

AGREEMENT

Between

LITTLE DEBBIE
HAPSTONE CORPORATION

And

UNITED FOOD AND COMMERCIAL WORKERS
LOCAL NO. 655

FEBRUARY 1, 2018

THROUGH

JANUARY 31, 2021

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AGREEMENT

This Agreement mutually entered into between the UNITED FOOD & COMMERCIAL WORKERS UNION, LOCAL NO. 655, of St. Louis, Missouri, chartered by the United Food & Commercial Workers International Union, as party of the first part, and HAPSTONE CORP. or successor, as party of the second part, hereinafter referred to as the Employer.

WITNESSETH: That the parties have agreed and do by these presents agree as follows:

ARTICLE 1. INTENT AND PURPOSE

It is the intent and purpose of the parties hereto by entering into this Agreement to promote and to improve industrial and economic relationship between the Employer and his employee, to recognize mutual interests to provide a channel through which information and problems can be transmitted from one to the other, to formulate rules and regulations to govern the relationship between the Union and the Employer, and to promote efficiency and service. These objectives shall guide the parties and be observed by them during the term of this Agreement.

For the purpose of negotiating rates of pay, hours of employment, and working conditions, and for the purpose of adjusting any grievances, or complaints which may now exist or may arise in the future, the Employer hereby recognizes the Union as the sole and exclusive bargaining agent of the employees in the unit as described in Article 2.

ARTICLE 2. BARGAINING UNIT

2.1 The term "employee" as used in this Agreement shall include all employees handling or selling merchandise for the Employer in the stores in the Greater St. Louis Area and vicinity that the Employer has agreements with to stock the merchandise of the Employer.

2.2 All work performed in the stores in stocking shelves, counters, or displays, including the pricing, shall be performed only by members of Local No. 655 and employees working for the first thirty-one (31) days of their employment.

2.3 Supervisory personnel shall at no time be used to supplant or replace employees who would ordinarily be employed.

2.4 The Employer agrees not to enter into any Agreement or contract with its employees, individually or collectively, which in any way conflict with the terms and provisions of this Agreement.

ARTICLE 3. TERM OF CONTRACT

This Agreement, shall be in full force and effect from February 1, 2018 through January 31, 2021, at which time it shall automatically renew itself for one (1) year periods, thereafter, provided, however, that either party may open this Agreement for improvements, changes, or amendments, or to abrogate said Agreement by written notice to the other party sixty (60) days prior to the anniversary date of this Agreement. It is further provided that any improvements, changes or amendments shall become effective on the anniversary date.

ARTICLE 4. UNION AFFILIATION AND CHECKOFF

4.1 All new employees shall report to the Union Office before beginning to work and register, and must become members of the Union within thirty-one (31) days after their employment date and remain in good standing as a condition of employment consistent with the provisions of the Labor Management Relations Act of 1947, as amended.

4.2 All new employees, covered by this Agreement, working at the time this Agreement is signed must acquire membership in Local No. 655 within thirty-one (31) days of their employment date, or the effective date of this Agreement, whichever is later, and remain members in good standing for the duration of their employment, consistent with the provisions of the Labor Management Relations Act of 1947, as amended.

4.3 CHECKOFF: The Employer agrees to deduct initiation fees, union dues, and uniform assessments where lawful, uniformly required as a condition of acquiring or retaining membership in the Union from the wages of each employee, present and future, as the same shall be due, provided each such employee executes written authorization, therefor, in a form authorized by law, and such authorization is turned over to the Employer.

The Employer agrees to remit such dues and initiation fees as deducted to the Union.

The Union shall, on or before the tenth (10th) day of the same month furnish to the Employer a list of member-employees and the amounts due therefor, including dues owing for the succeeding month.

The Employer shall, on or before the last day of the same month, deduct and remit such dues as authorized to the Union.

In the event no wages are then due the employee, or, are insufficient to cover the required deduction, it shall be the responsibility of the Union to re-submit the amount due on the next regular monthly billing.

Once each month the Employer will submit to the Union a list of employees hired the previous month. The list will include the employees' name, Social Security number, store code, job code and date of hire.

Once each year or each week the Employer will deduct from the pay of the employees, who have certified in writing, a political deduction. The Union shall furnish to the Employer the amounts to be deducted on the regular monthly billing.

ARTICLE 5. MANAGEMENT RIGHTS

5.1 The Employer agrees not to aid, promote, or finance any other group or organization which purports to engage in collective bargaining, and the Employer agrees that there shall be no discrimination against any employee on account of Union activities or affiliation.

5.2 The management of the business and the direction of the working forces, including the right to plan, direct, and control store operations, hire, suspend, or discharge for proper cause, transfer or relieve employees from duty because of lack of work or for other legitimate reasons, the right to study or introduce new or improved production methods or facilities, and the right to establish and maintain reasonable regulations, covering the operations of the stores, a violation of which shall be among the causes for discharge, are vested in the Employer, provided, however, that this right shall be exercised with due regard to the rights of the employees, and provided further, that it will not be used for the purpose of discrimination against any employee. This paragraph is subject to grievance procedure.

ARTICLE 6. HOLIDAYS, FUNERAL LEAVE, ELECTION TIME

6.1 Except as herein provided, there shall be no work on Sundays, or the following holidays: New Year's Day, Decoration Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas Day, or on days legally celebrated in lieu thereof. In addition to the previously mentioned holidays, a personal holiday shall be granted to all employees who have had one (1) year or more of continuous service subject to the same conditions set forth in this Article for other holidays. This personal holiday shall be celebrated on any day which is mutually agreeable to the employee and the Employer. After an employee has worked more than one (1) year and has celebrated his first personal holiday, he will qualify for future personal holidays as of January 1st.

All employees shall receive a full day off, with pay, on their birthdays. If the birthday falls on a Sunday or a holiday when the store is ordinarily closed or on the regularly scheduled day off, the full day will be granted in the following manner:

Birthday on Sunday – Celebrated on the first scheduled day after Sunday.

Birthday on Holiday – Celebrated on the first scheduled day after a recognized holiday.

Birthday on scheduled day off – Celebrated on the first scheduled day after day off.

The Employee shall notify the Store Manager at least fourteen (14) days prior to the birthday in order to qualify for this day off.

6.2 All Employees who have not been absent on their own accord, on either the scheduled working day before or the scheduled working day after a holiday shall receive eight (8) hours of pay, at straight time rates, in addition to the hours worked in the week in which that holiday occurs, provided that they have been at work within one (1) week of the holiday. Those employees who are absent from work on the scheduled work day before or the scheduled work day after a holiday due to proven illness, or absence approved in advance by the Employer, shall receive holiday pay provided the employee works any part of the holiday week.

6.3 FUNERAL LEAVE: In the event of the death of a parent, brother, sister, spouse, son, daughter, or present mother-in-law, or father-in-law, brother-in-law, sister-in-law, present step-father, present step-mother of an employee or other relative residing with the employee, the Employer will grant a leave of absence from day of death until and including the day of the funeral, not to exceed three (3) days with pay for scheduled working days, provided the employee attends the funeral. In the case of grandparents and grandchildren (member or spouse) or son-in-law or daughter-in-law not living with the employee, one (1) day will be given off, that day being the day of the funeral. The employees shall not be paid beyond the date of the funeral.

6.4 All emergency work shall be reported to the Union Office immediately.

6.5 Employees shall have sufficient time to vote on congressional election days, and suffer no reduction in pay because of such voting time, pursuant to the laws of Missouri providing they are registered voters.

ARTICLE 7. HOURS

The basic work week for all employees shall be forty (40) hours worked in five (5) days per week. All hours worked in excess of forty (40) hours in one (1) week or in excess of five (5) days shall be compensated for at time and one-half (1 ½) the regular hourly rate. Overtime work must be approved by the Employer prior to its being worked.

ARTICLE 8. RATES OF PAY

Employees receiving in excess of the scale shall not have their pay reduced because of this Agreement.

The Employer agrees to notify the Union, in writing, of any separations and of any new employees hired, at the end of each week.

ARTICLE 9. SENIORITY

9.1 Seniority shall prevail among all employees of the Employer covered by this Agreement, and shall begin with the employee's date of employment. When forces are increased or decreased, either temporarily or permanently, and in cases of promotion, employees shall exercise their seniority rights over junior employees.

9.2 In cases of demonstrated lack of skill or physical unfitness to perform the new job, whether such demonstration be in the present job or in the new job, then an employee shall not be entitled to avail himself of seniority.

9.3 If an employee has voluntarily quit or has been absent from service for a period of two (2) weeks, other than that which may be covered through injury or proven sickness, or has failed to get a leave of absence without proper cause, such employee shall forfeit his seniority rights.

9.4 When a leave of absence is granted to an employee, the secretary of the Union and the employee shall be notified within forty-eight (48) hours as to the name of the employee and for how long the leave of absence is granted.

9.5 No employee shall acquire any seniority rights until he or she has been employed by the Employer for at least thirty (30) days and he/she shall not be deemed to be entitled to any of the privileges of seniority until he/she has been employed that long. On the thirty-first (31st) day, seniority shall apply from the date of employment. It is understood that by mutual agreement between the Employer and the Union, an extension of the thirty (30) day probationary period will be granted not to exceed an additional thirty (30) days.

9.6 The Employer shall submit to the Union, on a semi-annual basis, a current seniority list.

ARTICLE 10. VACATIONS, SEVERANCE PAY

10.1 All employees, who have been in the continuous employment of the Employer for (1) year or more, shall be granted one (1) week's vacation with pay based on the average number of hours worked for twelve (12) months immediately preceding vacation.

10.2 All employees who have been in the continuous employment of the Employer for three (3) years or more shall be granted two (2) weeks vacation with pay, based on the average number of hours worked for twelve (12) months immediately preceding vacation.

10.3 All employees who have been in the continuous employment of the Employer for six (6) years or more shall be granted three (3) weeks vacation with pay based on the average number of hours worked for twelve (12) months immediately preceding vacation.

10.4 All employees who have been in the continuous employment of the Employer for twelve (12) years or more shall be granted four (4) weeks vacation with pay based on the average number of hours worked for twelve (12) months immediately preceding vacation.

10.5 All employees who have been in the continuous employment of the Employer for eighteen (18) years or more shall be granted five (5) weeks vacation with pay based on the average number of hours worked for twelve (12) months immediately preceding vacation.

10.6 Any employee who is laid off or quits, prior to his anniversary date, shall be entitled to earned vacation pay which will be paid prior to the employee leaving employment. Such earned vacation pay shall be an amount equal to the average number of hours worked weekly, times the hourly rate, times the number of weeks vacation an employee is entitled to if he had completed the year, times a fraction, the numerator of which is the number of months completely worked after the anniversary date and the denominator is twelve (12).

10.7 An employee, with at least one (1) year's service with the Employer, who is separated for incompetence or is permanently separated due to discontinuance of the job, or reduction of force, shall be given one (1) week's notice or one (1) week's pay in lieu of notice. Such notice or pay in lieu of notice shall not apply to an employee who is discharged for proper cause.

10.8 Vacation time off in excess of two (2) consecutive weeks may not be taken unless mutually agreed to in advance between the Employer and the employee.

ARTICLE 11. SHOP STEWARDS

The Union shall have the right to designate a shop steward for each place of business. It will be the duty of the shop steward to check compliance with the terms of the contract, and the Employer agrees there will be no discrimination because of such activity.

ARTICLE 12. UNION SUPERVISION

The Employer agrees to permit an authorized representative of the Union to have free access to his place of business at all hours that it, or they, are open for business, to satisfy the Union that the terms of the Agreement are complied with, but such representative shall not interfere with the duties of any of the said employees or the business of the Employer.

ARTICLE 13. GRIEVANCE AND ARBITRATION

13.1 The properly accredited officers or representatives of both parties to this Agreement shall be authorized to settle any dispute arising out of the terms, application, interpretation, or any matter not herein provided for in this Agreement, including unjust discharge or layoff. Complaints regarding unjust discharge or layoff must be filed in writing with the Union within seven (7) days of such discharge or layoff or the member nullifies any further claim regarding same.

13.2 In the event the properly accredited officers or representatives of both parties to this Agreement cannot amicably settle any dispute or grievance arising out of the terms, application, interpretation, or any matter not herein provided for in this Agreement, including unjust discharge or layoff within seven (7) days after this said grievance or dispute is reported, the matter shall then be referred to an Arbitrator for settlement.

13.3 In any case in which an employee is aggrieved and the Union promptly notifies the employee that it does not intend to request arbitration, the time for requesting arbitration shall be stayed pending the employee's exhaustion of internal Union appeals to the Union's Executive Board.

13.4 The Company and the Union shall mutually agree to an impartial arbitrator to hear said arbitration case; however, if said arbitrator cannot be chosen within three (3) days then the Federal Mediation and Conciliation Service will be requested to furnish a panel of seven (7) names from which the arbitrator may be chosen. The arbitrator will be selected within seven (7) days after the receipt of the panel by both parties. The arbitrator may be chosen by alternately striking names. The party striking first will be determined by the flip of a coin. The decision of the arbitrator shall be binding on both parties. The expenses of the arbitrator shall be paid for jointly. Should either party postpone a scheduled arbitration date, that party shall be responsible for any cancellation fee.

Such Arbitrator shall not be empowered to add to, detract from, or alter the terms of this Agreement.

13.5 In a discharge case, if the Arbitrator decides the employee has been wrongfully discharged or laid off, he shall be restored to his former position, receiving pay for the time lost and his seniority rights shall be restored, except, however, if the employee has accepted other employment, he shall receive pay for time lost only up to the time when he accepted his new employment, provided said new employment pays him as much or more than his job with the Employer, if it pays less, he shall be compensated for the difference.

13.6 Pending such arbitration and decision, there shall be no lock-out, strike, cessation of work, picketing, or any other action by either party which may adversely affect the other.

ARTICLE 14. UNAUTHORIZED ACTIVITY

The Employer and the Union mutually agree that in the event of an unauthorized strike or slowdown by an employee or employees that the Employer will not file or press suits for monetary damages against the Union. The Union agrees that it will immediately take every reasonable means to induce the employee or employees to return to their jobs or resume standard production. Should such employee or employees refuse to return to work or to resume normal production following an appropriate written directive from the Union, the Employer may exercise whatever disciplinary action it deems proper

against such employee or employees, including discharge, layoff, loss of seniority rights, or other rights, or other privileges granted employees under this Agreement or the Employer policy.

ARTICLE 15. LEGALITY

Should any portion of this Agreement, or any provision herein contained be finally rendered or declared illegal or an unfair labor practice by reason of an existing or subsequently enacted legislation or by any decree of any court including the National Labor Relations Board, such invalidation of such portion or provision of this Agreement shall not invalidate the remaining portions thereof, provided, however, upon any such final invalidation, the parties agree to meet immediately and negotiate substitute provisions for such portions or provisions rendered or declared illegal or an unfair labor practice. The remaining portions or provisions shall remain in full force and effect.

ARTICLE 16. UNION COOPERATION AND UNION BUTTONS

16.1 The Union shall use its best efforts, as a labor organization, to enhance the interests of the Employer as an employer of union labor.

16.2 Members of the Union must wear their Union buttons when on duty, and carry the identification card furnished by the Union.

ARTICLE 17. MILITARY LEAVE

In the event an employee covered by this Agreement enters into the Armed Forces of the United States, he shall be eligible for reinstatement in accordance with the provisions of the applicable Federal Legislation.

ARTICLE 18. PICKET LINE

It shall not be a violation of this Agreement, and it shall not be grounds for discharge or discipline, for any employee to refuse to cross or work behind any legal picket line because of any primary labor dispute.

ARTICLE 19. HEALTH AND WELFARE

19.1 The Employer shall continue to pay seven hundred forty five dollars and thirty three cents (\$745.33) each month for each eligible employee covered by this Agreement who averages thirty (30) hours per week, into the United Food and Commercial Workers Union, Local No. 655 Welfare Fund ("*Welfare Fund*"). Contributions shall be due by the tenth (10th) day of the month following the month in which the hours were worked.

Effective January 1, 2017, for hours paid in December, 2016, the Employer will pay eight hundred and six dollars (\$806.00) per month.

Effective June 1, 2017, for hours paid in May, 2017, the Employer will pay eight hundred thirty-two dollars (\$832.00) per month.

Effective June 1, 2018, for hours paid in May 2018, the Employer will pay eight hundred forty-nine dollars and thirty-three cents (\$849.33) per month.

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.

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

19.2 Employees whose spouses do not have their own primary health insurance will contribute an additional pre-tax associate 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 (\$40.00)] per week to the Welfare Fund for spousal coverage.

19.3 Associates 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. Associates will remain with the same Benefit Plan (A, B, C, (effective January 1, 2017, A, B, C, D) or no coverage) unless the associate notifies the Health & Welfare Fund office in writing during the next enrollment period prior to January of each year. Associates will have the option to change Plan of Benefits (based on eligibility guidelines) or discontinue coverage during the annual enrollment period prior to the applicable January of each year.

Associates will elect in writing the coverage level (i.e. associate only, associate 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. Associates will remain with the same coverage level unless the associate notifies the Health and Welfare Fund Office in writing during the next enrollment period prior to January of each year of the associate's desire to change the coverage level or discontinue coverage.

Associates 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 associate 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.

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, 2015. The Employer's obligation begins with hours worked on and after June 1, 2016.

Notwithstanding the forgoing, 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.

The parties acknowledge that it is the responsibility of the Employer to assure its compliance with the Affordable Care Act.

19.4 An Early Retirement Incentive Program (ERIP) is available to all bargaining unit members who meet the eligibility requirements established by the Board of Trustees of the Health and Welfare Fund, as those requirements exist on the date that coverage under the ERIP begins. The parties acknowledge and agree that the Board of Trustees has the right and authority to modify the rules and requirements of the ERIP program at any time.

19.5 The Trust Agreement and any and all amendments thereto are hereby made a part of this Agreement and are incorporated by reference as if fully set out herein, and the Employer hereby agrees to be bound by said Trust Agreement. The parties acknowledge that the Trustees of the Welfare Fund reserve the right to amend or terminate the Plan at any time.

19.6 The Employer agrees, upon reasonable notice, to allow its books and records to be reviewed by the Union and/or the Trustees of the Fund to determine compliance with the obligation to contribute as set forth in this Agreement.

ACCEPTED FOR:

UNITED FOOD & COMMERCIAL
WORKERS UNION, LOCAL NO.655

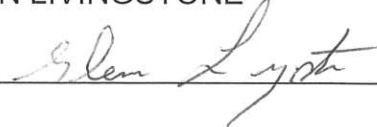
BY:  _____

BY: _____

DATE: 3/27/18 _____

ACCEPTED FOR:

HAPSTONE CORP.
GLENN LIVINGSTONE

BY:  _____

BY: _____

DATE: 3-29-18 _____