

RECOMMENDED PROPOSAL

Between

BELLEVILLE SHOE MFG. CO.

AND

**UNITED FOOD & COMMERCIAL WORKERS UNION
LOCAL UNION NO. 655**

~~**December 1, 2017 to November 30, 2020**~~

December 1, 2020 to November 30, 2023

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PREAMBLE

This Agreement is made and entered into by and between the Belleville Shoe Mfg. Co., hereinafter referred to as the “Company,” and United Food and Commercial Workers Union, Local 655, hereinafter referred to as the “Union”:

WITNESSETH THAT:

NOW, THEREFORE, in consideration of their mutual promises, the parties hereto agree as follows:

ARTICLE 1 - RECOGNITION

The Union shall consist of all hourly compensated employees other than office employees.

ARTICLE 2 - UNION SECURITY

SECTION 1. All employees covered by this Agreement shall be required as a condition of employment to become and remain members of the Union after the thirtieth (30th) day following the beginning of their employment.

SECTION 2. The Company shall not be required to discharge an employee for failure to attain or maintain membership in the Union unless it shall have received three (3) days’ written notice from the Union prior to the date such discharge is to be effective.

SECTION 3. The Company agrees to permit an authorized representative of the Union to visit the plant. The Union representative will notify the Company in advance of the day she/he will visit the plant. Upon arrival at the plant, the Union representative shall notify the Human Resources Director. The Union representative will not interfere with the duties of the employees for Union business unless approved by management. The Company reserves the right to escort the Union representative at any time the representative wants to be present in working areas.

SECTION 4. **The Company will allow the Union up to fifteen (15) minutes to educate new employees regarding their Union membership and for new employees to sign Union applications. The meeting should be held prior to the employee’s 30th day of employment and will be unpaid. The Union must schedule the time in advance with the Human Resources Manager.**

ARTICLE 3 - UNION DUES CHECKOFF

The Company will provide the Union with a dues check off service under the following terms and conditions:

SECTION 1. On the first and third Friday of each month, Company to provide employee list of all current employees, **along with addresses and telephone numbers**. Company to register new members and the Company to collect initiation fee provided proper notification is given by the Union.

SECTION 2. Once the Union notifies the Company of a new employee's membership, that employee will be added to the check off list.

SECTION 3. Once a week the Company will withhold current dues from all employees on the check off list. A check for the total dues withheld will be written to Union within one (1) week of the withholding from the last deduction of each month, along with list of all employees for which withholding was made.

SECTION 4. The Company will withhold all dues from any member in arrears, provided proper notification is given by the Union.

SECTION 5. Once each week or once each year, the Company will deduct from the pay of the employees, who have certified in writing, a political deduction. The Union shall furnish to the Company the amounts to be deducted in regular monthly billings. Employees who participate in the political deduction agree to continue in the program from May 1 to April 30 of each year in the same weekly dollar amount. Each May 1 an employee may change his or her deduction.

ARTICLE 4 - STRIKES AND LOCKOUTS

The Union agrees that there shall be no strikes, walkouts, stoppages or slowdowns of work, boycotts, secondary boycotts, refusal to handle any merchandise, picketing, sit down strikes of any kind, sympathy or general strikes, or any other interference with any of the operations of the Company and the Company agrees that there shall be no lockouts during the term of this Agreement. Violation of this Article by the Union shall void this Agreement. Any employee who violates this Article by causing or having caused a work stoppage, strike, slowdown, picketing or any interference of any kind shall be discharged by the Company.

ARTICLE 5 - UNION COOPERATION

SECTION 1. The Union agrees to cooperate with the Company in maintaining and improving safe working conditions and practices and in improving the cleanliness and good housekeeping of the plant. The Union agrees to cooperate in correcting deficiencies of employees which might otherwise necessitate discharge.

SECTION 2. The Union recognizes the need for improved methods and practices concerning the manufacture of quality footwear and agrees to cooperate with the Company in developing and implementing installation of such methods and practices.

SECTION 3. The Union recognizes the need for conservation and the elimination of waste and agrees to cooperate with the Company in suggesting and practicing methods in the interest of conservation and waste elimination.

SECTION 4. The Union and its members, in recognition of the fact that the security and welfare of the Company and its employees is dependent upon the future growth and economic stability of the Company, agree at all times, as far as their power, to further the interests of the Company.

ARTICLE 6 - MANAGEMENT RIGHTS

The listing of specific rights in this Agreement is not intended to be nor shall be restrictive of or a waiver of any of the rights of management not listed and specifically surrendered herein whether or not such rights have been exercised by the Company in the past. The management of the plant and the direction of the working force, including the right to hire, suspend, transfer, or discharge for proper cause and the right to relieve employees from duty because of lack of work or for other reasons, is vested exclusively in the Company; provided, however, that this will not be done for the purpose of discrimination against any member of the Union or in a manner contrary to the provisions of this Agreement. The Company shall have the sole right to decide the processes and types of machinery and equipment to be used; types of products to be manufactured; quality of materials and workmanship required; selling prices of products; methods of making and selling products; personnel to be employed in supervisory, clerical, management and salaried mechanical positions. For the duration of this contract, no further functions will be converted from Union positions to Company positions.

ARTICLE 7 - GRIEVANCES

SECTION 1. There may be one (1) shop steward in each of the ten (10) departments on each shift except fitting, where there may be two (2). All the necessary union duties of the shop stewards shall be attended to before or after their regular working hours unless specifically authorized by the foreperson in their department. A foreperson will not authorize such time unless the matter is, in the opinion of the foreperson, an emergency. Such authorized Union duty time for shop stewards shall be without pay and without any attendance penalty.

SECTION 2. Differences of opinion that may arise out of the application or interpretation of the provisions of this Agreement shall be termed grievances. Grievances may originate with either the Company or the Union. The Company shall neither show favoritism toward nor discriminate against any employee turning in a grievance or a shop steward involved in the processing of a grievance. All grievances must be discussed for possible resolution with the supervisor in the department. Grievances subject to these procedures shall be in writing. The written grievance will specifically state the nature of the grievance and the action requested.

All written grievances must be filed within ten (10) working days of the event which caused the grievance. The written grievance must be signed by the alleged victim of the events described in the grievance and the shop steward and foreperson in that department. The written and signed grievance must be presented to the Human Resources Director.

The Company will give its final answer in writing to all grievances within ten (10) working days. The written response, signed by the Human Resources Director, must be presented to the Union. The Union will have ten (10) working days after the date of the postmark of the Company's final answer to appeal a grievance to arbitration. The parties can extend the time limit by mutual agreement.

SECTION 3. For new or revised piece work rates established by the Company the ten (10) working day requirement of Section 2 is revised to not less than fifteen (15) calendar days and not more than sixty (60) calendar days for filing of a grievance after the date the rate is established. When there are no regular employees on a new or revised piece work rate job, any

shop steward may file such a piece rate grievance within the allowed time. The Union will be notified in writing of any new jobs and piece rates brought into the factory within seven (7) workdays.

SECTION 4. If a machine is malfunctioning to the point of causing personal injury, an employee shall have the right to file a grievance and such shall be answered within eight (8) working hours.

SECTION 5. In any case in which an employee is aggrieved and the Union promptly notifies the employee that it does not intend to request arbitration after the Company’s final answer, the time for requesting arbitration shall be stayed pending the employee’s exhaustion of internal union appeals to the Union’s Executive Board.

ARTICLE 8 - ARBITRATION

SECTION 1. In the event a grievance cannot be settled at any point up to and including the final answer from the Company, it shall, upon written request for arbitration by either the Company or the Union to the other, be referred to arbitration. Neither party shall accept a request for arbitration made by the other, unless said request for arbitration is given in writing by the Union to the President of the Company, or vice versa. No such requests shall be accepted unless given within ten (10) working days after the date of the postmark of the Company’s final answer.

SECTION 2. If the Company and the Union agree on a single arbitrator, the grievance shall be presented to the arbitrator for final determination. Should the Company and the Union fail to agree on a single arbitrator, they shall immediately request that Federal Mediation and Conciliation Service submit a panel of seven (7) arbitrators. Either party may reject the panel in which case a new panel shall be requested. Each party shall alternately strike one (1) name from the list, and the one (1) remaining name shall be the arbitrator.

SECTION 3. Either party may order the proceedings to be recorded or transcribed, but whichever party does so, shall bear the cost of such record or transcription unless the other party desires a copy, in which case the cost of the record is borne equally by the parties. Where the record is ordered and paid for by only one (1) party, a copy thereof will not be made available to the other party. Any such record shall become the official record of the proceedings.

SECTION 4. The expense of the Arbitrator will be borne by the losing party.

SECTION 5. Where a party desires to file a brief following the close of an arbitration hearing, it shall be required to do so within three (3) weeks immediately following receipt of transcript of the proceedings unless an extension of time is granted.

SECTION 6. In arriving at a decision, the arbitrator shall not have the power to delete from, add to or in any way modify the provisions of the Agreement. The Arbitrator’s decision will be final and binding upon both parties, providing the decision complies with the above and is confined to an interpretation or application of the express or specific terms and conditions of the Agreement.

SECTION 7. If consideration of a discharge case by an arbitrator results in an award of reinstatement of an employee, such employee shall be reinstated with all rights and privileges held before such discharge and full pay for all time lost not to exceed seventy-five (75) working days as a result of such discharge.

ARTICLE 9 - SENIORITY

SECTION 1. An employee shall be considered a regular employee when he has been continuously employed by the Company for a period of three (3) calendar months. Until the employee has the status of a regular employee, he shall have no seniority rights. A non-regular employee may be laid off or dismissed during the first three (3) calendar months of employment. The Company's action with respect to such non-regular employees shall not be subject to the grievance or arbitration procedure of this agreement, except for the limited purpose of permitting an employee who has been employed more than thirty (30) days the right to file a piece price grievance. After completion of three (3) calendar months of employment, employee's seniority shall begin as of date of employment. In addition to the above, any non-regular employee who is employed for four (4) full months in any consecutive twelve (12) month period will become a regular employee. Job seniority cannot begin before an employee becomes a regular employee but shall be retroactive to the date employee began the job. However, non-regular employees may not acquire any seniority on a job on which they have been placed, unless the bid process on that job has been exhausted. An employee being awarded a bid on a new job which a non-regular employee has been previously placed on prior to the job being bid shall have their seniority backdated on that job to the day before the non-regular employee was placed on that job.

A. Length of continuous service, as used in this Article, shall be considered to be time since last date of employment with the Company.

B. The Company and Union shall develop plans whereby employees may readily determine the status of their seniority. A seniority list shall be posted in each department and revised by the Company on June 1st and December 1st of each year. A copy shall be furnished to the Union and a copy to a Union Shop Steward. Whenever an employee changes jobs, such change of job shall be recorded on the Company's permanent seniority record. When an employee is moved to a different job by the Company, both the Union and the employee shall be informed, in writing, if their job seniority is changed.

SECTION 2. In a case a new job is created or a vacancy occurs, it shall be posted and advertised as open for bids. Each job open for bid shall be filled as far as possible within the department affected, but if no qualified person is available in that department to fill the vacancy, then such vacancy may be filled by a qualified person from another department. In all cases of promotion, the following factors shall be considered:

A. length of continuous service

B. ability to perform work

C. physical fitness

Length of continuous service will be the governing factor when b. and c. are relatively equal.

When a job vacancy occurs within a department, it shall remain posted for a period of thirty-two (32) working hours except in any department working three (3) shifts where they shall remain posted for forty-eight (48) working hours.

Further, at the same time a job vacancy is posted in the department where it occurs, a similar notice shall be posted in all other departments inviting employees of other departments to enter bids, which would be considered in the event the opening is not filled by an employee in the department of origin. All announcements shall be removed simultaneously at the end of thirty-two (32) working hours except in any department working three (3) shifts where they shall remain posted for forty-eight (48) working hours. In addition, the Company will have a central board in the lunchroom where all current bids shall be posted. Employees who are not actively working will not be permitted in working areas.

Any other openings resulting from bids on the original opening shall remain posted for thirty-two (32) working hours, except in any department working three (3) shifts where they shall remain posted for forty-eight (48) working hours, with the understanding they shall not be removed before 8:00 a.m. of the day following the posting.

Promotion shall be denied an employee if (a) in the past six (6) months he has had over five percent (5%) unexcused absence, or (b) is on a final written warning. Promotion will not be denied an employee due to current pay when bidding on a piece work job.

In filling a job vacancy which has been posted for bid, the first three (3) bidders listed who actually work on the job will be permitted not more than twenty-four (24) hours each in which to decide whether they wish to remain on the job or not. If the first three (3) bidders do not accept the job, all other bidders will be allowed eight (8) hours trial time.

A successful bidder on a job vacancy, entitled to the twenty-four (24) hour trial period as stated above, shall be permitted not more than twenty-four (24) hours in which to decide whether he wishes to remain on the new job. A successful bidder on a job vacancy, entitled to the eight (8) hour trial period as stated above, shall be permitted not more than eight (8) hours in which to decide whether he wishes to remain on the new job. If he fails to express his desire to return to his former job within the time specified, he shall not be permitted to do so at a subsequent date unless he is laid off of work on the new job.

Furthermore, he shall be permitted only three (3) successful bids in a period of one (1) year running. (This shall apply only when the bid is on an established job which produces average earnings above the factory minimum in effect at the time). It is further understood that if an employee is moved for Company convenience before he has completed his twenty-four (24) hours trial period, he shall be able to complete the trial period when he returns to the new job. A successful bidder on a job vacancy, entitled to the eight (8) hour trial period as stated above, shall be permitted not more than eight (8) hours in which to decide whether he wishes to remain on the new job.

Bid sheets shall list the average rate of pay on the job and whether the job is piece work or time work. No bid sheets more than sixty (60) calendar days old shall be used for awarding of bids. If a job is not filled within sixty (60) days and if the Company determines it still needs to fill the job, it will be reposted. When applicable bid sheets shall specify shift (1st, 2nd, or 3rd) of work and approximately how many operators are needed. A steward will be given copies of original bid sheets and the name(s) of the successful bidder(s).

SECTION 3. Promoted employees, while learning a new operation, shall be guaranteed eighty percent (80%) of their hourly average on the job from which they transferred for the first twenty-four (24) hour trial period or first eight (8) hour trial period respectively. Any employee who accepts a bid job as their new permanent job, shall be guaranteed ninety percent (90%) of the hourly average on the job from which they transferred for the first nine (9) weeks that the employee is on the new job. If the promoted employee is a time worker, it is agreed that the eighty percent (80%) and ninety percent (90%) calculations referred to above will not result in a hourly rate that is lower than the posted entry level rate for that job.

SECTION 4. During periods of normal production, all regular employees shall work on an equitable work-sharing basis. During periods of less than normal production, all regular employees shall work on an equitable work-sharing basis for a period of not more than six (6) weeks before a general reduction in force is made by the Company. "Periods of less than normal production" hereinabove referred to are defined as a work schedule at a rate of fifteen hundred (1,500) pairs or less a day.

SECTION 5. When such a period of less than normal production is to continue for a future time, thus requiring laying-off action, the work force will be reduced by removing from operations employee(s) with least amount of job seniority. An employee laid off his regular job who has seniority on another job in their department may replace the most junior employee on such other job. Such employee will pick up all seniority previously held on that job. An employee laid off his regular job who has no seniority on another job may replace a non-regular employee in the department whose work the employee is capable of performing; and will start building job seniority on that date. An employee laid off his regular job who has no seniority on another job and no non-regular employee to bump in his department may bump any non-regular employee in the plant whose work the employee is capable of performing. The most senior employee affected will have the choice of the available jobs he can perform. All bumping shall only apply to positions that will be in existence when the lay-off process has been completed factory wide. The effective time or piece rate of said same rated or lower rated operation will apply. The rate of pay for time worked shall be the hourly wage that employee would be earning had they been a time worker since the date of employment.

A. TRANSFERS WITHIN A DEPARTMENT

When an operator has bid or transferred within a department to another operation or job within that department on which he has had no previous experience, his seniority on his new job begins the date of the transfer. His seniority on any former job or jobs is still in effect. No employee shall be permitted to acquire additional listing on his seniority card because of any reason other than promotion or bidding or bumping.

B. TRANSFERS BETWEEN DEPARTMENTS

When an operator is transferred to another department, his seniority in the new department begins on the date of transfer and his seniority in the old department shall not be lost during the period of such transfer. Such operator shall have the privilege of returning to his previous operation in the event the operation in the new department is eliminated or when because of curtailment of production he would be the logical person to be laid off or taken off the operation.

SECTION 6. Any employee removed from his or her regular job due to lack of work will return to that job when work is available.

SECTION 7. Any employee who is on layoff for a period of twelve (12) consecutive months will be removed automatically from the employee list of the Company.

SECTION 8. An employee shall lose his or her seniority under any of the following circumstances:

- A. removal from the employee list
- B. if he or she voluntarily resigns
- C. if he or she is discharged and not reinstated via the grievance process
- D. if, after having been laid off and after being recalled by the Company, an employee fails to report to work within five (5) days after recall
- E. if it is determined that he or she has obtained employment with another employer during a leave. This does not apply to an employee who has been laid off.

SECTION 9. An employee shall not lose his or her seniority based on service with the Company in a supervisory capacity which does not constitute a break in continuous service. The Company shall inform the Union Representative for the Company and the shop steward for the affected department when an employee is moved into a supervisory position.

SECTION 10. When less than fifty percent (50%) of a department's normal work force is scheduled for production work on a regular work day or a Saturday and when unskilled work on backshoes is scheduled for that same day, such unskilled backshoe work will be offered to otherwise laid-off employees in the department based on Company seniority provided such employees can capably perform the work offered. The rate of pay to apply to such work for such employee shall be the time rate.

ARTICLE 10 - LEAVES OF ABSENCE

SECTION 1. Leaves of absence without pay and without loss of seniority will be granted to employees who qualify for such leaves under the Company's Family and Medical Leave Act policy.

SECTION 2. A leave of absence for a period not exceeding twelve (12) weeks will be granted to an employee who is unable to work because of illness or injury, including disabilities due to pregnancy, childbirth or related conditions, upon written request by the employee to the immediate supervisor accompanied by a statement from the attending physician describing the nature of the disablement and setting forth the anticipated period of time during which the employee will not be able to work. An extension of such leave for an additional period of time not exceeding two (2) three (3) month periods may be granted, if necessary, upon written request by the employee, accompanied by the attending physician's attestments as described above.

However, such leave and/or extension thereof may not exceed the employee's total length of employment with the company since the last date of hire; nor, in any case, exceed a total period of ten (10) months. Any employee who is unable to properly return to work at the expiration of their leave will lose their seniority.

SECTION 3. The parties to this Agreement agree to comply with all Federal and State laws governing the return of employee from military service.

SECTION 4. Except in emergencies, a leave of absence or an extension thereof is not considered authorized until the employee has received written authorization from the Company confirming the leave and the inclusive dates thereof.

If an employee submits a written request for a leave of absence at least five (5) days prior to the date the employee wants the leave to begin, the employee will get written notice as to whether or not the leave was approved.

A leave of absence will not be granted for the purpose of engaging in other employment. Employees who accept other employment while on leave of absence will be terminated if the employee could have been working for the Company.

In the absence of a confirmed extension of leave of absence, employees who do not report to work upon the first working day after date of leave will be terminated.

Employees who do not use a leave of absence for purposes which it is granted will be terminated.

Employees returning to work following a leave granted because of a disablement are required, before resuming job duties, to furnish a certificate from the attending physician attesting the employee's ability to return to work and perform their regular job duties.

To avoid unnecessary problems and to assist the Company to plan for future absences, and to become eligible for a leave of absence, employees must notify their Supervisor with regard to any anticipated future leave request as soon as possible after knowledge is gained concerning the circumstances requiring such leave of absence from work.

A leave of absence is considered to include anticipated absences from work for a period in excess of three (3) working days.

Upon timely return from an authorized leave of absence, employees shall be returned to the job they held prior to the leave of absence.

The Company reserves the right to obtain a second or third opinion, at its expense, from a physician in any request for a disability leave or release to return to work.

ARTICLE 11 - HOURS

SECTION 1. The regular work day shall be eight (8) hours, and the regular work week shall be forty (40) hours, Monday through Friday (starting on Sunday through Thursday for the third shift), inclusive, provided, however, that the regular work week of forty (40) hours shall be reduced to thirty-two (32) hours whenever one of the holidays named hereunder occurs or is celebrated therein; and the regular work week of an individual employee shall be reduced by eight (8) hours or such part thereof for each day or respective part of a day in a work week where the employee is absent from work, regardless of the reason for such absence.

The regular eight (8) hour schedule for the first shift shall be from 6:30 a.m. to 3:00 p.m. The regular eight (8) hour schedule for the second shift shall be from 3:00 p.m. to 11:00 p.m. The regular eight (8) hour schedule for the third shift shall be from 11:00 p.m. to 7:00 a.m.

Where changes in operation or construction require same, the Company may change permanently the regular hours of work of the employees on any particular operation without being required to pay overtime for the hours thus worked before or after the required factory work hours. The Company will inform the Union of such changes.

SECTION 2. Time and one-half (1-1/2) the straight time regular rate shall be paid for all production line hours worked in excess of the employee's work day or week as defined above.

Double (2x) the straight time regular rate shall be paid for all production line hours worked on Sunday or on legal holidays. This is premium pay.

No employee shall receive overtime and premium pay for the same hours worked. He or she shall be paid the greater of the two, but not both.

An employee will not be required to work more than three (3) consecutive Saturdays unless the Company is operating under contractual obligations to surge production pursuant to government request. A copy of such government request will be provided to the Union no later than the third consecutive Saturday.

SECTION 3. Payday shall be on the following Friday, unless there is a holiday on the following Friday in which event payday shall be the following Thursday. Pay checks shall be distributed by lunch on Friday. Pay checks shall be distributed by lunch on Thursday proceeding a scheduled Friday holiday if those checks are processed.

Employees underpaid on any weekly pay check will be paid their shortage in a separate check that same payday provided the shortage is reported by 1:00 p.m. that day.

SECTION 4. Any work done on Saturday shall be from 6:30 a.m. to 11:30 a.m. however, work may be fully scheduled on Saturday, from 6:30 a.m. to 3:00 p.m. Employees shall be notified Thursday if Saturday will be five (5) or eight (8) hours. Exception to this Saturday work will be that no Saturday work will be scheduled immediately preceding a Monday holiday or immediately following a Friday holiday. When Saturday overtime work is scheduled, due notice shall be given by 11:00 a.m. on Thursday (or when a holiday falls on a Thursday the overtime notice shall be posted by 11:00 a.m. on Wednesday), and any absences other than for sickness shall be considered unexcused. In addition, the Company shall make every reasonable effort to notify affected employees as early in any week as possible when overtime work is to be scheduled for that weekend. Notification of any overtime to be worked during the regular Monday through Friday work week shall be given by 11:00 a.m. for overtime that day. When daily overtime is posted on days when there is a Union meeting, the notice will include that the overtime is voluntary. Where feasible, overtime posting will include specific jobs needed.

SECTION 5. Nothing in this Article shall preclude the Company from scheduling overtime work during any period at its sole discretion, except as provided in Section 4 above.

SECTION 6. An employee who is absent for any cause shall be required to give notification to the Company as soon as possible but no later than one (1) hour after their scheduled starting time on the first day of absence for the first shift; or one (1) hour after their scheduled starting time on the first day of absence for the second shift; or one (1) hour after third shift scheduled end on the first day of absence for the third shift. The employee shall state the reason for said absence and its probable duration. The Company shall waive the foregoing in any case where it is impossible for the employee to give such notice within the time specified. If, at the end of their third day of absence, no report has been received by the Company, the absentee will be presumed to have quit without notice and will be replaced.

ARTICLE 12 - WAITING PERIODS

SECTION 1. An employee shall not be required to wait more than fifteen (15) minutes consecutively or for thirty-five (35) minutes cumulatively in a work day for a reasonable amount of work. Any employee who waits more than fifteen (15) minutes or thirty-five (35) minutes respectively for a reasonable amount of work shall be granted time work for the waiting time in excess of either of these amounts. Any employee who has a machine breakdown exceeding fifteen (15) minutes shall be granted time work for the time in excess of fifteen (15) minutes; provided same has been reported to the foreman of the department. If an employee is sent home because of lack of work, his or her machine or operation remains idle for the remainder of the day.

SECTION 2. Employees on an operation shall be sent home or paid their hourly average in the event there is a reduction in flow of work to that operation. Layoff of employees being sent home early shall be made on the basis of job seniority. This section shall apply to all operations, part-time employees to be eliminated first. For application of this section, in the event a single operation does not constitute a full-time job, a combination of two or more piece work jobs will be designated as an operator's full-time operation. This section does not apply to non-regular employees.

SECTION 3. In the event any employee reports for regularly scheduled work, and work on his job cannot be reasonably performed due to power failure, heating failure, inclement weather or other non-operability of the physical plant, and if the Company has not given due notice of no work at least two (2) hours prior to the start of such regularly scheduled work, either personally or by means of the local news media, such reporting employee shall be paid two (2) hours pay for that day at his regular rate of pay.

ARTICLE 13 - WAGE RATES

SECTION 1. A current price list for piecework shall be provided to the Union within thirty (30) days of ratification of this Agreement. On the anniversary dates of this Agreement, the Company shall provide to the Union an updated price list which will include any new job prices. The per pair case price noted shall refer to a twelve (12) pair case.

~~General Increases—Effective December 1, 2018, all piece rates and time rates will be increased by two and one-quarter percent (2.25%). Effective December 1, 2019, all piece rates and time rates will be increased by two and one-quarter percent (2.25%). The increases will only apply to employees who are employed as of December 1, 2017. Employees hired after December 1, 2017 will skip one annual contractual wage increase. The minimum hourly factory minimum wage will be eight dollars and twenty-five cents (\$8.25) per hour unless a higher minimum wage is required by law.~~

General Increases – Effective December 1, 2020, all piece rates and time rates will be increased by one and one-half percent (1.5%). Effective December 1, 2021, all piece rates and time rates will be increased by one and one-half percent (1.5%). Effective December 1, 2022, all piece rates and time rates will be increased by one and one-half percent (1.5%).

Effective December 1, 2020, the minimum hourly factory minimum wage will be eleven dollars and twenty-five cents (\$11.25) per hour. Effective December 1, 2021, the minimum hourly factory minimum wage will be twelve dollars and twenty-five cents (\$12.25) per hour. Effective December 1, 2022, the minimum hourly factory minimum wage will be thirteen dollars and twenty-five cents (\$13.25) per hour.

Effective December 1, 2020, all employees who have been employed by the Company for more than five (5) years but less than ten (10) years on that date will receive a one-time one percent (1%) wage adjustment. All employees who have been employed by the Company for ten (10) years or more as of that date will receive a one-time two percent (2%) wage adjustment.

Effective December 1, 2022, all employees who have been employed by the Company for more than seven (7) years but less than twelve (12) years on that date will receive a one-time two percent (2%) wage adjustment. All employees who have been employed by the Company for twelve (12) years or more as of that date will receive a one-time four percent (4%) wage adjustment.

SECTION 2. Earned piece work coupons will be paid for in wages for that day in which the corresponding work is performed. Any piece work coupon held over for a later day will be void.

SECTION 3. The Company shall compute piece work employee's time work rates at the end of each calendar quarter, four (4) times each year, and furnish same to employees as soon as possible thereafter. These time work rates will then apply to time work performed by piece work employees during the subsequent calendar quarter.

Single operators and those operators holding the shortest current seniority on an operation for which there is more than one employee holding seniority will have their time rates computed without regard to any earnings or time accumulated in the prior quarter on any piece work jobs other than the job on which they hold current seniority.

SECTION 4. The rates on new work will be established by the Company, and, unless objected to by the Union within not less than fifteen (15) and not more than ninety (90) calendar days after the establishment of the rate, such rate will automatically be established as the approved rate. If any new rate objected to is revised after consideration, payment of the revised rate agreed upon will become retroactive and effective as of the date that the rate was originally introduced by the Company. It is further agreed that all rates that are established subsequent to the original rates become amendments to the original rates. It is further agreed that any established rate may be revised only if there has been a change in job content, condition, machine or work load.

SECTION 5. Time workers will be paid wages on the basis of times within the regularly scheduled hours of work established in Article 9 above. Similarly, piece workers will be paid wages on the basis of their piece work coupons and on the basis of any time they have worked on time work.

SECTION 6. Minimum rates are those established by federal government for interstate commerce.

SECTION 7. All employees working on the second shift will receive a shift differential of One Dollar (\$1.00) per hour for all hours worked and all employees working on the third shift will receive a shift differential of One Dollar and Twenty-Five cents (\$1.25) per hour for all hours worked.

ARTICLE 14 - BEREAVEMENT PAY

SECTION 1. Bereavement pay of twenty-four (24) hours' pay will be made to any employee at time of death of every member of his/her immediate family as follows: husband, wife, daughter, son, brother, sister, father, mother, mother-in-law, father-in-law, grandparent and grandchild. Bereavement pay of eight (8) hours will be made to any employee at the time of death of their life partner (defined as a civil union as demonstrated and certified by public ceremony). For employees in an inactive work status at time of such death, qualifications for bereavement pay are the same as those in Section 1a, Article 15, for holiday pay. New employees are subject to the same requirements for bereavement pay as for holiday pay set forth in Section 1e, Article 15.

In addition to the provisions of the preceding paragraph, in the event of the death of an employee's father (includes foster father and stepfather), mother (includes foster mother and stepmother), spouse, child (includes stepchild), brother, half-brother, sister, half-sister, father-in-law, son-in-law, daughter-in-law, mother-in-law, brother-in-law (includes spouse's sister's husband), sister-in-law (includes spouse's brother's wife), grandparent (includes spouse's grandparents), or grandchildren, he/she shall be granted a non-paid leave for the normally scheduled hours of work he/she lost from the job from the date of death of such relative to and including the date of service up to a maximum of three (3) working days at the employee's request. If the service is outside a two hundred (200) mile radius from the plant, the three (3) day allowance above will be increased to include, at the Company's discretion, a reasonable travel time allowance to the service not to exceed two additional working days. The employee shall be required to show proof of death and relationship.

SECTION 2. In the event of the death of any person employed by the Company, the employees shall be allowed to attend the service without pay. Time off will be considered excused for that time.

ARTICLE 15 - HOLIDAYS

SECTION 1. There shall be no work done by the employees on the following days: New Year's Day; Martin Luther King Birthday; Good Friday; Memorial Day; Labor Day; Veterans Day (which will be celebrated on the same day as the Belleville School District); Thanksgiving Day; day-after Thanksgiving; Christmas Eve; Christmas; and the employee's birthday, or the days on which the aforementioned holidays are celebrated. Work done on Saturday following these holidays shall be at time and one-half (1 ½) rate. Employees will be paid a day's pay based on his current average straight time earnings for each of the aforementioned holidays if the employee is not absent from work for more than one (1) hour on the regularly scheduled work day immediately prior to and immediately subsequent to the holiday. In cases where an employee's birthday falls on a weekend or holiday, the next regularly scheduled work day shall be considered his birthday. If an employee's birthday falls on a Friday or Monday, the employee will not be required to work on the Saturday of the weekend on which the birthday occurs. Should the employee choose to work on his birthday, he will be paid that day's earnings plus eight (8) hours of holiday pay, however;

A. An employee temporarily laid off or on personal medical leave of absence at the time a holiday occurs shall be paid said holiday benefits providing he has worked within the forty-five (45) calendar days preceding the holiday and returns to work within the forty-five (45) calendar days subsequent to the holiday. For any leave of absence that is granted, that is not a personal medical leave of absence, the employee will not lose holiday benefits provided he has worked within the seven (7) calendar days preceding the holiday and returns to work within the seven (7) calendar days subsequent to the holiday.

B. If an employee is absent, not excused, not due to either proven illness or laid-off status on either the scheduled work day prior to or the scheduled work day subsequent to the holiday, he shall not qualify for that holiday pay.

C. These provisions do not entitle an employee in any other inactive work status to holiday pay.

D. New employees with less than thirty (30) days (calendar) service will not qualify for holiday pay.

E. An employee absent from work on the day before or the day after a holiday and being paid bereavement for that day will be considered excused for that day.

F. If the death of an immediate family member as defined in Article 14 occurs on the day before or the day after a holiday, an employee's absence therefore will be considered excused for that day.

SECTION 2. Each regular employee who has completed one (1) year of employment will be eligible for two (2) non-paid personal days each calendar year to be taken in no less than four (4) hour increments. These non-paid personal holidays may be taken with one (1) week prior notice given to the Company, however, the Company may limit the number of employees to one (1) on a given day by department on a first-come basis. The Company will consider granting the scheduled day off to other employees in the department on the same basis, based on operational needs. If a non-illness emergency situation arises, such as the death of a friend, relative, or other circumstances not covered under other articles in this Agreement, the one (1) week notice requirement will be waived. However, prior to the requested day off, the Employee will give the Company notice of the emergency situation as soon as possible. The Company may require proof of the emergency.

ARTICLE 16 - VACATION

SECTION 1. For plant maintenance and shutdown purposes, the plant will be on plant shutdown during the week containing Independence Day and the period between the observed Christmas Holiday and the observed New Year's Day Holiday. If needed to total five (5) working days, one (1) day before the observed Christmas Eve Holiday or after New Year's Day will be included in the shutdown.

Each employee will be entitled to pay for the one (1) week containing Independence Day provided the employee:

A. has, as of the vacation period, a continuous employment record with the Company as of twelve (12) calendar months*, and

B. has worked one thousand (1,000) hours or more during the twelve (12) month period immediately preceding said vacation period.

*Any employee qualifying under a. and b. above, will be entitled to vacation pay at the time specified in Section 8 of this Article. Any employee not qualifying under a. or b. above, will be entitled to vacation pay at the time specified in Section 9 of this Article, but under the rules and procedures of Section 6 and/or Section 8, as applicable, of this Article.

SECTION 2. Each employee who, in addition to qualifying under Section 1 above, has a continuous service record with the Company during the entire previous four (4) years will

be entitled to an additional amount of payment equal to a week's pay computed in the same manner as Section 1 above, as hereinafter provided.

SECTION 3. Each employee who, in addition to qualifying under Section 1 above, has a continuous service record with the Company during the entire previous eight (8) years will be entitled to an additional amount of payment equal to a week's pay computed in the same manner as Section 1 above, as hereinafter provided. This is in addition to the payment provided in Section 2 above.

SECTION 4. Each employee who, in addition to qualifying under Section 1 above, has a continuous service record with the Company during the entire previous fifteen (15) years will be entitled to an additional amount of payment equal to a week's pay computed in the same manner as Section 1 above, as hereinafter provided. This is in addition to the payment provided in Section 2 and 3 above.

SECTION 5. Each employee who, in addition to qualifying under Section 1 above, has a continuous service record with the Company during the entire previous twenty (20) years will be entitled to an additional amount of payment equal to a week's pay computed in the same manner as Section 1 above, as hereinafter provided. This is in addition to the payment provided in Section 2, 3 and 4 above.

SECTION 6. Each employee who, in addition to qualifying under Section 1, above, has a continuous service record with the Company during the entire previous twenty-five (25) years will be entitled to an additional amount of pay equal to a week's pay computed in the same manner as Section 1, above, as hereinafter provided. This is in addition to the payment provided in Sections 2, 3, 4 and 5, above.

SECTION 7. The first week's vacation pay for entry employees, the second week's vacation pay for four (4) year employees, the third week's vacation pay for eight (8) year employees, the fourth week's vacation pay for fifteen (15) year employees, the fifth week's vacation pay for twenty (20) year employees and the sixth week's vacation pay for twenty-five (25) year employees, will be paid on the anniversary date of his/her employment provided that the qualifications of twelve (12) month's continuous employment and one thousand (1,000) hours of work set forth in Section 1 above, have been met.

Fractional vacation pay which accrues from the anniversary date up to the following Independence Day vacation period will be paid at vacation period, provided the qualifications referred to under this Section have been met. In these latter cases of fractional pays of four (4) year, eight (8) year, fifteen (15) year, twenty (20) year and twenty-five (25) year employees, only these second week's vacation pay, the third week's vacation pay, the fourth week's vacation pay and the fifth week's vacation pay, whichever is applicable, will be handled in this matter.

SECTION 8. As a basis for calculating vacation pay:

- A. A week's pay for hourly workers will be computed as forty (40) hours pay at employee's current hourly rate effective at time of payment.
- B. A week's pay for piece workers will be computed as forty (40) hours pay at employee's time work rate effective at time of payment, second calendar quarter.

SECTION 9. Any employee with a continuous service record with the Company of twelve (12) calendar months who is in a laid-off status and who cannot qualify under Section 1b above, but who has worked five hundred (500) hours or more or who has worked any part of twenty-six (26) weeks during the preceding twelve (12) month period, will receive two percent (2%) of his or her total earnings during that period. Any employee with a continuous service record with the Company during the entire previous four (4) years and who qualifies under this Section will be entitled to four percent (4%) of his or her total earnings during the preceding twelve (12) month period. Similarly, any employee who has a continuous service record with the Company during the entire eight (8) years and who qualifies under this Section will be entitled to six percent (6%) of his or her total earnings during the preceding twelve (12) month period. Similarly, any employee who has a continuous service record with the Company during the entire fifteen (15) years and who qualifies under this Section will be entitled to eight percent (8%) of his/her total earnings during the preceding twelve (12) month period. Similarly, any employee who has a continuous service record with the Company during the entire twenty (20) years and who qualifies under this Section will be entitled to ten percent (10%) of his/her total earnings during the preceding twelve (12) month period.

SECTION 10. Payment of vacation pay(s) as provided under this Article will be made on a separate check for each week's pay at time of the regular pay day occurring during the week prior to the first week of vacation and such payment shall be considered, understood and designated as pay for the vacation week in cases of one (1) vacation pay and as pay for the vacation weeks in the cases of two (2) or more vacation pays, as herein provided.

SECTION 11. Employees whose employment terminates for any reason will be paid a proportionate vacation pay based on his number of full months of service since the last vacation period.

SECTION 12. Payment of vacation pay will be made to heir(s) of deceased employee who had qualified for vacation pay under this Article.

SECTION 13. Any employee with a continuous service record with the Company during the entire previous eight (8) years, in addition to the above, shall be entitled to an extra one week (five (5) consecutive or nonconsecutive regular week day working days under the notification procedures of Article 15, Section 2) of vacation per year during the year. Any employee with a continuous service record with the Company during the entire previous twenty (20) years, in addition to the above, shall be entitled to a second extra one week (five (5) consecutive or nonconsecutive regular week day working days under the notification procedures of Article 15, Section 2) of vacation per year during the year. Any employee with a continuous service record with the Company during the entire previous twenty-five (25) years, in addition to the above, shall be entitled to a third extra one week (five (5) consecutive or nonconsecutive regular week day working days under the notification procedures of Article 15, Section 2) of

vacation per year during the year. Within the five (5) major production departments (Cutting, Fitting, Lasting, Bottoming, Packing), preference will be given to employees qualifying for this extra week's vacation based on seniority, with the provisions that the week's vacation of no two (2) employees on any one operation, no more than two (2) employees in a department, or no more than five (5) employees in the Fitting Department, shall overlap. This extra week's vacation shall be without pay; employees, may at their option, however, choose to have their third (and, if it applies, their fourth, fifth or sixth) week's vacation pay paid to them at the time of taking this third or fourth week off, provided such pay is earned under the rules of Section 5 herein at that time.

SECTION 14. When vacation days are scheduled on both Friday and the following Monday, the employee will not be required to work on the Saturday or the Sunday in between.

SECTION 15. Third, fourth and fifth weeks' vacation as described and limited in this Article 16 above, may be taken one (1) or more days at a time.

ARTICLE 17 - HEALTH-HOSPITALIZATION-INSURANCE

SECTION 1. The Company shall arrange for group health insurance to provide to each of its employees covered under this Agreement who have completed four (4) months of continuous service with the Company.

A. Effective date of ratification, accident and health benefits (non-occupational) of three hundred and twenty-five dollars (\$325.00) per week starting the first day of non-occupational accident or eighth (8th) day of illness and for a maximum of thirteen (13) weeks.

B. The Company will provide covered employees a choice of two (2) employee health insurance plans as set forth in Exhibit "A". ~~Effective June 1, 2018, E~~employees who elect coverage under Plan "B" will contribute on a pre-tax basis, ~~two dollars (\$2.00)~~ **four dollars (\$4.00)** for employee coverage for the benefits set forth in Exhibit "A". ~~Effective June 1, 2019, the employee will contribute on a pre-tax basis, three dollars (\$3.00) per week for this coverage and effective June 1, 2020, the employee will contribute on a pre-tax basis, four dollars (\$4.00) per week for Plan "B" coverage. Effective June 1, 2018, E~~employees who elect to be covered under Plan "A" will contribute on a pre-tax basis, ~~thirty-two dollars (\$32.00)~~ **thirty-six dollars (\$36.00)** per week for employee coverage **for the benefits set forth in Exhibit "A"**. ~~Effective June 1, 2019, the employee will contribute on a pre-tax basis, thirty-four dollars (\$34.00) per week for this coverage and effective June 1, 2020, the employee will contribute on a pre-tax basis, thirty-six dollars (\$36.00) per week for Plan "A" coverage.~~

Effective June 1, 2021, the preceding paragraph will be replaced with the following:

The Company will provide covered employees a choice of two (2) employee health insurance plans as set forth in Exhibit "A". Effective June 1, 2021, employees who elect coverage under Plan "B" will contribute on a pre-tax basis, five dollars (\$5.00) per week for employee coverage for the benefits set forth in Exhibit "A". Effective June 1, 2022, the employee will contribute on a pre-tax basis, six dollars (\$6.00) per week for this coverage and effective June 1, 2023, the employee will contribute on a pre-tax basis, seven dollars (\$7.00) per week for Plan "B" coverage. Effective June 1, 2021, employees who elect to be covered under Plan

“A” will contribute on a pre-tax basis, thirty-eight dollars (\$38.00) per week for employee coverage for the benefits set forth in Exhibit “A”. Effective June 1, 2022, the employee will contribute on a pre-tax basis, forty dollars (\$40.00) per week for this coverage and effective June 1, 2023, the employee will contribute on a pre-tax basis, forty-two dollars (\$42.00) per week for Plan “A” coverage.

C. In addition to the above, the Company shall provide dental insurance at no cost to the Employee.

SECTION 2. Each eligible employee shall be entitled to the foregoing (Section 1 above) coverage (but no accident and health benefits) for his/her dependents including their life partner (defined as a civil union as demonstrated and certified by public ceremony), provided the employee complies with the requirements with respect thereto of the insurance carrier.

Effective date of ratification, for these benefits, the Company shall pay the first one hundred and seventy-five dollars (\$175.00) per month for any eligible employee electing this coverage and the employee shall pay any excess thereafter.

SECTION 3. In the event of layoff, the Company will continue to make premium payments for its portion of the coverages outlined in Section 1 and Section 2, for a period of sixty (60) days beyond date of layoff for eligible employees. After sixty (60) days eligible laid off employees shall have the option to exercise their rights under COBRA

SECTION 4. Each covered employee will be entitled to a card showing that he or she has the insurance coverage.

Each covered employee is entitled to a booklet explaining insurance benefits.

SECTION 5. The Company agrees to offer to employees who have completed four (4) months of continuous service with the Company group life insurance at a cost of one dollar (\$1.00) per month. Such life insurance coverage shall be offered on the life of employees only and not dependents and shall be in the amount of fifteen thousand dollars (\$15,000). Accidental death and dismemberment coverage of thirty thousand dollars (\$30,000) shall be included at no additional cost.

The Company further agrees to offer individual employees purchasing the coverage above the option to purchase additional insurance on their lives only. Such offering is subject to the participation requirements of the insurance company providing the coverage. Such offering will be at the cost charged by the insurance company and shall be paid monthly by the employee. No accidental death and dismemberment coverage shall be included with this additional insurance. The amounts of insurance shall be as specified by the insurance company with a maximum amount of additional insurance not to exceed \$50,000.00.

SECTION 6. In no event shall the Company be personally liable to the Union, any employee, or any other person, for any of the insurance benefits to be provided as set forth herein, and neither the Union nor any employee nor other person shall have any right of any recovery from the Company under the provisions of this Article 17 of this Agreement.

SECTION 7. The Company agrees to arrange for the offering of Optional Permanent Transferable Insurance Coverage to all employees who have completed six (6) months of continuous service with the Company. The cost of such optional insurance coverage shall be paid by the employee.

ARTICLE 18 – PENSIONS

SECTION 1. The “Belleville Shoe Manufacturing Company Pension Plan for Bargaining Unit Employees,” effective April 22, 1959, is maintained in accordance with current pension law. Effective May 1, 2010, pension benefits to all qualified employees will be provided in the amount of Twelve Dollars and Fifty cents (\$12.50) per month per year of service with no maximum to employees separating from service after that date with a vested benefit. Employees hired after March 1, 2014 will not participate in the Pension Plan in any manner. Instead, these employees after completing two (2) full years of employment, will be eligible to receive a Company match contribution of ~~twenty-five percent (25%)~~ **thirty percent (30%)** of every one dollar (\$1.00) contributed by the employee up to six percent (6%) of the individual’s annual contribution to the 401(k) Plan. It was further agreed that the individual will vest in the Company’s match at the rate of twenty percent (20%) per year until they have received the Company contribution for five (5) years at which point they will be one hundred percent (100%) vested.

SECTION 2. Employees shall be provided with a booklet explaining plan benefits after thirty (30) days of service.

SECTION 3. Employees may retire at age 62 or thereafter at an actuarially computed reduced benefit.

ARTICLE 19 - EMPLOYEE WARNINGS

SECTION 1. All written warnings given employees shall remain active for a period of six (6) working months only except as otherwise provided in this Agreement.

SECTION 2. Shop Steward or other Union Official must be present:

- A. When an employee receives a final verbal warning.
- B. When an employee receives a written warning.
- C. When an employee is suspended.
- D. When an employee is discharged.

Designated representative of the Union shall be allowed to clock out, without pay and without penalty, to witness any of the above (a), (b), (c), or (d) events.

SECTION 3. The right to decide on the method of discipline appropriate to a particular unacceptable behavior remains vested in the Company.

ARTICLE 20 - MISCELLANEOUS

SECTION 1. The Company agrees to affix Union labels in all shoes, customers permitting.

SECTION 2. The Company will endeavor to secure the services of an independent vendor for the purpose of dispensing lunch food items in the cafeteria.

SECTION 3. The factory shall have a qualified First Aid Attendant who has attended and qualified in a First Aid class to be selected from volunteers of the work force. Company to pay cost of training. Attendant shall be excused immediately from current duties when called by any supervisor to administer First Aid and shall be paid hourly average during such First Aid duty. When no supervisor is on the floor, a qualified First Aid Attendant may act on their own.

SECTION 4. All emergency calls to be forwarded immediately to the necessary department and the employees will be allowed to answer the call immediately. Employees who abuse the emergency call privilege will be subject to discipline.

SECTION 5. Missing work because of weather conditions will not be considered unexcused provided Company and Union mutually agree on a case-by-case basis.

SECTION 6. The Company will provide one bulletin board per plant for the exclusive use of the Union. The bulletin board will not be used for offensive purposes.

SECTION 7. The Company will provide limited lunch area.

SECTION 8. Missed work due to illness is excused provided a doctor's statement is furnished for such illness. Doctor's visits are excused provided a doctor's statement is furnished for such visit, and the individual works at least 4 hours the day of the visit. Any employee fraudulently misrepresenting the reason for absence from work shall be subject to discharge from employment by the Company. In the case of an employee's scheduled court date, receipt of subpoena or any other court-related activity up to eight (8) hours in any calendar year will be excused only if the employee provides the Human Resource Director with written verification at least two (2) weeks prior to the court date or other activity. If the employee does not provide written verification to the Human Resource Director at least two (2) weeks prior the absence will be unexcused.

SECTION 9. The Union and the Company agree that there will be no discrimination against any employee or applicant for employment because of race, creed, color, national origin, sex, age, sexual orientation, gender identity or physical handicap, mental handicap or Union activity.

SECTION 10. After an employee has performed a job for thirty (30) days, they will be required to process all types and styles of work unless the company shall submit to the Union the reason such period must be extended.

SECTION 11. The Company will provide prescription safety glasses for the Hazmat team.

ARTICLE 21 - PAYROLL SAVINGS PLAN

The Company will offer employees a payroll savings plan to buy U.S. Savings Bonds under the following terms and conditions:

- A. No administrative cost to employees
- B. Participation is voluntary
- C. All employees eligible to participate
- D. Each withholding period to run eight consecutive weeks with weekly withholding options of:
 - 1. \$ 6.25 per week for a \$100.00 bond
 - 2. \$12.50 per week for a \$200.00 bond
- E. Participating employees to be included in each successive 8 weeks withholding period unless, by their own choice or through lack of sufficient compensation from which withholding can be made, they drop out of the plan. Plan dropouts may re-enroll at the beginning of any later 8 week withholding period.
- F. Individual bonds to be mailed to employee every 8 weeks directly from bank.

ARTICLE 22 - CREDIT UNION

The Company agrees to deduct and remit weekly from the wages of each employee who in writing authorizes such an amount of money specified in a written authorization and forward such to the office of the appropriate credit union. The money so deducted shall be accompanied by a list of the employees for whom the deductions were made and the amount of money deducted from each employee's pay. Employees who participate in the credit union agree to continue in the program from May 1 to April 30 of each year in the same weekly dollar amount. Each May 1 an employee may change his or her deduction. In addition, once each year the employee can withdraw his deduction authorization but cannot get back in until the next May 1.

ARTICLE 23 - PROFIT SHARE

SECTION 1. The Company and the Union have entered into a Profit Sharing Agreement (the "Agreement") under which Union members will share in the profits from the Company's operations.

SECTION 2. Commencing with the three month period beginning January 1, 1987, and continuing thereafter for any calendar quarter during which the Company and the Union agree, pursuant to a Collective Bargaining Agreement, employees who are also members of the Union will share in 18% of the Company's Pre-tax Manufactured Footwear Profits (as such term is hereinafter defined), less the amount of employment taxes incurred by the Company on account of payments made under the Agreement. For each period described above, the Company shall set

a minimum profit sharing amount equal to twenty cents (\$.20) per pair of footwear manufactured and sold by the Company during the period. For the last quarter of the calendar year, payment of such minimum profit sharing amount (but not of profit sharing amounts in excess of the minimum) shall be made during the week prior to Christmas.

SECTION 3. The profit sharing amount determined under the Agreement for any period of the Agreement will be divided among all employees who have been employed for thirty (30) days at the beginning of the period. For those employees not employed thirty (30) days at the beginning of a quarter, the profit sharing amount shall be pro-rated for the number of days in the quarter that the thirty (30) day requirement is met. Subject to Paragraphs 4, 7, and 8 below, such employees will share equally in the profit sharing amount.

SECTION 4. No employee will receive, for any calendar quarter for which the Company and the Union have agreed to share profits, an amount in excess of \$1200.00.

SECTION 5. Any excess of the amounts set forth in Paragraph 4 above, otherwise payable to any employee under the Agreement, will revert to the Company.

SECTION 6. Except as provided in Subparagraph (a) and Paragraph 8 below, an employee must be employed as an hourly employee represented by the Union on the last day of a calendar quarter in order to be entitled to receive a payment in respect of such period.

A. An employee who has reached age 62 or more and retires during a period shall be eligible for a payment in accordance with Paragraph 7(a)(2). an employee who is laid off at the end of a period shall be eligible for a payment in accordance with Paragraph 7(a) and 7(a)(1). an employee who is on a personal medical leave of absence at the end of a period shall be eligible for a payment in accordance with Paragraph 7(b). an employee who dies during a period or who terminated employment during a period on account of the permanent closing of a plant or department shall be eligible for a payment in accordance with Paragraph 7(a)(3).

B. An employee who voluntarily quits during a period or who is discharged for cause (and not reinstated by way of the grievance procedure) shall not be entitled to any part of the profits for such period.

SECTION 7. An employee's full share of the profits for a period shall be based upon the number of scheduled work days in the quarter.

A. No deduction will be made for time missed due to injuries on the job, bereavement, lay-off, Union duties, earned vacation and holidays, approved and certified FMLA leave, days when there is no scheduled work at the factory, Company approved personal medical leave, except for the following:

1. Employees who miss more than half of the days of scheduled work in a period on account of lay-off, accident on the job, Company approved personal medical leave or a combination of same, shall only receive that percentage of their share of the profits that their actual days of work in the quarter bears to the number of scheduled workdays in the quarter.

2. Employees who are age 62 or more and who retire during a period shall only receive that percentage of their share of the profits that the actual days of work in the quarter bears to the number of scheduled work days in the quarter.

3. Employees who die during a period or who terminate employment during a period on account of the permanent closing of a plant or department shall only receive that percentage of their share of the profits that their actual days of work in the quarter bears to the number of scheduled work days in the quarter.

B. If an employee is absent unexcused for reasons other than those listed in Subparagraph (a) above, and that amount of absence is greater than 4.0% of scheduled work time (including properly scheduled overtime), such employee shall not participate in that period's profit sharing. Doctor's excuses cannot be used to excuse more than sixteen (16) hours of work during any quarter. All scheduled week day overtime hours that an employee fails to work without excuse will be doubled for the purpose of computing the amount of absence.

C. The amounts deducted from an employee's entitlements under this Section 7 will revert to the profit sharing amount in Paragraph 2 above, for distribution as described in Paragraphs 3 and 4 to employees participating in the profit sharing.

SECTION 8. Checks for the payment of profit shares shall be issued by the last Friday of the month immediately following the end of the quarter.

SECTION 9. Pre-tax Manufactured Footwear Profits shall be defined to be profits from the manufacture and sale of footwear by Belleville Shoe Mfg., Co. at its plants. Profits shall not include income of any other character or from any other source, including, but not limited to, income from interest; dividends; rents; royalties; capital gain; sale, transfer, or exchange of capital assets; or any manufacturing operations except footwear. Profits will also be computed without regard to the annual adjustment up or down of the Company's Pre-tax Manufactured Footwear Profits due to the LIFO inventory adjustment authorized by the Internal Revenue Code, and without regard to any deductions from Pre-tax Manufactured Footwear Profits due to charitable contributions. At the end of each calendar year covered by the Agreement, the Company shall submit to its regularly employed independent accountants its profit share calculations for each of that year's four (4) calendar quarters, and such verification or revision shall be conclusive and binding upon parties hereto.

ARTICLE 24 - SECTION 401(k)

The Company agrees to administer a non-contributory Section 401(k) plan for all employees covered under the Agreement. Employees who participate in the plan agree to continue to do so in the same percentage or dollar amount for at least six (6) months at a time. Participants may contribute a set amount of weekly paychecks or quarterly profit sharing checks or both.

ARTICLE 25 - SUBSTANCE ABUSE

Pursuant to the Drug-Free Workplace Act of 1988, Belleville Shoe pledges itself to the following: Employees are prohibited from the unlawful distribution, possession or use of any controlled substance in the workplace. Absolutely no alcoholic beverage drinking on the premises

will be tolerated, nor will any employee who appears to be under the influence of drugs or alcoholic beverages be allowed to work. Employees who test positive for either illegal drugs or alcohol will be subject to discipline up to and including discharge. However, prior to discharge, consideration will be given by the Company to the employee's length of service (if it is at least 3 years of continuous employment), work history, the seriousness of the violation and other factors involved. However, any gross misconduct will result in immediate discharge notwithstanding the factors set forth above. Should the employee not be discharged, the employee will be referred to an assistance program for evaluation, must complete the recommended program, and must sign a last chance agreement (which will include three (3) years of random testing) before returning to work. Subsequent positive tests will result in discharge.

The Company policy will not prohibit the use of prescription drugs in a manner approved by the prescribing physician.

The Company and the Union encourages any employee with alcohol or drug dependency problems to voluntarily seek professional assistance before the problem leads to an incident requiring disciplinary action. An employee who voluntarily enters an alcohol/drug rehabilitation program will not be subject to disciplinary action as long as he complies with all program rules and finishes the program. However, notwithstanding the above, if an employee violates Belleville Shoe's established policy regarding unlawful distribution, possession, or use of a controlled substance in the workplace they will be discharged.

An employee will be tested for drugs and alcohol when:

An employee is involved in a work place accident where the employee or other employees require professional medical treatment. This includes repetitive injuries claimed under workers compensation. Any employee who tests positive for drug or alcohol at the time of such injury shall have his/her Workers' Compensation benefits reduced or eliminated to the maximum extent permitted by law, as well as being subject to immediate discharge.

An employee's inappropriate behavior warrants reasonable suspicion that this employee is under the influence of drugs or alcohol. The Company will meet with the employee and investigate the nature of his inappropriate behavior. A Union Representative or shop steward or if neither are available, another member of the bargaining unit selected by the suspected employee will be present during the investigation. Within twenty-four (24) hours of an investigation, the Company will notify the Union of the name of the suspected employee and the name of the bargaining unit witness. If the Company determines that the employee appears to be impaired, the employee will be required to submit to appropriate testing at that time.

If an employee refuses to immediately submit to a drug and alcohol test, as outlined above, he will be discharged.

All appropriate transportation for suspected impaired employees will be provided by the Company, both to and from an appropriate location for a test.

All employees who are tested will be paid for all time lost from scheduled work due to testing.

Employees determined not to be under the influence of alcohol or drugs will be paid for all time lost from scheduled work due to being sent home.

Employees determined to be under the influence of alcohol or drugs will not be paid for any time lost from scheduled work due to being sent home and will be subject to immediate termination.

Drinking alcoholic beverages on the premises, even if the employee is not intoxicated, or the use of, and/or possession of illegal drugs or alcohol, will subject the employee to immediate termination.

All testing will be performed at a properly licensed accredited facility which follows the testing procedures to assure the most accurate results, maintain the most complete chain of custody and quality control procedures and assures confidentiality. All results shall be evaluated by a suitably trained Medical Review Officer prior to being reported. Testing thresholds will be set in compliance with State and Federal guidelines.

The initial sample will be split into two samples. One will be used for enzyme multiplied immunoassay test (EMIT). If this test is positive, a gas chromatography mass spectrophotometry test will be used as a confirmatory test. The second sample will be retained by the testing laboratory. If positive, the employee will have the option, at his own expense, to have the retained sample sent to a properly licensed accredited testing facility to be retested. The laboratory selected by the Company will maintain "chain of custody" on all specimens.

Belleville Shoe's policy regarding drug use in the workplace shall be posted on bulletin boards and included in the employee handbook. For drug counseling and rehabilitation an employee may use the services of the Employee Assistance Program.

In the event any test results do not establish that the employee tested positive for alcohol or drugs, then the Company shall expunge from its records all references to the testing.

Employees will be required to notify Belleville Shoe of any criminal drug statute conviction for a violation occurring in the workplace not later than five (5) days after such conviction. Belleville Shoe shall notify the contracting agency within ten (10) days after receiving notice of conviction from the employee or within ten (10) days of receiving actual notice of such conviction. If an employee is so convicted, the employee will be immediately discharged.

ARTICLE 26 -EFFECTIVE AND RENEWAL DATES

This Agreement shall be the sole and entire Agreement between the Union and the Company effective December 1, ~~2020~~ ~~2017~~, and shall continue in full force and effect until November 30, ~~2023~~ ~~2020~~. It is understood that this Agreement is not subject to any further demands for increases or benefits of any kind on the part of the Union during the period that this Agreement is in effect.

In witness whereof, the Union and the Company have placed their hands and seals this _____ day of _____, ~~2020~~ ~~2018~~, A.D.

BELLEVILLE SHOE MFG. CO.

**UNITED FOOD AND COMMERCIAL
WORKERS, LOCAL 655**

RATIFICATION BONUS

It was agreed that the Company will pay on a one-time basis a bonus of \$750, less applicable payroll withholding, at the end of the first pay period after the date of ratification and an additional one-time bonus of \$250, less applicable payroll withholding, on or about June 1, 2021 to all employees who are employed by the Company on or before November 1, 2020 and are still employed on June 1, 2021.