



AGREEMENT
between
LEPRINO FOODS COMPANY
Tracy, California

and

GENERAL TEAMSTERS LOCAL #439
Affiliated with
THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

January 1, 2007 - December 31, 2009

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THIS AGREEMENT made and entered into this 1st day of January 2007, and between LEPRINO FOODS COMPANY, hereinafter designated as the Employer, or Company and TEAMSTERS LOCAL NO. 439, which is hereinafter designated as the Union, to be effective January 1, 2007.

SECTION 1. **RECOGNITION**

- A. The Employer recognizes the Union as the exclusive bargaining agent for all employees covered by this Agreement working in the Employer's Tracy, California facility, located at 2401 MacArthur Drive, Tracy, CA.
- B. Such employees shall be covered by the provisions of this Agreement, it being understood that additional classifications may be added in the manner set forth in Schedule A.
- C. There shall be no discrimination of any kind against any employee on account of union affiliation or on account of the bona fide union activities of such union employee.

SECTION 2. **OPERATION of AGREEMENT**

The Employer will pay the wages herein specified and perform the agreements on its part as hereinafter set forth, and the Union through its membership, will do the work herein described and perform the Agreement on its part as hereinafter set forth, each without limitation or reservation except as expressed hereinafter.

SECTION 3. **UNION AFFILIATION and PREFERENCE of EMPLOYMENT**

- A. All present employees covered by this Agreement who are members of the "Local Union" on the date of execution of this Agreement, or on the effective date of this Agreement, whichever is later, shall as a condition of employment remain members in good standing in said "Local Union". All employees who are hired hereinafter shall become and remain members in good standing in the "Local Union" as a condition of employment on and after the thirty-first (31st) day following the beginning of their employment, the effective date of this Agreement, or the date of execution of this Agreement, whichever is later.

- B. When new or additional employees are needed, the Employer will notify the office of the Union and the Union will furnish the Employer with a list of any experienced and qualified persons who may be available for work.
- C. The Employer may hire qualified persons from any source, but shall notify the Union office, or the designated Union Representative in the plant, on the day they do go to work. Such persons shall make application for and complete Union membership subject to this provision.
- D. The Company will notify the Union by mail, on cards provided by the Union, of the hiring of new employees. If any employee is not in good standing with the Union, as provided herein, and the Union so notifies the Employer in writing, the Employer will discharge such employee within seven (7) days thereafter.

SECTION 4. **EMPLOYMENT PRACTICES**

There shall be no discrimination of any kind by the Company or the Union against any employee or member because of race, religion, creed, sex, color, age, national origin, disability or status as a disabled or Vietnam-era veteran and all other protected classes recognized by governing jurisdiction(s). In this connection, the Company has developed an Affirmative Action Program. The Union agrees to cooperate fully in implementation of that program as modified from time to time; provided that the program shall not conflict with the provisions of this Agreement, including the grievance procedure

SECTION 5. **UNION REPRESENTATIVES**

- A. The Employer agrees to admit to its plant during working hours any authorized representative of the Union for the purpose of ascertaining whether or not this Agreement is being observed by the parties hereto and to assist in their adjusting grievances; provided, however, that the Employer is notified at time of arrival and the representative complies with the Employer's sign-in procedures. This privilege shall be so exercised that no time is lost unnecessarily to the Employer.
- B. The Employer recognizes the right of the Local Union to designate Shop Stewards and alternates from the Employer's seniority list. The Union will provide the Employer with a list of stewards. The Employer will permit a Shop Steward reasonable time off for the purpose of dealing with the Employer concerning grievances at the plant or official Union business, upon reasonable notification by the Local Union. Under no circumstances will Shop Stewards disrupt work or otherwise cause loss of time to the Employer.

SECTION 6. UNION RELATIONS

Rights of the Parties.

- A. The Company retains all rights, except as those rights are limited by the Sections of this Agreement. Nothing in this Agreement shall be construed to impair the right of the Company to conduct all its business in all particulars except as modified by this Agreement.
- B. The Union has all rights that are specified in the Sections of this Agreement and retains all rights granted by law, except as such rights are limited by provisions of this Agreement.

Strikes and Lockouts.

- A. During the life of this Agreement, there shall be no lockouts, and there shall be no strikes of any kind.
- B. The Company shall not lock out the employees and the Union shall not authorize, call, encourage or assist the conduct prohibited above. Further, the Union shall exert its best efforts to bring about the immediate termination of any such conduct.
- C. The parties recognize the right of the Company to take disciplinary action, including discharge, against any employees who participate in violation of this Section, whether such action is taken against all or only some of the participants, provided that the Company articulates a business reason.

SECTION 7. PERFORMANCE OF WORK COVERED BY THIS AGREEMENT and MAINTENANCE of BARGAINING UNIT

- A. The Employer agrees that its employees who are not covered by this Agreement, shall perform no work covered by the Agreement, except:
 - (1) In case of emergencies; or
 - (2) In training or instructing another employee.
- B. If a grievance is filed within thirty- (30) days the parties, the Arbitration Board or the arbitrator, as the case may be, shall assess liquidated damages in an amount not to exceed one hundred dollars (\$100.00) against the Employer for violation of this Section. Damages so assessed shall be paid over to a charity designated by the parties, the Arbitration Board or the arbitrator. In lieu of the above, if the Union and the Employer agree, the Employer shall pay the appropriate employee wages at the appropriate rate as set forth in Schedule "A" for the amount of bargaining unit work so performed by the supervisor.
- C. Clerical work, which is being performed by bargaining unit employees, may be transferred only under the following circumstances:

1. To other bargaining unit employees;
2. In the case of a consolidation or centralization of the Employer's clerical functions, by transfer to non-bargaining unit employees at another location of the Employer.

SECTION 8. **LIST OF EMPLOYEES**

Periodically, or upon request, but not more often than once every three months, the Employer shall furnish the Local Union with a complete list of employees, and the classification of each and pay of each.

SECTION 9. **TRANSFER OF PERSONNEL**

- A. (1) Whenever, within the geographic area covered by this Agreement, a new operation is opened, except as a replacement for existing operations within the geographic area covered by the Agreement, the Employer shall offer, pursuant to the provisions of Section 18, the opportunity to transfer to regular positions in the new operation to employees in those operations within the geographic area covered by this Agreement affected in whole or in part by the opening.
- (2) Whenever the new operation is opened as a replacement of an existing operation located within the geographical area covered by this Agreement, employees in the operation being replaced shall be offered, pursuant to the provisions of Section 18, employment in a regular full-time position at the new operation. If all regular full-time positions are not filled by employees from the replaced operation, the remaining such positions shall be offered to employees at other operations located within the geographic area covered by this Agreement.
- (3) Provided, however, that the limitations of Section 18 relating to one job bid per year are not applicable to bids submitted under the conditions set forth herein. Provided further, that the provisions of this Section shall be deemed applicable for a period of six (6) months subsequent to the commencement of operations at the new plant. The location seniority of employees at the new operation shall date from the commencement of his or her most recent period of unbroken service for the Employer.
- (4) In the event regular full-time jobs thereafter remain unfilled, the Employer may obtain employees without reference to the provisions of Section 18.

- B. (1) The transferred employees shall for a period of thirty (30) days following transfer have an unqualified right to return to their former operation if it is still in existence and retain their seniority at their former operation. Employees who avail themselves of the transfer privilege while they are on a layoff at their original operation may exercise their seniority rights if work becomes available at their original operation during the one (1) year layoff period allowed them at their original operation.
- (2) When an operation is closed and the work of the operation is eliminated, an employee who was formerly employed at another operation shall have the right to transfer back to such former operation and exercise his or her seniority based on date of hire provided he or she has not been away from such original operation for more than one (1) year.
- C. (1) When an operation is closed or partially closed and any of its work is transferred to another location, vacancies resulting from the transfer shall be filled in the following manner:
 - (a) If any employees are on layoff at the locations to which the work is transferred, the recall provisions of Section 18 shall be applied first;
 - (b) An employee whose work is transferred shall first be offered his or her work in the same classification at the location to which it is transferred. This offer shall be made in the order of location seniority among the employees whose work is transferred;
 - (c) Any vacancy remaining in the transferred work shall be posted in accordance with the provisions of Section 18 for bidding by employees at the location to which the work is transferred;
 - (d) Any vacancies then remaining in transferred work shall be offered to employees in the department at the location where the work was performed, who have become unemployed by reason of the transfer. Such offer shall be made on the basis of their location seniority, provided the employees are capable of performing the work;
 - (e) Any vacancies still remaining in transferred work shall be filled by the Employer without regard to the provisions of Sections 18 and 19;
 - (f) When work other than route work is transferred pursuant to this Section, all employees who transfer with such work within sixty (60) days of the date of transfer of the first such employee shall be deemed to have transferred on the same date as the first transferring employee, and their location seniority at the transfer location shall commence at that date. Among the employees who transfer, their relative departmental and location seniority

shall be based on their relative departmental and location seniority at the former location. When more than one route is transferred to another location within sixty, (60) days, the same principle shall apply.

- (2) Provided that if no regular work is available, the Employer, during the period for which an employee's seniority remains unbroken, shall offer the employee employment in the same department at other operations within the area covered by this Agreement on the basis of the employee's departmental seniority, provided that this paragraph shall be applicable only at operations at which no employees are on a layoff status.
- (3) Except as provided in paragraph (D) below, such employees shall go to the bottom of the seniority list and shall have the right of job selection and other contractual rights in accordance with the seniority at the new operation.
- D. Whenever an employee is transferred pursuant to the provisions of this Section, his or her length of vacation, his or her severance pay and his or her accumulated sick leave benefits shall be based upon his or her most recent period of unbroken service under the collective bargaining agreement for the Employer.
- E. As used in this Section, the term operation shall include a plant, branch or division of the Employer.

SECTION 10. **TRANSFER OF COMPANY TITLE OR INTEREST**

- A. This Agreement shall be binding upon the parties hereto, their successors, administrators, executors, and assigns. In the event an entire operation or portion thereof is sold, leased, transferred or taken over by sale, transfer, lease, assignment or receivership or bankruptcy proceeding (unless otherwise provided by law) such operation shall continue to be subject to the conditions- of this Agreement for the remainder of its then existing term.
- B. In the event the Employer fails to require the purchaser, the transferee or lessee to sign this contract or to otherwise assume the obligations, the Employer shall be liable to the Union and to the employees covered for all damages sustained as a result of such failure. When the purchaser, transferee or lessee signs this Agreement or otherwise assumes its obligations, the Employer shall be under no further liability to the Union or to employees by reason of this Section.
- C. The Employer shall give notice of the existence of this Agreement to any purchase, transferee, lessee or assignee of the operation covered by this Agreement or a part thereof. Such notice shall be in writing with a copy to the Union not later than the effective date of the sale, transfer, lease or assignment.

SECTION 11. **SEVERANCE PAY**

Whenever an employee is terminated he or she shall receive severance pay benefits pursuant to the provisions set forth below:

- A. Upon the completion of five (5) years of unbroken service an employee shall be eligible for a severance benefit equal to twenty (20) hours of pay at the employee's regular straight-time rate. The night work pay set forth in Section 10 shall be included in the employee's straight-time rate to the same degree it is included in the calculation of vacation allowance under Section 27;
- B. The Employee shall be eligible for an additional twenty (20) hours severance pay benefit for each additional year of service through the fifteenth (15th) year;
- C. For each year of unbroken service in excess of fifteen (15), the employee shall be eligible for an additional forty (40) hours of severance benefit, provided that in no event shall the total severance benefit to which an employee shall become entitled exceed four hundred (400) hours. The yearly severance benefit due an employee shall be proportionately applied to any period of service between the employee's most recent anniversary of hire and the date of his or her termination.
- D. No severance benefit shall be due under this Section to an employee under any of the following conditions:
 - (1) The employee quits or is discharged for cause;
 - (2) The employee is currently eligible to receive retirement benefits under the Social Security Act and under the Western Conference of Teamsters Pension Plan;
 - (3) Prior to his or her termination, the employee is offered regular full-time employment under this Agreement, or is offered reasonable (within fifty miles of the location at which he or she is employed) regular full-time employment at a location of the Employer not covered by this Agreement. If the employee rejects the employment offer, he or she is not entitled to severance pay. If he or she accepts the offer and is subsequently terminated, unless he or she quits or is discharged for just cause, he or she shall receive severance pay based upon his or her Company seniority;
 - (4) If an employee is on layoff at the time of the closing and his or her seniority has not been broken, he or she shall not be eligible for a severance benefit if he or she has regular full-time employment elsewhere;
 - (5) At the time an employee is laid off he or she shall have the option to receive the severance pay, if any, to which he or she is then entitled, or to retain his or her recall rights for a period of twelve (12) months. If he or she elects to retain his or her recall rights and he or she is not recalled within twelve (12) months of his or her layoff, he or she shall thereupon be entitled to his or her severance pay, provided that if the plant closes during the

twelve (12) month period and the Employer has no other location within fifty (50) miles where he or she can be recalled, he or she shall be entitled to his or her severance pay at the time the plant closes.

- E. The seniority of an employee shall be broken upon his or her receipt of a severance benefit.
- F. Severance benefits shall be paid to the employee not later than his or her final paycheck.
- G. The severance benefits provided by this Section shall be exclusive of all other benefits under this Agreement.

SECTION 12. WAGES and CLASSIFICATIONS

The minimum scale of wages to be maintained by the Employer during the term of this Agreement is as set forth in a Schedule "A" attached hereto and incorporated herein and made a part of this Agreement.

SECTION 13. BREAK-IN PERIOD

All new employees hired may be employed at a rate of pay 30% less than the classification rate for the first six months; at a rate of 25% less than the classification rate for the second six months; and at a rate of 20% less than the classification rate for the third six months.

Employees will be paid one hundred (100) percent of classification for work performed beginning with the first pay period following eighteen (18) months of employment.

SECTION 14. NIGHT WORK PAY

- A. Any employee working between 6:00 p.m. and 6:00 a.m. shall receive thirty five cents (.35) per hour premium above the regular hourly rate. When an employee works four or more regular or overtime hours between the hours of 6:00 P. M. and 6:00 A. M., he or she shall receive the night work premium for the entire shift worked.
- B. The shift premium is to be included as part of the regular hourly rate upon which overtime is calculated.

SECTION 15. DUES DEDUCTION

- A. The Employer shall deduct lawful assessments and monthly dues of such amount as become due from the wages of each employee who has filed with the Employer a written assignment of such monies to the

Local Union having territorial jurisdiction in the area in which the individual is employed.

The assignments shall be irrevocable for a period of one (1) year or until the termination of this Agreement, whichever occurs sooner.

- B. The assignment shall be automatically renewed and shall be irrevocable for successive periods of one (1) year each or for the period of each succeeding applicable collective bargaining agreement, whichever shall be shorter, unless written notice is given by the employee to the Local Union not more than twenty (20) days and not less than ten (10) days prior to the expiration of each period of one (1) year or of each applicable collective bargaining agreement.
- C. The appropriate deduction shall be made on the first day of each month and shall be forwarded to the designated Local Union forthwith.
- D. This Section is applicable only within the territorial jurisdiction of Local 439.

SECTION 16. **PAYDAYS**

All employees covered by this Agreement shall be paid in full at least twice per month. The Employer shall use reasonable efforts to provide swing shift employees with their checks at the conclusion of their shift prior to payday.

SECTION 17. **REMITTANCE ADVISE**

It shall be possible to determine from the stub accompanying an employee's pay check the following items: regular hourly earnings, overtime earnings, social security deduction, disability insurance deduction, withholding tax and any other deductions authorized by the employee. The Employer shall permit an employee, upon submission of a payroll deduction authorization mutually agreed upon by the Employer and the Union for that purpose, to have deducted from his or her pay checks deposits to a credit union designated for employees. No more than two credit unions shall be designated for all employees and the Local Union shall notify the Employer of the credit unions so designated.

SECTION 18. **SENIORITY**

- A. All employees employed for bargaining unit classification shall acquire seniority status after ninety, (90) calendar days from date of hire. These ninety (90) days shall be a trial period and disciplinary action or termination of probationary employees during this period will not be subject to review under any section of the contract. Seniority date will be the most recent date of hire in which the employee met the ninety, (90) day requirement.

- B. When more than one (1) employee is hired on the same date, their relative location seniority date is determined by lot on their hire date. However, in the case of transferred employees refer to Section 9, subsection (C) (1) (f).
- C. Location seniority shall be defined as an employee's most recent period of unbroken service into the plant or location of the Employer at which he or she is working.
- D. Layoffs. In the event of a layoff, the following procedure shall be applied, provided the employees in the department having seniority are capable of performing the remaining jobs:
- (1) When one of several jobs in the same classification in the same department on the same shift is to be eliminated, the employee in the classification on that shift who has the least location seniority shall be the employee whose job is to be eliminated. Skilled relief and relief shall each be considered a separate job classification. Shifts, which overlap by not less than four (4) hours, shall be considered as the same shift.
 - (2) The employee whose job is to be eliminated shall have the following seniority rights which shall be exercised in the order listed, provided the Employer in its sole discretion, based upon all the facts, shall make the determination of the employee's capabilities of performing the job in question:
 - a. He/she shall have the right to displace the employee with the least location seniority in his/her wage bracket and shift in his/her department whose job he or she is capable of performing. When an All Shift Relief is on a full week of the same shift (i.e., 40 hours second shift), he/she will bump from that shift if the next week is a less than a 40 hour week for that relief and causes a bumping situation. (e.g. when the plant goes to a six (6) day from a seven (7) day schedule).
 - b. If he/she can displace no employee pursuant to paragraph (2) a. above, he/she shall have the right to displace the employee with the least location seniority in the next lower wage bracket in his/her shift in his/her department whose job he/she is capable of performing. This process shall be followed in descending order of wage brackets. If he/she can displace no employee in accordance with this paragraph, he/she may displace another employee with less location seniority in a higher wage bracket in his/her shift in his/her department whose job he/she is now capable of performing.

- c. If he/she can displace no employee pursuant to paragraph (2) b. above, he/she shall have the right to displace the employee with the least location seniority in his/her wage bracket and shift at the plant or location whose job he/she is capable of performing.
 - d. If he/she can displace no employee pursuant to paragraph (2) c. above, he/she shall have the right to displace the employee with the least location seniority in his/her wage bracket on any shift at the plant or location whose job he/she is capable of performing. If there is no employee with less location seniority in his/her wage bracket at the plant location, the employee shall have the right to displace the employee with the least location seniority in the next lower wage bracket at the plant or location whose job he/she is capable of performing. This process shall be followed in descending order of wage brackets. If he/she can displace no employee in accordance with this paragraph, he/she may displace another employee with less location seniority in a higher wage bracket whose job he/she is now capable of performing.
 - e. If the employee does not replace another employee pursuant to the provisions of this Section, he/she shall have the right to displace the employee with the least location seniority if he/she is capable of performing the job. If the employee is to displace another employee, he/she shall be given a break-in period of up to five (5) working days. By agreement of the Employer and the Union, this period may be extended by another five (5) working days.
 - f. If no employee eligible for displacement is found, the employee whose job was eliminated shall be laid off.
- (3) Any employee displaced by the operation of this Section shall himself/herself exercise his or her seniority rights in the manner set forth above.
- E. Seniority shall be broken if any employee quits, is discharged or is laid off for more than one (1) year or if an employee has failed to report back for work within three (3) calendar days, exclusive of days where there is no mail delivery, after being notified to do so, provided that a written notice was sent via certified mail to said employee at his or her last address on file with the Employer, with a copy to the Local Union.
 - F. An employee may elect to waive his or her right to displace junior seniority employees when such displacement would move him or her to another department. Any employee who has waived such rights

shall be considered on layoff and shall have waived such rights until the time of his or her recall to regular full-time employment.

For the purposes of temporary recall said employee shall be offered available work in the order of seniority provided he or she is capable of performing the work and shall revert to layoff status upon cessation of temporary work. An employee who declines recall work shall have waived his or her right for available work for a period not to exceed two (2) weeks.

Employees may be recalled in reverse order of seniority by the Employer to fill a position in an emergency situation where there are no other employees qualified and available to perform such work. An employee who has waived his or her right to displace junior seniority employees as described above shall not have the right to grieve for lost earnings for that period of time as a result of junior employees being retained.

Regular full-time employment shall be defined as a job that is more than two weeks in duration.

To implement this section the Employer shall post a bi-weekly sign-up sheet to allow an employee to waive his or her right to bump into another department. In the event a layoff occurs, the Employer will automatically exercise all employees bumping rights except those waived by employees pursuant to the above.

- G. Seniority lists shall be submitted to the Local Union on request, but not more often than once every six (6) months. Any question concerning the application of seniority under this Section may be reviewed as provided in Section 8 of this Agreement.
- H. When an Employer calls employees back to work after a layoff, said employees shall be called back to work in order of seniority, provided the employee can perform the available work.
- I. For purposes of this Agreement, the following departments are recognized: Cheese Department, Whey Department, Warehouse Department, Maintenance Department (which shall include all maintenance functions); Processing Department; Laboratory Department (which shall include processing lab functions); and Office Department. Other departments may be established by agreement between the Employer and the Local Union. The Local Union shall not unreasonably withhold its agreement.
- J. Department Closures and/or Permanent Job Elimination. Permanent job elimination is the situation when a job is no longer necessary to perform due to changes in technology, processes or a management decision to permanently alter production scheduling. This does not apply to seasonal fluctuations or schedules due to milk volumes.

For purposes of administering the above language, the Employer will implement (B) of this section with the following additions:

- (1) Allow employee to bump from job bid.
- (2) If an employee held a job bid of Bracket 5 or higher at the time of the bump, and the bump takes the employee whose job is being eliminated (or the employee who may be bumped as a result of this job elimination) to Bracket 7 or lower, allow the employee to train up to 15 days in the job that the junior employee in the plant is working as long as it is a job that can be trained in 15 days. This is a one-time training opportunity in each instance of job elimination, and only one training opportunity will be offered, if necessary, for each job that is eliminated. Following is the procedure in administering the training for permanent job eliminations.
 - (a) When one employee's job is eliminated, the training period will begin on the second weekly schedule after the job is eliminated. When more than one person's job is eliminated, the first training period will begin as stated above; and the second training period will begin within 15 days of the completion of the first training period, and the process will continue in this manner until all training is completed.
- (3) Bid rights are restored immediately to the displaced employee.
- (4) In the event that an eliminated job is reinstated within 2 years, the employee displaced from the position shall have the first option of filling the reinstated position.

When two or more employees hold the same job bid, on same shift, the start time shall be selected by seniority.

SECTION 19. JOB BIDDING

- A. The working foreperson position shall be considered an assignment rather than a job classification for purposes of Sections 18 and 19 of this Agreement. The designation of employees for such assignments is the exclusive right of the Employer and is not subject to review under this Agreement. For purposes of layoff, bumping, disqualification or resignation of the working foreperson assignment, the working foreperson shall be considered to have remained within the classification previously held and reclaim his/her previously held position, provided that position is not held by a higher senior employee. If a higher senior employee is holding the position or the job has been

eliminated, the employee will bump in accordance with Section 18 (D) 2.

The Employer shall consider candidates in the following order, but the Employer shall be the sole judge both of the employee's qualifications and of their suitability to the position in question, and no such judgment concerning the Employer's requirements shall be subject to the review under any provision of the Agreement (the Employer shall post a list to afford employees the opportunity to indicate their interest in working foreperson assignments).

- (1) The Foreperson selection process shall be as follows when a vacancy occurs:
 - (a) The Department Manager will ask each of the current department forepersons, in order of seniority, if they are interested in the vacancy.
 - (b) If any of the existing department forepersons have an interest they would be awarded the position, by seniority, and then an interest list for the final vacancy will be posted.
- (2) For working foreperson assignments in the maintenance department, the Employer shall consider first employees with at least three (3) months experience in the plant; if no such employee meets the Employer's requirements, the Employer shall consider employees with less than three (3) months experience in the plant;
- (3) For working foreperson assignments in all other departments in the plant, the Employer shall consider first employees with at least one (1) year experience in Bracket 2 or 3; if no such employee meets the Employer's requirements, the Employer shall next consider employees with at least one (1) year experience in Brackets 4 or 5; if no such employee meets the Employer's requirements for working foreperson in the Processing Department, the Employer shall consider first employees with one (1) year experience in the plant; if no such employee meets the Employer's requirements, then the Employer shall consider the employees with less than one (1) year experience in the plant.

Working Foreperson with the most plant seniority that is capable of performing the job will be retained for the purpose of layoff and bumping procedures.

- B. If an employee becomes disabled, as defined by the American with Disabilities Act, the Union and the Employer may agree upon a job which is suitable employment for the employee, and when a vacancy

occurs in that job, it may be filled by assignment of the disabled employee without regard to the provisions of this Section.

- C. Temporary vacancies of forty-five (45) calendar days or less may be filled without reference to the provisions of this Section. This period may be extended by agreement of the Employer and the Union. Vacancies created by bidding onto vacation relief schedules of less than forty-five (45) days may be filled by the Employer without reference to the provisions of this Section.

The Employer may fill such temporary vacancies with employees who do not hold full time positions.

Temporary vacancies will be bid after 45 days; only employees who do not hold a job bid may sign for it. The bid will be assigned according to plant seniority. The employee awarded the temporary bid will not lose bidding rights for full time bids.

If or when the job becomes full time, which may be up to one year for a disabled employee, the job will be bid in accordance to job bidding provisions.

All Temporary Bids will be reviewed at JLRC meetings. Temporary Bids must be bid as full time bids after six (6) months, with the exception of approved leaves of absence. This can be extended upon mutual agreement by Company and Union.

- D. Except as specified above, whenever vacancies occur in any job classification covered by the collective bargaining agreement, said vacancies shall be filled in accordance with the procedures hereinafter set forth:

- (1) All such vacancies shall be conspicuously posted for bidding at a suitable location designated for this purpose within fifteen (15) days after they occur. They shall be posted on a form, which shall give the job titles or the principal job titles in the case of a combination job, hours, days off, location, and wage rate of the job. The vacancies shall be posted for a period of five (5) days, and the bid form shall remain posted for five (5) days after the end of the posting period. The Employer shall retain completed bid forms for a period of one (1) year. During this period, the forms shall be available for inspection by Union Representatives;
- (2) Bidding by eligible bargaining unit employees at a location where an opening exists is permitted;
- (3) The Employer need not give consideration to any bid by an employee in a job within Bracket 3 or higher during his or her first year of employment, nor any other employee during his or her first six (6) months of employment. In addition, the Employer need not give consideration to any bid by an employee who has

successfully bid on a job within the preceding twelve (12) month period;

- (4) Only bids submitted within the five (5) day period during which the vacancy was posted shall be considered by the Employer. An employee who is to be absent on vacation may, before leaving on vacation, submit to the Employer a vacation bid form provided by the Employer to designate any jobs in order of preference for which the employee wishes to be considered a bidder in the event they are posted during the employee's vacation. If one of the specified jobs becomes available during the vacation period and the employee is the senior bidder capable of performing the job, he or she shall be awarded the job. If more than one job specified becomes available at the same time and he or she is the senior bidder capable of performing each such job, he or she shall be awarded the job given higher preference on the vacation bid form. In any event, any employee awarded a job for which he or she has submitted a vacation bid form who declines the job shall be considered a successful bidder under paragraph (3);

- (5) The job vacated by the employee successfully bidding on a posted vacancy shall be posted and filled in accordance with the provisions of this Section; the job vacancy thereby resulting shall be posted and filled by the Employer without reference to the provisions of this Section; if this results in a job vacancy, the bidding process would begin again as if this were the original vacancy. The effect of this procedure is therefore bid, bid, appoint, bid, bid, appoint; unless

The appointed vacancy has a starting time between 4:00 am to 12 (noon), at which time one (1) additional bid shall be allowed (bid, bid, bid, appoint).

- (6) The bidder having location seniority shall be awarded any job required to be submitted to bid pursuant to the provisions of this Section, provided the bidder is capable of performing the job. If a successful bidder fails to qualify, as determined by the Employer in its sole discretion, during his or her first fifteen (15) working days on said job, he or she shall be restored to his or her former job, and the bid job shall then be awarded to the next senior bidder on the original posting, provided he or she is capable of performing the job.

During the period the successful bidder is qualifying, his or her former job may be temporarily filled without regard to the bidding procedure. A bidder who is awarded a job and fails to qualify shall be considered a successful bidder under paragraph (4). Once a bid is made, an employee may take his or her name off of the bid without penalty prior to the awarding of the bid. A bidder who is awarded a job and declines it shall be considered

a successful bidder under paragraph (4); unless he/she declines prior to any movement as a result of the bid being awarded.

- (7) Whenever no bids are submitted for a job opening or whenever no employee submitting a bid is capable of performing the job, the Employer may select an employee to fill such job without regard to the provisions of this Section.
- (8) The successful bidder must be available for assignment within forty-five (45) days of the day the job is awarded, or he/she shall be considered an unsuccessful bidder and shall retain all bidding rights. The next most senior bidder shall be awarded the job, unless availability is restricted by the actions of the Company.
- (8) Within thirty (30) days of completing the end process of a series of bids, the first move will be made. If the first move is not made within thirty days (30 days) of the successful bidder being available to fill the position, the successful bidder will be compensated at the wage rate applicable to the higher bracket.

In the event there are a series of bids, each successive bid shall be filled within forty-five (45) days of the prior bid move provided the successful bidder is available to fill the position. Otherwise the successful bidder will be compensated at the wage rate applicable to the higher bracket.

- (10) Any employee whose job is eliminated within three (3) months after he/she has successfully bid it shall retain his/her original bid and bidding rights.
- (11) If an employee has not been scheduled in his/her job bid due to production scheduling for a consecutive six-month period, bidding rights shall be restored.

E. The Company will bid and train Special Relief jobs to utilize the bid holders to fill vacancies on any shift as needed. The bid will be posted in accordance to (D) (1) above. Only employees who are Bracket 7, or on call at the time the bid is posted, may bid on this Special Relief bid. (See attached Revised Scheduling of Vacancies.)

F. Employees may give up their bids with the following conditions:

Employee will lose bidding rights for regular job bids for twelve (12) months from the time of resignation and the employee takes job of lowest senior person in Bracket 7.

G. In the event a skills competency test is required as part of the qualification process for a job bid, in a laboratory, clerical or

maintenance mechanic position, an employee who fails a competency test must wait six (6) months prior to retesting unless he/she can provide documentation of skills or competency improvement. Employees currently holding a job bid at the signing of this Agreement in the above classifications shall not be subject to testing if bidding within their current job classification.

SECTION 20. WORK IN TWO OR MORE CLASSIFICATIONS

- A. Any employee who is assigned to perform and does perform in more than one classification during a given day or shift, shall receive for the full day or shift, the scale of the highest rated job so performed during such day or shift, provided fifty percent (50%) of such employee's straight time is worked in such highest rated classification. If less than fifty percent (50%) of his or her straight time is so worked in such highest rated classification during such day or shift, he or she shall receive the appropriate rates for the jobs actually assigned and performed. Any employee who is temporarily assigned to a job in a lower bracket than that to which he or she is regularly assigned shall continue to be paid the higher bracket rate.

- B. Clerical employees whose work regularly falls in more than one bracket shall be paid a rate mutually agreed upon between the Employer and the Local Union.

SECTION 21. MANAGEMENT TRAINEES AND INTERNS

Employer and Union mutually agree that Employer may employ Management trainees and interns to learn the operations of the business. In so doing, the trainees and interns will not displace any bargaining unit employees.

SECTION 22. HOURS of WORK and OVERTIME

a. **WORK WEEK**

Eight (8) hours shall constitute a day's work for all classifications and shall be worked within eight and one-half (8 ½) consecutive hours, except as provided in Section 6:Q which covers alternative work schedules.

b. **OVERTIME**

Not more than forty (40) hours shall constitute a week's work to be completed within five (5) days, with time and one-half (1 ½) for all hours worked above eight (8) hours within nine (9) consecutive hours in any one (1) day, or forty (40) in any one (1) week, whichever is greater.

The purpose of this section is to provide a method for the distribution of unavoidable overtime work among the employees and this section's purpose is not to increase the Employer's cost of overtime wages nor is it the intent to take away any benefit contained within the labor agreement.

Employees will be required to indicate his/her desire to work available overtime when offered, by signing a bi-weekly overtime list located in the People Development Department. Refusal to accept available overtime, except as provided in Section 22 N, shall result in the employee being removed from the overtime list for that period. Should the employee fail to sign the request for overtime, he or she shall not have the right to grieve for lost wages. The sign-up sheet shall be by department and shall be binding for that period for both the Employer and employee. Employees are not eligible for overtime during the vacation period.

In the event an employee is awarded work off the overtime list, he/she shall be compensated at the applicable rate of pay for the job performed. In the event an employee has not signed the overtime list or has been removed from the overtime list and is later assigned to work overtime, he/she shall be compensated at their regular rate of pay or the applicable rate of pay for the job performed, whichever is higher.

- C. Any time worked in excess of ten (10) hours in any one (1) day shall be overtime and paid at the rate of two (2) times the straight time hourly rate.

It shall be the intent of the Employer to provide the maximum amount of notification (one hour if possible) when filling overtime vacancies resulting from unforeseen events such as absences due to illness, injury or other reasons.

Planned overtime (overtime known and scheduled) will have a minimum of one (1) hour notification. If employee is not given at least

one-hour notice and the employee turns down the overtime, the employee will not be removed from the overtime sign up sheet.

All employees shall receive eight (8) hours off between each shift, except in cases of an emergency as defined in Section 22 H or in the event the Company is unable to fill a vacancy

D. Overtime scheduling

(1) Full Shift Vacancies: Where there is a need to fill a vacancy for a full shift:

- a. The Employer may schedule a qualified employee who is on call and can work at a straight time hourly rate. Scheduled employees may not be moved from scheduled jobs to accommodate use of on call employees, except in the case of emergency, to maintain a qualified employee in the position.
- b. The Employer may request an employee to move to another position within that department. An employee must agree to move and will not be subject to discipline, or be required to move, if he/she declines, unless the Company has exhausted all possible options for filling a vacancy as defined in this section.
- c. The junior trained (qualified) employee working on that shift and in that department who signed a Training Interest List and has been trained may be assigned to fill the vacancy.

When there is a need to cross train within a department, an interest list will be posted identifying the job to be trained, and employees within that department may sign to show their interest in being trained. Training opportunities will be granted by seniority and prerequisite skills and may be limited to one job opportunity per year and to two jobs beyond current job bid held. This means that cross training is intended to provide employees the opportunity to increase their job skills up to a maximum of three within their department. In order to maintain skills, employees will be periodically scheduled to perform the jobs in which they are trained.

For every Special Relief bid posted, one cross training interest list will be posted; however, a training interest list may be posted without posting a Special Relief Bid.

- d. The Employer may request an employee who is scheduled out of his/her home department to voluntarily return to that

home department to cover a vacancy which he/she is qualified to do.

- e. Utilize a Special Relief employee.
- f. If the vacancy cannot be filled through steps a. through e. above, call in the qualified employee in the department who has the most plant seniority and who is on a day off who has had eight hours rest and signed the overtime sheet. (See attached "Revised Scheduling of Vacancies.")

(2) Less than Full Shift Vacancies. If unable to fill a vacancy through (1) above, the overtime will be considered less than a full shift and split between the previous and following shifts as follows:

- a. Offer overtime in seniority order to qualified people working in the department who have signed the overtime list.
- b. Offer overtime to employee performing the job.
- c. Require the qualified employee to perform work in reverse order of seniority.

(3) Maintenance Department Scheduling. Due to the unique, individual skills of maintenance department employees, the following procedure shall be applied:

- a. Offer the overtime to the employee performing the job where the overtime is to occur if it is a continuation of an existing job, and the employee is qualified to complete the job.
- b. Offer the overtime to the most senior qualified person in the department who signed the overtime list.
- c. Require the qualified employee to perform the overtime in reverse order of seniority working in the department.

E. Call in procedures:

(1) When there is a need to fill a vacancy and there is more than 4 hours until start of shift, there shall be 15 minutes between attempts to notify next employee on the overtime list.

(2) When there is a need to fill a vacancy and there is less than 4 hours until start of shift, the Employer can call without delay until vacancy is filled.

F. Determination of qualified employees is the sole discretion of the Employer. The Employer retains the right to keep the employee in reverse order of seniority working on the job in order to give the Employer reasonable time to contact the most senior employee who

(a) indicated in writing his desire to perform the overtime work and (b) who is qualified and available to perform overtime work.

Reference to the senior employee in the department is deemed to be the person in the department with the most plant seniority.

G. Employees who previously have failed the physical examination for heavier lifting jobs may be retested at their own expense at the Company designated medical facility.

H. Posting Days Off and/or Starting Time:

Weekly work schedules shall be posted no later than 1:00 p.m. on Friday prior to the starting of a new workweek. An employee shall be notified of any changes in his or her starting time not later than the close of his or her next preceding shift. Employees whose schedules change, and they are not scheduled to work on Friday, will be notified by the Employer of their changed work schedule.

Once weekly schedules are posted, changes shall not be made unless the plant or department should suffer an extreme emergency that would cause the Employer the inability to operate, i.e. loss of ability to operate due to flood, fire, utility failure, major maintenance failure beyond the control of the Employer, or unscheduled changes in the raw material beyond the control of the Employer, at which time the Employer may exercise an unscheduled down-day period.

Should an unscheduled down-day period be exercised by the Employer, employees may exercise their option to use the unscheduled down-day period as their scheduled day off by signing the weekly sign-up sheet. Once an employee has exercised this option, he or she will go on the on-call list for available work at the straight time rate.

I. Days Off:

Any employee required to work on his or her scheduled day off shall be paid at the rate of two (2) times his or her straight time hourly rate for all hours worked, unless the employee takes off a subsequent day during such workweek for reasons other than the request of the Employer, or unless a change in work schedule results from a promotion or change of shift assignment pursuant to the operation of Section 20, hereof. In this event, new days off shall be scheduled to meet the new assignment and no penalty shall result from working a scheduled day off under the former assignment while effecting such a change.

On a down-day period, if the Employer requires employees to perform extra assignments associated with the down-day period, the Employer

shall offer the opportunity to work such assignments in order of seniority among those employees qualified to perform the work in question, who have been relieved of their regular assignments because of the down-day period.

Employees may negotiate an exchange in schedules with other employees, subject to the Employer's approval in order to accommodate requests for personal time off.

J. Minimum Hours

Employees called to work, or scheduled and reporting for work, or working four (4) hours or less in any day shall be offered a minimum of four (4) hours of work, and all employees working more than four (4) hours shall be offered eight (8) hours of work.

K. Delays of Operations.

Any delays in daily operations caused by circumstances beyond the control of the Employer, such as failure of power or breakdown of plant machinery or equipment shall not require the payment of overtime, except to employees who may be continued at work during such delay interval. Per Section 6 (I): Minimum hours shall not apply in such situations as stated above.

L. Method of Spreading Work.

It is the policy of the Employer that the maximum proportion of regular employees shall receive eight (8) hours daily and forty (40) hours weekly employment; that the principles of spreading work by reducing hours for all employees who perform like duties shall not be applied; and that, where feasible, days off will be scheduled consecutively.

M. Call-Back Minimum.

Whenever an employee is called back to work after the close of his or her shift and before the commencement of his or her next shift, he or she shall be guaranteed a minimum of two (2) hours work at the appropriate rate. This section shall apply only in the following circumstances:

- (1) The employee has left the Employer's premises after the close of his or her shift (including overtime if any); and
- (2) The call back begins more than two (2) hours before the commencement of the employee's next scheduled shift.

N. Refusal to Work Overtime.

- (1) When an employee has worked two days of more than ten hours, he/she may refuse to work daily overtime of more than ten hours for the remainder of the workweek.
- (2) If employee works both days off in any week, employee can refuse further overtime in that week without being removed from the overtime list.
- (3) If employee works 6 days in a week, employee can refuse the 7th day without being removed from the overtime list.
- (4) If an employee is the least senior qualified person to work the overtime, he/she does not have the right to refuse and is required to work the overtime.

O. Industrial Injury.

If an employee sustains an industrial injury and there is medical evidence that such injury prevented him or her from continuing work on the day of injury, he or she shall be paid for time worked on such day but for not less than eight (8) hours.

An employee who is required to take time off as a result of an on-the-job injury for treatment in the doctor's offices shall be paid their regular rate for such time lost from work according to the following schedule:

- (1) For first 30 days or for doctor appointments scheduled by Company's Workers Compensation Administrator.
- (2) Maximum of two hours of time missed from regularly scheduled shift.
- (3) For travel beyond Modesto or Stockton (approximately 30 miles from plant) the Company and Union will mutually determine the hours off of the work schedule that will be paid.
- (4) The Company will not move an employee's days off to avoid paying the hours of this provision.

P. Employees who are required to take a pre-placement physical for a job bid will be paid straight time for the time of the appointment and twenty (20) minutes travel time if the appointment is in Tracy or sixty (60) minutes travel time if the appointment is in Stockton. These straight time hours will not be used for calculating overtime.

Q. Alternative Work Schedule

The Employer may, at its sole discretion, provide for an alternative work schedule in accordance with state law, e.g. ten (10) hour, four (4)

day work week. This shall require the approval of at least two-thirds (2/3) of the affected Employees by vote.

1. Ten hours shall constitute a day's work hours and shall be completed within ten and one-half (10 ½) hours.
2. Less than full week vacancies that are filled by employees who are scheduled for forty straight time hours over five days that week, will be paid eight hours at straight time plus two hours at one and one-half times the straight time rate for that ten hour day.
3. All employees in this work schedule will have three days off each work week. At least two of those days off will be consecutive.
4. The method of filling unplanned full-shift vacancy will be;
 - (a) Call in a qualified employee who is on call. (To be paid ten hours at straight time rate).
 - (b) Call in a qualified employee who is on a day off and who has signed the overtime sheet.
 - (c) Hold a qualified employee in the department over for two hours and then fill the remaining employees in seniority order. If there are no volunteers the overtime will be assigned in reverse seniority.
5. Employees called to work, or scheduled and reporting for work, or working five hours or less in a any day shall be offered a minimum of five hours of work, and all employees working more than five hours, shall be offered ten hours of work.
6. When an employee has worked two days of more than twelve hours, he/she may refuse to work daily overtime of more than twelve hours for the remainder of the workweek. If an employee is the least senior qualified person to work this overtime, he/she does not have the right to refuse and is required to work the overtime.
7. For the purposes of calculating vacation pay, holiday pay, sick leave pay, funeral leave pay and jury duty pay, a day shall consist of ten (10) hours paid at the straight time hourly rate.
8. An employee working on any of the contractual holidays shall receive ten hours of pay at the straight time rate as holiday pay in addition to the pay for time worked which will be one and one-half the straight time.
9. Single day vacations are four single days of ten hours for each day.
10. Employees will receive a 15-minute rest period during the first and second half of work of a ten-hour shift.
11. The provisions are the same as in the current collective bargaining agreement except that the meal period must come before six hours. The one and one-half time penalty pay is effective after six hours without the meal break.

12. If an employee is absent on account of disability for more than four working days, he/she will notify the Company not later than the close of his/her regular shift next preceding the day on which he/she will be able to return to work before the Company shall be obligated to restore him/her to the job.
13. Anytime after six months from the beginning of an alternative workweek program, either the Union or the Company can move to terminate the program, in accordance with State law, and return to the previous manning and scheduling.
14. The Company, at its sole discretion, may offer alternative workweeks to other work groups within the plant. The Company is obligated to negotiate with the Union any planned changes in workweeks.

SECTION 23. **REST PERIODS**

All bargaining unit employees shall receive a rest period of reasonable duration (15 minutes) in accordance with present practices during the first and second half of work of an eight (8) hour shift. The Employer shall not schedule an employee for a rest period during the first hour of work. When an employee is told or scheduled to work nine (9) or more hours he or she shall receive an additional rest period between the eighth and ninth hour.

SECTION 24. **MEAL PERIODS**

Except in emergencies, each employee shall be granted a meal period not more than five (5) hours after the beginning of his or her shift.

The meal period shall not be paid time unless the Employer, because of the nature of the work, requires an on-duty meal period, which shall be paid time. Any employee who is required by the Employer to delay his or her meal period more than five (5) hours after the beginning of his or her shift shall be compensated at one and one-half times the rate of pay from the fifth hour until the meal period is taken. The employee will return to straight time after the meal period is taken. Other arrangements for mealtime may be made by mutual agreement between the Employer and the Local Union.

SECTION 25. **HOLIDAYS**

- A. The following holidays will be recognized for eligible employees as hereinafter defined: New Year's Day; Martin Luther King's Birthday (Federally recognized holiday); President's Day (third Monday in February); Easter Sunday; Memorial Day (last Monday in May); Fourth of July; Labor Day; Veteran's Day; Thanksgiving Day; and Christmas Day.

- B. Whenever a holiday falls during an employee's vacation, he or she shall receive an additional day off with pay or an additional day's pay at the discretion of the Employer. The Employer's discretion shall be exercised prior to the commencement of said employee's vacation. If the employee is to receive an additional day off with pay, it shall be granted consecutively with the employee's vacation or consecutively with a scheduled day off within thirty five, (35) days, immediately before or after the vacation period within which the holiday falls.
- C. To be eligible for the benefits provided by this Section, an employee must meet the following requirements:
- (1) He or she must work on his or her regularly scheduled workday before and after the holiday unless excused by the Employer; provided that an employee off work because of illness or injury shall be deemed to be excused by his or her Employer if he or she notifies his or her Employer of his or her illness prior to the commencement of his or her shift on the day on which he or she is unable to work.
 - (2) He or she must work on the holiday if scheduled to work, unless excused by the Employer.
 - (3) He or she must perform work during the seven (7) day periods immediately preceding or immediately following the holiday.
- D. During each week in which a holiday falls, each eligible employee shall receive as holiday pay an amount equal to eight (8) times his or her regular straight-time hourly rate of pay in addition to all other compensation earned by him or her under other provisions of this Agreement.
- E. An eligible employee will be paid one and one half (1 ½) times his or her regular straight-time hourly rate of pay for all hours worked on a holiday. The Employer will not adjust employees' schedules to avoid paying the holiday premium pay.
- If after one (1) year with a total of forty (40) or less absences on holidays in a contract year for the whole bargaining unit, eligible employees will be paid two (2) times their regular straight time hourly rate for all hours worked after eight (8) on holidays for the next contract year. This double time will be renewed for each year that the preceding year has forty (40) absences or less on holidays.
- F. Employees shall be ineligible for paid holidays during their qualification period for seniority status per Section 18 (A) of this Agreement. If any employee works on a paid holiday, he or she shall be paid at the straight-time rate unless otherwise eligible for premium pay.

SECTION 26. HOLIDAY WORKWEEK

If a regular employee is scheduled to work on a holiday, he or she shall be offered thirty-two (32) hours of work during the same calendar week in addition to hours worked on the holiday. For purposes of this provision, a regular employee is defined as one who has worked at least seventy-two (72) hours during the previous two (2) calendar weeks.

Paid vacation time, paid holiday and paid sick leave time shall be considered as time worked under this Section.

SECTION 27. VACATION

Vacations will be earned and selected on a calendar year basis.

- A. The Employer shall grant paid vacations in accordance with the following schedule:

<u>Continuous Service</u>	<u>Weeks Paid</u>
One Year	One Week
Two Years	Two Weeks
Five Years	Three Weeks
Ten Years	Four Weeks
Fifteen Years	Five Weeks

An employee shall be entitled to receive full vacation pay as set forth above if he or she has actually performed work for two thousand (2,000) straight-time and overtime hours during his or her vacation eligibility year. If an employee has completed a vacation eligibility year but has performed work for less than two thousand (2,000) straight-time and overtime hours during such year, such employee's vacation time shall be based upon his or her years of continuous service, but the amount of vacation pay to which he or she shall be entitled shall be determined by the ratio between two thousand (2,000) hours and the total straight-time and overtime hours actually worked by him or her during his or her vacation eligibility year. If an employee is on layoff at the time of completing his or her first vacation eligibility year, he or she shall not be eligible for vacation pay for that year unless he or she is recalled to work while his or her seniority remains unbroken.

All employees are on a January 1st through December 31st accrual year for purposes of earning vacation. For purposes of scheduling vacation in the first calendar year following the year of hire, the following provisions of this paragraph shall apply. An employee will only be paid for vacation time taken to the extent of vacation hours

accrued (earned), based on hours worked on a prorated basis in the prior year, and the balance of hours of the “vacation” week will be unpaid in the year following their year of hire.

New employees hired during the period of January 1st through June 30th shall be entitled to schedule a week of vacation in the year following their year of hire and shall have a vacation accrual date of January 1st of the year of hire.

New employees hired during the period of July 1st through December 31st :

1. Shall have a vacation accrual date of January 1st of the year following hire for purpose of earning additional weeks of vacation and shall not be entitled to schedule a full week of vacation in the year following their year of hire.
2. Shall be given the option to be paid out their vacation accrued hours at the end of the calendar year or to take single day vacation days in full day increments for the amount of hours accrued from the employee’s date of hire. Any remaining accrued hours shall be paid out at the end of the calendar year.

- B. With the approval of the Employer, the employee may divide his or her vacation into more than one (1) period. Whenever an employee splits his or her vacation, his or her location seniority preference in vacation selection shall be applicable only to the first of the two periods selected; provided that after each employee has selected his or her initial vacation period, location seniority preference shall apply to the selection of the remaining portions of split vacations.

Two weeks of vacation per year may be taken in single or multiple days. This option may be exercised only after all full vacation weeks have been selected throughout the plant. These vacation days may not be requested more than thirty days in advance; but, they must be requested before the work schedule is posted for the coming week. These single or multiple days of vacation must be used before any unpaid time off requests will be granted. Such vacation days will have priority over any unpaid time off requests. Overtime may be worked to cover a single day vacation; but unpaid time off requests will not be covered by overtime.

- C. Vacation allowance shall be computed on the basis of the employee's straight-time hourly rate for the majority of the hours worked during the week immediately preceding the commencement of the vacation, plus any night work pay earned during such week. When night work is regularly rotated, the night work pay shall be prorated for this purpose.
- D. An employee who has completed one or more years of continuous service with the Employer shall be entitled to prorated vacation pay

upon having his or her seniority broken in the manner described in Section 18. An employee who fails to give the termination notice required in Section 33 shall not be entitled to such prorated vacation pay.

- E. For purposes of computing time worked during a vacation eligibility year, the following shall be counted as straight-time hours worked: paid holidays not worked, paid vacation time, paid sick leave, and overtime hours worked.
- F. If an employee's seniority is lost pursuant to Section 19, his or her accumulated service for purposes of vacation benefits is canceled.
- G. (1) If called back to work during his or her scheduled vacation or if required by his or her Employer to completely forego a scheduled vacation, or any part thereof, an employee shall be paid at two (2) times his or her regular straight-time rate of pay for all hours worked during said scheduled vacation. The employee shall reschedule the unused portion of his or her vacation in accordance with the provisions of this Section.

(2) An employee may receive one week's vacation pay per anniversary year in lieu of his or her taking vacation, as long as he or she has a minimum of two weeks vacation that anniversary year. Vacation pay "in lieu of time off" requests must be submitted to payroll by noon on Tuesday of any week to be paid by Friday of that week.
- H. Schedules for the selection of vacation periods shall be posted no later than January 1st of each year.

Employees who fail to select their vacation periods within thirty (30) days of the posting of the schedule shall forfeit their right to select a vacation period. Upon request of the union made by February 1, the Employer shall furnish the Union with a copy of the vacation schedule as of that date. This section shall also apply to vacation periods, which become available after the posting of the vacation schedule.

- I. Vacations shall be taken at the convenience of the Employer, but due consideration will be given an employee's request for time of vacation in accordance with location seniority within the department. The months of June, July, and August shall not be blocked out of the schedule. No employee shall be required to commence his or her vacation period without having been given thirty (30) days prior notice.
- J. An employee entitled to vacation pay shall upon a request submitted at least seven (7) days prior to the commencement of the vacation period, receive his or her vacation pay at the commencement of the vacation period.

- K. If an employee is off work because of his or her disability immediately prior to the time his or her vacation is scheduled to commence, he or she may have his or her vacation rescheduled in accordance with the provisions of this Section, provided he or she so notifies his or her Employer before his or her vacation is scheduled to begin. The employee shall not have the right to interfere with the scheduled vacation period of another employee.

- L. In accordance with the Family and Medical Leave Act (FMLA), employees are required to use all earned vacation to cover any otherwise unpaid leave under FMLA. This would include FMLA Leave needed to care for a family member. It would also include an employee's own serious health condition when sick leave hours have been exhausted.

Vacation time picked is still honored even though vacation pay may have been used during a family medical leave, under the following conditions:

- (1) The employee will advise the Human Resource Department within one week after their return from a Family Medical Leave whether they plan to take scheduled vacation time or if they will cancel that scheduled time off.

- (2) If the employee does not designate within the one week period, the vacation selection(s) remaining will be canceled and will be open for picking by other employees by seniority. If there are any remaining weeks of vacation pay, the employee will select which remaining week will be kept.

SECTION 28. LEAVE OF ABSENCE

- A. Whenever a regular employee becomes unable to perform his or her regular work by reason of his or her physical or mental disability he or she shall be placed on a medical leave of absence. Such leave shall continue while the employee is disabled, but not longer than the period of the employee's employment at the commencement of his or her disability, or one year, whichever period is the shorter, unless it is extended by the Employer. Unless the employee returns to his or her job at the end of his or her medical leave of absence, his or her employment may be terminated by the Employer by reason of the disability without violating the provisions of this Agreement.
 - (1) Employees must provide the Employer with appropriate medical documentation on an ongoing basis to continue a medical leave of absence. In addition, the Employee must notify the Employer of any change in address or telephone number.

- (2) The Employer will provide employees who are subject to termination under this paragraph (A) a five (5) day Notice of Intent to Terminate prior to termination.
- B. Leaves of absence for periods in excess of one (1) week shall be granted only upon written approval of the Employer. A copy of the written approval shall be furnished to the Union and to the employee. Any request for a leave of absence shall be submitted in writing addressed to the Employer's representative designated for the purpose, shall specify the requested beginning and ending dates for the leave, and shall be submitted at least sixty (60) days in advance of the date the leave is requested to begin. Any request submitted in accordance with the preceding sentence shall be acted upon by the Employer within thirty (30) days of the employee's submission of the request. The time limitations of this paragraph are not applicable to leaves of an emergency nature, or leaves shorter than one-week duration.

SECTION 29. SICK LEAVE

Every employee covered by this Agreement shall be entitled to sick and accident leave benefits under the following conditions:

- A. Benefits shall be earned at a rate of four (4) hours per month up to a maximum of forty-eight (48) hours in any contract year, effective with the ratification of this Agreement by the Union. Benefits can be accumulated to a maximum of four hundred (400) hours.

Employees will cash out at 100% all accrued sick leave in excess of 400 hours on an annual basis to be paid in December for hours earned.

Any employee who attains over 200 hours in sick leave in any year, and did not receive any attendance points, can cash out one-half of the sick leave hours that were accrued that year. This would be a maximum of twenty-four (24) hours in any year. The balance would go into the employee's sick bank.

- B. Employees shall start accruing sick leave the first day of the month following employment; an employee who has not worked under this Agreement during the previous twelve (12) months is not eligible to use sick leave benefits until six (6) months after the commencement of his or her employment.
- C. Sick benefits shall be paid commencing on the first full day of work missed at the rate of eight (8) hours straight time per day until sick bank is depleted.
- D. Sick benefit payments, including disability insurance or workers' compensation payments for any week shall not exceed an employee's normal straight-time weekly earnings, including shift differential if any.

- E. Sick benefits are payable only for an employee's regularly scheduled workdays on which he or she is off sick.
- F. The Employer may require a doctor's certificate or other satisfactory proof of illness or accident. When the employee's absence does not exceed three (3) days, there shall be no uniform requirement for a doctor's certificate.
- G. Sick leave benefits shall accrue only for employees who work eighty (80) hours or more in a calendar month.
- H. An employee found to have willfully abused the sick leave provision shall be subject to immediate dismissal.
- I. If an employee is absent on account of disability more than five (5) working days, he or she shall notify the Employer no later than the close of his or her regular shift next preceding the day on which he or she will be able to return to work before the Employer shall be obligated to restore him or her to the job.
- J. If an employee is on a medical leave of absence, as a result of their medical condition, for thirty (30) or more days, then the Company requires a return to work physical conducted by a physician selected by the Company to confirm the employee's ability to perform the essential functions associated with the job. The returning employee must provide a written medical release to the Company immediately upon release to work. Upon notification, the Company shall schedule a return to work physical as soon as practical, not to exceed three (3) full days (excluding weekends and holidays).
- K. A record of the sick leave benefits accumulated by an employee shall be furnished to the Local Union by the Employer upon receipt of written request therefore.
- L. **Absence Notification:**
The employee shall notify the Employer, in a manner prescribed by the Employer, of the employee's expected absence no later than ninety (90) minutes prior to commencement of his or her scheduled shift. Failure to comply with the notice requirement of the preceding sentence shall subject the employee to disciplinary action and, if excessive, may result in discharge.

SECTION 30. FUNERAL LEAVE

- A. An employee who loses time on scheduled workdays on account of the death of a member of his or her immediate family will be paid either three (3) days or five (5) days (each day at eight (8) straight time hours) for working time lost, as defined in (B) below:
- B. For the purpose of this Section, a member of employee's immediate family is defined as:
 - (1) Mother, father, spouse or child: five (5) days

- (2) Brother, sister, stepson, stepdaughter, grandparents, great grandparents, grandparents and great grandparents of the spouse, mother and father-in-law, and grandchildren: three (3) days.
- (3) Spouse is defined as current legal spouse and child is defined as biological or legal child.

SECTION 31. JURY DUTY

- A. Upon receipt of notice of jury duty from the county clerk to report for jury duty on a specified date, the employee shall notify the Employer no later than the end of his or her second shift after returning to work. The Employer shall reimburse an employee for any loss of straight-time wages caused by such employee performing jury duty. No employee shall receive his or her regular pay for straight-time lost because of jury duty performed unless the employee provides the Employer the court document he or she has received for the days of jury duty served for which straight-time has been lost. If the employee provides at least two week's notice of jury duty, the Company will schedule the employee Monday-Friday if it can be accomplished with no overtime.
- B. On any day on which an employee is called for jury duty, he or she shall not be required to report for work on any shift starting prior to the time he or she is due to report for said jury duty.
- C. If jury duty is less than or equal to five (5) hours, including one (1) hour travel time, the employee will report to supervisor for remaining work hours up to eight (8) at normal wage rate, or has option to decline work and be paid for time served on jury duty only. If employee serves over five (5) hours, the employee is not required to return to work and will be paid eight (8) hours.
- D. In the event an employee returns to work on a day he/she has served jury duty, the hours served will count towards calculating overtime for the remainder of the day.
- E. An employee's starting time shall not be changed on any day for which he or she is called for jury duty.
- F. No employee shall be required to work a scheduled shift starting after 7:00 p.m. on a day before a day on which he or she is required to report for jury duty.
- G. For purposes of this Agreement, a subpoena to appear will be treated just like a Notice for Jury Duty.

SECTION 32. DISCIPLINE and DISCHARGE

- A. No employee who has acquired seniority shall be discharged without just cause. The discharge of employees who have not acquired

seniority shall not be subject to review under any provision of this Agreement.

B. Compulsory retirement consistent with applicable law shall not be within the scope of this Section.

C. Warning Notices.

Employees may be disciplined (including discharge) for violation of Company rules, a copy of which shall be plainly posted on the Employer's bulletin board. The rules shall state the conditions for which an employee shall be given a verbal warning, a written warning notice, and for which he or she shall be discharged or otherwise disciplined. Employees receiving written warning notices for violation of company rules shall receive such warning notices within ten (10) days, excluding Saturday, Sunday and Holidays, of the Employer's first knowledge of the violation. If the employee is not available within that ten, (10) day period, the Employer will send a Letter of Intent to Discipline to the Union and the employee. Employees receiving written warning notices shall be required to sign a copy for the Employer to indicate that he or she has received a copy. This warning notice shall state the cause of the warning. A copy of the warning notice shall be sent to the Union, a copy given to the employee while the employee is on the job. Neither verbal nor written warning notices shall be effective for disciplinary purposes after the expiration of twelve (12) months from the date the incident occurred. The issuance of warning notices shall be subject to the grievance procedures set forth in this Agreement.

D. Disciplinary Policy:

In the event that it becomes necessary to discipline an employee for substandard performance or violation of Company Policies, Rules, or Regulations, excluding the attendance policy, the following will serve as a guide for administering progressive discipline. All warnings will be documented for the employee file.

- (1) Verbal employee warning record.
- (2) First written employee warning record.
- (3) Second written employee warning record and/or suspension.
- (4) Third written employee warning record including suspension and/or termination.

Willful violation of Company Rules or gross negligence of safety or operating procedures will require disciplinary measures which may bypass any of the above steps and result in immediate discharge.

SECTION 33. TERMINATION NOTICE

- A. Any employee who proposes to resign his or her position shall give seven (7) calendar day's written notice to his or her Employer. Employee shall be allowed 24 hours, (one day period) to rescind or withdraw a resignation.
- B. Employer shall post weekly work schedules not later than 1:00 P.M. on Friday prior to the starting of a new workweek. Lay-offs and recalls will be effected with the posting of this schedule. Employees who would be laid off and are not scheduled to work on Friday will be notified by the Employer of the lay-off. The following exceptions shall apply:
 - (1) Notice shall not be required when an employee is discharged for violation of Company rules posted on the bulletin board, provided that this exception shall apply only when the rules posted have previously been sent to the Local Union.
 - (2) Notice shall not be required if the employee is to be laid off or discharged because of the return to work of an employee who has been absent on medical leave for twenty-one (21) consecutive calendar days or more.
- C. One (1) week's notice shall not be required in the case of new employees, whether or not a member of the Local Union, for the first ninety (90) days of employment.
- D. Any employee who fails to give the termination notice required herein shall not be entitled to prorated vacation as set forth in Section 9.

SECTION 34. GRIEVANCE AND ARBITRATION

- A. It is the desire of the parties of this Agreement that all disputes arising out of the Agreement shall be settled amicably. For this purpose, it is hereby agreed that the procedure set forth below shall be followed to facilitate such settlement.
- B. A dispute rising out of this agreement shall be resolved in the following manner:
 - Step One. Within ten (10) days of the time the matter grieved first comes to the attention of the employee (or should have, in the exercise of reasonable diligence, come to the attention of the employee) the issue must be presented to the Department Supervisor or Manager .
 - Step Two If the dispute is not resolved in step one, within 72 hours (excluding holidays) of the time the dispute came to the attention of the Supervisor or Manager, a meeting shall be held with the grievant, shop steward, grievant's

supervisor and/or department manager will be held on the grievant's shift.

Step Three If the dispute is not resolved in Step two, a written grievance as outlined below shall be submitted by the grievant or a Union Representative, within five (5) days to People Development management. If People Development management is not available, grievance will be submitted to Plant Manager, Production Manager or a department manager. People Development Manager will meet with the union business representative, shop steward, the grievant, plant manager or production manager to attempt to resolve the dispute within thirty (30) days.

The written submission shall set forth the following information as a minimum:

- (a) The name, department, and shift of the employee involved;
- (b) The substance of the grievance including the date when it occurred;
- (c) The sections of the contract which the grievant claims have been violated;
- (d) The relief sought by the grievant; and
- (e) The date of the first discussion with a local management representative and the name of that representative.

Step Four If Step Three has been timely invoked and the grievance is not resolved within five (5) days, either party may request that it be submitted to an Arbitration Board consisting of two (2) representatives each appointed by the Union and Employer. The Arbitration Board shall meet not more than twenty (20) days after the written request has been made.

Step Five A majority vote of these Board members hearing a grievance shall be necessary before the Board's decision is final and binding upon the parties. If the Board cannot reach a final and binding decision upon the matter submitted within five (5) days after the close of hearing, the parties shall be so notified.

Within ten (10) days after receipt of notice from the Arbitration Board of its failure to reach a decision, either party may demand that the grievance be submitted to a single impartial arbitrator to be selected by the parties. If

neither party files such a demand, the grievance shall stand as dismissed by the Arbitration Board.

When arbitration is demanded, the parties shall have ten (10) days after the demand within which to select an arbitrator from the panel named below. If they do not select one within the ten (10) days, they shall first strike a name from the list. The parties shall then alternately strike names, and the person whose name last remains on the list shall serve as the arbitrator.

The panel is composed of the following persons:

John Kagel
Jerry McKay
Don Twohey
Katherine Kelley
Luella Nelson
Buddy Cohn
Tom Angelo

If for any reason a vacancy occurs on the panel, the parties shall agree on a replacement.

- C. If the parties are unable to agree upon a single impartial arbitrator to hear the dispute within the ten (10) days after the submission demand has been made pursuant to subsection (B), either party may seek to have the Superior Court of the State of California in and for the county in which the Union party has its principal office designate such an arbitrator pursuant to the provisions of the Code of Civil Procedure Section 1281.6.
- D. The decision of the arbitrator shall be final and binding. Pending final settlement of a dispute in accordance with the provisions of the Section, there shall be no cessation of, or interference with work whether by strike, lockout, intentional slowdown or otherwise.
- E. Service and filing of any documents described in this Section may be personal, by delivery to the party to be served or his attorney, or may be by mail upon the party to be served in accordance with the provisions of the Code of Civil Procedure Sections 1011-1013.
- F. In computing any time period prescribed by this Section, the day of the act, event or default after which the designated time period begins to run is not to be included. The last day of the period so computed is to be included, unless it is a Sunday or a legal holiday. Intermediate Saturdays, Sundays, and holidays shall be included.
- G. By agreement of the parties, time limits provided by this Section may be extended, and compliance with any procedural step may be waived. The Employer shall not unreasonably withhold its agreement to extend

the time limits set forth above, provided further the request to extend the time limit is made before the time limit has expired.

- H. Upon agreement by both parties, an arbitrator's bench decision can be requested unless the case is a technical one whereby the parties would wish to go to formal arbitration and submit briefs.
- I. Expenses of an arbitrator shall be borne equally by the parties.
- J. Neither the Arbitration Board nor an arbitrator shall have the authority to amend, modify or alter the terms of the Agreement.
- K. All monetary settlements shall be paid to the grievant no later than the next pay period.

SECTION 35. WAGE REDUCTION

No employee shall suffer any retaliatory action by the employer, i.e. reduction in wages or loss of working conditions, through adoption of this Agreement.

SECTION 36. UNIFORMS

The Employer shall provide all uniforms and will launder all uniforms at its expense with union labor if adequate service is available.

All employees will be required to change into and out of their uniforms at the plant. Rest periods were increased five (5) minutes each on 6/10/02 to compensate for time spent donning and doffing. Any employee leaving the plant during their shift MUST change into their street footwear prior to leaving, and back into their plant footwear upon returning.

SECTION 37. PROTECTIVE CLOTHING

- A. The Employer will provide thermal clothing necessary to perform work in a sharp room and shall be deemed to include protective headgear and gloves. A sharp room is defined as a room in which the temperature is normally kept at less than 32 degrees Fahrenheit.
- B. Safety Shoes:
 - (1) Employees who are required to work in areas of the plant that expose them to wetness, chemicals, etc., will be furnished by the Employer rubber boots, style selected by the Employer, on an as needed basis (considering normal wear). Employees will be issued a new pair of boots upon return of the worn old pair.

- (2) Employees who work in areas of the plant that do not require exposure on a regular basis to wetness and chemicals have the option of:
 - a. Exercising one above;
 - b. Or be reimbursed for the actual cost of safety shoes to a maximum of \$85 every nine (9) months.
 - (3) All employees are required to wear a safety shoe or boot (type approved by the Safety Committee) while at work.
- C. Upon initial hire the Employer shall not be required to supply boots until the probationary period has been satisfied.
- D. Mechanics who are regularly assigned to work in the freezer will be furnished insulated safety boots. The occasional freezer worker will use "moon boots".

SECTION 38. **LICENSES**

The Employer agrees to pay for licenses that may be required for the performance of production workers' jobs.

SECTION 39. **TOOL ALLOWANCE**

Each Maintenance Mechanic shall be responsible for acquiring and maintaining at the job site a set of tools, in accordance with the Employer's specifications for use in maintenance department tasks. To assist in acquisition of such tools, each new employee shall receive a one-time allotment of \$250.00 at the completion of six (6) months of employment. The Employer shall provide each Maintenance Mechanic the use of a rollaway in which the employee may secure his or her tools. Any tool required to be maintained at the job site for use on the job and Plant Mechanic tools will be, if broken or worn so as to be unusable, replaced by the Employer if the broken or worn tool is submitted to the Employer's designated representative.

The required tool list will not be expanded during this Agreement.

SECTION 40. **BULLETIN BOARD**

The Local Union may use a bulletin board designated by the Employer for purposes of posting Local Union notices on official Union letterhead.

SECTION 41.

TIME CLOCKS

- A. The Employer shall provide a time clock as a means of registering time for starting and quitting work and will require all employees to punch time clocks.
- B. The representatives of the Local Union shall have the right to examine such records at any time during working hours.

SECTION 42.

HEALTH and WELFARE

- A. Effective January 1, 2007, health and welfare benefits shall be provided by the Company through the Northern California General Teamsters Security Fund, Premier Plan.

The Company will provide six (6) months of premium payments for Health and Welfare coverage for any employee on a medical leave of absence, subsequent to the expiration to any premium waiver by the Northern California General Teamsters (NCGT) Premier Plan, provided the employee continues to make the required monthly contributions.

- B. The Company shall remit each month the full amount of the monthly contribution for each eligible employee in conformance with, and to be bound by, the Agreement and Declaration of Trust for the Fund.
- C. For purposes of this section, an eligible employee for whom the Company shall make a monthly contribution is an employee meeting the following qualifications.
 - a. The employee is on the Company's payroll on the first (1st) day of the calendar month following the month for which the payment is being made; and
 - a. The employee has worked at least eight (80) hours during the previous calendar month. Holiday hours, vacation hours, funeral leave hours, and jury duty hours, paid for but not worked, shall constitute hours worked for this purpose.
 - b. New employees will not be eligible for Health and Welfare benefits until they have completed six (6) months of qualifying hours (at least 80 hours worked per month).
- D. Current (non-retired) employees will make contributions to the Company toward their health and welfare coverage for any month in which a premium is paid by the Company. Employee contributions will be through payroll deduction; the employee shall be responsible for making payment by check or other method accepted by the Company. Employee contributions during the term of the Agreement will be made on a pretax basis, to the extent permissible by law, in the following amounts.
 - 1. Effective January 1, through December 31, 2007: \$81 (which is a 90% Employer, 10% Employee split) per month.
 - 2. Effective January 1 through December 31, 2008: A per month contribution of the previous years' monthly Employee contribution

plus thirteen (13%) percent of any premium increase established by the NCGT for that year.

3. Effective January 1 through December 31, 2009: A per month contribution of the previous years' monthly Employee contribution plus Fifteen (15%) percent of any premium increase established by the NCGT for that year.

Notwithstanding the foregoing, if the Total Premium for Premier is less than \$1231 on January 1, 2009 (which was calculated based on \$1055 in 2007 increased by 8 percent in 2008 to \$1139 and that increased by 8 percent in 2009), then the resulting difference will be shared 50/50 through a decrease in the employee share/contribution effective January 1, 2009.

- E. Effective January 1, 2007, the Company will make medical benefits available to eligible retired employees pursuant to the rules of the Teamsters Retiree Trust, with such retirees paying contributions established by the Trustees to fund their benefits, and the company agrees to be bound by the Agreement and Declaration of Trust.

SECTION 43. RETIREMENT PLAN

- A The Employer shall pay the applicable amount as specified below into the Western Conference of Teamsters Pension Trust Fund on account of each member of the bargaining unit, for each straight time hour for which compensation is paid, excluding sick leave pay, not to exceed one hundred and seventy-three (173) hours per calendar month. However in months with fewer than 173 straight time hours, contributions shall be based on 173 hours if all available straight time hours are compensated.

<u>Effective Date</u>	<u>Basic Contri- bution Rate</u>	<u>PEER Contri- bution Rate</u>	<u>Total Contri- bution Rate</u>	<u>Monthly Maximum Contribution</u>
1/01/2007	\$2.78	\$.17	\$2.95	\$510.35
1/01/2008	\$2.86	\$.19	\$3.05	\$527.65
1/01/2009	\$3.01	\$.19	\$3.20	\$553.60

For probationary employees hired on or after January 1, 2007, the Employer shall pay an hourly contribution rate of \$.10 (including PEER/84) per hour during the probationary period as defined in Section 19, but in no case for a period longer than ninety (90) calendar days from an employee's first date of hire. Contributions shall be made on the same basis as set forth in this Article. After the expiration of the probationary period as defined in the Section 18, but in no event

longer than ninety (90) calendar days from the employee's first date of hire, the contributions shall be increased to the full contractual rate.

<u>Effective Date</u>	<u>Basic Contri- bution Rate</u>	<u>PEER Contri- bution Rate</u>	<u>Total Contri- bution Rate</u>	<u>Monthly Maximum Contribution</u>
1/01/07	\$.09	\$.01	\$.10	\$17.30

The contributions required to provide the Program For Enhanced Early Retirement will not be taken into consideration for benefit accrual purposes under the Plan. The additional contribution for the PEER must at all times be 6.5% of the basic contribution and cannot be decreased or discontinued at any time.

For the purposes of this Agreement, paid holidays and paid vacation time shall be counted as time worked.

Employees may contribute to the Teamster's 401 (k) plan through a payroll deduction program, pursuant to Section 19 (I). All costs for this benefit will be borne by the employee.

- B. It is mutually understood that all of the Employer contributions as provided herein shall be deductible from gross income under Section 404 of the Internal Revenue Code.

SECTION 44. TERM OF AGREEMENT

- A. This Agreement shall be in force and effect until January 1, 2010, and shall be considered as renewed from year to year, on a calendar basis, thereafter, unless either party shall give written notice to the other party of termination or renegotiation as provided in subsection (B) hereof.
- B. Either party to this contract may terminate this Agreement or reopen the same for renegotiation by giving to the other party written notice of intention to terminate or renegotiate by registered mail sixty- (60) days prior to January 1, 2010 or January 1st of any year thereafter.

SCHEDULE "A"

WAGE TABLE

The following minimum straight-time rates and classifications shall govern, it being understood that additional classifications may be added or combination rates fixed within the limits of the wage schedules herein set forth by mutual consent of the parties. Any disagreement over such classifications of labor or the addition of more classifications shall be subject to the jurisdiction of the Arbitration Board review provided in Section 36.

CLASSIFICATION	Rate Per Hour		
	1/1/2007	1/1/2008	1/1/2009
<u>Bracket 0</u> Working Foreperson - Maintenance	23.27	23.50	23.74
<u>Bracket A</u> Maintenance Mechanic	22.96	23.19	23.42
Maintenance Technician 10% over Maintenance Mechanic	25.25	25.50	25.76
<u>Bracket 1</u> Working Foreperson	20.55	20.76	20.97
<u>Bracket 2</u> Skilled Relief	20.19	20.39	20.60
<u>Bracket 3</u> Dryer Operator Evaporator Operator Extruder Operator Lab Sampler/Tester (Licensed Pest Control) Laboratory Technician (Licensed) Milk Receiver Plant Mechanic Relief (Bracket 4 jobs) Startermaker UF Operator Vat Operator Warehouseperson DMC Operator Warehouse/Receiver	19.71	19.90	20.10

	1/1/2007	1/1/2008	1/1/2009
<u>Bracket 4</u>	19.53	19.73	19.93
Boxmaker Attendant			
Cleanup			
Dry Mix Operator			
Filler Operator - Processing			
Filler Operator - Whey			
Laboratory Technician (Unlicensed)			
Q.C. Technician			
Refinish Operator			
Storekeeper			
Liquid Application Operator			
Palletizer Operator			
<u>Bracket 5</u>	19.22	19.41	19.61
Cellulose Application Operator			
Bag Inserter			
<u>Bracket 6</u>	19.11	19.30	19.49
General Labor			
<u>Bracket 7</u>	17.25	17.42	17.60
Processing Line Attendant			
Special Relief to receive premium pay of 15 cents per hour for all hours worked.			
<u>Bracket 8</u>	15.47	15.63	15.78
Plant Janitor			
Principal Clerk	18.96	19.15	19.34
Senior Clerk	18.52	18.71	18.90
Warehouse Clerk	18.52	18.71	18.90
Relief Senior Clerk	19.27	19.46	19.65
.75 over Senior Clerk rate			

CLASSIFICATIONS

Bracket 0

Working Foreperson - Maintenance

(Lead, guide, direct, assist, train, and work with other employees)

Bracket A

Maintenance Mechanic

(A Maintenance Mechanic shall have abilities and skills as determined by the Employer, such abilities and skills shall be the highest held by Maintenance employees.)

Bracket 1

Working Foreperson

(Lead, guide, direct, assist, train, and work with other employees)

Bracket 2

Skilled Relief

The rate of Skilled Relief shall be paid as follows:

- (a) For all hours worked in the workweek, to any employee working in Bracket 3, who is regularly scheduled to work on two or more different shifts during the same workweek.
- (b) For any full days worked on any shift in Bracket 3, which differs in starting time from his or her regularly scheduled shift, to any employee who is temporarily so assigned.
- (c) (For the purpose of subsection (a), (b), and (d) herein set forth, starting times within the workweek which do not vary by four hours or more shall be deemed to be the same starting times on the same shift.
- (d) For all hours worked in the work week, to any employee who relieves other employees on the scheduled days off in two or more classifications in Bracket 3 on the same shift.
- (e) For any full days worked in Bracket 3, outside his or her regularly scheduled classification, to any employee who was temporarily so assigned.
- (f) The foregoing provisions shall apply to any employee who meets them while relieving other employees on their vacation.
- (g) For those hours where a properly licensed employee is required to operate a Class I vehicle on public highways.

Bracket 3

DMC

Dryer Operator

Dumper (for cheese curd)

Evaporator Operator

Extruder Operator

HTST Operator

Lab Sampler/Tester (Licensed Pest Control)

Laboratory Technician (Licensed) (including but not limited to Mojonnier and Babcock)

Milk Receiver

Plant Mechanic (A Plant Mechanic shall have abilities and skills as determined by the Employer)

Relief (Bracket 4 jobs)

Startermaker

UF/RO Operator

Vat Operator

Warehouseperson

The rate for Relief shall be paid as follows:

- (a) For all hours worked in the workweek, to any employee working in Bracket 4 who is regularly scheduled to work on two or more different shifts during the same workweek.
- (b) For any full days worked in any shift in Bracket 4 which differs in starting time from his or her regularly scheduled shift, to any employee who is temporarily so assigned.
- (c) For purposes of subsection (a), (b), and (d) herein set forth, starting times within the workweek which do not vary by four hours or more shall be deemed to be the same starting times on the same shift.
- (d) For all hours worked in the workweek, to any employee who relieves other employees on their scheduled days off in two or more classifications in Bracket 4, on the same shift.
- (e) For any full days worked in Bracket 4, outside his or her regularly scheduled classification, to any employee who is temporarily so assigned.
- (f) The foregoing provisions shall apply to any employee who meets them while relieving other employees on their vacation.

Bracket 4

Boxmaker Attendant
Cleanup
Dry Mix Operator
Filler Operator-Processing
Filler Operator - Whey
Laboratory Technician (Unlicensed) *

*The employer will not deny any non-licensed tester the opportunity to become licensed.

Q.C. Technician
Refinish Operator
Storekeeper
Liquid Application Operator
Palletizer Operator

Bracket 5

Cellulose Application Operator

Bag Inserter

Bracket 6

General Labor

Bracket 7

Processing Line Attendant

Bracket 8

Plant Janitor

OFFICE EMPLOYEES

Senior Clerk

Under general supervision performs clerical tasks of more than average difficulty, requiring the assumption of some individual responsibility and initiates an above average knowledge of office practices, specific experience or training.

Representative Duties: Prepares and maintains production, plant, equipment, inventory, payroll or milk shippers' records; performs vacation and general relief.

Principal Clerk

Under occasional supervision only performs work requiring the exercise of independent judgment and knowledge of office procedure; and may be responsible for work of three or four other employees.

Representative Duties: Assists in making up statistical reports, carries out instructions issued by head bookkeeper in connection with completing monthly statements, running trial balances, analyzing and reconciling accounts. Answers questions of clerks regarding routine operations and problems. Responsible for even flow of work through office.

It is expressly understood that the listing of job titles in the foregoing section shall not require or imply that any plant shall have workers in each classification, but that the application of such titles and the appropriate wage scales shall depend upon actual job assignment to work actually performed.

REVISED SCHEDULING FOR VACANCIES

August 8, 1996
Revised Effective 1/01/2007

1. Call in a qualified employee from the on-call list that is not working.
2. If an employee is agreeable he/she may move to another position within that department.
3. The junior trained (qualified) employee working on that shift and in that department who signed a Training Interest List and has been trained may be assigned to fill the vacancy. If the junior trained employee refuses to do a job, the normal disciplinary steps will be followed.
4. If an employee is scheduled out of his/her home department, he/she may voluntarily return to that department to cover a vacancy, which he/she is qualified.
5. A pool of "Special Relief" employees will be trained in various jobs so that they can be placed in vacancies before having to go to the use of overtime. The intent of the Special Relief is not to displace Skilled Relief positions. The company will provide adequate relief bids to cover planned absences, i.e., vacations.
6. "Special Relief" Rules:
 - a. Seniority Bidding - open to all Bracket 7 and on-call employees at the time the bid goes up.
 - b. Bid will state that bid holder will be required to work all shifts, any days, work weeks and departments for which he/she is trained.
 - c. Bid will be for 24 months.
 - d. Premium pay for 15¢ per hour will be paid for all hours worked for any day.
 - e. If overtime is necessary, the overtime will be assigned by present contract language.

- f. "Special Relief" can sign the overtime list in their home department or relief department, but cannot sign in both departments during the same overtime period.
 - g. Bidding rights will be retained as presently written in Section 20.
 - h. Bumping will take place through present contract language.
 - i. Filling of vacancies will be offered in order of seniority to qualified "Special Relief" bid holders. Lowest seniority has to do the job.
 - j. Management will have final decision on the number and location of "Special Relief" slots. Management will confer with union representatives during this decision process.
 - k. Present contract language will be followed for time to turn down the bid.
 - l. If a "Special Relief" refuses to do a job, the normal disciplinary steps will be followed, i.e., verbal, written, suspension, termination.
 - m. "Special Relief" employees will not be forced to work more than six days within a workweek.
 - n. Whenever possible, normal scheduled days off will be observed.
 - o. "Special Relief" bids will be a maximum of four jobs and will be specific to a department.
 - p. For every "Special Relief" bid, one cross training interest list will be posted. If a "Special Relief" bid identifies three jobs to be trained, the interest list will be posted within that department. If the bid identifies less than three jobs, an interest list may be posted in any department.

If Special Relief person is on the posted weekly schedule for a full week's work in the relief department and scheduled days off are changed, the penalty pay provision applies. However if they are called into the relief department from the Processing Department, there is no penalty pay.
 - r. Any employee who gives up Special Relief Bid cannot bid on another Special Relief job for two (2) years.
7. Effective January 1, 2007, the special relief bid holders will have the option to lock in their bids in 1 year intervals to receive a premium wage as described below: The premium wage will only be applicable to those special relief employees who do lock in their bid for the one year period. Employees locking in their bids in this fashion cannot give up this bid, and will lose their bid rights for a

period of 1 year. Present Special Relief bid holders may, at their option, lock in their present bid for the additional year and be eligible for the premium wage. At any time, a Special relief bid holder who previously elected not to lock in may do so and become immediately eligible for the premium wage.

In the first year of the lock in, a premium wage of \$.25 per hour will be paid for all hours worked, including vacation, holidays, funeral leave, and jury duty hours.

In the second consecutive year of the lock in, a premium wage of \$.50 per hour will be paid for all hours worked, including vacation, holidays, funeral leave, and jury duty hours.

In the 3rd consecutive year of the lock in, and all subsequent years of a continuous lock in to a special relief bid by an employee, a premium wage of \$.75 per hour will be paid for all hours worked, including vacation, holidays, funeral leave, and jury duty hours.

In all cases, the premium wage will be paid out in a lump sum at the end of the 1-year period as determined by the lock in date.

This provision will be reviewed by the Company at the end of the first year to determine if it is working satisfactorily to the Company. If it is determined to be working satisfactorily at the end of the first year, this change will continue for the duration of the Agreement. If Company elects to discontinue this program; all hours worked under this provision will be paid at that time.

7. The company will use the overtime sign-up sheet before using the services of an outside agency.
8. Double time pay for all hours over ten in a work day and for all hours worked on scheduled days off (voluntary or mandatory).

**FOR THE EMPLOYER:
LEPRINO FOODS COMPANY**

BY: Brad Olsen
Senior Vice President-People Development

Date

BY: Greg Norys
Western Region People Development Manager

Date

BY: Maria Garcia
People Development Manager Tracy Plant

Date

BY: Joel Krein
Western Region Vice President/Acting Plant Manager

Date

BY: Theresa Miller
People Development Training Supervisor

Date

FOR THE UNION:

**GENERAL TEAMSTERS LOCAL #439,
Affiliated with the International Brotherhood of Teamsters**

BY: Phil Rushing
President

Date

BY: Sam Rosas
Secretary Treasurer

Date

For the Union:

BY: Bryon Beffa -Shop Steward Date

BY: Billy Chow - Shop Steward Date

BY: Eric Fincher - Shop Steward Date

BY: Allen Franscella - Shop Steward Date

BY: Nancy Franscella - Shop Steward Date

BY: Stephen Howat - Shop Steward Date

BY: Charles Nelson Shop Steward Date

