Sharing diversions. Over the life of the 2006 labor agreement, the first $1.00 in COLA will be diverted to the VEBA. It is estimated that this could generate more than $80 million additional funding dollars. Under the proposed profit sharing program, 100% of profit sharing proceeds will be diverted to the VEBA for calendar years 2008 and 2009. It is estimated that up to $55 million more dollars could be diverted to the VEBA as a result of the profit sharing formula. Of course, in our bargaining of future labor agreements, our Negotiating Committee will be able to divert future wages, COLA, profit sharing, and/or signing bonuses to the VEBA, and its decision-making on these matters must be negotiated with the Company.

Start-up of the VEBA and hand-off of administration from Goodyear to the VEBA will take place over several months. Detailed provisions in the new agreement ensure an orderly transition of responsibility for the retiree insurance program from the Company to the VEBA.

The VEBA will be governed by a Committee (Board of Trustees), which will be comprised of three members designated by the USW and four independent members initially selected jointly by Goodyear and the USW. Ultimately it will be the responsibility of the Committee to manage the assets of the VEBA and determine and maintain the benefit programs provided to eligible participants.

However, during the term of this labor agreement, the benefit programs and retiree premium contribution amounts have been established under the terms of the settlement agreement. Some of the highlights are as follows:

1. The current benefit levels and eligibility rules for retirees medical and prescription drug coverage will not change throughout the term of the proposed agreement. In other words, the National PPO plan for retirees will be maintained by the VEBA through December 31, 2009 and the same eligibility rules as currently outlined in the P&I Agreement will apply.
2. From the time the VEBA is established through December 31, 2009, retiree premiums will be set at fixed amounts. For Medicare eligible retirees the monthly premiums per household will be $65. For Pre-Medicare eligible retirees the monthly premiums per household will be $130.

3. Due to the timing of reaching a tentative agreement and the extensive amount of work that the parties need to undertake to actually establish the VEBA, various premium changes will occur in calendar year 2007, almost all of them to the benefit of retirees. The following chart outlines the sequence of timing and the changes in premiums. Please note, however that in all scenarios, monthly premiums for Medicare eligible retirees will change to $65 per household on February 1, 2007.

Location	Transition Period			
	2/1/07 - Judgment Date		Judgment Date – 12/31/09	
	Pre-Med	Medicare	Pre-Med	Medicare
Master	Same as Published	$65.00	$130.00	$65.00
Buffalo		$65.00	$130.00	$65.00
Huntsville		$65.00	$130.00	$65.00

4. Goodyear will continue to collect retiree premiums via pension check deductions throughout the transition period and for the life of the VEBA. For those retirees who are billed for their premiums, that process will continue uninterrupted as well until such time that the VEBA is established and can take over this function.

5. While it is the intent of the bargaining parties to make this a seamless transition from a benefits and administrative standpoint, there are some key points that need to be noted about what will be different once the responsibility for providing retiree healthcare falls to the VEBA.

a. Goodyear will no longer be the sponsor of the retiree healthcare plans - that responsibility will fall to the VEBA.

b. The USW will no longer bargain with Goodyear over retiree healthcare benefits. Once retiree benefits are transitioned to the VEBA and after December 31, 2009, it will be the responsibility of the VEBA — an entity with a substantial Union voice through three of the Committee members — to manage the VEBA assets and maintain benefit programs that are in the best interest of all participants.

c. Any benefit modifications or changes in required premiums made after 1/1/2010 and beyond will be done so based on the determinations of the VEBA Committee, not the USW and Goodyear. Prior to the start of 2010, however, the Union will again have contract negotiations which will determine the contribution stream of the VEBA for another multi-year period. In that process, our negotiators will be free to consult with the Union appointees to the VEBA Committee to convey our program preferences.

Taken altogether, the new VEBA settles a contentious dispute between Goodyear and the USW over Goodyear's obligations to its retirees. Full implementation will require, by the terms of the tentative agreement, that the Union and retirees representing a class of all current retirees file a class action lawsuit against Goodyear. The parties to that action will then propose to the Court a settlement incorporating the provisions described above. Approval of the settlement by the judge will be necessary to the effectiveness of the VEBA settlement. Should court approval be denied, either party will have the right to terminate the 2006 collective bargaining agreement and commence negotiations.

Retiree Life Insurance and Dental Coverage

The terms under which life insurance and dental coverage are provided to retirees will not change under the proposed agreement. The life insurance benefit of $3,000 will remain in effect and will be provided by Goodyear. The current Delta Dental program will also remain in effect as long as the local unions agree to maintain this coverage. In other words retiree life insurance and dental coverage are not impacted by the VEBA proposal.

SECURING INVESTMENTS IN OUR PLANTS

The Tentative Agreement designates all USW-represented Goodyear Tire and Rubber plants in the United States as “Protected Facilities” for the entire contract, with the exception of the Tyler, Texas plant, which has protected status for one year.” If the proposal is ratified, the Company has committed, and will be required to provide, enhanced security protections for all USW-represented workers.

Preserving Our Plants With a $550 Million Investment

Goodyear agrees that the following plants will be Protected Facilities: Akron, Buffalo, Danville, Fayetteville, Gadsden, Lincoln, Marysville, St. Marys, Sun Prairie, Topeka and Union City.

Goodyear has agreed that the "minimum level of capital expenditures over the life of the 2006 Agreement shall be a combined $550 million" at the Protected Facilities. This is triple the amount that the company has spent in the preceding five years.

Ticket Protection

The company will continue to produce at least 90% of their ticket or tonnage as of October 1, 2006 during the life of this Agreement.

The company will not offset ticket reductions at a Facility which is not a NAT Protected Facility by transferring production from a NAT Protected Facility.

Before making a significant long-term ticket reduction at a NAT Protected Facility, Goodyear will first transfer, from a facility which is not a Protected Facility to the affected Protected Facility the Production of Products which the Protected Facility could produce without incurring unreasonable capital costs or requiring unavailable capital.

Guarenteed Staffing Levels

Guarenteed staffing levels are raised from 85% to 90%.

Technical Maintenance is protected at 100%.

ECONOMICS

WAGES

New Employee Wage Scale

Upon ratification, the following New Employee Wage Scale ("New Structure") will be established:

Job Grade	NAT Rate	EPD Rate
1 Tech Maint.	Plant maintenance rate	
2	$24.00	$23.00
3	$22.00	$21.00
4	$20.00	$19.00
5	$14.00	$14.00
6	$13.00	$13.00
New Employee	$13.00	$13.00

All current job classifications will be assigned to one of the above Job Grades. The above Grade Wage Rates are inclusive of Cost-of-Living adjustments granted prior to October 2, 2006.

In the event the company creates a new job classification or combines job classifications, the Wage Grade for that new job classification will be established as follows.

The company shall meet with the Local Union and present a written description of the job classification and the tasks that fall within it.

The Employer shall provide the Local Union with a comparison of the nature of the new job classification to existing job classifications at the plant. Based on this information, the Employer will identify the Wage Grade it intends to place the new job classification.

If the Local Union does not agree, the dispute may be submitted to arbitration. The arbitrator shall base his decision as to the appropriate Wage Grade on how the nature of the job compares to the nature of existing job classifications at the plant.

Employees Hired Prior to October 1, 2006

Employees not on Layoff as of October 1, 2006.

The classification wage rates in effect prior to this Agreement ("Prior Structure") will continue to apply to employees hired prior to October 1, 2006, who are not on layoff as of that date. On the last Monday prior to the expiration of this Agreement, employees covered by this subparagraph whose wage rate at the time is below the New Structure, as adjusted, will move to those higher rates and the Prior Structure for that position will expire.

Employees covered by the 2003 New Employee Wage Payment Schedule will continue to progress under that Schedule until they reach full rate under the Prior Structure.

Employees on Layoff as of October 1, 2006.

Employees hired prior to October 1, 2006, who are on layoff as of that date, will return under the Prior Structure so long as they are recalled or preferentially hired after less than two years on layoff.

Employees hired on or after October 1, 2006.

New Technical Maintenance employees hired on or after October 1, 2006 will be paid under the Prior Structure at each plant (including any existing new employee wage progression schedule), and will be treated for purposes of the CBA, COLA, and benefit purposes, as if an employee as of October 1, 2006.

Employees Other than New Technical Maintenance

Employees — other than New Technical Maintenance — hired on or after October 1, 2006 will be paid $13.00, as adjusted, per hour. Upon accumulating three years of continuous service, wages will be paid in accordance with the New Structure, as adjusted.

Other provisions of this Agreement will apply to these new hires as follows:

- Starting at the time of hire, the following provisions will not apply to these employees: seniority for shift/job selection (except as it applies among New Employees), job bidding, funeral leave pay (excused but not paid), floating/birthday holidays, SUB, and layoff protections of any kind.

- After accumulating six months of continuous service, the employee will be eligible for the New Employee Benefit Program.
- After accumulating 12 months of continuous service, the employee will be eligible for one week of vacation based on 40 hours at the New Employee Wage Rate, as adjusted.
- After accumulating three years of continuous service, the employee will move to "Regular Employee" status for benefit and CBA purposes, and continue to be paid under the New Structure, as adjusted.

Employees hired in Tire Building classifications with no incentive will be paid the same wages as Tire Builders being paid under the Prior Structure upon accumulating three years of continuous service, if no incentives are implemented in that area.

WAGE SEPARATION PLAN

Goodyear has made known its intention to get back to its core business of building and selling tires.

In our best effort to protect our members jobs and ease our members' transition into retirement due to loss of product or reduction in operations, we have negotiated additional monies to those workers at the below listed plants who choose to leave the company.

Each employee granted a separation allowance will receive a one-time cash payment equal to $2,000 for each year of completed service with a maximum payment of $40,000 and a minimum payment of $8,000, provided the employee agrees to work for Goodyear until the date determined by the company.

Once the employee satisfies the obligation, his/her continuity of service and employment will end.

The employee has the option of taking the allowance in a lump sum or in equal monthly payments for a period not to exceed 12 months.

Eligible employees may apply for the allowance by filling a written application with the Human Resource Manager at each facility **not later than thirty (30) days after ratification of the Agreement.**

Lincoln - (222 employees)
Marysville - (129 employees)
St. Marys - (31 employees
Sun Prairie - (29 employees)

COST OF LIVING ALLOWANCE (COLA)

We gained our Cost-of-Living protection with a 141-day strike against the company in 1976. Many of our Members who fought in that strike are now our retirees. Over the past decade, we have diverted money from COLA several times to help fund benefits and pensions.

Due to the sky-rocketing costs of medical and drug costs in this country, our current Retirees were facing escalating monthly premiums that many would not have been able to afford. We took action to keep both our current retirees and our future retirees covered by health insurance. This is what will occur if you approve this contract:

The amount of COLA adjustment will continue to be calculated to pay one cent (1¢) per hour for each full .26 of a point change in the Consumer Price Index (CPI) is based on the quarterly change that has not been previously incorporated.

All previous and future Cost-of-Living Allowances payable will be incorporated into the hourly rate for all employees with the following exceptions:

The first dollar ($1) will go to the VEBA for retiree health care (expected first four quarterly adjustments.

The Next four COLA payments will be made in the usual way and rolled in to the hourly wage, provided the dollar diverted to the VEBA has been satisfied.

The last four COLA payments will be made in quarterly lump sum payments.

The Cost-of-Living Allowance will be applied to hourly rates or single payments, where applicable, as a Percentage Adjusted COLA, as defined below, rounded to the nearest whole cent (rounded up at .51):

Percentage for Adjusting COLA			
		Hired on/after 10-1-06 (New Wage Scale)	
Grades	***Hired Prior to 10-1-06 and Active 10-1-06***	***< 3 Years Service***	***3+ Years Service)***
1	**100%**	**Plant Progression**	**100%**
2-4	**100%**	**70%**	**100%**
5-6	**100%**	**70%**	**70%**

The Percentage Adjusted COLA is not subject to local negotiation or adjustment in any way.

Up to the first $1.00 generated by Cost-of-Living Allowances beginning October 2, 2006 will be diverted to the Voluntary Employees' Beneficiary Association (VEBA) rather than be applied to wages.

Provided the $1.00 has been diverted, the October 2007, January 2008, April 2008 and July 2008 COLAs will be applied to all wage rates at the applicable percentage.

Provided the $1.00 has been diverted, the October 2008 COLA will be made as a single payment to all employees.

Provided the $1.00 has been diverted, the three COLAs for January, April and July 2009 will be paid as follows:

For employees not yet on the New Wage Structure, as adjusted, whose rates remain higher than those in the New Wage Structure, as adjusted, these COLAs will be made in a single payment.

For all other employees, these COLAs will be incorporated into the employee's wage rate.

Single payment COLA shall be calculated by adding:

1. The employee's previous 12 months' straight time hours worked multiplied by Percentage Adjusted COLA and
2. The employee's previous 12 months' time-and-one-half overtime hours worked and double time hours worked multiplied by 150 percent of Percentage Adjusted COLA.
3. Employees otherwise eligible for a single payment, but not active on the effective date of the single payment, will be eligible to receive the single payment COLA (based on the same 12 months' hours as used for all employees) after returning to active duty for a period of 30 days so long as the return in within 2 years of the effective date of the single payment.

NEW INCENTIVE SYSTEMS

In order to improve Goodyear's competitive position with optimum productivity, elimination of waste and reduced costs, we have agreed to the implementation of a new incentive system which rewards workers for increased productivity by increasing earnings opportunity.

Existing employees are not subject to the new plan other than those who have never held tirebuilding jobs that voluntarily bid into those jobs and/or those who are working on newly installed tirebuilding equipment.

The new incentive system will apply to:

- All employees working on new tirebuilding equipment that is installed on or after October 1, 2006.
- New employees (hired on or after October 1, 2006) in any NAT plant working in a tirebuilding classification.
- Current employees (hired before Oct 1, 2006) and voluntarily moving into tirebuilding classifications. (except previous tirebuilders)

The new incentive system must provide an opportunity for a normal, qualified operator working at a normal incentive pace to earn approximately twenty to twenty-five (20% to 25%) earnings opportunity above the Grade Wage Rate.

COLA will be incorporated into base rates (subject to provisions of the General Wage Agreement) and incentive systems will be based on current base rate plus incorporated COLA or Grade Wage Rate, whichever is applicable to an individual employee.

Basic Plan

A Standard Hour Plan will be established following study by any acceptable industrial engineering technique such as time study, standard data, predetermined time systems or a combination of these.

The standards are based on the principle that an employee will earn an additional one (1%) percent of the Grade Wage Rate for each one (1%) percent of additional performance above the standard

Reasonable allowances for personal, rest and unavoidable delay will be applied to each standard.

The Tire builders' twenty (20) minute lunch period will be protected and carved out of the incentive calculation.

An individual incentive standard that does not provide incentive opportunity of at least twenty (20%) percent shall be considered unsatisfactory and subject to revision.

Employees assigned off their incentive jobs to train employees will be paid 125% of the Grade Wage Rate.

Minimum Expectancy

Qualified incentive employees must attain 120% average performance during each work week.

Employees who are not "qualified" must become qualified within a reasonable period of time with appropriate training.

For tirebuilders on measured day work systems, poor performance is considered less than 95% for a one week period for tirebuilding jobs and will be addressed, unless the performance is beyond the control of the operator.

Disputes

A performance standard may be challenged by employees or union representatives within ninety (90) days after issuance or ninety (90) days after the first opportunity to work with the standard.

The company must give the Union Division Chairman copies of complete data, showing the basis upon which the current rate or standard was determined.

Disputes are subject to the grievance and arbitration procedure.

Union's Right to Observe a Job

When the company is in the process of determining a standard for a job, the local union has a right to observe the operation of that job and examine the data and information assembled by the company pertaining to the studies and rates.

Clean Card Incentives

Upon mutual consent of the local union and company, a clean card incentive system may be established in place of the SHP incentive system described above. A clean card incentive system takes into account the entire day's production similar to a day work bonus system.

Allowed Hours for Time Study Replacement Training

The company will allow 320 hours for training of a replacement union time study rep.

PENSION AND INSURANCE BENEFITS

The 2006 negotiations brought to our Union challenges of a magnitude that we have never seen before. Through the persistence and dedication of the bargaining committee, along with your support, we have been able to maintain health and welfare benefits for current employees, secure a competitive benefit package for new employees, restore pension benefits and enter into a ground-breaking arrangement for retiree healthcare that will provide a certain level of security for our retirees - past, present and future - that seemed unachievable in the early stages of our bargaining.

As you have been advised throughout the course of these negotiations, Goodyear approached this round of bargaining intent on reducing benefits, shifting costs to our members and cutting loose retirees in a manner that was offensive and irresponsible. We were able to successfully fight back on these proposals and show Goodyear that we were determined to hold the line on their attempts to tear away at our hard earned benefits.

Pension Plan

Your committee was intent from day one of negotiations on restoring the Pension Benefit Accrual Freeze that was implemented under the 2003 contract, resulting in the financial flexibility to get Goodyear back on its feet. Goodyear resisted this proposal time and time again, but your committee's tenacity paid off. For retirements on or after August 1, 2006, employees will receive full credit for the period 11/1/03 through 10/31/05.

Survivor Income Benefits

We were also successful in increasing the Survivor Income benefits after years of struggling to do so. The Proposed Agreement provides for new Minimum Transition and Bridge Benefits of $400 and new Maximum Transition and Bridge Benefits of $600.

Health Care

Protecting healthcare benefits was a primary objective of the bargaining committee. Throughout the course of these negotiations the Company presented a myriad of cuts in our benefits as well as proposals to significantly increase premiums. Through the determination of your bargaining committee, we were able to avoid significant changes to the medical programs for active employees. We were also successful in minimizing the increase in weekly premiums. The proposed weekly premiums are as follows and would apply throughout the term of the agreement:

Employee Only:	$5.00
Employee/Child(ren):	$12.00
Employee/Spouse:	$12.00
Family:	$18.00

Prescription Drugs

The Company approached this bargaining with extremely aggressive proposals on Prescription Drug benefits. The Company's original proposal included higher copayments and utilization management programs that would have restricted access to certain medications. Our resolve to avoid these proposals paid off and we even improved benefits for contraceptives. Along those lines, the proposed agreement includes a 50% copayment for Gastro-Esophageal Reflux Disease drugs, including proton pump inhibitors such as Nexium and oral contraceptives for employees and spouses (previously spouses were not covered). This minor modification is the only change to the current benefit being proposed and would become effective January 1, 2007.

Vision and Dental Care Benefits

There are no changes to the Vision or Dental Care benefits.

Sickness and Accident Benefits

Employees hired before the effective date of the new labor agreement will receive Sickness and Accident Benefits equal to the greater of 18 hours at the Grade Wage Rate or $410 per week.

Employees hired on or after the effective date of the new labor agreement (New Employees) will receive a Sickness and Accident benefit based on the equivalent of eighteen (18) hours at the Grade Wage Rate per week. See the New Employee section below for benefit eligibility rules.

Life Insurance Benefits

Effective January 1, 2007 active employee life insurance is increased from $35,000 to $45,000. The company will also continue to maintain a life insurance benefit for retirees.

Active Employee 401(k)

The Proposed Agreement provides that the Company will implement a Roth 401(k) provision. This provision would replace the current post-tax option under the plan. The new Roth 401(k) regulations took effect in 2006 and permit employers to add this option to their new or existing 401(k) plans to permit after-tax salary deferrals by all eligible plan participants, regardless of their adjusted gross income. Investment income in a Roth 401(k) account accumulates 100% income tax-free and distributions, provided they are qualified, are 100% income tax free. Generally a distribution is qualified if the funds have been held in the Roth account for at least five (5) years and the distribution occurs following the participant reaching age 59-1/2, or becoming disabled, or upon his death.

New Employees - Hired after Effective Date

(This section does not apply to new Technical Maintenance Employees)

The Company's original proposal was to withhold all health and welfare benefits for new employees hired on or after the effective date of the new labor agreement. This approach was completely unacceptable to your committee and after much struggle and persistence we were able to obtain a benefits package that protects our new members during the time they progress through the new wage structure. Upon completion of six months of continuous service, New Employees will be eligible to participate in certain benefit programs provided for under the P&I Agreement, including a medical and prescription drug programs (New Employee PPO).

For In-Network services, the New Hire PPO program differs from the National PPO program in that there is a deductible of $750 per individual and $1,500 per family, the coinsurance level is 80% with an out-of-pocket maximum of $2,000 per individual and $4,000 per family, office visit copayments are $15, emergency room copayments are $50 and urgent care facility copayments are $35. The Prescription Drug program calls for copayments of $15/$40/$70 at retail and $30/$80/$140 for mail order. A 50% copayment is required for certain other medications such as those to treat Gastro-Esophageal Reflux Disease, Erectile Dysfunction, non-sedating antihistamines and nail fungus.

Premium contributions will also be required for the New Hire PPO and will be exactly the same as those outlined above under the National PPO plan.

Upon completion of three years of continuous service New Employees will be enrolled in the National PPO program and treated as a "Regular Employee" for all purposes.

Please note that the provisions outlined ONLY apply to New Employees. Should this Agreement be accepted, current employees will receive the benefits outlined in the previous section of this summary.

RETURN TO WORK

All temporary replacement scabs must be out of the plant before our return to work.

All employees who suffered losses in holiday pay for holidays that occurred during the strike shall receive up to 24 hours of holiday pay. The COMPANY shall pay such amount no later than fourteen (14) days following the employee's timely return to work.

• Employees returning to work in a timely fashion will be eligible for holiday pay for New Year's Day.

• All union members will return with their rightful seniority and no one will have a competitive disadvantage with respect to job assignments, promotions, layoffs or recalls because of their participation in the strike.

• If an employee is unable to return to work because of illness or accident must satisfy medical eligibility requirements in order to receive Sickness & Accident and/or Worker's Comp benefits.

• If an employee is unable to report back to work because of other employment, an extended out-of-town commitment, or similar problem, plant management and local union representatives shall meet to discuss the situation and, provided there is good cause, arrange a later return to work date for the employee.

• The union and company agree that each will use its best efforts to secure the withdrawal of any legal actions and/or criminal charges against the union, company or any individuals for activity related to the strike.

• The union's corporate campaign against Goodyear will be terminated.

• The company is permitted to use salary employees to do bargaining unit work up through and including January 9, 2007, to the extent that less than a full complement of striking workers return to work. If the company needs relief beyond this date, it can do so by mutual agreement with the local union or the matter may be raised for further discussion between Goodyear's Director of Global Labor Relations and the Union's Executive Vice-President (RPIC).

• All returning strikers have complete amnesty for conduct during the strike.

• The company will pay all SUB claims that arose prior to October 5, 2006.

• The company will not pay SUB pay to any worker for a short work week during the recall to work week from January 2, 2007 through January 7, 2007.

• All employees will be paid vacation time in lieu of taking time off in 2006 for any remaining accrued 2006 vacation that is not deferred to 2007.

Missed Holidays - Strikers to get 24 hours pay

With respect to holidays that occurred during the period of the strike (other than New Year's Day, all employees who suffered losses in pay for such holidays as a result of the strike (such losses to be defined as not having received holiday pay in an amount at least equal to that for an unworked holiday) shall receive up to 24 hours of holiday pay. The COMPANY shall pay such amount no later than fourteen (14) days following the employee's timely return to work.

MISCELLANEOUS

Lead Hands

The company may continue or eliminate the current Lead Hand positions at any plant in any department or area. Remaining Lead Hands will continue to be chosen in the existing manner.

New Employee Probationary Period

New employees will have no seniority status until they complete 320 hours worked, after which their seniority dates will be established from their date of hire. (Except for Buffalo, Fayetteville and Tyler who will retain their existing probationary periods.)

Workers' Comp - Choice of Physician

Once an employee is pursuing treatment with a physician experienced to treat an allowed condition that has resulted from an occupational injury or illness, the employee is considered to have exercised his/her choice of physician.

If there is a dispute concerning disability or treatment, Goodyear may have the employee examined by a physician designated by the company.

TYLER AGREEMENT

While the Tyler plant was not on the list of protected facilities, we were successful in getting the company to agree to rescind its shutdown notice and protect Tyler through 2007.

Goodyear must close another non-protected, non-master, non-striking facility before it can close Tyler.

If Goodyear should decide to close the facility, we have negotiated immediate, more generous buyouts than we have ever done before.

If Tyler closes, any Tyler tires that continue to be produced must be made in our USW plants that were on strike.

If Goodyear gets out of the markets that Tyler served and gets back into those markets at some date in the future, those tires must be produced by USW plants and not by additional imports.

Immediate Buyouts

A buyout will be offered to all Tyler employees within 30 days following ratification of this contract. Each employee will be offered $2,000 for each full year of service with a $15,000 minimum payment and $40,000 maximum payment. Once the offer is made, employees will have a fourteen (14) day sign up period to apply for the buyout.

Special Income Continuation Program

Employees laid off as a result of Tyler's closing and not retiring during the first month of the plant closing will receive a weekly benefit of $750 for a minimum of 15 weeks and a maximum of 48 weeks. (In addition to SUB) Employees retiring during the first month of plant closing will receive a $10,000 lump sum payment.

Preferential Hire Rights

All Tyler employees who are affected by a plant shutdown will have an opportunity for Priority Preferential Hire to the Lawton, Oklahoma facility, in additional to the normal Preferential Hire opportunities to the Master Agreement locations and Goodyear's Asheboro and Statesville, N.C. plants.

Vocational Training

Tyler employees affected by a shutdown will be offered outplacement employment assistance and reimbursement of up to $3,000 for accredited vocational training courses within one year of the date of closing.

Continuation of Medical Benefits

Employees laid off as a result of Tyler's closing will receive their Medical insurance for 24 months at the same modest premiums as active employees at Master locations. Medical insurance may be continued up to an additional 24 months beyond the 24 months of plant closure coverage if the laid off employee pays a monthly payment in advance, at the Group Rate, if arranged prior to the expiration of employer-sponsored coverage.