

AGREEMENT

Between

HOLTEN MEAT INCORPORATED
(OFFICE AND MAINTENANCE EMPLOYEES)

AND

UNITED FOOD & COMMERCIAL WORKERS
UNION LOCAL NO. #655

Effective

~~SEPTEMBER 22, 2017~~

SEPTEMBER 22, 2020

Through

~~SEPTEMBER 22, 2020~~

SEPTEMBER 26, 2023

**The Union reserves the right to add to, delete from, or otherwise
modify this proposal.**

TABLE OF CONTENTS

AGREEMENT	1
ARTICLE 1. BARGAINING RIGHTS	1
ARTICLE 2. CONDITIONS OF EMPLOYMENT	1
ARTICLE 3. MANAGEMENT RIGHTS	2
ARTICLE 4. SENIORITY	2
ARTICLE 5. DISPUTE PROCEDURE	3
ARTICLE 6. STRIKE AND LOCKOUT	4
ARTICLE 7. HOURS OF WORK	5
ARTICLE 8. HOLIDAYS	5
ARTICLE 9. VACATIONS	6
ARTICLE 10. JURY SERVICE	7
ARTICLE 11. HEALTH & WELFARE	7
ARTICLE 12. HEALTH & SAFETY	10
ARTICLE 13. FUNERAL LEAVE	11
ARTICLE 14. STEWARD	11
ARTICLE 15. LEAVES OF ABSENCE	11
ARTICLE 16. NON-DISCRIMINATION	12
ARTICLE 17. WAGES	12
ARTICLE 18. RETIREMENT BENEFITS	12
ARTICLE 19. SEPARABILITY	12
ARTICLE 20. EXPIRATION	13
EXHIBIT "A"	14
OFFICE CLERICAL EMPLOYEES	14
MAINTENANCE EMPLOYEES	14
HEALTH & WELFARE INTERPERETATION RULES ADDENDUM	15

AGREEMENT

This Agreement has been entered into between Holten Meat Incorporated, hereinafter designated as the Employer and United Food & Commercial Workers Union, Local 655 of St. Louis, Missouri, chartered by the United Food & Commercial Workers International Union hereinafter designated as the Union.

ARTICLE 1.

BARGAINING RIGHTS

1.1 The Union shall be the sole and exclusive bargaining agent for all employees' in the classifications listed in the wage schedule in Exhibit "A" at the Employers facility located at 1682 Sauget Business Blvd., Sauget, Illinois 62206.

1.2 The Employer agrees not to enter into any agreement or contract with the employees', which in any way conflicts with the terms and provisions of this Agreement.

1.3 Nothing contained in this Agreement is intended to violate any federal or state law, rule or regulation made pursuant thereto. If any part of this Agreement is construed to be in such violation, then that part shall be null, and void and the parties agree that they will immediately begin negotiation to replace said void part with a valid provision. In the event a valid provision cannot be agreed upon within thirty (30) calendar days from the start of negotiation then the matter shall be referred to arbitration.

ARTICLE 2.

CONDITIONS OF EMPLOYMENT

2.1 It is understood and agreed by and between the parties hereto that, as a condition of continued employment, all person who are hereafter employed by the Employer in the unit in which is the subject of this Agreement, shall become members of the Union not later than the thirty-first (31st) day following the beginning of their employment, or the execution date of this Agreement, whichever is later, that the continued employment by the Employer in said unit of persons who are in the employ of the Employer prior to the date of this Agreement and who are not now members of the Union, shall be conditioned upon those persons becoming members of the Union not later than the thirty-first (31st) day following the execution date of this Agreement. The failure of any person to become a member if the Union at such required times shall obligate the Employer, upon written notice from the Union to such effect and to further effect that Union membership was available to such person on the same terms and conditions generally available to other members, to forthwith discharge such person. Further, the failure of any person to maintain his/her Union membership in good standing as required herein shall, upon written notice to the Employer by the Union to such effect, obligate the Employer to discharge such person. The Employer, however, shall not discharge an employee for non-membership in the Union if he/she has reasonable grounds for believing that membership was denied or terminated for reasons other than the failure of the employee to tender the periodic dues and the initiation fees uniformly required as a condition of acquiring or retaining membership.

- Seniority of an employee shall terminate for any of the following reasons:
 - a) Voluntary resignation.
 - b) Discharge as set forth in Section 3.1.
 - c) Failure of an employee to return to work.
 - d) Failure of an employee to return to work following a layoff within five (5) working days after notice by registered mail by the Employer to the employees' last known address on Employer's records.
 - e) Where an employee has performed no work for the Employer for a period of six (6) months. Employees' on permanent layoff as of the date of this Agreement shall have no recall rights.
 - f) Retirement.

4.3 In its sole discretion, the Employer will lay off employees' subject to the operational needs of the Employer and the performance, skill, ability and experience of the employee. This section is specifically not subject to and is expressly removed from the provisions of Article 5, Dispute Procedure, and the exclusive remedy pertaining to this section is set forth in Section 4.5.

4.4 The Employer shall implement a merit pay program. The establishment of said merit program is within the management rights of the Employer, including the right to perform individual evaluations of employees' with or without the individual employees' participation. This section, its application and implementation are not subject to and is expressly removed from the provision of Article 5, Dispute Procedure, and the exclusive remedy pertaining to this section is set forth in Section 4.5. Pay minimums are set forth in Exhibit "A".

4.5 (1) If an employee has a concern over the application of Section 4.4, it shall be brought to the attention of the shop steward who shall take up the concern with the employees' supervisor.

(2) If the matter is not resolved at the prior step, the Shop Steward shall consult with the head of personnel.

(3) If the matter is not resolved at the Union Representative shall consult with the head of personnel.

ARTICLE 5. **DISPUTE PROCEDURE**

5.1 Should any differences, disputes including safety disputes, or complaints arise over the interpretation or application of contents of this Agreement including claims of discrimination by any employee against the Employer relating to sex, race, religion, age, national origin, handicap, union activity, the family medical leave act and alleged retaliation relating to any workers compensation act, there shall be an earnest effort on the part of both parties to settle such promptly through the following steps:

Step 1. Within seven (7) workdays after the written grievance is given to the Human Resources Director or Plant Manager, by conference between the employee involved together with the steward, (from any shift if the steward from the employees' shift is not available) a Human Resources representative, and the Department Manager.

Step 2. Within seven (7) workdays after the conclusion of the conference described in Step 1, by conference between the Union Representative and the Plant Manager and/or Human Resource representative if not resolved in Step 1.

Step 3. Within seven (7) workdays after the conclusion of the conference described in Step 2, by conference an official or officials of the Union and a representative of the Employer if not resolved in Step 2.

Step 4. In the event that the last step fails to settle satisfactorily the Complaint (grievance), it shall be referred to arbitration.

5.2 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 Step 3 meeting, the time for requesting arbitration shall be stayed pending the employees' exhaustion of internal union appeals to the Union's Executive Board.

5.3 The parties shall request the Director of the Federal Mediation and Conciliation Service to furnish a panel of seven (7) arbitrators from which the arbitrator may be chosen. The expense of the arbitrator shall be paid for jointly.

5.4 In the event of alleged unfair discharge, the Union must file a written complaint with the Employer within seven (7) days after the day of discharge, asserting that the discharge was improper.

Should the arbitrator determine that it was an unfair discharge, the Employer shall reinstate the employee in accordance with the finding of the arbitrator, which shall be final and binding.

5.5 Grievances must be taken up promptly, and no grievance will be considered, discussed or become arbitrable which is presented later than seven (7) calendar days after such has happened.

ARTICLE 6. **STRIKE AND LOCKOUT**

6.1 During the term thereof, the Union agrees that there shall be no strike. The Employer agrees that there shall be no lockout.

ARTICLE 7. **HOURS OF WORK**

7.1 It is the responsibility of each employee on layoff to contact the Employer each workday to determine whether he/she will be required to work the following workday.

7.2 Overtime will be paid for all hours worked over forty (40) in a week.

7.3 If an employee reports for work at the commencement of his/her regular shift or reports at the time he/she has been specifically requested by the Employer to report, he/she shall be guaranteed at least four (4) hours pay; provided that in the event of an Act of God preventing operation of the facility or preventing a sufficient number of employees' from reporting to work to run production, no guarantee will be paid.

ARTICLE 8. **HOLIDAYS**

8.1 The following shall be recognized as holidays: New Years Day, Martin Luther King Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve and Christmas Day.

8.2 No employee shall be denied holiday pay for the following, provided such employee shall have worked the day before and the day after said holiday:

- a) Proven illness- the Employer may require proof of illness from a medical facility approved by the Employer.
- b) Any approved absence.
- c) Injury on the job.
- d) Meeting with management as a representative of the Union.
- e) Death in the immediate family.
- f) Wife giving birth to child.

No provisions of this article shall be used as a subterfuge by the Employer to deprive an employee of any holiday pay.

8.3 Payment for work performed on Holidays listed in 8.1 of this Article shall be compensated for at the employees' regular straight time hourly rate of pay, in addition to any earned Holiday Pay.

8.4 In the event that the Employer determines that it must work on Martin Luther King Day, it shall notify the Union and the employees by two (2) weeks prior written notice of its intention. In such case, said day will be a regular workday, however, employees' will be paid holiday in addition to their regular pay for that day.

8.5 Each employee shall receive one (1) additional personal holiday on the employee's anniversary dates as follows: first (1st), twelfth (12th), fourteenth (14th), sixteenth (16th), eighteenth (18th) and twentieth (20th). These holidays can be taken at any time, together

or separately, as mutually agreed between the Employer and the employee, provided the employee gives at least fourteen (14) days' notice.

ARTICLE 9. **VACATIONS**

9.1 Employees' shall receive a vacation with pay pro-rated, based on their weekly hours and their respective hourly rate. (See Section 9.4 below for new employees')

9.2 (a) Employees' shall be eligible for vacation with pay according to the following schedule:

Any employee who has completed one (1) year of continuous employment as of January 1st is entitled to one (1) week vacation with pay at the then hourly rate to be taken any time during the following twelve (12) months.

Any employee who has completed three (3) years of continuous employment as of January 1st is entitled to two (2) weeks' vacation with pay at the then hourly rate to be taken any time during the following twelve (12) months.

Any employee who has completed ten (10) years of continuous employment as of January 1st is entitled to three (3) weeks' vacation with pay at the then hourly rate to be taken any time during the following twelve (12) months.

(b) All employees' who have worked a minimum of eighteen hundred (1,800) hours in the preceding calendar year will received a full vacation based on their weekly average. Employees' who work less than eighteen hundred (1,800) hours in a calendar year shall receive a pro-rata vacation.

9.3 Vacations cannot be carried over from year to year. They must be taken in the vacation period following the year in which they are earned.

9.4 New employees' who have completed their probationary period with less than one (1) year of continuous service on January 1st will be entitled to a pro-rata vacation as follows:

150	hours by January	1/12	vacation pay
300	hours by January	2/12	vacation pay
450	hours by January	3/12	vacation pay
600	hours by January	4/12	vacation pay
750	hours by January	5/12	vacation pay
900	hours by January	6/12	vacation pay
1050	hours by January	7/12	vacation pay
1200	hours by January	8/12	vacation pay
1350	hours by January	9/12	vacation pay

1500	hours by January	10/12	vacation pay
1650	hours by January	11/12	vacation pay
1800	hours by January	full	vacation pay

9.5 Except as provided in Section 9.8 below, vacations shall not be scheduled for less than one (1) week at a time. Employees' employed less than one (1) year who have earned less than forty (40) hours of vacation pay are to take consecutive days off at the rate of eight hours per day.

9.6 Employees' that are scheduled for vacation may request and receive vacation pay prior to going on vacation if ten (10) days' notice is given prior to going on vacation.

9.7 In the event the employee leaves the employ of the Employer, the employee will be entitled to payment for benefits earned by him prior to January 1st, but not taken by the date of separation. If an employee leaves the employ of the Employer on or after January 1st, he/she is entitled to a proration of benefits for that current vacation year.

9.8 Employees' with two (2) weeks' vacation or more may take one (1) week of earned vacation one (1) day at a time provided the vacation day is scheduled at least fourteen (14) days in advance and is subject to Section 9.9 below.

9.9 Vacation time will be schedule at a time mutually agreeable to the employee and the Employer. The Employer may limit the number of employees' in a job classification to be on vacation at one time.

ARTICLE 10.

JURY SERVICE

10.1 Regularly scheduled employees' who have attained seniority and are subpoenaed and report for petit jury service shall be compensated for time lost for regularly scheduled hours at their regular base rate of pay straight time up to and not to exceed forty (40) hours in any one (1) week, not to exceed two (2) weeks in any one (1) calendar year. Sums paid by the court to the employee for jury service will be retained by the employee. No employee will be required to report to work on any day the employee is required to report for jury service.

ARTICLE 11.

HEALTH & WELFARE

11.1 The Employer shall continue to pay four dollars and **ninety thirty cents (\$4.90)** ~~(\$4.30)~~ per hour for all hours paid with a maximum of forty (40) hours per week for all employees' covered by this Agreement, into the United Food and Commercial Workers Union, Local No. 655 Welfare Fund.

~~Effective January 1, 2017, for hours paid in December 2016, the Employer shall pay four dollars and sixty five cents (\$4.65) per hour for all hours paid with a maximum of forty (40) hours per week for all employees' covered by this Agreement, into the United Food and Commercial Workers Union, Local No. 655 Welfare Fund.~~

~~Effective June 1, 2017, for hours paid in May, 2017, the Employer shall pay four dollars and eighty cents (\$4.80) for all hours paid with a maximum of forty (40) hours per week for all employees' covered by this Agreement, into the United Food and Commercial Workers Union, Local No. 655 Welfare Fund.~~

~~Effective June 1, 2018, for hours paid in May, 2018, the Employer shall pay four dollars and ninety cents (\$4.90) for all hours paid with a maximum of forty (40) hours per week for all employees' covered by this Agreement, into the United Food and Commercial Workers Union, Local No. 655 Welfare Fund.~~

Effective June 1, 2019, for hours paid in May 2019; the Company shall pay four dollars and thirty-six cents (\$4.36) per hour.

Effective June 1, 2020, for hours paid in May, 2020, the Company shall pay four dollars and fifty-seven cents (\$4.57) per hour.

Effective June 1, 2021, for hours paid in May, 2021, the Company shall pay four dollars and ninety-nine cents (\$4.99) per hour.

Effective June 1, 2022, for hours paid in May, 2022 and for all subsequent periods during the term of this Agreement, the Company will pay the amount uniformly established by the Trustees for other employers contributing for the same classification of benefits.

There will be three (3) one-month company contribution holidays. The first holiday will be the July 2019 payment for hours paid in June 2019, the second holiday will be for the September 2019 payment for hours paid in August 2019, the third for the August 2020 payment for hours paid in July 2020. If any contribution holiday would result in the Health and Welfare Fund having less than three (3) month of reserves, excluding IBNR, as determined by the Fund's actuaries, then the contribution holiday will be nullified. Eligibility for these holidays will be determined by meeting the requirements of the utilization schedule adopted by the Fund.

If the Fund's reserve level excluding IBNR exceeds six (6) months for the month of August 2021, the company will be eligible for an additional contribution holiday for hours paid in July 2021 if it meets the requirements of the utilization schedule adopted by the Fund.

For purposes of interpreting the provisions of this Section, refer to the "Health and Welfare Interpretation Rules Addendum" which is attached hereto and incorporated by reference as if fully set out herein.

~~Effective June 1, 2019, for hours paid in May 2019 and thereafter, the Employer agrees to pay the same contractual rate set by the Fund for all contributing employers at such time the Fund establishes a change in the rate. The Employer agrees to pay for said hours, even if said agreement(s) is entered into after the expiration date of the current contract(s), including any such retroactive increase ultimately set by the fund.~~

11.2 Employees' whose spouses do not have their own primary health insurance will contribute an additional pre-tax employee contribution of ~~ten dollars (\$10.00); [(effective January 1, 2017, twenty dollars (\$20.00); effective January 1, 2018, thirty dollars (\$30.00); effective January 1, 2019, forty dollars (\$40.00)]~~ per week to the Welfare Fund for spousal coverage.

11.3 All employees' who are eligible for benefits from the Fund, or who become eligible for benefits from the Fund, shall make employee contributions in order to become and remain eligible for benefit coverage from the Fund. The contributions shall be deducted on a pre-tax weekly (or if applicable, bi-weekly) basis by the Employer. Such deductions shall be as follows:

~~Effective February 20, 2017: \$22.50 per week~~

~~Effective February 19, 2018: \$32.50 per week~~

~~Effective February 18, 2019: 20% of the amount uniformly established by the Trustees of the Welfare Fund for other employers contributing for the same classification on benefits for all hours paid to the employee with a maximum of forty (40) hours per week.~~

~~Effective February 17, 2020: 20% of the amount uniformly established by the Trustees of the Welfare Fund for other employers contributing for the same classification on benefits for all hours paid to the employee with a maximum of forty (40) hours per week. To assist employees with transitioning to the increased employee contribution, the Employer agrees to provide employees with the following increase in wages:~~

~~Effective February 20, 2017: \$0.2625/hr increase~~

~~Effective February 19, 2018: \$0.2500/hr increase~~

~~Effective February 18, 2019 and February 17, 2020, the Employer agrees to adjust employees' compensation to offset the annual increase in the employees' contribution to the Fund (in any).~~

*Employees' whose spouses do not have their own primary health insurance will contribute an additional pre-tax employee contribution of ~~ten dollars (\$10.00) [(effective January 1, 2017, twenty dollars (\$20.00) effective January 1, 2018, thirty dollars (\$30.00) effective January 1, 2019, forty dollars (\$40.00)]~~ per week to the Welfare Fund for spousal coverage.

An employee who elects to decline coverage and not to pay the above Employee Contributions in accordance with this Agreement shall not receive benefits from the Fund.

An employee's declination of coverage shall not relieve the Employer of its obligation to contribute on behalf of that employee.

Employees will elect in writing the "Plan" of benefit coverage they will participate in from among the "Plans" that they are eligible for, based on eligibility guidelines established by the Trustees of the Welfare Fund. Employees" will remain with the same Benefit Plan (~~A,B,C, (effective January 1, 2017, A,B,C,D)~~, or no coverage) unless the employee notifies the Health & Welfare Fund office in writing during the next enrollment period prior to January of each year. Employees" will have the option to change Plan Benefits (based on eligibility guidelines) or discontinue coverage during the annual enrollment period prior to the applicable January of each year.

Employees" will elect in writing the coverage level (i.e. employee only, employee and spouse, etc.) from among the coverage levels that they are eligible for based on eligibility guidelines established by the Trustees of the Welfare Fund. Employees' will remain with the same coverage levels unless the employee notifies the Health & Welfare Fund Office in writing during the next enrollment period prior to January of each year of the employees" desire to change the coverage level or discontinue coverage.

Employees' who have declined coverage can only elect coverage during open enrollment periods or in the event of a "life changing event", as defined in the Plan Document/Summary Plan Description.

A newly eligible employee who does not make an election will be enrolled in Plan C (~~effective January 1, 2017, Plan D~~) at the highest level of coverage for which he/she is eligible based on hours paid. Any person who is automatically enrolled in this manner has the right to decline or change the coverage prospectively at any time by submitting a request in writing.

11.4 The Employer shall not be required to make contributions on behalf of all employees for the first eleven (11) months of employment. The parties agree that the obligation to contribute begins on the first day of the twelfth (12th) month of employment, with the first month being defined as the month in which the employee works his/her first hour.

Example:

An employee first works an hour for a contributing employer on July 25, ~~2016~~ 2020. The Employers obligation begins with hours worked on and after June 1, ~~2017~~ 2021.

Notwithstanding the foregoing, the Employer agrees that it will report all hours paid on all employees' beginning with the date of hire and also report whether the employee is variable hour or known full-time, within the meaning of the Affordable Care Act guidance. In addition, notwithstanding the foregoing, the obligation to contribute on behalf of an employee designated by the Employer as a known full -time employee will begin with the first hour worked.

EXHIBIT "A"

OFFICE CLERICAL EMPLOYEES

A.1 (a) Minimum Hourly Rates

Office Clerical Employees ~~\$9.00~~ will receive a minimum hourly wage rate equal to the minimum wage rate established by applicable local, state or Federal law.

MAINTENANCE EMPLOYEES

A. 1 (a) Minimum Hourly Rates

Maintenance Employees ~~\$12.00~~ will receive a minimum hourly wage rate equal to the minimum wage rate established by applicable local, state or Federal law.

It is imperative that the Employer have a sufficient number of Maintenance employees on each shift who are qualified in the particular skills necessary to assure that the equipment and facilities of the Employer are maintained and repaired. With this understanding, the Employer will continue its practice to attempt to accommodate Maintenance employees' who desire to change their shift; provided, however, that the Employer may in its sole discretion decline a shift change request if, in its opinion, the maintenance and repair of its equipment and facilities will not be adequately assured by such a shift change.

The Employer will continue its policy of supplying the tools necessary for Maintenance employees to perform their work..

FOR THE UNION:
United Food & Commercial Workers
Local 655

FOR THE EMPLOYER:
Holten Meat, Inc.

Date: _____

Date: _____

HEALTH & WELFARE INTERPRETATION RULES ADDENDUM

The parties agree that the following principles will apply in interpreting the Employer's obligation to contribute to the under Article 11- Health & Welfare Fund.

1. The Employer shall contribute on hours paid out in a calendar year as unused vacation from the previous year, up to a maximum of forty (40) hours in the week in which the payout is made.

Examples:

An employee who is paid for forty (40) hours in a week in 2011 (including pay for hours worked and day-off entitlement hours) also receives in the same week pay for twenty-five (25) hours of unused vacation pay from 2010. The Employer is obligated to contribute for forty (40) hours for that week.

An employee who is paid for twenty (20) hours in a week in 2011 (including pay for hours worked and day-off entitlement hours) also receives in the same week pay for twenty-five (25) hours of unused vacation pay from 2010. The Employer is obligated to contribute for forty (40) hours for that week.

An employee who is paid for twenty (20) hours in a week in 2011 (including pay for hours worked and day-off entitlement hours) also receives in the same week pay for fifteen (15) hours of unused vacation time from 2010. The Employer is obligated to contribute for thirty-five (35) hours for that week.

2. The Employer shall contribute on hours paid for vacation entitlement in lieu of time off up to a maximum of forty (40) hours in a week in which the employee is paid the vacation hours.

Examples:

An employee who is paid for forty (40) hours in a week (including pay for hours worked and day-off entitlement hours) also receives in the same week pay for twenty-five (25) hours of vacation pay in lieu of time off. The Employer is obligated to contribute for forty (40) hours for that week.

An employee who is paid for twenty (20) hours in a week (including pay for hours worked and day-off entitlement hours) also receives in the same week pay for twenty-five (25) hours of vacation pay in lieu of time off unused vacation pay from 2010. The Employer is obligated to contribute for forty (40) hours for that week.

An employee who is paid for twenty (20) hours in a week (including pay for hours worked and day-off entitlement hours) also receives in the same

week pay for fifteen (15) hours of vacation pay in lieu of time off. The Employer is obligated to contribute for thirty-five (35) hours for that week.

3. Upon termination of employment, the Employer is obligated to contribute for all hours paid in a lump sum (that is, hours which the employee was eligible to receive upon termination pursuant to the Collective Bargaining Agreement, which may include, but is not necessarily limited to vacation, personal holidays and sick days) without the regard to a forty (40) hour cap.

Example:

An employee terminates employment (whether by quitting, retiring or involuntary termination). He/she receives a check representing payment for twenty (20) hours worked; eighty (80) hours of unused vacation and sixteen (16) hours of personal holiday. The Employer is obligated to contribute for one hundred sixteen (116) hours.

4. The Employer is obligated to contribute on hours paid for vacation in advance of the time taken off if the time to be taken off as vacation is designated at the time the vacation pay is requested.

Examples:

An employee requests vacation pay for time to be taken off the following week. The Employer is obligated to contribute for these hours.

An employee requests vacation pay for time to be taken off a month after the request is made. The Employer is obligated to contribute for these hours.

An employee has requested vacation pay with no indication of it or when time off would be taken. The Employer's obligation to contribute for these hours would be determined under paragraph 2 above (i.e., pay for vacation entitlement in lieu of time off.)