

**AGREEMENT**

**KNAPPEN MILLING COMPANY**

**-AND-**

**LOCAL 3-G OF THE BAKERY,  
CONFECTIONERY,  
TOBACCO WORKERS AND GRAIN MILLERS  
INTERNATIONAL UNION, AFL-CIO**

**MARCH 7, 2019**

**TO**

**MARCH 6, 2022**

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## AGREEMENT

THIS AGREEMENT, effective the 7th day of March, 2019, by and between KNAPPEN MILLING COMPANY of Augusta, Michigan, hereinafter referred to as the "Company" and Local 3-G of the BAKERY, CONFECTIONERY, TOBACCO WORKERS AND GRAIN MILLERS INTERNATIONAL UNION, AFL-CIO, hereinafter referred to as the "Union",

WITNESSETH:

### ARTICLE I - PURPOSE AND INTENT

The general purpose of this Agreement is to set forth the wages, hours and working conditions which shall prevail for the duration of this Agreement and to promote orderly and peaceful labor relations for the mutual interest of the Company, its employees and the Union. Recognizing that the success of the Company and the job security of the employees depend upon the Company's ability to economically produce and sell quality products, the Company and the Union, for and in consideration of the mutual promises, stipulations and conditions hereinafter specified agree to abide by the terms and provisions set forth herein for the duration of this Agreement.

### ARTICLE II – RECOGNITION

Section 1: The Company recognizes the Union as the sole and exclusive collective bargaining agent for all of its production and maintenance employees at its 110 South Water Street, Augusta, Michigan, location including truck drivers and warehouse employees but excluding all office clerical employees, professional employees, laboratory technicians, and guards and supervisors as defined in the Labor-Management Relations Act.

Section 2: The Union recognizes that except as specifically limited or abrogated by the terms and provisions of this Agreement, all rights to manage, direct and supervise the operations of the Company and the employees are vested solely and exclusively in the Company.

Section 3: This Article applies to all employees in the bargaining unit. The bargaining unit is described in Article II, Section 1. All employees in the bargaining unit are “bargaining unit members.”

- (a) Local 3-G of the Bakery, Confectionery, Tobacco Workers and Grain Millers International Union, AFL-CIO (“Union”) represents all employees in the bargaining unit.
- (b) Every employee in the bargaining unit can freely choose to become a member of the Union or to not become a member of the Union. Joining the Union and/or

paying dues are not conditions of employment for any employee. An employee cannot, and will not, be terminated solely because he/she chooses to not join the Union or pay dues.

- (c) An employee who voluntarily elects to become a Union member may be required by the Union to pay dues. The amounts and regularity of those dues payments will be decided by the Union. Any employee choosing to become a Union member will be required to sign a payroll deduction authorization form, acceptable to the Company, authorizing the Company to deduct Union dues from the employee's paychecks.
- (d) The Union shall provide the Company with an invoice specifying how much must be deducted from the wages of each such employee who has submitted a signed/written payroll deduction authorization form. The Company will thereafter make the appropriate dues deductions from each such employee's first monthly pay period/paycheck. Remittances will be made by check or electronic transfer to the Union at an address which the Union will provide to the Company.
- (e) The Company will use its best efforts to make deductions in the manner set forth but has no responsibility for any errors other than to correct such errors. In the event of overpayment, the Union agrees to refund such monies within twenty (20) calendar days upon presentation of evidence of error or mistake.
- (f) A dues deduction authorization form may be revoked by the employee by written notice signed by the employee and received by the Company. A revocation shall become effective seven days after the revocation notice is received in the Company's Payroll Office.
- (g) Neither the Company nor the Union will discriminate against any employee because the employee chooses to become, or not to become, a member of the Union or chooses to pay, or not to pay, any dues or fees to the Union.
- (h) The Union agrees to indemnify, defend and hold the Company harmless against any and all claims, suits and/or other forms of liability that may arise out of or by reason of the Company complying with the provisions of this Section.

Section 4: The Company and the Union agree that for the duration of this Agreement, neither shall discriminate against any employee because of race, color, religion, age, sex, disability, marital status, height, weight, veteran status or national origin nor shall the Company or its agents nor the Union, its agents or members discriminate against any employee because an employee exercises his/her rights guaranteed by Section 7 of the Labor-Management Relations Act.

Section 5: The Union agrees that, except as specifically provided by the terms and provisions of this Agreement, employees shall not be permitted to engage in Union activity on Company time.

Section 6: The Company and the Union recognize their obligations to cooperate in seeking a reasonable accommodation for those employees who have a disability that limits their ability to perform the essential functions of their jobs.

### ARTICLE III- GRIEVANCE PROCEDURE

Section 1: A grievance shall be defined as any dispute regarding the meaning, interpretation or application of the terms and provisions of this Agreement.

Section 2: An employee who believes s/he has a grievance must submit his/her complaint orally to his/her supervisor within three (3) regularly scheduled working days after the occurrence of the event upon which the grievance is based. If the employee had no knowledge thereof within said three (3) regularly scheduled working days after the occurrence of the event then the grievance must be presented orally to the supervisor within three (3) regularly scheduled working days after conditions were such that s/he or the Union should have had knowledge thereof. The supervisor shall give the aggrieved employee an answer within twenty-four (24) hours (Saturdays, Sundays and holidays excluded) after the complaint has been submitted to him/her. The employee and his/her steward may be present when s/he submits his/her complaint orally to his/her supervisor. In the event the grievance is not settled in this manner, the following procedure shall apply:

FIRST STEP: To be processed under the grievance procedure, a grievance must be reduced to writing, state the facts upon which it is based, when they occurred, must be signed by the employee or the Union representative who is filing the grievance and must be presented to the employee's supervisor within five (5) regularly scheduled working days after the occurrence of the event upon which it is based. If neither the employee nor the Union had knowledge thereof within said five (5) regularly scheduled working days after the occurrence of the event then the grievance must be presented within five (5) regularly scheduled working days after conditions were such that the employee or the Union should have had knowledge thereof. The Company shall give a written answer to the aggrieved employee and his/her steward within five (5) regularly scheduled working days after receipt of the written grievance. If the answer is mutually satisfactory, the employee's steward shall so indicate on the grievance form and sign it with two (2) copies of the grievance thus settled retained by the Union and one (1) copy by the supervisor.

SECOND STEP: If the grievance is not settled in the First Step, it shall be appealed to the Union and the Management's grievance committees provided such appeal is made within five (5) regularly scheduled working days after receipt of the First Step answer by the employee and/or union steward. These committees shall meet to consider the grievance within five (5) regularly scheduled working days after such appeal has been made. Grievances discussed at this meeting must be answered not later than five (5) regularly scheduled working days from the date of the meeting. If a grievance is settled at this step, the answer will be signed by the chairperson of Management's committee and the members of the Union's committee.

THIRD STEP: If the grievance has not been settled in the Second Step, it shall be appealed to a meeting of representatives of the International Union and representatives of the Company provided such appeal is taken within five (5) regularly scheduled working days after receipt by the Union of Management's Second Step answer. Such meeting must be held as soon after such appeal has been taken as can be arranged by the Company and International Union Representative and must be answered in writing within five (5) regularly scheduled working days after such meeting, unless such time limit has been extended by agreement of the Company and the Union.

FOURTH STEP: If, at this point, the grievance has not been satisfactorily settled, the Union shall have the right to make demand for arbitration upon the Company provided such demand is made within thirty (30) calendar days after receipt by the Union of Management's Third Step answer. If such demand has not been made within said thirty (30) calendar day period, it shall be considered as being withdrawn by the Union. If such timely demand is made, the Company and the Union shall jointly request the Federal Mediation and Conciliation Service to supply a list of names of seven (7) qualified arbitrators. The Company and the Union will endeavor to select from such list a mutually satisfactory arbitrator. If none of the named arbitrators are mutually acceptable, the Company and the Union will request the Federal Mediation and Conciliation Service to supply another list of seven (7) qualified arbitrators. From this second list each party shall alternately strike the name of one arbitrator until only one remains on the list. This remaining one shall be the arbitrator. The right to strike the first name shall be determined by flipping a coin. The arbitrator shall have no authority to add to, subtract from, change or modify any provisions of this Agreement but shall be limited solely to the interpretation and application of the specific provisions contained herein. However, nothing contained herein shall be construed to limit the authority of an arbitrator in his/her judgment, to sustain, reverse or modify any alleged unjust discharge or disciplinary lay-off that may reach this stage of the grievance procedure. The decision of the arbitrator shall be

final and binding upon the parties hereto. The expenses and fees of the arbitrator shall be shared equally by the Company and the Union.

Section 3: The Company shall notify the president of the Union in writing of the names of employees who are laid off for lack of work (when the lay-off is anticipated to last more than three (3) work days), who are recalled to work after such lay-off, who are laid off for disciplinary reasons, or who are discharged for cause. For the purpose of the time limits specified in Section 2 of this Article and Section 1 of Article IV, delivery of such written notice to the President of the Union, or in his/her absence, to any member of the Union's grievance committee, shall constitute knowledge of such action and the time limits shall date from such delivery. The Union shall have the right to file grievances regarding alleged improper action on the part of the Company with respect to the matters listed in this Section.

Section 4: The Union committee members shall be paid their straight time hourly rate of pay for any time lost from their regularly scheduled work while attending grievance meetings.

- (a) The Union steward shall be permitted to investigate and/or process grievances as provided in the First Step of the grievance procedure and shall be paid for the time necessarily spent in so doing during his/her regularly scheduled working hours his/her regular straight time hourly rate. It is understood that the steward is expected to perform the work for which he/she is employed by the Company and will not abuse the privilege conferred by this Section. If a steward is required to leave his/her work for these purposes such steward shall first obtain permission from his/her supervisor. It is understood that on occasion the steward may not be able to be spared from his/her job for these reasons immediately. In such case the steward shall be permitted to leave his/her job for these purposes as soon as s/he can be spared.

Section 5: The Union's grievance committee shall consist of not more than two (2) members, both of whom shall be employees who shall have completed their probationary period. The Company shall be promptly informed in writing as to the membership of the Union's grievance committee and any changes therein.

Section 6: Wherever the words "regularly scheduled working days" are used in this Article III, they shall be defined as those days which are scheduled between Monday and Friday, both inclusive, excluding holidays recognized under this Agreement.

#### ARTICLE IV - DISCHARGE CASES

Section 1: The Company agrees that an employee shall not be immediately discharged from and after the date of this Agreement, but that in all instances in which the Company may conclude

that an employee's conduct may justify suspension or discharge, such employee shall first be suspended. In all cases of suspension where the employee is at work at the time of the suspension, the Chairperson of the Union's Grievance Committee or, in his/her absence, any member of the Union's Grievance Committee shall be called and the reasons for suspension shall be explained in the employee's presence. Such initial suspension shall be for not more than five (5) regularly scheduled working days, and if the suspension is converted into a discharge, such discharge shall not be made until the end of said five (5) day period. During this period of initial suspension, the employee may, if he/she believes s/he has been unjustly dealt with, request a hearing and a statement of the offense before the Union and the Company grievance committees. The affected employee shall have the right to be present at such hearing. At such hearing, the facts concerning the case shall be made available to both parties. After such hearing or if no such hearing is requested, the Company shall decide, dependent upon the facts of the case, whether the suspension without pay already given is considered sufficient, should be extended, should be converted into a discharge or that no discipline should have been given. If the involved employee or the Union believes that the ultimate action taken under this Section was improper, either may file a grievance with regard thereto at the Third Step of the grievance procedure within three (3) regularly scheduled working days after the Chairperson of the Union's Grievance Committee (or in his/her absence, any member of the Union's Grievance Committee) receives a written notice of such action from the Company.

Section 2: In the event it should be decided under the grievance procedure that the employee was unjustly discharged, the Company shall reinstate such employee and pay full compensation, partial or no compensation as may be decided under the grievance procedure for the time lost from work by the employee.

## ARTICLE V - STRIKES AND LOCKOUTS

Section 1: The International and Local Union agree that during the life of this Agreement they will not authorize, condone or engage in a work stoppage, slowdown or strike. The Company agrees that during the same period there will be no lockouts.

Section 2: Employees who instigate, aid or engage in a work stoppage, intentional slowdown or strike may be disciplined or discharged in the sole discretion of the Company. However, the question as to whether the action engaged in by such employees is such as is proscribed by this Section may be submitted to the grievance procedure.

## ARTICLE VI - SENIORITY

Section 1: Plant-wide seniority shall be defined as an employee's length of continuous service with the Company since his/her last hiring date. "Last hiring date" shall mean the date upon

which an employee was hired since which s/he has not quit, retired or been discharged. An employee's seniority shall terminate:

- (a) If s/he quits, retires or is discharged.
- (b) If, when s/he has been recalled to work following a layoff, s/he refuses or fails to return to work within five (5) regularly scheduled working days after a written notice by certified mail of such recall is sent to his/her last address on record with the Company. A copy of such recall notice shall simultaneously be given to the President of the Union (or in his/her absence, to one of the Union stewards). In the event the employee being recalled does not respond, due to not having received the recall notice, the Union (through its president or steward) shall be allowed forty-eight (48) hours within which to see that the employee does respond.
- (c) If s/he is absent for two (2) consecutive scheduled working days without notifying the Company during such two (2) day period of a justifiable reason for such absence, unless it was impossible within such period to give such notice.
- (d) If s/he fails to return to work immediately upon the expiration of a leave of absence without receiving an extension thereof unless it was impossible to do so.
- (e) When s/he has been laid off for lack of work for a continuous period equal to the amount of seniority s/he had acquired as of the start of such layoff or for a continuous period of eighteen (18) months, whichever is the lesser.

Section 2: All new employees shall be probationary employees until they have worked forty-five (45) days for the Company except in the case of the Bulk Operator and Alternate Bulk Operator, such period shall be sixty (60) regularly scheduled working days and, in the case of the Trick Miller, Alternate Miller and Maintenance classifications, such period shall be ninety (90) regularly scheduled working days for the Company. The purpose of the probationary period is to provide an opportunity for supervision to determine whether the employee has the ability and other attributes which will qualify him/her for regular employee status. During the probationary period, the employee shall have no seniority status and may be laid off or terminated in the sole discretion of the Company without regard to his/her relative length of service. At the conclusion of his/her probationary period the employee's name shall be added to the seniority list as of his/her last hiring date.

- (a) Temporary and part-time employees shall acquire no seniority and shall not participate in any of the fringe benefits provided for under this labor agreement.

- (b) A temporary employee shall be defined as one who is hired only for summer work, peak business periods or for temporary periods required because of unusual conditions but not for in excess of one hundred twenty (120) days at any one time except that a temporary employee may fill, on a 'one to one' basis, a position vacated by an employee off work for an extended period of time due to an illness, injury or other leave of absence but not for in excess of eighteen (18) months. The union will be notified of the employee off work and the temporary employee replacing that employee. Temporary employees will not be hired and assigned in such a manner that they fill, on a year-round basis, a permanent vacancy which could otherwise be filled by a permanent, regular, full-time employee.
- (i) If the job occupied by a full-time, temporary employee turns into a permanent full-time position with the Company, and the temporary employee is awarded the position, without a break in service, the seniority date of the employee will be the date on which the employee began as a full time, temporary employee. That date will be utilized as the employee's date of hire for purposes of the right to receive benefits and for the commencement of his/her probationary period. If the former temporary employee is awarded the position after a break in service of any length, his/her date of hire shall be the date on which s/he became a regular, full time employee.
  - (ii) If a full-time, temporary employee is hired by the Company in any position other than that in which he or she was employed as a temporary employee, the seniority date of the employee will be the date on which the employee became a regular full-time employee of the Company and will not include credit for any time worked as a temporary employee.
- (c) A part-time employee shall be defined as one whose period of employment may continue but who works twenty-five (25) hours or less per week. It is understood that the work of part-time employees will be restricted to janitorial services in the office and the plant, yards and grounds maintenance and the loading and unloading of trucks and that two (2) or more part-time employees shall not be hired for the purpose of displacing a regular full-time employee.

Section 3: The Company will maintain an up-to-date seniority list, one copy of which shall be posted on the bulletin board and another given to the president of the Union. Such posted list shall be revised as names are added and/or deleted. An up-to-date seniority list shall be posted and a copy thereof given to the president of the Union within thirty (30) calendar days after a change has been made thereon. The names of all employees who have completed their

probationary periods shall be listed on the seniority list in order of the dates upon which they were hired as employees, starting with the senior employee at the top of the list. The first day worked by an employee shall be considered as the date upon which s/he was hired. If two (2) or more employees are hired on the same day, their names shall appear on the seniority list alphabetically by the first letter or letters of their last name. If two (2) or more employees have the same last name, the same procedure shall be followed with respect to their first names.

Section 4: When it is necessary to reduce the number of employees in a department, the employee scheduled for lay off shall be the employee with the least plant-wide seniority in said department provided always the remaining employees in said department have the then present ability to perform the remaining duties and responsibilities. The employee so removed from the department can then exercise his/her plant-wide seniority to replace the least senior employee on a plant-wide basis provided always that that employee has the then present ability to replace such least-senior employee. If the employee removed from a department cannot perform the duties of the least-senior employee on a plant-wide basis, then s/he shall exercise his/her plant-wide seniority on an ascending order of the seniority list. If s/he replaces an employee by such process, that employee may replace the least senior employee on a plant-wide basis on an ascending order.

- (a) If, during a period of layoff, a permanent vacancy exists in a job classification which is not filled after being posted for bidding, the laid off employee with the most plant-wide seniority who has the then present ability with only simple instructions to satisfactorily perform the required work shall be recalled to fill such vacancy. If there is no laid off employee who has such present ability, then employees, in line with their seniority, will be offered recall with training as provided for in Section 6 of this Article.
- (b) If, during a period of layoff, a temporary vacancy exists in other than the laid off employee's own department, the laid off employee with the most plant-wide seniority who has the present ability with only simple instructions to satisfactorily perform the required work shall be offered the opportunity to fill such temporary vacancy. When work is again available in such employee's own department s/he must return thereto. It is understood that for temporary vacancies which are not to exceed five (5) regularly scheduled working days, the Company may elect to cover the same as provided in Section 11 of this Article.

Section 5: When it becomes necessary to fill a new, permanent job classification or a permanent vacancy in an existing job classification, a notice of such opening or vacancy shall be posted on the plant bulletin boards for a period of three (3) regularly scheduled working days during which time employees interested in being considered for such opening or vacancy may so indicate by signing such posting. The opening or vacancy shall be filled on the basis of seniority and ability in the following manner:

- (a) If the vacancy is such as requires an employee with the then present skills and ability to satisfactorily perform the job requirements (skilled tradesmen or trick miller) and no employee signing such posting possesses the then present skills and ability to do so, the Company shall have the right to hire new employees with the appropriate skills and qualifications for such job classification.
  - (1) When a permanent vacancy occurs in the Trick Miller classification, all current Trick Millers and Alternate Millers shall be given the first opportunity to bid for the vacancy and all other mill employees except for Utility Persons will be given the second opportunity to bid for the vacancy.
- (b) If, under subsection (a) above, the Company is unable to hire a new employee with the appropriate skills and qualifications for such job classification, or if it is not required that the opening or vacancy be filled by an employee with the then present skills and ability, then such opening or vacancy shall be posted for a period of three (3) regularly scheduled working days indicating thereon that the provisions of Section 6 of this Article shall apply to the successful bidder and the opening or vacancy shall be awarded to the bidding employee with the most plant-wide seniority who can readily learn to perform the requirements of the job classification. It is the Company's intention that an employee thus awarded the job shall be transferred thereto promptly. However, it is understood that when a chain of bidding results from an initial bid such transfer may be delayed until after the identity of all successful bidders in such chain of bids is ascertained.

Section 6: Whenever an employee is awarded a job through the bidding procedure as provided in Section 5, s/he shall have a fair trial period of not to exceed fifteen (15) regularly scheduled working days [except, in the case of the Bulk Operator, Alternate Bulk Operator and Alternate Shift Packer such period shall not exceed sixty (60) regularly scheduled working days and, in the case of Trick Miller and/or Alternate Miller and Maintenance classifications, such period shall not exceed ninety (90) regularly scheduled working days in which to demonstrate that s/he has the aptitude for and will be able to readily learn to perform the job requirements to the extent that s/he is entitled to remain in such job classification. This Section shall not be construed to mean that an employee who obviously will be unable to perform the job requirements in an acceptable manner will be given such a trial period, nor that any employee who demonstrates during such trial period that s/he does not have the aptitude for or will not be able to readily learn to perform the job requirements in an acceptable manner will be allowed to remain on such job for the full time above specified.

- (a) If an employee who has been awarded a job as above provided fails to satisfactorily complete the trial period or disqualifies himself/herself on such job

within fourteen (14) days of starting the new job, s/he shall be returned to the job classification from which s/he bid and the next less senior employee who has the ability to readily learn to perform the requirements of the job classification who had signed for such posted vacancy shall be awarded the job and shall be subject to the provisions set forth in this Section.

- (b) If an employee fails to satisfactorily complete the trial period or disqualifies himself/herself during such trial period on two (2) successive occasions within a period of twelve (12) consecutive months, s/he shall not be permitted to again bid during the six (6) months period following the second set back. For the purpose of this subsection self-disqualification shall be deemed to be the same as failure to satisfactorily complete a trial period.

Section 7: In order to hold the classifications of Trick Miller or Alternate Miller an employee must have successfully completed the International Association of Operative Millers correspondence courses in Flour Milling within three (3) years of his/her hire date, or the date the employee was awarded the job. Additionally, employees must have successfully completed the short course in milling at Kansas State University within five (5) years of the date the employee was awarded the job. If the employee fails to successfully complete the courses within these time limits s/he may be removed from the position and permanently disqualified from both positions. Such employees may exercise their bumping rights in accordance with Article VI, Section 4.

- (a) The Company will pay Trick Millers and Alternate Millers who have successfully completed the International Association of Operative Millers correspondence course in flour milling and the Kansas State University short course the following incremental increases in their base rate of pay:
  - (i) A one and one-quarter percent (1 1/4%) increase upon the successful completion of each of the eight (8) units of the IAOM correspondence course; and
  - (ii) A three percent (3%) increase upon the successful completion of the Kansas State University short course.
  - (iii) A two percent (2%) increase upon completion of five (5) years continuous experience as a miller or alternate miller and completion of the IAOM correspondence courses and Kansas State University short course.

Section 8: In order to hold the classification of Maintenance Person, an employee must have successfully completed the training specified in the Maintenance Training Program within the time provisions so specified. If the employee fails to successfully complete the courses within the time provisions specified in the Maintenance Training Program, s/he may be removed from

the position and permanently disqualified from the position. Such employee may exercise his/her bumping rights in accordance with Article VI, Section 4.

- (a) Employees who hold the Maintenance Person classification shall receive the following pay increases based upon their successful completion of the Company's training program:
  - (i) 4% at completion of 250 credit hours within 2 ½ year maximum time limit.
  - (ii) An additional 4% at completion of 500 credit hours within 2 ½ years maximum time period following the completion of 250 credit hours.
  - (iii) An additional 4% at completion of 750 credit hours within 2 ½ years maximum time period following the completion of 500 credit hours.
  - (iv) An additional 6% at completion of the Maintenance Mechanic Program within 2 ½ years maximum time period following the completion of 750 credit hours.
- (b) The time limits begin at the completion of the employee's probationary period for the maintenance position as outlined in Article VI, Section 2 and Section 6.

Section 9: Any employee classified as, or who successfully bids into, the positions of Elevator Operator, Bulk Operator, Trick Miller, Alternate Miller, Alternate Bulk Operator, Shift Packer or Alternate Shift Packer, must possess or obtain within ninety (90) days of being awarded a job in one of the above classifications, certification as a Commercial Pesticide Applicator (with commodity endorsement) and Warehouse Persons must possess or obtain certification as a Commercial Pesticide Applicator (with right of way endorsement) and must possess or obtain a chauffeur's license in accordance with the rules and regulations promulgated by an agency or department of the State of Michigan or federal government. The ninety (90) day period may be extended by mutual agreement between the Union and management.

The Company shall, the first time the employee takes the certification exams (not including the chauffeur's license), pay the employee his/her normal straight time hourly wage for the time incurred in commuting to and from the examination site and taking the exams. For the first two (2) times the employee takes the exam, the Company shall compensate the employee for mileage when the employee's personal vehicle is used. The Company will compensate the employees for mileage at the Company rate then in effect.

The Company will pay the license and examination fees charged by an agency or department of the State of Michigan or federal government for obtaining certification as a Commercial Pesticide Applicator.

When an employee is required by an agency or department of the State of Michigan or federal government to be recertified as a Commercial Pesticide Applicator or renew their chauffeur's license, the employee shall obtain such recertification or license renewal prior to the expiration of the employee's current certification or license. Under such circumstances, the Company shall pay the following costs relating to certification as a Commercial Pesticide Applicator:

- (1) License and examination fees,
- (2) For the first two (2) times the employee takes the recertification exams, the Company shall compensate the employee at his/her normal straight time hourly wage for the time incurred in commuting to and from the examination site and taking the exams.
- (3) For the first three (3) times the employee takes the exam, the Company shall compensate the employee for mileage at the Company rate then in effect when the employee's personal vehicle is used.

Costs associated with obtaining a chauffeur's license are the responsibility of the employee.

A new employee, who fails to obtain certification or their chauffeur's license within the time frame stated in paragraph 1 above, shall have no seniority status and may be laid off or terminated in the sole discretion of the company without regard to the employee's relative length of service and without resort to the grievance procedure.

A current employee who fails to obtain certification or their chauffeur's license after being awarded a job through the bidding procedure as provided in Article VI, Section 5, or who fails to become recertified as a Commercial Pesticide Applicator or renew their chauffeur's license, shall be disqualified from the job classification. The employee may bid into any vacancy created by the disqualification unless the available position requires one of the aforementioned licenses.

Section 10: Where referred to in this Agreement, the words "with only simple instructions" shall mean that the employee has the then present ability to satisfactorily perform the work of such job classification requiring only that s/he be instructed in how the job is to be performed, the unusual aspects of the job and the end results s/he is expected to achieve in the performance of the job requirements. The period during which an employee will be given simple instructions shall not exceed three (3) hours in duration.

Section 11: The Company shall have the right to temporarily transfer employees from one job classification to another irrespective of their relative seniority status to cover for employees who are absent due to illness, accident, vacations or leaves of absence for the duration of such absences. If through death, retirement or termination of employment (either voluntary or involuntary) the Company determines, in its discretion, that a vacancy exists and elects to fill that vacancy, it may fill it with a temporary employee or by means of a temporary transfer for a maximum of one hundred twenty (120) days, after which time the position will be posted. The Company shall have the right to temporarily transfer employees to fill temporary jobs and to take care of unusual conditions or situations that may arise for a period of not to exceed thirty (30) calendar days. The Company shall have the right to temporarily transfer employees from one classification to another, in conjunction with the procedures of Section 4 of this Article, to avoid layoffs, for a period not to exceed one hundred eighty (180) days. [For applicable rate of pay see Section 11(c) of Article IX.]

Section 12: Any employee who has been or in the future is promoted from the bargaining unit to a supervisory position or other job with the Company shall retain the plant-wide seniority s/he had acquired as of the time of such promotion for a maximum period of twelve (12) months. If such employee is removed from his/her supervisor or other job with the Company for any reason other than discharge for reasons considered valid under this Agreement, such employee shall be allowed to return to a job within the bargaining unit in accordance with the provisions set forth in Section 4 of this Article.

## ARTICLE VII - LEAVES OF ABSENCE

Section 1: An employee who has completed his/her probationary period may be granted a leave of absence without pay for personal reasons for a period of not to exceed thirty (30) calendar days without loss of seniority, provided in the judgment of the Company, s/he can be spared from his/her work and provided s/he obtained advance written permission from the Company. In the event of a compelling need, the Company may extend such leave of absence without loss of seniority for a reasonable amount of time. Leaves of absence will not be given for the purpose of enabling any employee to work for another employer and any employee who works for another employer during a leave of absence without having received advance written permission from the Union and the Company to so work shall be discharged. A leave of absence will only be granted under this Section after an employee has exhausted his/her vacation days.

Section 2: An employee who has completed his/her probationary period and who because of illness, accident or pregnancy is physically unable to report for work or who because of such disability is unable to regularly and/or safely perform the requirements of a job classification shall be given a leave of absence without loss of seniority for a period of not to exceed the amount of seniority s/he had acquired at the start of such leave of absence or for eighteen (18) consecutive months, whichever is the lesser, provided s/he promptly notifies the Company of the

necessity therefor and provided further that s/he supplies the Company with a certificate from a medical doctor of the necessity for such absence and for the continuation of such absence when the same is requested by the Company. In the event the employee demonstrates that because of such disability s/he is unable to regularly and/or safely perform the job requirements of a job classification s/he shall be given such leave of absence as of the date his/her inability to do so has been demonstrated to the Company. The Union will be notified of any such leaves of absence. It is understood and agreed that the Company may require certification from the employee's medical doctor certifying to the employee's physical fitness to return to work following such leave of absence.

Section 3: Leaves of absence shall be granted, without loss of seniority, to regular employees who are active in the National Guard or a branch of the Armed Forces Reserves of the United States for the purpose of fulfilling their annual field training obligations and when called out due to temporary civil disturbances. Application for leaves of absence for such purposes must be made as soon as possible after the employee receives his/her orders.

Section 4: The reinstatement rights of any regular employee who enters the military service of the United States by reason of an Act or Law enacted by the Congress of the United States, or who may voluntarily enlist during the effective period of such Law shall be determined in accordance with the provisions of the Law granting such rights.

Section 5: Regular employees who at the time have completed their probationary period, shall receive the amount of pay they would have received on a regular eight (8) hours straight time basis for each day necessarily lost during their normal work week (Monday through Friday), not to exceed three (3) days to make arrangements for and attend the funeral of a member of their immediate family. If the employee was scheduled to work on a Saturday and/or Sunday occurring between the date of the death and the date of the funeral, such day or days s/he was scheduled to work shall be counted toward the maximum of three (3) days funeral leave at eight (8) hours of straight time pay each as referred to herein. This payment shall not be made for any of such three (3) days on which the employee for any other reason would have been absent from work. Immediate family shall be defined as an employee's current spouse, children, step-children, father, mother, father-in-law, mother-in-law, brother or sister. The definition of immediate family is also to include step-parent; however, the provisions of this section are to be restricted to one father and one mother, whether a biological parent or step-parent. The three (3) days above referred to shall end not later than the day of the funeral and to be eligible for such pay the employee must notify the Company as soon as possible of the necessity for such absence, must attend the funeral and, if requested by the Company, must present proof of death.

- (a) Regular employees, who at the time have completed their probationary period, shall be allowed one day off without pay to attend the funeral of a grandparent. For purposes of this Subsection (a), grandparent is defined as the mother or father

of the employee's mother or father. The employee must attend the funeral and, if requested by the Company, must present proof of death.

- (b) Regular employees, who at the time have completed their probationary period, shall be allowed one day off with pay to attend the funeral of a brother-in-law or sister-in-law as those relationships are defined in Black's Law Dictionary. The procedure for computing the single day of pay under this Subsection (b) will be in accordance with Section 5 above. To be eligible for such pay, the employee must notify the Company as soon as possible of the necessity for such absence, must attend the funeral and, if requested by the Company, must present proof of death.

Section 6: A regular employee who has completed his/her probationary period, who is required to report for and/or perform jury duty as prescribed by applicable law, on each day on which s/he necessarily reports for and/or performs jury duty during hours s/he otherwise would have been scheduled to work for the Company, shall be paid the difference between what s/he receives from the Court as daily jury duty fees and what s/he would have earned from the Company for hours so lost from work for jury duty not to exceed eight (8) hours of pay per day or forty (40) hours of pay per week at his/her regular hourly rate of pay. In order to receive this payment from the Company, the employee must (1) give the Company prior written notice that s/he has been summoned for jury duty, (2) furnish satisfactory evidence that s/he performed such jury duty on the days for which s/he claims such payment, (3) produce satisfactory evidence of the amount s/he was paid in jury duty fees, and (4) each day report to work before and/or after jury duty if s/he can work two (2) or more hours on his/her shift.

- (a) In any event, a regular employee who has completed his/her probationary period, and who is called for and performs jury duty for a period in excess of one-half (½) day, shall not report for work but shall be paid therefor at his/her regular hourly rate of pay for eight (8) straight time hours [not to exceed forty (40) hours in any one (1) week] less what s/he receives from the Court as jury duty fees for that day. An employee who volunteers for jury duty shall not qualify for jury duty pay hereunder.

Section 7: Requests for leaves of absence must be made in writing to the Company prior to the start of the anticipated leave of absence except where it was impossible to do so. In those cases where it is not possible to make advance written requests therefor, oral or telephonic requests must be made as soon as possible and confirmed by written request as quickly thereafter as is possible. Confirmation of approved leaves of absence shall be in writing with one (1) copy thereof sent to the affected employee and one (1) copy to the chairperson of the Union's committee.

## ARTICLE VIII - HOURS OF WORK

Section 1: The normal work day shall consist of eight (8) hours and the normal work week shall consist of forty (40) hours, Monday to Friday, both inclusive. However, nothing contained herein shall be construed to constitute a guarantee of eight (8) hours of work or pay per day or forty (40) hours of work or pay per week.

Section 2: For the purpose of this Agreement the week shall begin at 10:00 p.m. on Sunday. For such employees, the hours worked on Sunday between 10:00 p.m. and midnight will be considered as work performed on the following Monday.

Section 3: In the Mill, Elevator and Bulk Storage, the normal shift hours shall be: for the first shift from 10:00 p.m. until 6:00 a.m., for the second shift from 6:00 a.m. until 2:00 p.m., and for the third shift from 2:00 p.m. until 10:00 p.m. with a thirty (30) minute paid lunch period at or near the midpoint of the shift.

Section 4: For all other operations the normal hours of work shall be from 8:00 a.m. until 4:00 p.m. with a thirty (30) minute paid lunch period at or near the midpoint of the shift.

Section 5: Employees shall be required to be at their job station and ready to start work at the start of their shift and shall be required to remain at work until the end of their shift except for their paid lunch period and except for the following period:

- (a) Employees shall be entitled to a fifteen (15) minute break period during the first and second half of their shift at times designated by the Company. Employees shall be required to remain at work until the start of their lunch and break periods and be back at their work stations and resume work at the end of such lunch and break periods.

Section 6: When daily overtime is to be worked, the Company will endeavor to give the employee involved reasonable advance notice, if possible. The opportunity to work the same shall be offered to the employees within the department where the work is available who have the job classification associated with the work to be performed and who are working the shift that immediately precedes or follows the time when the overtime is to be performed. Otherwise, the work shall be offered on a seniority basis to employees within the department where the work is available who have the then present ability to satisfactorily perform the same. Finally, the work shall be offered on a seniority basis to employees in the plant who have the then present ability to satisfactorily perform the same. Senior employees with such present ability may waive the opportunity to work a daily overtime assignment provided a less senior employee with the then present ability is available to work it.

Section 7: When it becomes necessary to assign weekend overtime, the opportunity to work the same shall be first offered to the employees within the affected department who have the then-present ability to perform the work on a plant-wide seniority basis. Senior employees with such present ability may waive the opportunity to work such weekend overtime provided a less senior employee within the department with the then-present ability is available to work it.

- (a) When weekend overtime is to be worked, the Company will endeavor to give the employee involved reasonable advance notice, if possible. If the Company notifies employees by posting a bulletin board notice at or before 1:30 p.m. on the preceding Thursday that weekend overtime is scheduled, the Company shall have the right to require such employees to work the overtime.
- (b) Whenever possible, the Alternate Miller will fill in for an employee in the milling department who is sick or on vacation unless the Alternate Miller already has worked eight (8) hours in that day.
- (c) When the mill is operating and weekend overtime is required, the mill employees will work their current shift.
- (d) When weekend overtime is required in the mill and the mill is not operating, the employees will work their current shifts. If overtime is required for less than three (3) shifts, the overtime will be offered on a seniority basis to employees within the mill department who have the then present ability to satisfactorily perform the same.

Section 8: When overtime is required (either weekend or daily) and the affected department does not have enough existing employees to cover the overtime, the overtime will be made available to the most senior employees outside the department who have the then-present ability to perform the work on a plant-wide seniority basis.

Section 9: In the case where an employee has made a commitment to overtime work and then is unable to meet such commitment and thereby causes the Company to get a replacement, s/he shall automatically lose his/her next opportunity to perform overtime work unless so assigned by the Company. An employee shall be excused from his/her commitment to overtime work, and shall not lose his/her next opportunity to perform overtime, if his/her inability to perform such overtime work results from the utilization of funeral leave, leave for jury duty, or leave for national guard or reserve duty.

Section 10: Regular full-time employees who have the then-present ability to perform the work will be offered available overtime on a plant-wide seniority basis before temporary employees are given the opportunity for overtime subject to the following conditions:

- (a) Harvest time temporaries will be entitled to overtime during the regular work week and during the hours that the elevator is open to receive wheat on the weekends. Regular full-time employees, however, will be given priority for overtime opportunities on each day of the weekend when the elevator is not receiving wheat. Any regular full-time employee who is scheduled for, or volunteers for overtime on a weekend will not be given priority except for overtime opportunities in excess of eight (8) hours. Regular full-time employees will be given priority for all overtime opportunities, both weekend and weekday, over non-harvest time temporary employees.
- (b) Overtime opportunities will be given to regular full-time employees based upon their plant-wide seniority, provided they have the then-present ability to perform the available work.
- (c) Regular full-time employees will be paid, for purposes of calculating overtime, the base rate of pay set forth in the contract for the job actually worked rather than for the classification they hold on a permanent basis.
- (d) The Company will designate the work available for overtime. The employee will not select the overtime work s/he wishes to perform.

#### ARTICLE IX - WAGES

Section 1: The job classifications and hourly rates of pay therefor are set forth in Appendix A and by this reference made a part hereof.

- (a) When, during the life of this Agreement, the management establishes a new job classification, a copy of the job description of the new job classification and the rate of pay that has been set therefor shall be given to the chairman of the Union's committee. If the Union questions the adequacy of the rate set for such new job on the basis of its relationship with the rates of pay and job content of other jobs then in existence in the operations, the Union's committee shall have the right to negotiate with management with respect to such rate. If no mutually satisfactory agreement with respect thereto has been arrived at within ten (10) regularly scheduled working days after the Union receives the above referred-to job description and notice of rate, the matter may be referred to the grievance procedure starting at the Second Step thereof and may be appealed through arbitration. In the event the resulting rate exceeds that set by management at the outset, the new rate of pay shall be retroactive to the date the new job was established or, if new equipment is involved, retroactive to the date the equipment was cleared for productive operations.

Section 2: It is understood and agreed that in return for wages, fringes and working conditions specified in this labor Agreement, employees shall be required to render a fair day's work for the Company.

Section 3: A shift premium of twenty-six cents (\$.26) per hour in addition to the employee's regular rate will be paid to all employees who are permanently scheduled to work the third shift. A shift premium of forty-seven cents (\$.47) per hour in addition to the employee's regular rate will be paid to all employees who are permanently scheduled to work the first shift. Such premiums shall be added to the straight time hourly rate of pay before the computation of any applicable overtime payments.

- (a) If a shift worker is required to come to work prior to the start of his/her shift or remain beyond the end of his/her shift to perform work on a job for which a shift premium is paid, for the hours so worked on such job s/he shall be paid the appropriate shift premium for the shift on which the work is performed or the premium applicable to his/her own shift, whichever is greater.

Section 4: Time and one-half the employee's regular rate of pay will be paid for all hours worked in excess of eight (8) hours per day or in excess of eight (8) continuous hours Monday through Friday.

Section 5: Time and one-half the employee's regular rate of pay will be paid for all hours worked on Saturday.

Section 6: Two (2) times the employee's regular rate of pay will be paid for all hours worked between 10:00 p.m. on Saturday and 10:00 p.m. on Sunday.

Section 7: Two (2) times the employee's regular rate of pay will be paid for work performed on any of the full holidays specified in Article X of this Agreement, except the employee's birthday, in addition to the holiday pay provided for in Section 3 of Article X if the employee qualifies for the latter. The holiday shall be considered to be from 10:00 p.m. on the previous day until 10:00 p.m. on the holiday.

Section 8: It is understood and agreed that there shall be no duplication or pyramiding of overtime or any other premium payments under this Agreement. In the event more than one overtime or premium rate applies in a given day, only the highest single premium rate will be paid for work performed on that day.

Section 9: An employee who reports for work at the start of his/her regularly scheduled shift and is sent home because there is no work available for him/her shall receive two (2) hours of straight time pay for so reporting, at the rate s/he would have received on his/her own job. If

such employee is put to work, s/he shall be guaranteed a minimum of four (4) hours of work or four (4) hours of straight time pay in lieu thereof. This reporting pay provision shall not apply when failure to have work available for such reporting employee is due to causes beyond the control of the Company, is due to a civil disturbance, threat or rumor thereof, nor shall it apply if the employee has been advised in advance that there would be no work, was not reasonably available to receive such notice, has no telephone, or when offered work for such four (4) hour period refused to perform the same.

Section 10: An employee who is called in to perform work at a time other than that for which s/he had previously been scheduled shall be guaranteed a minimum of three (3) hours of work or in the absence thereof a minimum of three (3) hours of straight time pay at his/her classification rate. If the employee works more than three (3) hours when called in to perform work at a time other than that for which s/he had previously been scheduled, the employee shall receive an additional one (1) hour of straight time pay at his/her classification rate. This provision does not apply to employees who were previously scheduled to come in to perform a specific task, who were scheduled to start work prior to their regular starting time or who may be retained after their regular quitting time nor shall it apply to employees who are called in for periods of less than three (3) hours prior to the start of their shift but who continue to work their regular shift thereafter.

Section 11: When an employee bids, bumps or is temporarily transferred under the terms of this Agreement, the following provisions shall apply with respect to the applicable rate of pay:

- (a) When, through the bidding procedure, an employee is awarded a job for which the hourly rate of pay is higher than the rate s/he was receiving at the time of bidding, such employee shall, for the fair trial period (as stated in Article VI, Section 6), continue to receive his/her present rate; PROVIDED, HOWEVER, that if the employee successfully bids from a lower paid position to the positions of Trick Miller, Alternate Miller, Bulk Operator or Maintenance, the employee's rate of pay shall remain at his/her previous level for sixty (60) regularly scheduled working days. At the end of said period, the employee shall be advanced to the hourly rate applicable to the job for which s/he bid. If, in the supervisor's judgment the employee is fully qualified to satisfactorily perform all phases of such job prior to the end of such period, such employee will be advanced to the hourly rate applicable to the job as of that time.
- (b) When an employee bumps into or through the bidding procedure an employee is awarded a job for which the hourly rate of pay is less than the hourly rate for the job from which s/he bumps, such employee shall thereupon receive the hourly rate of pay applicable to the job onto which s/he thus bids or bumps.

- (c) When an employee is temporarily transferred for the convenience of the Company as provided for in Section 11 of Article VI, such employee shall receive the rate of pay s/he was receiving on his/her own job or the rate applicable to the job classification to which s/he is so transferred, whichever is the greater.

Section 12: Payday shall be on or about Thursday noon for the week ending on the preceding Sunday, except when because a holiday occurs on any of the first three days in the week, the paychecks cannot be available by that time, in which event payday will be on or about Friday noon.

Section 13: The Company agrees for the life of this Agreement, to maintain the level of group insurance benefits currently in place subject to the provisions of this section. The Group Life and Accidental Death and Dismemberment benefits shall be nineteen thousand (\$19,000) dollars. The Group Life and Accidental Death and Dismemberment and Health coverage will cease upon an employee's retirement. The Sick and Accident weekly benefit shall be fixed at the sum of \$310.00, but the benefit level may not exceed 66 2/3% of the employee's basic compensation received from the Company. The Company agrees to pay the entire cost of the Group Life, Accidental Death and Dismemberment, and Sickness and Accident insurance during the term of this Agreement. Each employee shall make a monthly contribution to the Company for his/her health and hospitalization and dental insurance coverage as set forth below in this section. The sum contributed will be deducted in equal amounts from the employee's first four weekly paychecks of each month. The amount of the monthly contribution will be determined using a "pooling method" as outlined below.

In order to determine the employee's share of the premiums, a pool will be created by multiplying the total number of employee participants in the Health and Hospitalization and Dental plans (Participants) by \$850.00. The amount in the pool will be recalculated on January 1 of each year by multiplying the number of employee participants at that date by \$850.00. If the dollar value of the pool exceeds the actual cost of the Health and Hospitalization and Dental insurance, an employee's monthly contribution will remain at \$50 for Single coverage, \$90 for Two-Person coverage and \$110 for Family coverage. If the dollar value of the pool is less than the actual cost of the Health and Hospitalization and Dental insurance (a 'deficit'), the monthly contribution amount for a Single, Two-Person or Family will increase by an amount calculated using the ratio of the 'deficit' to the actual cost of the Health and Hospitalization and Dental insurance multiplied by the then current monthly premium for the level of insurance in which the employee participates for such coverage. An employee's monthly contribution will be capped at and shall not exceed 15% of the then current monthly premium for the level of insurance in which the employee participates for such coverage.

An employee who opts out of the Health and Hospitalization and Dental plans completely will receive an amount equal to 20% of the monthly premium for the level of coverage for which s/he is eligible at that time. The amount will be placed in the Company's Section 125 cafeteria plan.

The employee can designate the money to be placed in his/her 401(k) plan or used for reimbursement of qualified medical expenses.

- (a) For those employees who are laid off due to lack of work or on prolonged leaves of absence, the Company will pay its share of the premium for the above coverage through the month following the month in which the start of such layoff or leave of absence began. The Employee's contribution may be deducted from any check issued to the employee by the Company. In order for such employees to continue coverage beyond such time, they must make arrangements for the payment of the total premium or subscription rate for succeeding months, in which event coverage will be available to them to the extent permitted by the respective policies and/or certificates. If an employee fails to pay his/her premium within thirty (30) days of the date it is due, the insurance will be canceled.
- (b) For an employee who has seniority of four (4) years or more who is on a leave of absence necessitated by his/her own illness or injury the Company will pay its share of the premium for the above coverage for the duration of such leave or for eighteen (18) consecutive months from the start of such leave, whichever is the lesser. The employee's contribution may be deducted from any check issued to the employee by the Company. For those employees with less than four (4) years seniority, the Company will pay its share of said premiums only through the month following the month in which the start of such leave of absence began. If an employee fails to pay his/her share of the premium within thirty (30) days of the date it is due, the insurance will be canceled.
- (c) With respect to new hires and the rehire of persons having no seniority, after the completion of forty-five (45) work days of regular, full time employment, the Company shall be required to pay the cost of individual employee medical insurance coverage, dental insurance, Sick and Accident, Life Insurance and Accidental Death and Dismemberment coverage as provided in this Agreement. It shall be the employee's responsibility to pay the cost of spousal and dependent coverage for the first six (6) months upon completing his/her probationary period. At the end of the six (6) month period, the Company shall be required to provide the same insurance coverage as is afforded other employees. This Section shall not affect any of the provisions of Article IX, Section 13. The benefits and benefit levels are provided subject to the employee's individual ability to meet the qualifications for coverage established by the insurance carriers themselves. It is the intention of the Company only to make the coverage available, and pay the premiums negotiated in this contract for that coverage. The Company cannot guarantee that each and every employee will qualify for the coverage.

- (d) The Company shall have the right to change insurance carriers and coverage during the term of this Agreement in its discretion, after prior notice and consultation with the Union, and provided that the coverage does not materially change the coverage currently provided.

Section 14: The present 401(k) plan for regular, full-time employees who have completed their probationary period shall continue in effect for the duration of this Agreement. The Company will contribute fifty-five cents (55¢) per compensated hour (not to exceed 40 hours per week) into each employee's 401(k) account.

Section 15: The present 401(k) plan for hourly rated employees shall continue in effect for the duration of this agreement. The Company will contribute a 50% match up to an employee's contribution of 50¢ per hour (maximum employer contribution of 25¢ per hour).

Section 16: After completion of twenty-six (26) weeks of continuous, permanent full-time employment, an employee is entitled to share in the bonus program. Semi-annual bonus payments will be made on the paydays preceding Memorial Day and Thanksgiving Day. The bonus payments will be a percentage of an employee's gross earnings for a six (6) month period from the last bonus qualification date. The bonus paid in May will be based upon the employee's gross earnings for the preceding November through the final pay day in April. The bonus paid in November will be based upon the employee's gross earnings for the preceding May through the final pay day in October.

- (a) An employee who completes more than twenty-six (26) weeks of continuous full-time employment and is employed on the bonus qualification date, (i.e. final pay day in April or October), is entitled to share in the bonus program based on his/her plant-wide seniority, measured on the bonus qualification date, according to the following schedule:
  - (1) One percent (1%) for employment of twenty-six (26) weeks or more, but less than one (1) year.
  - (2) Three percent (3%) for employment of one (1) year or more, but less than five (5) years.
  - (3) Four percent (4%) for employment of five (5) years or more, but less than eight (8) years.
  - (4) Five percent (5%) for employment of eight (8) years or more, but less than ten (10) years.

- (5) Six percent (6%) for employment of ten (10) years or more, but less than twenty (20) years.
  - (6) Seven percent (7%) for employment of twenty (20) years or more.
- (b) An employee who completes more than twenty-six (26) weeks of continuous, full-time employment and is then laid off, is entitled to share in the bonus program based on the number of weeks worked since the last bonus qualification date, arising during his/her employment, according to the following schedule:
- (1) For employees employed during said period for four (4) weeks, but less than nine (9) weeks, twenty percent (20%) of the scheduled bonus.
  - (2) For employees employed during said period for nine (9) weeks, but less than thirteen (13) weeks, thirty percent (30%) of the scheduled bonus.
  - (3) For employees employed during said period for thirteen (13) weeks, but less than seventeen (17) weeks, fifty percent (50%) of the scheduled bonus.
  - (4) For employees employed during said period for seventeen (17) weeks or more, but less than twenty-one (21) weeks, seventy-five percent (75%) of the scheduled bonus.
  - (5) For employees employed during said period for twenty-one (21) weeks or more, one hundred percent (100%) of the scheduled bonus.
- (c) An employee who has his/her continuous full-time employment with the Company interrupted, for any reason, for a period of twelve (12) months or more shall lose past credit for future application of the bonus plan and shall have Section 16(a)(1) applied to him/her upon his/her reinstatement to continuous full-time employment.

## ARTICLE X - HOLIDAYS

Section 1: New Years Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the Friday after Thanksgiving Day, December 24, Christmas Day and the

employee's birthday are recognized as holidays for which, except the employee's birthday, the Company will not normally schedule work.

When any of these holidays, except the employee's birthday, occur on a Sunday, the following Monday shall be observed as the holiday. Qualified employees will receive one (1) day's pay for each such holiday.

(a) Birthdays:

- (1) A qualified employee must notify his/her supervisor in writing at least one (1) week prior to his/her birthday as to the specific date upon which s/he desires to take such holiday. If the employee desires a subsequent date, the Company will endeavor to permit him/her to take the day of his/her choice. However, if this cannot be done, arrangements will be made for a date as near to that requested as is possible. If the employee selects a day other than his/her actual birthday for the holiday, the double time provision for work performed on a holiday shall not apply to work performed on his/her actual birthday.
- (2) An employee may take a birthday holiday off with pay prior to the date of his/her actual birthday subject to the following conditions:
  - (i) If the employee quits, is discharged or is laid off after having taken the birthday holiday in advance of his/her actual birthday, the Company may deduct from his/her last paycheck an amount equal to the pay s/he received for the birthday holiday. If s/he returns from layoff in advance of his/her actual birthday, the Company will refund, on the date of his/her birthday, the amount taken from his/her final paycheck prior to layoff.
  - (ii) An employee may not take the birthday holiday in advance of his/her actual birthday, on the last scheduled day before or the first scheduled day after another holiday.
  - (iii) An employee may take his/her birthday holiday in advance of his/her actual birthday in conjunction with vacation days; ONLY IF s/he has less than five days of vacation remaining unused and s/he uses all

the remaining days in conjunction with the advance birthday holiday.

- (iv) The advance birthday holiday may be taken only if, in the opinion of the Company, production requirements permit.
- (b) In each year that Christmas falls on a Thursday, the following Friday shall be a paid holiday.
- (c) Employees shall be entitled to one (1) paid personal day off during each contract year, provided that at least one (1) week advance notice is given to the Employer and the employee has completed his/her probationary period. No more than one (1) employee shall be permitted to take such personal day at the same time. For good cause, the Company, at its sole discretion, may waive the required one (1) week notice period. Upon completing one year of continuous service, employees shall be entitled to two (2) paid personal days on the same terms and conditions.
- (d) A personal day cannot be taken on the last scheduled working day before the start of the employee's vacation, the first regularly scheduled working day following the employee's vacation, or the last regularly scheduled day before a paid holiday or on the first regularly scheduled working day after a paid holiday unless written permission is first obtained from the Company. Such written permission will be issued at the sole discretion of the Company.

Section 2: To qualify for holiday pay hereunder, an employee must be a regular, full-time employee, must have completed forty-five (45) work days of regular, full time employment and must have worked the last day his/her department was scheduled to work before the holiday and the first day his/her department was scheduled to work after the holiday, (1) unless either or both of such days occurred during his/her vacation period, (2) unless the reason such employee did not work on the day before and/or day following such holiday is because of a necessary absence due to his/her proven illness or injury, the start of which absence occurred within the seven (7) calendar day period immediately preceding such holiday or occurred on such holiday or the first day his/her department was scheduled to work following such holiday, or (3) unless such employee was excused in writing by his/her supervisor from working all or part of the hours his/her department was scheduled to work on such days.

Section 3: One (1) day's pay as referred to in Section 1 above shall constitute eight (8) hours of pay at the employee's regular straight time hourly rate at the time such holiday occurs.

- (a) When an employee is required to work on any of the above-named holidays, s/he shall receive his/her holiday pay in addition to two (2) times his/her regular hourly rate of pay, for the hours so worked.
- (b) If a paid holiday occurs during a qualified employee's scheduled vacation, s/he will receive the holiday pay in addition to his/her vacation pay.

#### ARTICLE XI - VACATIONS

Section 1: Full-time employees shall receive a vacation with pay in accordance with the following schedule:

- (a) An employee who, as of January 1 of any year, has completed his/her probationary period but less than three (3) years of continuous service with the Company since his/her last hiring date shall receive one ( 1 ) week of vacation with one (1) week of vacation pay.
- (b) An employee who, as of January 1 of any year, has completed three (3) but less than eight (8) years of continuous service with the Company since his/her last hiring date shall receive two (2) weeks of vacation with two (2) weeks of vacation pay.
- (c) An employee who, as of January 1 of any year, has completed eight (8) but less than eighteen (18) years of continuous service with the Company since his/her last hiring date shall receive three (3) weeks of vacation with three (3) weeks of vacation pay.
- (d) An employee who, as of January 1 of any year, has completed eighteen (18) but less than twenty-five (25) years of continuous service with the Company since his/her last hiring date shall receive four (4) weeks of vacation with four (4) weeks of vacation pay.
- (e) An employee who, as of January 1 of any year, has completed twenty-five (25) years of continuous service with the Company since his/her last hiring date shall receive five (5) weeks of vacation with five (5) weeks of vacation pay.
- (f) An employee who completes his/her third, eighth, eighteenth or twenty-fifth year of continuous employment after January 1 of any year shall, that year, receive the additional week of vacation with vacation pay specified in subsections (b), (c), (d) and (e) above after having reached such anniversary date.

Section 2: One week of vacation pay shall be equal to two percent (2%) of such employee's gross earnings from the Company during the twelve (12) month period ending on the December 31 immediately preceding the January 1 upon which s/he qualified for vacation.

- (a) An employee who, as of said January 1, has not completed his/her probationary period, shall, upon the satisfactory completion thereof, receive two percent (2%) of his/her gross earnings from the Company from his/her last date of hire through the immediately preceding December 31, but shall not be entitled to a corresponding amount of vacation time off.
- (b) Subject to the following conditions, the lost pay portions of Workmen's Compensation benefits will be included in an employee's gross earnings for computation of vacation pay:
  - (1) The employee must have ten (10) years of plant-wide seniority prior to occurrence of a compensable injury.
  - (2) The employee must be off work and collecting Workmen's Compensation benefits for more than thirty (30) days for a compensable injury.
  - (3) The employee must work a minimum of twenty-six (26) weeks during the year the compensable injury is sustained.
  - (4) The maximum benefits included in an employee's gross earnings will be twenty-six (26) weeks of Workmen's Compensation payments during any calendar year. Upon satisfaction of condition (2), all weeks from the compensable injury will be included until the twenty-six (26) week maximum is reached.

Section 3: Vacation pay checks shall be distributed to eligible employees on the last regular payday preceding the start of their vacation or at the employee's request after February 15 of any year; unless as of December 1 the employee has not been scheduled for his/her vacation time off for that calendar year or requested vacation pay, in which event s/he will be paid the amount of vacation pay to which s/he is entitled on the payday nearest the 15<sup>th</sup> of December. All employees eligible for vacation are required to use the first two weeks of their vacation entitlement on or before December 31 or it will be forfeited. Vacation pay checks shall be made available to eligible employees on the last regular payday preceding the start of their scheduled vacation or, if an employee is entitled to more than two (2) weeks vacation, the employee may be paid for vacation in excess of two (2) weeks at the employee's request after February 15 of any year. An employee who receives vacation pay for unused vacation time may not take that vacation time off at a later date. If, as of December 1 of any year, an employee has not

scheduled his/her vacation time off for that calendar year or requested vacation pay, s/he will be paid the amount of the unused vacation pay to which s/he is entitled in excess of two (2) weeks on the payday nearest the 15<sup>th</sup> of December.

Section 4: An eligible employee shall take his/her vacation time off at any time during the period beginning with the January 1 upon which s/he became entitled to it and ending with the next succeeding December 31, provided, in the judgment of the Company, s/he can be spared from work at the time of his/her choice. Requests for such vacation time off must be made in writing to his/her supervisor at least fourteen (14) calendar days in advance of the start of such vacation unless the Company waives the requirement of the fourteen (14) calendar day notice.

- (a) The Company will determine the number of employees, if any, who can be spared for vacation purposes at the same time.
- (b) If two or more employees request permission to take their vacation time off at the same time and both or all cannot be spared from work at the same time, as among those who made their requests for vacation time off prior to March 1st of the year, preference shall be given to employees with the greater amount of seniority. Thereafter, insofar as it can be done, priority will be accorded to requests in the order of their receipt by the Company.

Section 5: If an employee, who is otherwise eligible for vacation with pay, quits or is discharged on or after the January 1 upon which s/he qualified for such vacation with pay without having received the same, such employee will receive, along with his/her final paycheck, the vacation pay for which s/he qualified as of such January 1. If an employee quits or is discharged prior to the January 1 upon which s/he would have qualified for a vacation with pay, s/he will not be entitled to any portion of the vacation pay for which s/he would have qualified on such January 1.

## ARTICLE XII - SAFETY AND HEALTH

Section 1: It is the desire of the Company and the Union to maintain high standards of safety and health in the plant and endeavor to prevent industrial injuries and illnesses. Accordingly, the Company shall make reasonable provisions for the safety and health of the employees in the plant during the hours of their employment and shall furnish such protective devices and/or equipment as are reasonably necessary to properly safeguard the health of the employees and protect them from injury. Every employee shall be required to faithfully observe all reasonable safety rules and shall use such safety devices and/or equipment as is reasonably required thereby. The Company will maintain a safety program that allows for input from the Union.

- (a) Employees must report to the Management any injury sustained on the job or on Company premises on the same day the employee discovers such injury and promptly provide the Management with the necessary information to complete the required accident report forms.

Section 2: An employee who is operating a vehicle on behalf of the Company who is involved in any accident shall immediately report said accident and any physical injury sustained. Such employee, before starting his/her next shift, shall make out an accident report in writing on forms furnished by the Company and shall turn in all available names and addresses of witnesses to any accidents.

- (a) Employees shall immediately, or at the end of their shift, report all defects in vehicles operated on behalf of the Company.

Section 3: Employees are required to wear "hard hats" at all times in those areas designated by the Company. As of the effective date of this Agreement a notice will be posted on all Company bulletin boards designating the areas within which "hard hats" must be worn. Truck drivers must wear their "hard hats" at all stops as required by the customer as well as in the above-referred-to designated areas.

- (a) The Company will furnish one "hard hat" to each employee which will be replaced without cost when it wears out or cracks through normal use. Employees will be required to replace lost "hard hats" or those damaged through misuse.

Section 4: Use of tobacco products, including e-cigarettes and vaporizers (also known as "vape pens"), shall not be permitted on the Company's premises or in Company vehicles.

Section 5: An employee who is injured due to an accident arising out of and in the course of his/her employment and who by reason thereof is sent or taken by the Company to some location away from the Company's premises for medical attention shall be paid his/her regular straight time rate of pay for the time lost from work that day while receiving such medical care but not to exceed a total of eight (8) hours of pay for that day. If, because of such injury, the Company or the Company's doctor instructs such employee not to return to work on the day the accident occurred, the employee shall be paid for the remainder of the day at his/her regular rate of pay but shall not be paid in excess of a total of eight (8) hours in the aggregate for such day.

- (a) If an employee who is injured due to an accident arising out of and in the course of his/her employment is required, on days subsequent to the initial injury, to report at the Company doctor's office during regularly scheduled working hours for dressings or treatment of the injury sustained, s/he shall be paid his/her regular straight time rate of pay for the time necessarily lost from work while reporting to the Company doctor for such purposes.

Section 6: Any employee who has been absent from work for a period of ninety (90) or more consecutive calendar days, irrespective of reason, will be required to satisfactorily pass a physical examination given by the Company's doctor before being permitted to return to work. Management may, in case of illness or injury, require that employees who have been absent from work for less than ninety (90) consecutive calendar days satisfactorily pass such physical examination before being permitted to return to work. The Company will pay for such physical examination.

- (a) The purpose of the above-mentioned physical examination is to determine, in case of illness or accident that the physical condition which necessitated the absence has been remedied to the point where the employee is physically able to satisfactorily perform his/her job assignments.
- (b) In any event, such physical examination shall not be used to deny the return of an employee to work because of a physical disability or condition existing prior to the absence which did not impair the employee's ability to satisfactorily perform his/her job assignments, unless during the period of absence such pre-existing condition was aggravated so as to render him/her less able to satisfactorily perform, his/her job assignments.

Section 7: Employees who, because of illness or injury become physically disabled to the point where they are unable to satisfactorily perform the job duties of their classification may be permanently transferred to a job in their department occupied by an employee with less plant-wide seniority which they have the then present ability to satisfactorily perform with only simple instructions. A junior employee displaced in this manner shall be entitled to exercise his/her departmental seniority.

- (a) If at the time such disability occurs there is an opening which the Company is going to fill in any department, such disabled employee shall be permitted to bid therefor under the provisions of Sections 5 and 6 of Article VI.
- (b) If at the time such disability occurs there is no opening, as provided in subsection (a) above, such disabled employee shall have the right to replace a temporary employee whose job assignments s/he has the then present ability to satisfactorily perform with only simple instructions.

Section 8: While at work, employees are required to wear steel-toed work boots and a uniform supplied by the Company but cleaned and maintained by the employees. Employees are expected to report to work in clothing that is clean and well maintained at all times.

- (a) For employees in the Mill and Bulk Storage departments, the Company shall provide seven (7) pants and seven (7) shirts on the first order and five (5) pants and five (5) shirts on subsequent orders.
- (b) For employees in departments other than the Mill and Bulk Storage, the Company shall provide during the first year five (5) pants and five (5) shirts. In each subsequent year of employment, employees in these departments will be provided six (6) uniform articles of their choosing.
- (c) New employees will be provided one (1) jacket and liner, one (1) coverall, one (1) raincoat and one (1) pair of Carhart insulated coveralls (or its equivalent as approved by the Company), one (1) pair of steel-toed work boots, and one (1) pair of insulated steel-toed boots.
- (d) The Company will reimburse up to \$100.00 per year towards the cost of steel-toed work boots purchased by an employee. The employee may use two years' worth of reimbursement (i.e., \$200) in one year with the understanding that the employee will then be unable to obtain an additional reimbursement in the second year.
- (e) Insulated steel-toed boots will be replaced by the Company as needed, but not more than one (1) pair every two (2) years. The Company will maintain a list of insulated steel-toed boots to be provided to employees.
- (f) Employees will be reimbursed up to \$80.00 for Carhart insulated coveralls each year. Employees in departments other than the Mill or Bulk Storage will be allowed to substitute blue jean pants in place of Carharts with employees being reimbursed up to \$70.00.
- (g) Uniforms are ordered once each year. If an ordered item is not available then the employee may carry over this item entitling him/her to order the number of uniforms specified above plus the unavailable item from the preceding year. Only unavailable items may be carried over and then only for one (1) year. If an employee chooses, s/he may purchase a substantially similar replacement for an unavailable item and present his/her receipt to the Company. The Company will refund the purchase price of a replacement article up to the cost the Company would incur if such an article was purchased by the Company from its supplier. Uniform color shall be tan. All employees in the Mill and Bulk Storage department are required to have a white uniform available in their locker to be worn when notified of an inspection by non-company personnel.

- (h) Knappen Milling Company t-shirts may be worn as a uniform shirt as long as the t-shirt is clean, well maintained and tucked in at all times. T-shirts will be ordered once per year and can be ordered in lieu of a uniform shirt or purchased by the employee.

Section 9: The Company shall have the right to designate lead persons in those areas, at such times and for such duration as it deems necessary. Seniority will be considered in making such selections but the determining factor will be the possession, in the judgment of the Company, of the most ability to satisfactorily perform the job. While assigned as a leadperson, the employee shall be paid no less than forty-five cents (\$.45) per hour above his/her regular hourly rate. The Union's president will be notified when an employee has been designated as a leadperson and shall be notified when such assignment has been discontinued.

Section 10: The Company will reimburse Warehouse Persons with a CDL for reasonable meal and lodging costs incurred by the employee if the employee is required to stay out of town overnight as a result of the fact that the employee reached his/her maximum hours of service allowed under Federal Motor Carrier Safety Administrator and Department of Transportation regulations and the employee was unable to return to the worksite.

### ARTICLE XIII - GENERAL

Section 1: The Company shall have the right to make such reasonable rules and regulations not in conflict with this Agreement as it may from time to time deem best for the purpose of maintaining order, safety and/or efficient operations. Any complaint relative to the reasonableness of any rules or the discriminatory application thereof may be considered as a grievance and subject to the grievance procedure contained in this Agreement.

Section 2: It is understood that the maintenance supervisor shall be entitled to perform bargaining unit work as has been done in the past. Other supervisors or management's staff or technical employees shall be permitted to perform such manual work as may be required for the purpose of instruction, investigation, inspection or experimentation, development work or such emergency maintenance or material handling work as may be required to maintain production or restore equipment to productivity or as may be necessary when an employee is absent and other employees are not readily available to perform his/her work providing, in the case of absent employees, the Company makes a reasonable effort to secure a replacement.

Section 3: The Company shall have the right to subcontract that work which, in its judgment, it does not have the manpower, proper equipment, capacity or ability to produce or cannot produce on a timely or profitable basis.

Section 4: Parking areas shall be provided for employees. Each employee is required to park in the area designated for him/her. Employees are expected to park with care, leave ample room for other employees to maneuver their cars and to drive carefully when entering and leaving the parking area.

Section 5: If, during the life of this Agreement, any of the provisions contained herein are held to be invalid by operation of law or by any tribunal of competent jurisdiction or if compliance with or enforcement of any provisions should be restrained by such tribunal pending a final determination as to its validity the remainder of this Agreement shall not be affected thereby.

In the event any provision herein contained is so rendered invalid, upon written request by either party hereto, the Company and the Union shall enter into collective bargaining for the purpose of negotiating a mutually satisfactory replacement for such provision.

Section 6: No agreement or understanding contrary to this collective bargaining Agreement, nor any alteration, variation, waiver, or modification of any of the terms or conditions contained herein shall be binding upon the parties hereto unless such agreement, understanding, alteration, variation, waiver or modification is executed in writing between the parties. It is further understood and agreed that this contract constitutes the sole, only and entire agreement between the parties hereto and cancels and supersedes any other arrangement, practices or understandings heretofore existing.

ARTICLE XIV- DURATION

THIS AGREEMENT shall become effective as of the 7th day of March, 2019, and shall remain in full force and effect until midnight, March 6, 2022, and shall automatically renew itself from year to year thereafter unless one of the parties to this Agreement notifies the other, in writing, at least sixty (60) calendar days prior to March 6, 2022, that it desires to negotiate modifications to the Agreement or that it will consider the contract terminated as of said date.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on this 16<sup>th</sup> day of May, 2019.

LOCAL 3-G OF THE BAKERY,  
CONFECTIONERY, TOBACCO  
WORKERS AND GRAIN MILLERS  
INTERNATIONAL UNION, AFL-CIO

*Alan Bidelman*

KNAPPEN MILLING COMPANY

*Daniel Rose*  
Treasurer

## **WORK RULES**

**Section 1:** For the violation of any of the following rules, an employee shall be subject to immediate discharge:

- (a) Gross neglect of duty or refusal to comply with Company's instructions unless such instructions are injurious to employee's safety or health.
- (b) Insubordination.
- (c) Immoral or indecent conduct.
- (d) Intentional falsification of personnel records or other Company records.
- (e) Knowingly punching the clock card of another, having one's clock card punched by another or unauthorized altering of a clock card.
- (f) Theft or intentional destruction of Company's or another employee's property.
- (g) Deliberately restricting work performance or failure to notify supervisor of conditions restricting work, or failure to maintain satisfactory level of work performance.
- (h) Carelessness involving major loss (over \$200.00).
- (i) Sleeping on the job.
- (j) Drinking any alcoholic beverages or consuming habit forming drugs on Company time or premises or being under the influence of either on Company time or premises.
- (k) Possession of firearms, explosives or other weapons on Company premises except with permission of management.
- (l) Refusal or willful neglect to comply with safety rules established by the Company.
- (m) Conviction of a felony while an employee of the Company.
- (n) Deliberate or careless conduct endangering the safety of himself or other employees, including the provoking or instigating of a fight during working hours or on Company premises.
- (o) Any other offense of equal magnitude to the above.

Section 2: For the commission of any of the following offenses an employee shall receive a written warning notice. If an employee receives three (3) written warning notices (for the same or different offenses) within a period of twelve (12) consecutive months, such employee shall thereupon be discharged:

- (a) Carelessness which necessitates the scrapping or repairing of materials, parts, equipment or property resulting in minor loss (\$200.00 or less).
- (b) Horseplay.
- (c) Inattentiveness to work, failing to start work at the designated time, quitting work before proper time, or leaving premises during working hours without permission of management.
- (d) Abusive, threatening or coercive treatment of another employee on Company premises.
- (e) Reporting for work while under the influence of alcoholic beverages or habit forming drugs. (Sent home).
- (f) Removal of Company property from Company premises without authorization of management.
- (g) Failure to report for work without giving management at least one (1) hour advance notice unless it was impossible to give such advance notice.
- (h) Creating or contributing to poor housekeeping on the Company's premises.
- (i) Posting, removing or defacing any matter on the Company bulletin boards or property without authorization by management.
- (j) Unintentional violation of a safety rule or practice established by the Company.
- (k) Permitting any person who is not an employee of the Company to enter or ride in a Company vehicle.
- (l) Vending, soliciting or collecting contributions on Company time or premises without authorization from management.
- (m) Smoking on Company premises or in Company vehicles.
- (n) Any other offense unbecoming an employee of equal magnitude to the above.

**APPENDIX A**

**Job Classifications and Hourly Rates of Pay\***

Section 1:

<b>DEPARTMENT</b>	<b>03/7/2019</b>	<b>03/7/2020</b>	<b>03/7/2021</b>
<b>A. MILL DEPARTMENT</b>			
1. Trick Miller	\$18.01	\$18.37	\$18.78
2. Alternate Miller	17.89	18.25	18.66
3. Shift Packer	17.49	17.84	18.24
4. Alternate Shift Packer	17.05	17.39	17.78
<b>B. BULK STORAGE DEPARTMENT</b>			
1. Bulk Operator	17.66	18.01	18.42
2. Alternate Bulk Operator	17.05	17.39	17.78
<b>C. ELEVATOR DEPARTMENT</b>			
1. Elevator Person	17.86	18.22	18.63
2. Alternate Elevator Person	16.84	17.18	17.57
<b>D. WAREHOUSE DEPARTMENT</b>			
1. Warehouse Person	17.29	17.64	18.04
2. Warehouse Person with CDL	18.36	18.73	19.15
<b>E. MAINTENANCE DEPARTMENT **</b>			
Maintenance Person	17.92	18.28	18.69
<b>F. UTILITY ***</b>			
1. Utility Person (UP)	11.60	11.83	12.10
2. Utility Person (UP):			
a. 1 yr. continuous as UP	12.62	12.83	13.10
b. 2 yr. continuous as UP	13.64	13.83	14.10

\* Plus bonus as per Article IX, Section 16, where applicable.

\*\* Employees who hold the Maintenance Person classification and have a Class 3 Journeyman Electrician’s License shall receive a six (6%) percent increase in their base wage.

\*\*\* A Utility Person fulfilling the duties of an absent employee will receive the rate of pay for the position so performed; however, the Utility Person will receive their normal Utility Person rate when assisting an employee who is fulfilling their normal duties.

Section 2:

New employees will be hired at not more than One Dollar (\$1.00) per hour below the hourly rate applicable to the job for which they are hired. New employees will receive a twenty-five (\$.25) cents per hour increase in pay every eighteenth pay period until they reach the above rates.

**APPENDIX “B”  
KNAPPEN MILLING CO.**

**DRUG AND ALCOHOL TESTING PROGRAM AND POLICY**

- (1) Knappen Milling Co. (the “Company”) and the Bakery, Confectionery, Tobacco Workers & Grain Millers, Local 3-G (the “Union”) recognize that the presence and influence of drugs and alcohol in the workplace is inconsistent with employee safety and the efficient operation of the factory.
- (2) Company policy prohibits the presence of illegal drugs on Company premises and prohibits employees from selling, using, possessing, working or attempting to work after using or ingesting illegal drugs or alcohol as well as unauthorized selling, transferring, purchasing or abusing prescription or other legal drugs (hereinafter, the term “drug(s)” shall include illegal, prescription, and legal drugs).
- (3) Company policy prohibits the possession of alcoholic beverages in the workplace and the consumption of alcoholic beverages in association with the workplace.
- (4) When an employee is found violating this policy, or when there is reasonable suspicion that an employee is violating this policy, the employee may be disciplined up to and including discharge, subject to the grievance and arbitration procedure.
- (5) “*Reasonable Suspicion*” is the observance of abnormal or unusual on-duty behavior of an individual employee which:
  - (a) is observed on-duty by a supervisor trained to recognize the symptoms of drug abuse, impairment or intoxication, and confirmed by another observer (which observations shall be documented by the supervisor); and
  - (b) is the type of behavior which is recognized and accepted symptom of intoxication or impairment caused by controlled substances or alcohol or addiction to or dependence upon said controlled substances.
  - (c) is not reasonably explained as resulting from causes other than the use of controlled substances (such as, but not by way of limitation, fatigue, lack of sleep, side effect of prescription or over-the-counter medications, reaction to noxious fumes or smoke, etc.)
  - (d) is observed to have engaged in conduct which the Company reasonably believes to be in violation of this policy.

- (e) is involved in a personal injury accident while working involving off site medical care or treatment.
- (6) As an alternative to discipline for violating this policy, the Company, at its discretion, may do one or more of the following:
  - (a) counsel the employee,
  - (b) require the employee to submit a urine specimen to test for the presence of drugs, or
  - (c) require the employee to submit a breath sample to test for the presence of alcohol.

“Counsel” shall mean the opportunity to meet with the Factory Manager and the Union Committee.

- (7) The collection of urine samples for drug tests will be conducted in accordance with the procedures of the collection clinic designated by the Company.
- (8) The Company wishes to protect the dignity of the employee. Employees who attempt to, or actually provide adulterated or false samples, or who attempt to or actually circumvent the testing process will be terminated.
- (9) Breath and urine specimens shall be drawn or collected at the laboratory, hospital or medical facility at which the specimen is to be tested or prepared for testing.
- (10) The testing shall be done by a NIDA certified laboratory.
- (11) Employees asked to provide samples for drug and alcohol testing pursuant to this policy will be required to cooperate and to sign a consent form (see Attachment 1) as a condition of continued employment. Objections may be raised by the employee or the Union, but will be subject to the “comply now and grieve later” doctrine.
- (12) The Company will direct that split samples be taken with the confirming test to be a gas chromatography/mass spectrometry (GC/MS). If the first test and confirmation test on the first sample are positive and the employee elects to have the second sample tested, the Company will pay for the cost of the second test. If the employee elects to have the split sample tested, the Company will advise the laboratory selected by the employee of the Union.
- (13) The Company will determine if the employee asked to take a drug or alcohol test should be permitted to work during the time between providing the sample and the receipt of the

test results. If the employee has been directed by the Company not to work during this time, but to remain on an unpaid leave of absence and the reason is solely because of the pendency of the drug or alcohol test and the test results prove to be negative, the employee will be compensated as though he or she had not been suspended.

- (14) The Company will advise the Union if it becomes aware of a change in laboratories in which the testing is done or if it becomes aware of a change in laboratory procedures including any changes in the laboratory's certification. The purpose of this is to permit the Union to understand the procedures. The failure of the Company to advise the Union of these changes will not invalidate an otherwise properly conducted drug or alcohol test.
- (15) In the event an employee tests positive for drugs or at a blood alcohol level of .05% or more, or the employee admits violating this policy after being asked to submit to a drug or alcohol test, the employee must sign a "Last Chance Agreement." (see Attachment 2). If the employee refuses to sign the Last Chance Agreement, the employee will be terminated.
  - (a) The Last Chance Agreement requires an employee to participate in a Company and Union approved employee assistance program (EAP) as a condition of continued employment. If the employee does not follow the directions of the rehabilitation professionals, attend all counseling sessions and/or treatment programs, then the employee will be terminated.
  - (b) Upon completing the EAP referral, the Company reserves the right to require the employee to submit to periodic drug or alcohol, or drug and alcohol testing, without advanced notice, for a period of one year (the "Follow Up Test") but not to exceed 15 tests. An employee who tests positive in a Follow Up Test will be terminated without recourse, except as to the validity of the test. An employee who refuses to comply with a request to submit to a Follow Up Test will be terminated without recourse.
- (16) Illegal drugs are those drugs defined as illegal under federal, state, or local laws.
- (17) Before any drug test is given, the employee may note the use of any prescription or non-prescription medications. The laboratory procedures will report the significant presence of all prescription and non-prescription drugs.
- (18) An employee may request a written copy of the drug and/or alcohol test results.
- (19) The Company and the Union will strive to maintain the confidentiality of employee drug-related problems.

**ATTACHMENT 1**

**DRUG AND ALCOHOL TEST AUTHORIZATION AND RELEASE**

I, \_\_\_\_\_, hereby authorize Knappen Milling Co. (the “Company”) pursuant to its drug and alcohol testing program and applicable law, to conduct drug and alcohol tests through its designated physicians or consultants. I voluntarily consent to all such examinations and tests and authorize the release of the results to the Company’s Medical Review Officer or other designated Company official and to the Company, in accordance with applicable law.

I understand that if I refuse to sign this release or refuse to cooperate with the testing I will be terminated.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Employee’s Signature

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Date

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Date

## **LAST CHANCE AGREEMENT**

I understand that my continued employment at Knappen Milling Company (the “Company”) is based upon the following terms:

1. I have enrolled and I will continue to participate in a rehabilitation and aftercare program as referred by the EAP. I understand that I will be required to successfully complete this program and attend all support group meetings and aftercare for as long as the rehabilitation and aftercare program recommends. If I fail to comply with all requirements of the rehabilitation and aftercare program, I will be terminated.
2. I understand that I maintain my right to patient-physician confidentiality. Nevertheless, I understand that by signing this Agreement, I am giving the Company the right to verify that I am successfully participating in the rehabilitation and aftercare program and to verify that I am attending all support group meetings as recommended by the professional counselors.
3. I will submit to drug and alcohol testing as required by the Follow Up Test of the Drug and Alcohol Testing Program and Policy procedure. I understand that if I refuse to take a drug or alcohol test or if a test result is positive, I am in violation of this Agreement and I will be terminated.
4. I will return to work consistent with the requirements of the EAP, and I understand that I will be expected to work and perform the duties of my job.
5. I understand that this Agreement constitutes the conditions of my continued employment with the Company and that my employment is in jeopardy. Any violation of these conditions will result in the immediate termination of my employment with the Company.
6. I will be responsible for any financial obligation incurred under this Last Chance Agreement not otherwise paid for or covered by the Company, the EAP, or, if a medical plan participant, the Company medical plan. In all cases, the EAP provider shall consider the employee’s level of insurance coverage when directing the employee to a rehabilitation and aftercare program.
7. I understand that my regular attendance at work is important to the Company and my fellow employees to ensure that my future attendance does not suffer because of drug-related reasons. I understand that close

attention will be paid to my attendance at work. I will accept this attention as a constructive part of my recovery.

- 8. I understand that the Company retains all rights and powers stated in the Knappen Milling Company Drug and Alcohol Testing Program and Policy, in addition to those rights and powers stated in this Last Chance Agreement.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Employee's Signature

\_\_\_\_\_  
Company Representative

\_\_\_\_\_  
Union Representative

## **APPENDIX “C”**

### **EQUAL EMPLOYMENT OPPORTUNITY AND ANTI-HARASSMENT, DISCRIMINATION & RETALIATION POLICY KNAPPEN MILLING COMPANY**

#### **PURPOSE**

To define discrimination, harassment and retaliation, and to outline the complaint procedure for employees who feel they have been subjected to harassment, discrimination or retaliation. Although disputes regarding the meaning, interpretation or application of this policy are not subject to the grievance procedure in the Collective Bargaining Agreement, the Union is not precluded from filing a grievance in the event that one of its members is subjected to discipline as a result of a violation of this policy.

#### **SCOPE**

This policy applies to any supervisor, agent, or employee of the Company.

#### **POLICY**

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at Knappen Milling Company will be based on merit, qualifications, and abilities. Knappen Milling Company strictly prohibits discrimination and harassment on the basis of race, color, religion sex, sexual orientation, gender identity, age, disability, height, weight, national origin, marital status, veteran status, citizenship, or any other characteristic protected by law.

Knappen will reasonably accommodate religious beliefs of qualified applicants and employees unless providing such an accommodation creates an undue hardship for the Company.

Knappen is committed to complying with all applicable provisions of the Americans with Disabilities Act (“ADA”) and the Michigan Persons with Disabilities Civil Rights Act (“PWDCRA”). The Company will not discriminate against any qualified employee or applicant with regard to any terms or conditions of employment because the employee suffers from a disability as defined by law. A reasonable accommodation will be provided to a qualified individual, as defined by the ADA and PWDCRA, who has made the Company aware of the disability and requested the accommodation in writing, provided that such accommodation does not constitute an undue hardship. Employees with a disability who believe a reasonable accommodation is needed to perform the essential functions of their job should contact Human Resources immediately.

## DEFINITION

Harassment includes, but is not limited to, derogatory comments, slurs, statements, jokes or other derogatory or objectionable conduct regarding a characteristic that is protected by law, which abuses the dignity of another employee.

Sexual harassment includes, but is not limited to:

- a. making unwelcome sexual advances or requests for sexual favors or other verbal or physical conduct of a sexual nature to another employee,
- b. making submission to or rejection of such conduct the basis for employment decisions affecting the employee,
- c. stating or implying that a particular employee's advances in employment have resulted from the granting of sexual favors or the establishment or continuance of a sexual relationship,
- d. stating or implying that a particular employee's deficiencies in performance are attributable in whole or in part to the sex of that person,
- e. repeated inappropriate comments about particular characteristics associated with a particular sex, or
- f. creating an intimidating, hostile or offensive working environment by such conduct that substantially interferes with an employee's ability to perform his or her job

This policy also prohibits behavior that is verbally abusive, demeaning, disrespectful or humiliating that is not due to the person's protected characteristic or status.

## COMPLAINT PROCEDURE

Any employee who believes he or she has been subjected to conduct prohibited by this policy should file a written complaint on the form attached to this policy IMMEDIATELY after the incident(s) occur. If the alleged act was committed by someone other than the employee's immediate supervisor, and that supervisor did not participate in and was unaware of the conduct, the employee should register the complaint initially with his or her immediate supervisor. If the employee is dissatisfied with the resolution by the supervisor, if the supervisor was involved in the conduct, or if the alleged harassment/discrimination continues to occur after notifying the supervisor, the employee should contact Human Resources. If the complaint is against Human Resources or the alleged harassment/discrimination continues to occur after notifying Human Resources, the employee should present his or her complaint to the Senior Vice President.

All complaints must be filed using the attached complaint form. A copy of the complaint must be filed with the Human Resources or Senior Vice President even if resolved with a supervisor. The complaint must state the facts, events and circumstances that initiated filing this complaint.

The names of the persons engaging in the alleged discrimination or harassment, the dates and times they occurred, witnesses to the alleged harassment or discrimination and your response must also be included in your complaint.

Upon presentation of the complaint, an impartial investigation will be undertaken immediately. Any employee who has been found, after appropriate investigation by the Company, to have harassed or discriminated another employee in violation of these policies will be subject to appropriate discipline up to and including immediate discharge.

To the extent possible, all complaints will be kept confidential. However, it is the primary goal of the Company to investigate and resolve all harassment and discrimination complaints. As part of the investigation, it is possible that it will be necessary to reveal certain details and information. It is also possible that the information gathered during an investigation will be subject to subsequent legal or administrative proceedings which will require disclosure of the contents and results of the investigation.

#### NON-RETALIATION

The Company not only prohibits harassment, but also strictly prohibits any retaliation against an employee who, in good faith, has registered a complaint under this procedure. Any supervisor, agent or employee of the Company who, after investigation, has been determined to have retaliated against any employee for utilizing the complaint procedure in this policy will be subject to appropriate discipline up to and including immediate discharge.

If an employee believes he or she has been retaliated against for exercising his or her rights under this policy, the employee should use the complaint procedure as set forth above.

A sample form for filing a complaint is attached. Additional forms may be obtained from Human Resources.

#### FALSE COMPLAINTS

Any employee who files a complaint which is knowingly false when made will be subject to immediate discipline up to and including discharge.

**WARNING: Discrimination and/or harassment, including sexual harassment and other forms of prohibited conduct, may lead to personal liability. Any person engaged in such conduct may be compelled by a court to pay money damages to victims.**

EMPLOYEE COMPLAINT REGARDING HARASSMENT, DISCRIMINATION  
AND/OR RETALIATION (CONFIDENTIAL)  
KNAPPEN MILLING COMPANY

A. Please state: The facts, events and circumstances that initiated filing this complaint. Within the statement, please give the names of the persons engaging in the alleged discrimination or harassment, the dates the incident(s) occurred, witnesses to the alleged harassment or discrimination and your response. (Attach additional sheets if necessary).

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B. Please indicate what action or change you are seeking to resolve this complaint.

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C. Have you discussed this matter with your supervisor?

No \_\_\_\_ Yes \_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_

D. If there has been no such discussion, what was your reason for not bringing it to your supervisor's attention?

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E. If you did discuss this matter with your supervisor, please state the supervisor's disposition.

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\_\_\_\_\_  
Employee's Signature

\_\_\_\_\_  
Date

**APPENDIX “D”**  
**SAFETY POLICY**  
**KNAPPEN MILLING COMPANY**

**PURPOSE**

To provide for safe working environment for all employees. Although disputes regarding the meaning, interpretation or application of this policy are not subject to the grievance procedure in the Collective Bargaining Agreement, the Union is not precluded from filing a grievance in the event that one of its members is subjected to discipline as a result of a violation of this policy.

**SCOPE**

This policy applies to any supervisor, agent, or employee of the Company.

**POLICY**

It is the responsibility of each employee to conduct all tasks in a safe and efficient manner complying with all local, state and federal safety and health regulations and standards, and with any special safety concerns for use in a particular area or with a particular piece of equipment or machinery. In a work environment such as ours, certain rules must be observed for the safety and general welfare of everyone. The observance of these rules makes a clean and safe environment possible. Failure to observe these rules could result in serious injury to employees and visitors.

1. Observance of notices, safety signs and specific job safety rules is required at all times.
2. Personal protective equipment, safety glasses, safety shoes, etc., designated for the employees' work area must be properly used at all times as specified.
3. Before operating any machinery or equipment, employees must get proper instruction and permission.
4. Always follow the lock-out procedure to adjust or change the position of any safety guards or devices or to perform machine/equipment maintenance.
5. Do not adjust parts or place hands in any machine/equipment while the machine/equipment is running.
6. The wearing of a ring that is a plain band with no stone or loose-fitting clothing is prohibited, if wearing the item could create a safety hazard. All other jewelry is strictly prohibited.

7. Employees driving Company vehicles, or their own vehicle while on Company business, must have appropriate licenses and insurance.
8. All tobacco products, including e-cigarettes and vaporizers, are prohibited on Company premises and in Company vehicles.
9. Littering, poor housekeeping and unsanitary or unsafe conditions are prohibited.
10. All rubbish, food wraps, plastic bottles, cans, etc., are to be disposed of in waste receptacles only. Food and beverages may only be consumed in designated areas.
11. Employees must comply with all rules regarding drug and alcohol use.
12. Employees are required to adhere to, and comply with all OSHA or state safety requirements, regulations, mandates, procedures, directives, etc.
13. Only properly trained employees should attempt to extinguish small fires. In all other cases employees must alert co-workers, supervisor/management, the fire department, and evacuate the building.
14. Safety Data Sheets (SDS) are located in the appropriate department. Employees should contact their supervisor if they have additional questions.

All accidents, injuries or illnesses, no matter how minor, occurring either while employees are at work, or in the course of employment, must be immediately reported to the employee's supervisor or the Assistant Plant Manager. In addition, any employee that observes unsafe practices and/or safety hazards must immediately report them to the employee's supervisor or the Assistant Plant Manager. Reports should be submitted in writing on the Company's Safety Violation form. Failure to report an accident, injury, unsafe practice, or safety hazard will result in disciplinary action, up to and including termination.

The Company will promptly investigate all reports of unsafe practices or safety hazards and will take steps necessary to address and resolve any unsafe practice or safety hazard that has occurred, which steps could include disciplinary action up to and including termination where appropriate. The Company will also hold safety meetings bi-monthly to discuss any safety issues.

Employees are expected to observe all safety rules and to use the safety equipment provided at all times. This describes our general safety regulations; however, there may be others more specific to each individual job. Employees should check with their supervisors relative to any additional requirements.

## **APPENDIX “E”**

### **WORKPLACE VIOLENCE POLICY KNAPPEN MILLING COMPANY**

#### **PURPOSE**

To provide for safe environment for all employees, customers and vendors who visit our workplace. Although disputes regarding the meaning, interpretation or application of this policy are not subject to the grievance procedure in the Collective Bargaining Agreement, the Union is not precluded from filing a grievance in the event that one of its members is subjected to discipline as a result of a violation of this policy.

#### **SCOPE**

This policy applies to any supervisor, agent, or employee of the Company.

#### **POLICY**

Employees are expected to refrain from conduct that may be dangerous to others. Conduct that threatens violence against another employee, customer or vendor will not be tolerated.

Indirect or direct threats of violence, incidents of actual violence and suspicious individuals or activities should be reported as soon as possible to a supervisor, Assistant Plant Manager, or Senior Vice President. When reporting a threat or incident of violence, the employee should be as specific and detailed as possible. The Company will promptly investigate all reports of threats of violence or incidents of actual violence and of suspicious individuals or activities. In order to maintain workplace safety and the integrity of its investigation, the Company may suspend employees suspected of workplace violence or threats of violence pending investigation.

Any violation of this policy will result in disciplinary action up to and including termination of employment.

## MEMORANDUM OF AGREEMENT

### (TOOL AGREEMENT)

The following Agreement is between Knappen Milling Employee ("Employee"), BCTGM Local 3G ("Local 3G") and Knappen Milling ("Knappen").

The parties agree Knappen will provide its employees with the tools they need to perform their job duties. The parties therefore agree the tools listed in Attachment "A" have been provided by Knappen to Employee so that Employee can perform his/her job duties. The parties further agree to the corresponding "replacement value" for each tool listed on Attachment "A".

Local 3G and Employee agree that Employee is responsible for every tool entrusted to him/her as listed in Attachment "A". The parties also agree the tools listed in Attachment "A" will at all times remain Knappen property.

If a tool listed in Attachment "A" is broken in the course of employment while entrusted to Employee, Knappen will promptly replace the tool when it is presented to Knappen. If, as a result of Employee's negligence, a tool listed in Attachment "A" is lost or stolen while entrusted to Employee, Employee will promptly replace the lost tool with an identical tool of comparable quality. If not promptly replaced, Employee shall promptly pay Knappen the "replacement value" of the tool. At the request of Employee, a reasonable payment plan shall be agreed upon, including the authorization of deductions from Employee's paycheck.

Employee agrees that all tools provided by Knappen and entrusted to Employee will be returned to Knappen within 48 hours upon request.

Disputes over the application of this Agreement shall be subject to the grievance arbitration procedure. Nothing in this Agreement shall interfere with or restrict the legal rights of any party.

Dated: \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Employee

TOOL AGREEMENT (PAGE 2)

ATTACHMENT "A"

Tool	Description	Replacement Value
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

BCTGM

Date: 8-22-13

Trevor Bidelman  
By: Trevor Bidelman  
Its: Business Agent/President

KNAPPEN MILLING COMPANY

Date: 3-22-13

Darrell Roose  
By: Darrell Roose  
Its: Treasurer