

COLLECTIVE BARGAINING AGREEMENT

between

Koch Foods of Gadsden LLC
501 Paden Road
GADSDEN, ALABAMA

and

RETAIL, WHOLESALE AND DEPARTMENT STORE UNION
AFL-CIO

Local No. 506



KOCH FOODS
America's Chicken Specialist

Effective
May 26, 2019
Through
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ARTICLE 1 PARTIES TO THE AGREEMENT

THIS AGREEMENT, made and entered into, by and between KOCH FOODS of GADSDEN LLC., 501 Paden Road, Gadsden, Alabama, hereinafter referred to as the "Company," and RETAIL, WHOLESALE, AND DEPARTMENT STORE UNION, Local 506, hereinafter referred to as the "Union."

ARTICLE 2 – RECOGNITION

Section 1. Company: The Company recognizes the Union as the exclusive bargaining agent for all employees in its Poultry Processing Plant located at 501 Paden Road, Gadsden, Alabama, but excluding office clerical, medical staff, guards, dispatchers, Quality Control, lead persons, supervisors, and other supervisory employees as defined in the Labor Management Relations Act as amended.

Section 2. Union: The Union recognizes that the Company must be in a strong market position, which means it must produce efficiently. Recognizing the need for efficient operations, the Union agrees that it will assist the Company in its efforts toward the attainment of these reasonable goals. The Union also agrees that it will cooperate with the Company and support efforts to assure a day's work on the part of its members. It further agrees it will support the Company in its efforts to improve production, eliminate waste, conserve materials and supplies, improve the quality of workmanship, and strengthen good will between the Company and employees.

ARTICLE 3 MANAGEMENT RIGHTS

The Management hereby retains the sole control over all matters concerning the operations, management and administration of its business, the determination of locations and relocations of its plants or any parts thereof; the determination of the products manufactured and the services to be rendered; the right to subcontract any or all of facility maintenance or service work; the determination as to whether product components, raw materials, parts or complete product units or services shall be processed or purchased; the right to determine the length of the work week, when overtime shall be worked and to require overtime; the direction and instruction and control of employees including, but not limited to, the determination of the qualifications and abilities of employees to perform the work in a satisfactory manner; the assignment of work or overtime; the right to select, hire, layoff, reclassify, upgrade, downgrade, promote transfer, discipline, suspend, separate or retire employees; the right to determine job content and to create new job classifications, to revise the content and to create new job classifications, to revise the content of existing jobs and to eliminate part or all of existing job classifications; the right to establish production and performance standards and to determine the hours of work, the starting and quitting times, the processes, methods, and procedures to be employed and the right to make and enforce reasonable rules and perform all other functions inherent in the administration and/or

Management of the business.

The above rights and responsibilities of the Company are not all-inclusive but indicate the type of matters or rights which belong and are inherent to the Company. Any of the rights, powers, and authority the Company had prior to entering the Collective Bargaining sessions which resulted in this Agreement are retained by the Company except as expressly and specifically abridged, delegated, granted, or modified by this Agreement.

ARTICLE 4 - COMPANY AND UNION RESPONSIBILITIES

Section 1. During the term of this Agreement there shall be no strike, picketing, stoppage, sympathy strike, slowdown, or suspension of work on the part of the Union or its members.

Section 2. In the event any violation of Section 1 of this Article occurs, the Union shall take the following steps:

- (a) The Union shall declare publicly that such action is unauthorized.
- (b) The Union shall promptly order its members to resume their normal duties.
- (c) The Union, or its members individually, shall not question the unqualified right of the Company to discipline or discharge employees engaged in participating in, or encouraging such action. It is understood and agreed on behalf of the Union and its members that such action on the part of the Company shall be final and binding upon the Union and its members and shall in no case be considered as a violation by the Company of any of the provisions of this Agreement. However, an issue of fact as to whether or not any particular employee has engaged in, participated in, or encourage any such violation may be subject to the grievance procedure.

ARTICLE 5 NON-DISCRIMINATION

By mutual obligation neither the Company nor the Union will engage in any form of unlawful discrimination against unit employees based on any of the following: Union membership or refusal to join the Union, race, sex, age, handicap, color, religion, creed, ethnic group, national origin, Vietnam veteran, sexual orientation or disability. It shall not be considered discrimination under this Section unless the alleged discrimination violates applicable federal or state laws. The Company and the Union further agree to abide by the current Company policy concerning harassment/discrimination.

ARTICLE 6 - UNION VISITATION AND BULLETIN BOARDS

Section 1. The Company shall admit to its premises the Union representative who has been duly authorized by written notice to the Company, for the purpose of investigating and discussing pending grievances. Such representative shall request of the Plant Manager, Human Resources Manager or a designated representative, permission to visit the premises before making such visit, and upon arrival announce their presence at the office. Consultations with the employee or Union steward shall be limited to the employee's or steward's non-work period, except where Management grants specific permission otherwise. A Company representative shall accompany the Union representative in the working areas for grievance investigation. Nothing in this section shall be construed as changing, limiting, or extending the scope of the grievance procedure heretofore established by this Agreement.

Section 2. Union representatives will not neglect their work or interfere with the work of other employees. In no case does a Union representative or any employee have the right to stop work or stop the work of other employees unless there is specific Agreement with the Plant Manager, Human Resources Manager or other designated representative.

Section 3. The Company will provide a bulletin board at the plant. The Union may use the bulletin board for posting notices such as:

- (a) Notices of Union meetings
- (b) Notices of Union elections
- (c) Notices of results of Union elections
- (d) Notices of Union appointments
- (e) Other Union business

All notices posted must be approved by the Human Resources Manager.

ARTICLE 7- HOURS OF WORK

Section 1. The workweek for most employees is a period of seven (7) consecutive twenty-four (24) hour calendar days, beginning at 12:01 o'clock a.m. on Sunday. The workweek, however, need not be the same for all employees and those whose assigned work week begin on a day other than Sunday, or at a time other than 12:01 o'clock a.m., will be so informed.

Section 2. The workday is a twenty-four (24) period beginning at 12:01 o'clock a.m. on any day within the employees' workweek. As an exception to this rule, an employee whose normal and individual shift of work is expected to regularly begin before 12:01 o'clock a.m. may be assigned

a workday beginning at the normal starting time as a shift of work starts.

Section 3. Weekly work schedule shall consist of five (5) eight (8) hour workdays, beginning with the first day of their workweek. Nothing herein shall be construed as a guarantee or limitation on the minimum or maximum number of hours worked per day or per week.

Section 4. The Company shall post the normal starting time for each department. Should the normal starting time be permanently changed, a written notice shall be posted as far in advance as possible.

Section 5. Employees are required to swipe their own ID Badge at time clocks indicating their attendance and starting time and ending work times. Employees will be expected to be in the plant ready to work by the time their department is scheduled to commence work as determine by their schedule.

Section 6. To minimize record keeping, employees temporarily assigned to work at a higher rated job will receive the higher rate of pay rounded off to the nearest hour of time performing the higher rated job. An employee in a higher rated job who is assigned to work at a lower rated job will continue to receive the higher rate of pay.

Section 7. Employees will be notified as soon as Management has knowledge if required to work daily overtime.

ARTICLE 8 - OVERTIME

Section 1. Hours worked by an employee in excess of forty (40) hours during their work week will be paid at the rate of one and one half (1-1/2) times the employee's regular rate of pay.

Section 2. There shall be no pyramiding or duplication of overtime or premium pay. An employee cannot be entitled to more than one (1) allowance of overtime and/or premium pay for the same work time.

Section 3. The Company will make a reasonable effort to distribute overtime opportunities fairly among employees who customarily perform the work involved during straight-time hours.

ARTICLE 9 CASUAL AND WEEKEND WORK

The request for casual work (painting, general clean-up, helping maintenance, etc.) scheduled on Saturday and Sundays shall be posted with the starting times and rate of pay. Employees who sign up for casual weekend work will be assigned based by seniority and ability to perform the essential job function. Employees who are assigned casual weekend work shall assume the obligation to work all scheduled hours and perform the work assigned.

ARTICLE 10 REPORTING AND CALL BACK PAY

Section 1. All employees who report for work at commencement of a scheduled shift without having been given notice of a change in schedule shall be given a minimum of four (4) hours work or if no work is available, four (4) hours pay in lieu thereof. For the purpose of this Section, "Notification" shall include personal contact with employee, telephone call to the employee's home, or by local radio or TV broadcast. The employee is responsible for updating contact information in the Human Resources office. (Ex. Phone Number, E-Mail Address, Rapid Cast, Cell Phone.)

Section 2. Employees who are called in for work at a time other than their regularly scheduled hours or on the same day after once punching out and leaving Company property, shall be paid a minimum of **four (4)** hours pay at their regular straight time rate of pay.

Section 3. Section 1 and 2 of the Article shall not apply in cases where work cannot be provided due to circumstances beyond the control of the Company, such as: strikes, riots, storms, public utility failures, floods, explosions, governmental agencies or other acts of God that prevent operations.

Section 4. No employee shall receive an occurrence when unable to report to work at start up time due to hazardous road conditions, provided he/she reports to work by their scheduled first break.

ARTICLE 11 BREAK AND LUNCH PERIODS

Section 1. All employees shall receive two (2) breaks of a minimum of thirty (30) minutes per break. In the event overtime work is required, a paid ten (10) minute break will be given after eight (8) hours and thirty (30) minutes of actual worked time, no break will be taken, but the ten (10) minutes of paid time shall be added to the employee's time. For each additional two (2) hours and forty-five (45) minutes of actual worked time, there will be a paid ten (10) minute break.

Section 2. Break periods set forth in this article are to accommodate the personal needs of the employees. The Company recognizes that occasionally an employee may need to be away from their workstation, other than scheduled break time, to use the bathroom facilities. Any employee who abuses this privilege shall be subject to disciplinary action. Employees shall obtain approval, except in an emergency situation, from their supervisor or lead person before leaving their workstation.

ARTICLE 12 - HOLIDAYS

Section 1. All full time employees who have completed their introductory period shall be eligible to receive eight (8) hours pay at their regular rate of pay for each of the following holidays.

New Years Day (January 1)	Employee's Birthday
Memorial Day (As Designated)	Independence Day (July 4)
Labor Day (1st Monday in September)	Thanksgiving (4th Thursday in November)
Christmas Day (December 25)	

Section 2. Employees must work all scheduled hours the day before a holiday and all scheduled hours the day after the holiday in order to receive holiday pay. If an employee is scheduled to work on a holiday, they must work all scheduled hours of the holiday in addition to the day before and the day after.

Section 3. An employee will not be disqualified for holiday pay if he/she is absent on one or all of the qualifying workdays for the following reasons:

- (1) Death in the employee's immediate family.
- (2) Job related injury occurring on one or all qualifying workdays.
- (3) Approved Leave of Absence as provided in Article XIV.
- (4) Hospitalization of self, spouse, dependent child with proper documentation.
- (5) Approved vacation,
- (7) Subpoenaed to court as a witness with proper documentation.

Section 4. If a holiday falls during an employee's vacation period, he or she will receive the extra days pay. If the employee receives his vacation pay in advance, the holiday pay will be paid at that time.

Section 5. Employees on a Leave of Absence or Layoff in excess of five (5) days shall not be eligible for holiday pay benefits.

Section 6. The eight (8) hours holiday pay benefit shall not be counted as time worked when computing overtime pay.

Section 7. Maintenance employees will be paid holiday pay based on the number of hours normally scheduled for that day.

Section 8. The birthday must be taken on the date of the employee's birthday. If the birthday falls on a Saturday, it will be taken on the preceding Friday and if the birthday falls on a Sunday, it will be taken on the following Monday. Employee must schedule/notify supervisor prior to taking their birthday. If the employee works on a Saturday or Sunday, they must take that day. If the employee works their birthday, they will not receive another day but will receive birthday pay and hours worked.

ARTICLE 13 - VACATION

Section 1. Employees must qualify each year by meeting two basic conditions: (1) complete each anniversary year as a regular full-time employee, and (2) actively worked at least **twenty-six (26)** weeks in that anniversary year.

Section 2. Full time anniversary dates will be used to determine years of service for vacation entitled as follows:

First Anniversary	One (1) week/40 hours pay
Second Anniversary	Two (2) weeks/80 hours pay
Tenth Anniversary	Three (3) weeks/120 hours pay
Twentieth Anniversary	Four (4) weeks/160 hours pay

Section 3. Vacation pay shall be computed at the employee's regular straight time hourly rate in affect at the time the vacation is taken.

Section 4. Vacations must be taken during the employee's anniversary year. There will be no carry over of a vacation from one anniversary year to another. Vacation time not taken shall be considered lost.

Section 5. The Company shall have the exclusive right to schedule vacation periods anytime it desires. However, the employee shall have the option of taking up to five (5) days, a day at a time, provided there has been five (5) calendar days advanced notice to the immediate supervisor. Whole week vacation schedules shall have priority over a day at a time schedules. When a vacation day is scheduled prior to a weekend work notice, the employee will not be required to work that particular weekend. The Company agrees that where more than one employee requests the same vacation period, seniority rights shall apply. Employees shall not be required to work if scheduled the Saturday or Sunday following the week of their scheduled vacation.

Section 6. Employees shall be paid their vacation pay Friday of the week before the scheduled vacation week. The vacation check procedure is subject to change if the Company payroll

system changes.

Section 7. There will be a limit of one week per quarter, per employee, allowed to sell vacation not taken.

ARTICLE 14-LEAVES OF ABSENCE

The Company provides various types of leave in accordance with the Family and Medical Leave Act of 1993 (FMLA) and the Uniformed Services Employment and Re-Employment Rights Act of 1994, and other applicable federal and state laws.

**ALL PAID VACATION MAY BE REQUIRED TO BE EXHAUSTED PRIOR TO APPROVAL OF LEAVE
- CHECK WITH YOUR HR DEPARTMENT.**

FMLA Leave and Leave Eligibility

An employee is eligible for up to twelve (12) weeks of FMLA leave during a twelve (12) month period if the employee meets both of the following requirements:

- The employee has worked for twelve (12) months or more (the twelve (12) months do not need to be consecutive).
- The employee has accrued at least 1250 work hours in the last twelve (12) months.

Jury Duty

The Company will cooperate in allowing employees to serve on juries without financial loss. The Company will pay the employee their regular wages for that period.

Employees who received a jury summons must provide immediate notice to their Department Manager and provide a written copy of the notice to the local Human Resources Manager. The notice will be placed in the employee's personnel file.

While on jury service, employees will be expected to work as much of their regularly scheduled shift as the jury duty schedule permits and the law allows. If during the period of jury service the employee is excused for any day, the employee will be expected to report to work. If the employee is excused from jury service for any portion of a day, the employee will be expected to return to work if reasonably possible. If the employee would be able to work a minimum of four (4) hours, it will be presumed that it would be reasonably possible for the employee to return to work. If an employee has any question whether they must return to work after being excused from jury service for less than a full day, they must contact their Department Manager immediately to determine whether they must report to work.

Bereavement Leave

In case of the death of a regular full-time employee's immediate family member, as defined

below, the employee will be allowed up to three (3) scheduled work days off with pay as compensation for work time lost in connection with preparation for and /or attending the funeral. Documentation is required showing relationship status upon return. The term "immediate family" shall include spouse, children, stepchildren, legal guardianship, brother, sister, mother, step-mother, father, step-father, mother-in-law, father-in-law, grandparents and grandchildren.

Military Leave/Personal Leave

Military personnel who are required to attend training or active duty will be granted a leave of absence without pay. All employees in the U.S. Military or National Guard are eligible for leave for the duration in accordance with applicable law. Requests for military leave should be made in a timely manner to allow the Company to adjust the work schedule. Employees who go on military leave may elect to receive any vacation pay for which they are eligible.

A personal leave of absence without pay may be granted to an employee if the Human Resources Manager and/or Department Manager determine the leave request is warranted or acceptable under the circumstances. To be eligible for a personal leave, an employee must be a regular, full-time employee and have one (1) year of service or more. Personal leaves may only be granted for a total of thirty (30) days or less unless the Company determines in its sole discretion that a longer period is warranted. Employees may be required to exhaust all vacation pay prior to the leave being granted.

Failure To Follow Leave Guidelines

If an employee fails to follow leave guidelines or fails to update the Company of leave status in a timely manner, the employee may be terminated or may be considered to have voluntarily quit, depending on the circumstances.

*** Union Leave:**

(A): Partial Union Leaves of absence not exceeding two (2) weeks per year may be granted to not more than four (4) employees at a time and no more than one per department who have been elected or designated for the purpose of only attending Union meetings, conventions, schools, and seminars. Union Leave must be requested in writing as soon as possible but no later than fifteen (15) days prior. This will be limited to the positions of President and Secretary / Treasurer.

* False Pretenses: Any Leaves requested or granted under false pretenses shall be grounds for automatic termination.

* Returning to Work: Before any employee may return from Temporary Medical Leave they must submit a doctor's release to the Human Resources Department. Employees returning from a Leave of Absence, who held a Class II or above position, will be returned to their former position, provided the former position still exists and provided they are able to perform the essential functions of the job.

ATICLE 15 -SENIORITY

Section 1. The principles of seniority shall prevail on a plant basis in regard to layoff, recall, transfer, and promotion, providing the individual is able to satisfactorily perform the work. In the event a production line is temporarily disrupted, the senior employee shall have the option before junior employees of working elsewhere in the plant if qualified, or if not needed to work, to go home.

Section 1 (a). Within a Class I job, the junior employee according to plant seniority will always be cut first.

Section 1 (b). When a premium job is cut within a department, the junior employee on the premium job affected will always be cut first. The junior employee affected by the cut will have the option of bumping the junior Class I employee within the same department. The Class I employee that is displaced will have the right to any job that is open in the plant.

Section 2. The seniority service record of an employee shall be broken when they:

- (a) Quit; or
- (b) Are discharged for cause; or
- (c) Fail to return to work within two (2) consecutive days after receipt of notification of recall from layoff; or
- (d) Have been in a layoff status for a period of **twelve (12)** months; or
- (e) Fail to return to work at the expiration of a Leave of Absence

Section 3. If the work force must be reduced, probationary employees will be laid off, regardless of the department, before employees with seniority.

Section 4. A layoff is defined as a reduction in the work force and must be a duration of one (1) full calendar week before anyone may exercise their seniority, by displacing the most junior employee in the plant.

Section 5. The Company shall prepare a seniority list of all employees in the bargaining unit at the end of each calendar quarter. The Union shall have fifteen (15) days from receipt of the seniority list to present any objections; thereafter the list shall be final. The Company shall not suffer any monetary penalty or liability on account of any error in this list.

Section 6. All employees covered by this Agreement shall be regarded as probationary for up to sixty (60) calendar days beginning with their last date of hire or rehire and are subject to discharge at the sole discretion of the Company any time during their probationary period.

Section 7. All newly hired employees who satisfactorily completed their sixty (60) day

probationary period including rehires, shall have their name entered on the seniority list as of their last date of hire or rehire as a regular employee. All regular employees whose name has been entered on the seniority list shall be eligible of all rights and privileges of this Agreement, **with the exception of Company provided benefits**, as of the day their name is entered.

Section 8. If two (2) or more positions in the workforce must be combined, the most senior qualified employee currently in at least one (1) of the combined positions shall have the option of remaining in the combined position.

ARTICLE 16 – JOB VACANCIES AND JOB BIDDING

Section 1. Temporary job positions cannot exceed thirty (30) days as such, after thirty (30) days, Management will determine whether or not this job should become a permanent job. If Management decides that the job is a permanent job, it will then become part of the job bidding procedure as outlined in this article. It will then be posted as soon as possible, but no later than fifteen (15) days, per the job bidding procedure as outlined in this article. Employees will be eligible to bid after six (6) months of uninterrupted service.

Section 2. Permanent vacancies in Class II and above, including maintenance jobs, will be posted for two (2) working days by the Human Resources Department. When a permanent job vacancy occurs within the maintenance department, such job shall remain posted for a period of five (5) days, as long as the maintenance department works split shift schedules. In the event the maintenance department resumes a normal scheduled workweek, job vacancies will be posted in accordance with all other Class II and above positions. When posting, the job title, job class, rate of pay, duties, and qualifications required will be indicated on the posting. Employees wishing to bid on the job shall do so by signing the appropriate bid sheet within two (2) working days of the posting. The most senior qualified bidder will be awarded the job as soon as practical but no later than twenty-one (21) calendar days after the date of posting. The successful bidder will be awarded the job no later than seven (7) work days after removal of the posting or after the successful bidder declines the job. Employees awarded a job bid shall receive the rate of pay in accordance with their seniority as shown in Exhibit 1. If the successful bidder fails to qualify, they will be returned to their prior job except if their prior job has been eliminated. The Company will then offer the job to the next most senior qualified employee from the original bidding and continue this procedure until all employees that originally bid are exhausted. The Company can then fill the permanent vacancy from any source whatsoever. There shall be no obligation to post a position vacated by a successful bidder or by an employee assigned a permanent vacancy, until the bidder or person assigned has qualified for their new position. Employees awarded a job bid shall receive the rate of pay in accordance with their seniority at the beginning of their qualifying period. The successful bidder has the right to decline the job during the qualifying period.

Section 3. To be eligible for job bidding, in addition to Section 2 of the Article, the employee must have less than three (3) occurrences and in Management's opinion, have a satisfactory disciplinary record and disciplinary warnings or suspensions more than twelve (12) months old

shall not be considered. An employee awarded a bid job shall not be permitted to bid again for six (6) months unless a higher class job is involved or their job has been eliminated.

Section 4. When a permanent vacancy occurs in a Class I job within a sub department, it will not be posted. However, employees who have established six (6) months seniority in their present job and a record free from any disciplinary action in the past six (6) months who wish to transfer to a Class I job shall make their wishes known by signing the request for transfer sheet in the Human Resources Department. When such vacancies occur, those employees who have made their wishes known to the Human Resources Department and meet the qualifications stated in this section and of the job will be transferred to the sub department on the basis of their plant seniority. This procedure will apply before hiring new employees to fill the vacancy. Employees shall only have two (2) requests for transfer to a Class I job at any one time.

ARTICLE 17-GRIEVANCE PROCEDURE

Section 1. The term "grievance" as used herein is limited to a complaint or the request of an employee or the Union which involves the interpretation or application of, or compliance with, the provision of this Agreement. It is understood and agreed that all grievances shall be handled on the employee's time and during nonworking hours at reasonable mutually agreeable times, except when Management, in order to expedite the grievance procedure, agrees to using work time. For the purpose of setting any grievance, the following steps and conditions shall govern:

Step 1

The aggrieved employee, with or without a steward as they so desire, shall first seek settlement with their immediate supervisor. Each grievance shall be reduced to writing on a grievance form. No grievance shall be deemed valid unless it is submitted within five (5) calendar days of the occurrence giving rise to the dispute. The Supervisor shall give their answer within four (4) calendar days.

Step 2

Any grievance which has not been settled in Step 1 shall be presented in writing to the Shift Manager or a designated representative on a form provided by the Union, within seven (7) calendar days after receipt of the supervisor's answer in Step 1, or further rights concerning that subject shall be deemed waived. The grievance presented at this step shall be specific in its content as to dates, facts, the employee(s) involved, the remedy sought, and what provision(s) of the Contract are alleged to have been violated. Management's reply shall be provided in writing within five (5) calendar days.

Step 3

If the grievance is unresolved in Step 2, it must be presented to the Plant Manager or a designee within seven (7) calendar days of Management's reply at Step 2 or further rights shall be waived. Management's reply shall be made in writing within seven (7) calendar days of receipt of the grievance procedure.

Section 2. In the event that the Company does not reply to a grievance within the time limits set forth in Step 1 or Step 2 of this Article, the Union may, upon notification to the Company,

process such grievance to the next step of the grievance procedure.

ARTICLE 18 – ARBITRATION

Section 1. Any grievance by an employee or by the Union, on behalf of itself or an employee, which the parties to this Agreement have been unable to settle pursuant to the grievance procedure, may be submitted to arbitration by an impartial arbitrator to be selected by mutual agreement of the parties. The demand for arbitration must be made in writing within fifteen (15) calendar days after the Union receives the Company's answer in writing at Step 3 of the Grievance procedure, or further rights concerning that subject shall be waived. Where the parties have determined arbitration is necessary, the Union shall request, no later than seven (7) calendar days following notice, the Director of the Federal Mediation and Conciliation Service to submit the names of seven (7) disinterested and qualified persons to act as impartial arbitrators. From such list of seven (7) persons the Company and the Union shall strike alternately one (1) name until six (6) names have been eliminated and the person whose name remains on the list shall be selected to act as impartial arbitrator. The arbitrator is requested to submit the decision in writing within thirty (30) days after the conclusion of the hearing subject to the deadline for filing briefs or other pertinent information. The decision of the arbitrator, subject to the limitations set forth in this Article, shall be final and binding upon the employees involved and the parties to this Agreement. The compensation and necessary expenses of the arbitrator shall be borne equally by the Company and the Union. It is understood and agreed that neither party may be compelled to arbitrate more than one grievance at any one arbitration hearing. However, nothing shall prevent the parties from combining two or more grievances from arbitration if they mutually agree to do so in writing. Either party shall have the right to reject one list of arbitrators and request another list from the Federal Mediation and Conciliation Service. Requesting party will pay for second panel.

Section 2. Once an arbitrator has been selected, unless otherwise agreed, a grievance shall be dismissed if it has not been scheduled for hearing within thirty (30) days, consistent with the arbitrator's schedule, or the demand for arbitration.

Section 3. The arbitrator shall be empowered, except the powers are limited below, to make a decision in cases of alleged violations of rights expressly accorded to this Agreement or written supplementary Agreement.

Section 4. The limitations on the power of the arbitrator are as follows:

- a) They shall have no power to add to, subtract from, or modify any of the terms of the Agreement.
- b) They shall have no power to establish wage rates or to change an existing wage rate.
- c) The Company shall not be required to pay back wages prior to the date a written grievance is filed with the Company.
- d) All awards of back wages shall be limited to the amount of wages the employee would have

otherwise earned from their employment with the Company during the period as above defined, less any employment or unemployment compensation, or may have received from any source during the period.

e) They shall have no power to substitute their discretion for the Company's discretion in places where the Company has retained discretion or is given to act by this Agreement or by any written supplementary Agreement.

f) They shall have no power to decide any question that under this Agreement is within the right of Management to decide.

g) In addition to the restrictions on arbitrators as set forth above, it is understood and agreed that questions and controversies about the health insurance plan, or any other Company sponsored benefit plan, or its administration shall not be subject to the grievance and arbitration procedures of this Agreement.

Section 5. It is understood and agreed that all employees within the Bargaining Unit covered by this Contract must exercise all their rights, privileges, or necessary procedures under this Contract, International and District or local Union Constitution in the settlement of any and all complaints or grievances filed by such employees before taking any action outside of the scope of this Contract for the settlement of such grievances. Failure to do so will void further action under the grievance and arbitration procedure.

ARTICLE 19 – DISCIPLINE

Section 1. The Company recognizes its responsibilities as an employer, and the Union concurs in this responsibility of the Company to discipline employees to maintain harmony in the organization. The Company accepts its right to issue, post and enforce reasonable rules, which are not in direct conflict with the provisions of this Agreement.

Section 2. No employee shall be disciplined or discharged without just cause. Nothing in this Agreement shall be construed to limit the right of the Company to demote, suspend, discharge or otherwise discipline any employee for cause; however, all such actions shall be subject to the grievance procedure including arbitration.

Section 3. In arbitration proceedings, the Company shall not make use of any previous disciplinary actions taken against an employee more than five (5) years prior to the date of the event, which is the subject of such arbitration.

Section 4. Employees being disciplined or discharged may have a Union steward present at the time of discipline or discharge if they so choose and provided that the chosen Union steward is available. All employees shall initial the discipline or discharge form indicating if they are requesting that a steward be present.

Section 5. The disposition of all justifiable disciplinary actions shall be handled immediately following the offense. The Company shall have seven (7) calendar days after Management has

knowledge of the event giving rise to discipline in which to take action against any offending employee who is actively employed. If no action is taken within the limitation period, the Company is deemed to have waived the right to impose discipline for that particular offense.

Section 6. The Company and the Union agree that the problem of habitual or excessive absenteeism and tardiness is to be handled according to the Company's Attendance Program.

Section 7. The Company and Union recognize the seriousness of OSHA standards involving Lockout/Tag Out, Confined Space Entry, and Fall Protection Requirements and agree to abide by the Company's Core Safety mandates. Annual training will be conducted for all employees. Violations will be investigated by the Complex Manager, Facility Manager, Safety Manager or HR Manager. The particular persons investigating any violation will be determined at the time. Discipline given as a result of this policy is subject to the grievance procedure.

ARTICLE 20 – CHECK OFF

Section 1. The Company agrees to deduct from the pay of each employee who authorizes such deduction in writing pursuant to the dues check off card agreed by the Company and the Union, the weekly dues and initiation fees as determined by the Union and to remit such dues and fees to the Union each month together with a list of the employees involved, including additions and deletions from prior monthly lists, stating the amount deducted from each employee's pay.

Section 2. The Company shall not, in any case or event, suffer financial loss due to errors or mistakes made in the course of its compliance with this Article. The Union agrees to hold the Company harmless from, and indemnify it against, such financial loss, and to pay the Company's reasonable attorney's fees and expenses in defending against such claims.

ARTICLE 21 - SAFETY AND HEALTH

Section 1. The Company agrees to make every reasonable effort to provide safe and healthy working conditions in the various places where it is performed.

Section 2. The Union likewise agrees to encourage its members to work safely and to follow instructions of the Company in the proper care, use, operations, protection and maintenance of property, equipment, and vehicles.

Section 3. It shall be the responsibility of each individual employee to notify their supervisor immediately of any accidents, injuries, or defective equipment.

Section 4. A representative Safety Committee shall be established to be composed of representatives of the plant. The Union may designate a steward from both the day and night shift to the committee. The Safety Committee shall hold monthly meetings at times determined by the committee. This committee shall make recommendations to help benefit the plant safety program.

Section 5. The Union and the Company recognize that job rotation may be required in

accordance with an Ergonomics plan developed by the Company or in response to requirements of OSHA, and, therefore, the Company shall be permitted to rotate employees within job classifications throughout the plant in positions that require repetitive movements.

Section 6. Employees receiving an on-the-job injury shall be paid for all time lost on the day of injury. Employees, who are required to return to the doctor due to an on-the-job injury, shall be paid for all work time lost provided they report to work for a portion of that workday.

ARTICLE 22 – MISCELLANEOUS

Section 1. The Company agrees to issue what the Company considers suitable environmental clothing for employees in the cooler, shipping, frozen pack-out, live receiving areas, and sanitation. The Company will pay 50% of maintenance boots, up to \$75.00, twice per year.

Section 2. Employees separating from the Company shall return any equipment issued or pay for same before issuance of their last check.

Section 3. The Union will be allowed up to fifteen (15) minutes during orientation to explain Union benefits.

ARTICLE 23 - TEMPORARY TRANSFERS

Section 1. The Union recognizes the need of the Company to transfer employees full-time from one job to another in order to maintain production efficiency and to produce a stable product mix. Therefore, an employee may be temporarily transferred to any job.

Section 1 (a). The Company shall, as a general policy, transfer the least senior employee qualified to perform the work inside the department. The Company agrees to administer this provision without discrimination.

Section 1 (b). The Union shall continue to cooperate with the Company in its efforts to train new employees.

ARTICLE 24 COMPLETE AGREEMENT AND SEPARABILITY

Section 1. Complete Agreement: The parties expressly declare that they have bargained between themselves on all phases of hours, wages, rate of pay, conditions of employment and working conditions, and that this contract represents their full and complete Agreement without reservations or unexpressed understanding. Any aspect of hours, rates of pay, wages, conditions of employment and working conditions not covered by a particular provision of this Agreement is declared to have been expressly eliminated as a subject for bargaining in negotiations without the written consent of all parties hereto. It is further understood and agreed that neither party hereto has been induced to enter into the Agreement by any representations or promises made by the other which are not expressly set forth herein, and that this document correctly sets forth the effect of all preliminary negotiations, understanding and agreements, and supersedes any

previous Agreements, whether written or verbal. This Contract constitutes the entire Agreement and understanding between the parties and shall not be modified altered, changed, or amended in any aspect except on mutual agreement set forth in writing and signed by both parties.

Section 2. Separability: In the event the provisions of this Agreement are held to be in conflict with or in violation of any state or federal statute or other applicable law, administrative rule or regulation, such decision shall not affect the validity of the remaining provisions of the Agreement. The parties further agree that they will meet within thirty (30) days to renegotiate the provision or provisions of the Agreement held to be invalid, provided that Article IV, COMPANY AND UNION RESPONSIBILITES, shall remain in full force and effect during all such negotiations.

Article 25 – WAGES

Section 1. Wage increases:

- (a) Effective May 26, 2019, pay rates shall be in effect as reflected in Exhibit 1.
- (b) Each year for the duration of the Contract there will be an increase. It will be effective the nearest Sunday to the one year anniversary.
- (c) There will be longevity pay of thirty cents (\$.30), over the sixty (60) day rate, for fifteen (15) or more years of service.
There will be longevity pay of thirty five cents (\$.35), over the sixty (60) day rate, for twenty (20) or more years of service.
- (d) The company agrees to open the Contract to discuss wages and benefits for the sanitation employees if the contract is cancelled with the third party vendor.

Section 2. The Company reserves the right to set the probationary rates and to increase or decrease this rate due to the competitive needs.

Section 3. A shift differential of one dollar (\$1.00) per hour shall be paid to all employees who work a majority of their hours between 6:00 p.m. and 6:00 a.m.

Section 4. Wastewater employees will be paid by a performance-based compensation system that evaluates their competency.

Section 5 Debone wages will start at the one (1) year rate of Class II.

Section 6. The Company may implement an incentive plan, as long as the employees receive not less than the wage rates provided in Article 25, Exhibit 1. The Company reserves the right to change or stop any such incentive programs by giving the Union at least fifteen (15) days notice.

Exhibit 1
Wage Rates and Job Classification

Koch Foods of Gadsden LLC
GADSDEN MAINTENANCE and WASTE WATER
Wage and Job Classification
Effective 5/26/2019

<u>Position</u>	<u>Start</u>	<u>60 Days</u>	<u>15 Years</u>	<u>20 Years</u>
Maintenance M-5	\$16.40	\$16.90	\$16.65	\$17.40
Maintenance M-4	\$17.40	\$17.90	\$18.15	\$18.40
Maintenance M-3	\$18.90	\$19.40	\$19.65	\$19.90
Maintenance M-2	\$20.40	\$20.90	\$21.15	\$21.40
Maintenance M-1	\$22.40	\$22.90	\$23.15	\$23.40

<u>Position</u>	<u>Start</u>	<u>60 Days</u>	<u>15 Years</u>	<u>20 Years</u>
Waste Water 1	\$15.50	\$16.00	\$16.25	\$16.50

Koch Foods of Gadsden LLC
GADSDEN MAINTENANCE and WASTE WATER
Wage and Job Classification
Effective 5/30/2020

<u>Position</u>	<u>Start</u>	<u>60 Days</u>	<u>15 Years</u>	<u>20 Years</u>
Maintenance M-5	\$16.65	\$17.15	\$16.90	\$17.65
Maintenance M-4	\$17.65	\$18.15	\$18.40	\$18.65
Maintenance M-3	\$19.15	\$19.65	\$19.90	\$20.15
Maintenance M-2	\$20.65	\$21.15	\$21.40	\$21.65
Maintenance M-1	\$22.65	\$23.15	\$23.40	\$23.65

<u>Position</u>	<u>Start</u>	<u>60 Days</u>	<u>15 Years</u>	<u>20 Years</u>
Waste Water 1	\$15.75	\$16.25	\$16.50	\$16.75

Koch Foods of Gadsden LLC
GADSDEN MAINTENANCE and WASTE WATER
 Wage and Job Classification
 Effective 5/29/2021

<u>Position</u>	<u>Start</u>	<u>60 Days</u>	<u>15 Years</u>	<u>20 Years</u>
Maintenance M-5	\$16.90	\$17.40	\$17.15	\$17.90
Maintenance M-4	\$17.90	\$18.40	\$18.40	\$18.90
Maintenance M-3	\$19.40	\$19.90	\$19.90	\$20.15
Maintenance M-2	\$20.90	\$21.40	\$21.40	\$21.90
Maintenance M-1	\$22.90	\$23.40	\$23.40	\$23.90

<u>Position</u>	<u>Start</u>	<u>60 Days</u>	<u>15 Years</u>	<u>20 Years</u>
Waste Water 1	\$16.00	\$16.50	\$16.75	\$17.00

Production Rates

Effective 5/26/2019

	<u>Start</u>	<u>60 Days</u>	<u>15 Year</u>	<u>20 Years</u>
Class I	\$12.40	\$12.70	\$13.00	\$13.05
Class II	\$12.90	\$13.40	\$13.70	\$13.75
Class III	\$13.60	\$14.15	\$14.45	\$14.50
Class IV	\$14.80	\$15.30	\$15.60	\$15.65

Effective 5/30/2020

	<u>Start</u>	<u>60 Days</u>	<u>15 Year</u>	<u>20 Years</u>
Class I	\$12.65	\$12.95	\$13.25	\$13.30
Class II	\$13.15	\$13.65	\$13.95	\$14.00
Class III	\$13.85	\$14.40	\$14.70	\$14.75
Class IV	\$15.05	\$15.55	\$15.85	\$15.90

Effective 5/29/2021

	<u>Start</u>	<u>60 Days</u>	<u>15 Year</u>	<u>20 Years</u>
Class I	\$12.90	\$13.20	\$13.50	\$13.55
Class II	\$13.40	\$13.90	\$14.20	\$14.25
Class III	\$14.10	\$14.65	\$14.95	\$15.00
Class IV	\$15.30	\$15.80	\$16.10	\$16.15

Classifications

Class I General Labor All positions not listed otherwise.

**Class II Building/Grounds-Outside
Chiller Saw Operator
Condemn Hauler
Floor Person
Forklift Operator
Jack Operator
Box Room-Receiving
Rehang
Scale Operator
Stack Off
Saw Operator
Debone**

**Class III Chiller Rehang

Marination Mixer Operator
Manifestor
Wing Cutter**

**Class IV Live Receiving
Truck Spotter-Shipping
Chiller Operator**

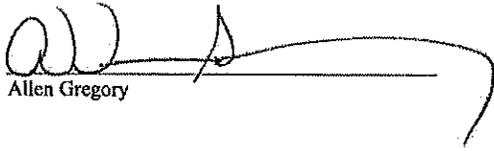
ARTICLE XXVI - DURATION

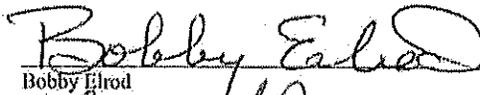
This Agreement shall become effective on May 29, 2016 and shall continue in full force and in effect through May 25, 2019. Should any party desire to terminate this Agreement on the above termination date, such party shall give the other party sixty (60) days notice in writing prior to the indicated termination date of such desire to terminate the Collective Bargaining Agreement. If notice is not given, the Contract shall automatically renew itself for one (1) year and shall continue to automatically renew from year to year thereafter until the required sixty (60) days notice is given prior to the annual expiration date of the Contract.

Executed this 1st day of August 2019.

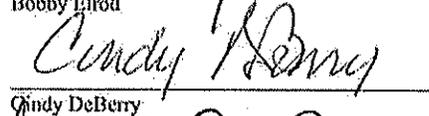
RWDSU

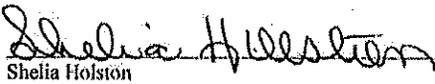
KOCH FOODS of Gadsden, LLC.

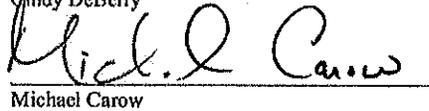

Allen Gregory

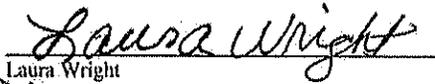

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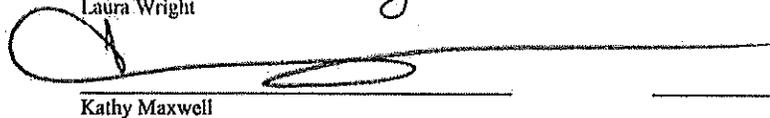
Jose Aguilar

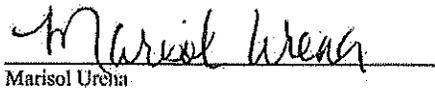

Cindy DeBerry

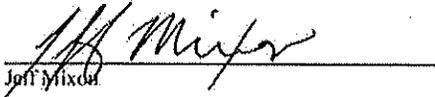

Shelia Holston


Michael Carow


Laura Wright


Kathy Maxwell


Marisol Ureña

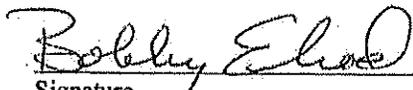

Jeff Nixon

LETTER OF UNDERSTANDING

Insurance

The Union and Employer agreed during the negotiations that, based on changes required by the federal health care reform legislation passed in 2010, and subsequently passed as the Patient Protection and Affordable Care Act of 2010 (Pub. L. 111-148) and the Health Care and Education Reconciliation Act of 2010 (Pub. L. 111-152) (collectively hereafter referenced as "ACA") and interpreted through regulations and other guidance, they would, as necessary, meet with regard to changes to Article of the Agreement. They recognized that ACA and its regulations and other guidance might mandate changes by the Employer to the health care plan which would require further changes in order to keep the cost of the health insurance affordable and reasonable to both the Employer and the employees. The Employer will provide information to the Union about any changes and seek input from the Union before they are announced to the members and then implemented.

FOR THE COMPANY


Signature

8-1-19
Date

FOR THE UNION

Signature

Date