

AGREEMENT BETWEEN:

Mad River Brewing Company, Inc.

and

Woodworkers Local Lodge W98, IAM, AFL-CIO

PURPOSE OF AGREEMENT

The purpose of this Agreement is to define the relationships between the following three separate entities:

- Mad River Brewing Co., Inc., referred to herein as “**Employer**” or “**Company**,”
- Woodworkers Local Lodge W98, IAM, AFL-CIO, referred to herein as “**Union**”
and
- Those workers employed by the Company as defined in Article 1, which follows,
herein referred to as “**Employees.**”

This agreement shall describe the policies and programs agreed to by the parties, including the rights, obligations, and limitations of the Employees, Union, and Employer. The parties are committed to maintaining Mad River Brewing Co., Inc., Blue Lake, California operation on a competitive basis.

Effective Date: April 1, 2016 through March 31, 2019

TABLE OF CONTENTS

<u>ARTICLE NUMBER:</u>	<u>PAGE NUMBER:</u>
1 Recognition.....	3
2 Management Functions.....	3
3 Union Security.....	4 and 5
4 Voluntary Check-Off.....	5
5 Union Committee.....	5
6 Hours of Work and Overtime.....	6
7 Reporting and Call Time.....	6 and 7
8 Rest Periods and Lunch Periods.....	7
9 Bulletin Boards.....	7
10 Settlement of Disputes.....	7 and 8
11 Strikes and Lockouts.....	8 and 9
12 Discipline or Discharge.....	9
13 Tardiness and Temporary Absence.....	9
14 Seniority.....	10 and 11
15 Payment of Wages.....	11
16 Vacations.....	12 and 13
17 Paid Holidays.....	13
18 401(k) Plan.....	13
19 Health and Welfare.....	13 and 14
20 Safety.....	14 and 15
21 Substance Abuse.....	15
22 Non-Discrimination.....	16
23 Savings Clause.....	16
24 Leave of Absence.....	16 and 17
25 Free Beer.....	17
26 Termination Clause.....	17
27 Sick Leave.....	18 and 19
28 Jury Duty.....	20
29 Bereavement Leave.....	20
30 Contracting—Subcontracting.....	20
31 Industry Training.....	21
32 MNPL Check-off.....	21
33 Wage Rates.....	21
Exhibit A Rates of Pay.....	22

Article 1—RECOGNITION

SECTION 1:

During the life of this Agreement, the Union shall be recognized as the exclusive collective bargaining agency for all full time and regular part time production and maintenance employees employed by Mad River Brewing Co., Inc., at its Blue Lake, California operation; but excluding temporary employees, office clerical employees, professional employees, guards, and supervisors as defined in the National Labor Relations Act. A “temporary employee” is an employee who is hired for less than six (6) months with no right to recall for a specific project.

SECTION 2:

Other provisions notwithstanding, a manager is allowed under this Agreement to perform bargaining unit work up to forty (40%) percent of his or her work time in any given payperiod.

As necessitated by sickness or vacation, a manager is allowed to cover shifts in excess of the above restrictions if a qualified bargaining unit employee is unavailable to perform the work after reasonable notice is provided by the company of the need for the work.

A management position of Brewmaster is being created by the Brewery, and the work provisions outlined in Article 1, section 2 will apply to this position.

Article 2—MANAGEMENT FUNCTIONS

The Company shall have all of the authority customarily and traditionally exercised by management except as that authority is limited by express or specific language in the provisions of this Agreement. Nothing in the Agreement shall be construed to impair the right of the Company to conduct any or all aspects of its business in any and all particulars except as expressly and specifically modified within the terms and provisions of this Agreement. Such rights of the Company include, but are not limited to, the right to hire, discharge, classify, promote, designate, discipline, evaluate, review, to schedule hours of work, shifts, and overtime for employees, groups, or departments, to maintain an efficient and properly disciplined workforce (and to formulate and enforce rules of conduct, safety, health, and property protection for that purpose), to subcontract work, to supervise and direct employees in the performance of their duties, and to determine employee qualifications and abilities in its sole discretion. The Company shall also have the sole right to decide the level and type of indebtedness, the process of manufacture, types of machinery and equipment to be used, types and quantities of products to be made, quality of material, quality and quantity of work required, selling prices, and products, as well as the methods of selling and distribution of products. The foregoing management prerogatives will be undertaken and exercised by the Employer as necessitated by the

requirements of the operations and the conduct of sound business principles as determined by the Employer.

Article 3—UNION SECURITY

SECTION 1:

It is recognized by the parties hereto that the Union serves a definite function for all Employees in the bargaining unit whether or not they are members of the Union. They shall be required by the parties as a condition of employment, to pay to the Union either:

- (a) Regular monthly membership dues in the case of Employees who are or become members of the Union, or
- (b) An amount of money equivalent to regular core monthly membership dues in the case of Employees who are not member(s) of the Union as a service charge to the Union.

SECTION 2:

Present employees who become members of the Union and Employees hereafter hired who become members of the Union by signing an application card, shall have the right to terminate such membership by notice in writing to the Union during the period of thirty (30) days beginning on and following each anniversary date of such Union membership. Employees exercising this right shall continue to pay to the Union the amount of money equivalent to monthly dues specified in Section 1 (b) above.

SECTION 3:

All such regular monthly membership dues or equivalent charges may be deducted as provided in the Check-off Article of this Agreement.

SECTION 4:

The Company will discharge any Employee who fails to pay or tender to the Union his/her regular monthly membership dues in the case of members of the Union, or an amount of money equivalent thereto in the case of non-members.

SECTION 5:

The Union's request for discharge of any Employee delinquent in payment of his/her Regular monthly membership dues or an amount of money equivalent thereto shall be made in writing, giving at least one (1) week's notice to the Employee and to the Company. Each such Employee shall have at least thirty (30) days from receipt of notice to:

- (a) Appeal the Union's statement, or
- (b) Pay his/her regular monthly membership dues or such equivalent amount of money.

SECTION 6:

The Company will furnish to the Union on the first of each month a list of all new employees, and on the first of each month a list of those Employees whose employment has been terminated.

SECTION 7:

This Article shall be applicable thirty-one (31) days after the effective date of the foregoing provisions for present Employees who are not members of the Union and thirty-one (31) days after the date of hire of and for all Employees after the effective date of said provisions.

Article 4—VOLUNTARY CHECK-OFF

The Employer agrees to deduct from the pay of each Employee who authorizes such deduction, initiation fees and monthly dues in the case of Employees who are or become members of the Union, or an amount of money equivalent to regular core monthly membership dues in the case of Employees who are not members of the Union. The Employer also agrees to remit such deductions to the Local Union Lodge once a month, together with a list of the Employees showing the amount deducted from the pay of each. The Secretary-Treasurer of the Union shall inform the Employer in writing of these charges to be deducted and any changes which may be authorized from time to time.

CHECK-OFF AUTHORIZATION:

I hereby authorize the Employer to deduct from my pay the amount of the initiation fees and monthly dues as specified by the Secretary-Treasurer of the Local Union Lodge, or an amount of money equivalent to regular core monthly membership dues, depending on my designated membership status, to be remitted to the Local Union Lodge each month. I agree that this assignment of wages shall be irrevocable for a period of one (1) year from its date or until the expiration of the contract (whichever occurs first), and that it will be automatically renewed and irrevocable for an additional year from each of its anniversaries or each anniversary date of the contract (whichever occurs first), unless I submit a written revocation by registered mail to the Employer within ten (10) days preceding the anniversary date of this authorization or the expiration date of the contract (whichever comes first).

DATE _____ SIGNATURE _____

Article 5—UNION COMMITTEE

The Union will designate three (3) employees of the Employer to constitute the Union Committee. The Committee will meet with the Employer to attempt to adjust all grievances. The Union shall certify to the Employer the names of the members of the Union Committee and likewise notify the Employer of any change in Committee membership when such changes are made. The Union Committee members will fulfill their Union duties without cost to the Employer.

Article 6—HOURS OF WORK AND OVERTIME

SECTION 1: NORMAL WORK SCHEDULE

The normal workweek begins on Sunday and ends on Saturday.

SECTION 2: NORMAL WORK HOURS

The normal work hours may consist of five (5) consecutive days of eight (8) hours each. The Employer specifically reserves the right to institute a regular workweek consisting of four (4) days of ten (10) hours each on a departmental or individual basis (hereinafter referred to as a "four 10-hour workweek").

SECTION 3: SHIFT TIMES

Employees affected by any change in regular shift hours will be notified as far in advance as possible.

SECTION 4: REPORTING FOR WORK

Employees must report for work in a condition fit to perform their duties, and in sufficient time to be ready to start work promptly at the beginning of the shift, at the end of rest periods and at the end of lunch periods.

SECTION 5: OVERTIME PAY

The Employee who regularly performs the job will be assigned the overtime and is expected to work. The Employer will make an effort to notify affected employees as far in advance as possible when overtime will be required. Employees will be excused from overtime work if such requests can be reasonably accommodated. A rate of time and one-half (1-1/2) the Employee's regular straight time hourly rate will be paid for all work performed in excess of eight (8) hours per day for Employees working a regular workweek of five (5) days of eight (8) hours on days he/she is scheduled to work only eight (8) hours; or in excess of ten (10) hours per day for an Employee working a regular four 10-hour workweek on days he/she is scheduled to work ten (10) hours; or in excess of forty (40) hours per week.

Employees

shall receive only their regular straight-time hourly rates of pay for time worked in excess of their regular straight-time hourly rates of pay for time worked in excess of their regular workdays when the excess time is due to the Employee making up work time previously missed. There will be no pyramiding or duplication of overtime.

SECTION 6—WORK ON HOLIDAYS

An eligible Employee who works on a paid holiday shall be paid time and one-half for the hours worked in addition to holiday pay for which they may be eligible.

Article 7—REPORTING AND CALL TIME

SECTION 1: REPORTING PAY

Employees called to work but not put to work through no fault of their own shall receive pay for one-half the scheduled day's work, but not less than two (2) hours or more than four (4)

hours. This rule shall not apply if the failure to put Employees to work is caused by something the Company could not reasonably foresee in time to give notice. This rule shall also not apply if the Company has notified employees prior to reporting to work that their services are not required. The Company may require the Employee to do available work at regular pay or the Employee may waive his/her right to reporting pay.

SECTION 2: CALL TIME

After leaving the Company's premises following completion of their scheduled shift, Employees called back to work by the Company on the same workday shall be paid three (3) hours at their regular straight time or overtime rate, as appropriate, or pay for the hours actually worked, whichever is greater.

Article 8—REST PERIODS AND LUNCH PERIODS

SECTION 1:

The Employer agrees to provide to all Employees rest periods of ten (10) minutes duration at or near the middle of each half shift.

SECTION 2:

An unpaid lunch period will be provided of between thirty (30) and sixty (60) minutes duration at or near the middle of each shift. Employees who remain on duty during lunch periods shall have a paid lunch.

Article 9—BULLETIN BOARDS

The Employer agrees to provide a bulletin board at a suitable location for the Company's and Union's use. Postings by the Union on such board are to be confined to official business of the Union and shall not remain posted for longer than necessary.

Article 10—SETTLEMENT OF DISPUTES

- A. All disputes or complaints by the Union shall be settled exclusively by the following grievance procedure. The party filing the grievance shall have the right to withdraw the grievance at any step of the grievance procedure.
1. All complaints shall be reduced to writing and submitted to the employer's representative by the employee and/or shop steward within five (5) calendar days of the occurrence, except for incidences of discharge or suspension, when only three (3) days will be allowed.
 2. Any grievance not so resolved within five (5) calendar days of the first step meeting shall be taken up by the Union Committee and Plant Management.
 3. Any grievance not so resolved within twenty-one (21) days following the second step meeting shall be referred to the Local Union Business Agent and the Company.

4. If no settlement is reached in step No. 3 above, then the party who filed the grievance may request within five (5) calendar days the services of the Federal Mediation and Conciliation Service (FMCS) and FMCS shall be urged to set a meeting within fifteen (15) calendar days. A representative from the District Lodge may be used, at this step, to assist in the resolution of the issue, if requested by the Local Union.
- B. If no agreement is reached, with the assistance of the Federal Mediation, and the grieving party desires to pursue the matter further, it may refer the grievance to arbitration provided the party requesting Arbitration gives written notice of their intent to arbitrate within fifteen (15) business days of step No. 4.
 - C. The moving party shall apply to the FMCS for a list of 11 potential arbitrators who are members of the American Academy of arbitrators and are located on the West Coast. The parties may mutually agree on a member of the list or alternately struck names until there is one name remaining who shall be the arbitrator. The striking of the first name shall be decided by a flip of a coin.
 - D. In all matters submitted to arbitration, each party to said arbitration shall bear the entire cost and expenses of its own witnesses and representatives. The expenses of the arbitrator and all other expenses of the arbitration other than those incurred by each party in the presentation of its own case shall be borne equally by the parties involved. The decision of the arbitrator, rendered in accordance with this agreement, shall be binding on the parties. The arbitrator shall have no authority to modify this agreement, whether by adding to or subtracting from the terms of this agreement.
 - E. The functions of the arbitrator shall be to interpret and apply the Agreement, and he/she shall have no power to add or subtract from, or modify any terms of the Agreement. In no event shall briefs be submitted unless the parties mutually agree to such procedure. Either party desiring to file such brief must state intention to do so at the close of the hearing. Any such Post Hearing Brief shall not include new evidence, documentary, or otherwise. In cases in which briefs are not submitted, the arbitrator shall be urged to provide a decision within twenty-four (24) hours of hearing the matter. Any decision by the arbitrator shall be final and binding upon the parties concerned. Unless the parties mutually agree to a bench decision, the arbitrator will be required to reduce his/her decision to writing within thirty (30) days after the close of the hearing and shall state the reasons for reaching that decision.
 - F. Any settlement or decision arrived at by the above procedure shall be final and binding upon both the Employer, the Union, and its members.

Article 11—STRIKES AND LOCKOUTS

During the life of this Agreement, no strike, picketing, or boycotting of Company products of any kind shall be permitted or sanctioned by the Union or the employees it represents, and no lockout shall be ordered by the Company. In the event a stoppage or adverse advertising not sanctioned by the Union takes place, the employees responsible therefore may be discharged or otherwise disciplined by the Company, and the Union shall in no way be deemed responsible for such unauthorized stoppage. The Union further agrees that there will be no planned inefficiencies during the life of this Agreement.

Article 12—DISCIPLINE OR DISCHARGE

SECTION 1:

The Company retains the sole and exclusive right to hire, discharge, or discipline any Employee. New employees and those hired after a break in seniority shall be considered probationary Employees for a period of up to ninety (90) calendar days. The probationary period may be extended an additional period of time as mutually agreed by the Employer and the Union. It shall be the exclusive right of the Employer to terminate probationary Employees who are not satisfactory. Probationary employees who are disciplined during the probationary period and successfully complete the probation period, shall have the discipline expunged from their files and shall have a clean record.

SECTION 2:

Any non-probationary Employee having been discharged or disciplined may utilize the grievance procedure specified in Article 10 (Settlement of Disputes).

SECTION 3:

When an Employee is warned, it shall be in the presence of a Shop Steward or Shop Committee if requested by the Employee.

SECTION 4:

Except in cases of serious misconduct, the Employee will be made aware that one or more areas of performance is unsatisfactory to the Company, or that the Employee has engaged in some type of misconduct or work rule violation. These facts will be communicated by verbal warnings, written warnings, suspension, or discharge, depending on the severity of the performance problem, misconduct, or situation. Warnings over one year can be considered in unusual circumstances (e.g. harassment, serious horseplay, workplace violence, etc.)

Article 13—TARDINESS AND TEMPORARY ABSENCE

If the Employee is unable to report to work, the Employee shall notify the Company office as soon as possible prior to the beginning of his designated shift and as necessary thereafter. The Employee is required to notify the office, personally if possible, regarding any and all absences or tardiness.

Article 14—SENIORITY

SECTION 1:

The Employer and the Union agree to the principal of seniority and that it shall be considered in all cases of changes of jobs, layoffs, or rehiring, but further agree that the qualification and ability of the individual Employee and the efficiency of the operation shall be controlling.

SECTION 2:

Seniority shall be considered on a Company-wide basis. The Company's seniority of all present Employees shall commence with the date of their last hiring. For purposes of this Agreement, Company seniority shall be defined as meaning continuous service with the Company uninterrupted by quit or discharge.

Employees shall not accrue seniority while on a leave of absence. All new Employees will have a probationary period of up to ninety (90) calendar days, which may be mutually extended by the Employer and the Union. If the Employee is satisfactory to the Company, their length of service will date back to the date of hiring.

SECTION 3: PROMOTIONS AND ADVANCEMENTS

In order to be considered for advancement, the Employee must successfully complete the ninety (90) calendar-day probationary period. In selecting Employees for promotion to higher jobs, the Company will post jobs for three (3) days. Selection to fill the job will be based on Employee qualifications (including among other things, experience, efficiency, and ability), and then Company seniority. The Employee will have up to twenty (20) working days as a trial period to prove he/she can handle the job, during which time the Employee will remain at the former wage rate. The Company may in its discretion return the Employee to the former position at any time during the trial period. The Employee may elect to return to the former position upon consultation and agreement of the supervisor during this trial period.

SECTION 4: TEMPORARY TRANSFERS

If an employee is temporarily transferred to perform work outside their regular position, their pay rate for all such hours will not be changed if the temporary transfer is less than a full shift. Employees working at more than one job classification during a shift shall clock out and in at the end and beginning of each temporary transfer. When temporary transfers of one full shift or more occur, the employee shall receive the higher rate.

If the Company determines that an Employee has temporarily completed all job duties in his or her regular job classification, the Company may offer temporary work in a different job classification at a different pay rate. The Employee will be given the option of accepting the position or leaving the job site for the day.

SECTION 5: LAYOFF AND REDUCTION IN WORK FORCE

If a layoff or reduction in work force becomes necessary, the Company will look to a combination of qualifications and seniority. Employees notified of a layoff or reduction in work force in excess of two weeks can exercise their seniority by bumping an Employee

with less seniority in their department.

SECTION 6: RECALL

Employees will be recalled as needed in inverse order from which they were laid off, subject to qualifications.

SECTION 7: LOSS OF SENIORITY

Seniority will be lost if an Employee quits, is discharged, or has been laid off work for more than six (6) months. The Employee will need to reapply with the Company as a new Employee by filling out and turning in an application form for consideration when an opening occurs for which the Employee is qualified.

SECTION 8:

The Employer will maintain a seniority list, copies of which will be provided to the Union Committee or shop steward upon request. The list will include the Employee's names, job classifications, and initial hire dates.

Article 15—PAYMENT OF WAGES

SECTION 1: PAYDAYS

Regular paydays shall be the 10th and 25th of each month. Pay periods shall run from the 1st to the 15th and from the 16th to the 31st of each month.

SECTION 2: MERIT PAY AND BONUS PROGRAM

The Company reserves the right to pay a merit or premium wage or incentive wage on bonus payment to any Employee(s) under any job classification in recognition of experience, willingness, adaptability or efficiency, or as a means of securing or retaining the services of any Employee(s) with a skill judged by the Company to be important to the economic benefit of the operation.

The payment of such merit or premium or incentive or bonus wage rate(s) shall not change the contractual rate(s) for the job. The Company shall also have the right to discontinue or change any or all such merit or premium incentive or bonus rates, as in its judgment are warranted by any or all circumstances. The intent of this language is to increase the efficiency and the productivity of the operation and will not be used to arbitrarily increase an Employee's wage rate by using subjective reasons.

SECTION 3:

The bargaining unit job classifications and wage rate schedule is shown in Article 32. The Company shall establish the rate for any new job classification(s).

Article 16—VACATIONS

SECTION 1: ENTITLEMENT TO VACATION BENEFITS

The vacation base year for all Employees begins on the date of hire.

SECTION 2: ELIGIBILITY

Eligibility for vacation time and pay will be determined based upon all hours worked.

SECTION 3: CALCULATION OF VACATION BENEFITS

The hours of accrued vacation time will be calculated by the Company on an ongoing basis and will show on each paycheck. Vacation benefits will be calculated based upon your date of hire. Vacation benefits will accrue as follows:

0 through 1 years of service	Not Eligible
1 st through 4 th year of service	4% of all hours worked
5 th through 10 th year of service	6.5% of all hours worked
11 th + years of service	9% of all hours worked

SECTION 4: VACATION PAYMENT

When requested in writing, vacation pay will be paid on the payday prior to the scheduled vacation time off. The greatest maximum accrued vacation time may not exceed eight (8) weeks in a given year. Only four (4) weeks of accrued vacation can carry forward from one year to the next as per the existing contract. Vacation time in excess of the four (4) week allowable carryover will be paid in the last paycheck of the calendar year. Employees who elect not to use all of their accrued vacation benefits in the year, will be paid all of their accrued but unused vacation benefits in the last paycheck in the calendar year. Employee's vacation hours will start new each calendar year. Employee's vacation hours will start new each calendar year. Upon written notice to the Company by December 1st, employees may carry forward up to a maximum of four (4) weeks of accrued vacation into the next year.

SECTION 5: SCHEDULING VACATION TIME OFF

The Employer may schedule one week of vacation time off by closing down the operation. The Employer may stagger vacation time on a shift or individual basis or by some combination of the above. If an Employee qualifies for a second, third, or fourth week of vacation, the Employee may take time at the convenience of the Employer or may be paid for the second, third, or fourth week in lieu of time off. Employees shall present their requests for vacation time off to their immediate supervisor as soon as possible, but at least thirty (30) days in advance. The Company in its discretion may reduce the required advance time for vacation requests in cases of emergency.

SECTION 6: HOLIDAYS DURING THE VACATION PERIOD

An Employee will be paid holiday pay for holidays that occur during scheduled vacation. The Employee will not receive additional time off.

Article 17—PAID HOLIDAYS

SECTION 1: OBSERVED HOLIDAYS

The following holidays are paid holidays for regular full-time Employees:

NEW YEARS DAY	LABOR DAY
MEMORIAL DAY	THANKSGIVING DAY
INDEPENDENCE DAY	CHRISTMAS DAY
ONE FLOATING HOLIDAY	

All employees will be entitled to one Floating Holiday, to be scheduled with the company by the employee.

Employees are eligible for holiday pay after completion of their probationary period (90 days). If one of these paid holidays occurs on Sunday, the following Monday will be observed as the paid holiday. If the holiday falls on Saturday, it will be observed on that day.

SECTION 2: HOLIDAY PAY

Eligible employees will be paid designated holidays in the pay period in which the holiday falls. The holiday pay will be included in their regular paycheck.

SECTION 3: ELIGIBILITY FOR HOLIDAY PAY

Employees are eligible for holiday pay after completion of their probationary period (90 days). Employees will receive eight (8) hours holiday pay for holidays. To qualify for holiday pay, the Employee must work the scheduled shift immediately prior to and following the paid holiday, unless excused in writing.

SECTION 4: WORK ON HOLIDAYS

An eligible Employee who actually works on the holiday will be paid time and one-half for the actual hours worked in addition to holiday pay for which they may be eligible.

Article 18---401(k) Plan

The company agrees to establish a 401(k) plan and the company's obligation is limited to paying the administrative costs of said plan, with no obligation to match any employee contributions. The company agrees to discuss matching 401K/profit sharing in March, 2018.

Article 19—HEALTH AND WELFARE

The Employer will provide an opportunity to participate in a comprehensive major medical health and welfare program. Employees who work regularly more than thirty (30) hours per week are eligible to participate. The program will include the following benefits for qualified

Employees and their dependents: hospital-medical-surgical, life insurance, and dental (50% co-share of dental premiums). The Employer reserves the right to change to a more cost effective health plan such as an HMO or a self-insured plan.

For qualified Employees, the Company will contribute, beginning on June 1, 2014, \$300.00 per month towards the total monthly premium coverage selected by the Employee(s).

The Company agrees that if the employee cost share increase exceeds 20 percent the company will meet with the Union to discuss the amount of the Companies contribution to the plan.

Article 20—SAFETY

SECTION 1:

The Company and the Union agree that maintaining a safe work environment is beneficial to both the Employees and the Company.

SECTION 2:

To accomplish this objective, the following procedures shall be observed:

- a) The Company and the Employees shall comply with applicable Federal and State Occupational Safety and Health regulations.
- b) Employees shall follow the State and Federal safety rules and policies. Failure to do so may result in invoking the disciplinary procedure up to and including termination.

SECTION 3: SAFETY COMMITTEE

A Safety Committee will be established composed of elected members of the Union and representatives of the Company. The committee shall be composed of an equal number of Employee/Management representatives, although there may be a greater number of Employee representatives. The objectives of the Safety Committee shall be:

- a) To review and recommend corrections of unsafe work practices and safety policies.
- b) To assist in creating a hazard-free workplace; and
- c) To promote cooperation of Employees in working safely.

An agenda for each meeting will be prepared and may reflect the following:

- a) Those present at the meeting.
- b) Items suggested by other Committee members.
- c) Ample time for unscheduled items.
- d) Any hazard abatement and recommendations that were discussed.

Minutes of the meeting will be kept and distributed to all Committee members. A copy of the minutes shall be posted.

SECTION 4: SAFETY INSPECTIONS

A safety and housekeeping inspection of the facility shall be made at least quarterly in a manner to be determined by the Company. Time spent by any Employee in the inspection during their normal work hours will count as hours worked and be paid accordingly.

SECTION 5: PERSONAL PROTECTIVE EQUIPMENT

The Employer will provide free of charge to Employees all personal protective equipment that is necessary or required by law or regulation. The Employer will replace such equipment as necessary due to normal wear and tear. The Employee must purchase replacement equipment when due to loss or Employee carelessness. Employees must return such equipment in good working order (subject to normal wear and tear) to the Company upon request or by the Employee's final day of employment, whichever occurs first.

SECTION 6: INJURIES ON THE JOB

Each on-the-job injury must be reported immediately to the proper supervisor. In the event of an injury or illness that requires time off from work, medical clearance to return to work will be required.

Article 21—SUBSTANCE ABUSE

The Employer and Union agree that drug and alcohol use is highly detrimental to the workplace and to the efficiency, productivity, and safety that both parties want to promote. The use, possession, distribution, or sale of illegal drugs or alcohol, or being under the influence of illegal drugs or alcohol, is strictly prohibited while on duty or on Company premises. The only exceptions to this rule are:

The possession of alcohol for the purpose and to the extent set
Forth in Article 24 (Free Beer); and the possession of alcohol at
Company-sponsored events on the plant site after work hours. On
any such occasion, only the moderate and limited use of alcoholic
beverages is acceptable.

Violation of this rule may result in disciplinary action, including discharge.

Article 22—NON-DISCRIMINATION

SECTION 1:

The Employer and the Union agree not to discriminate against any individual with respect to hiring, compensation, terms or conditions of employment because of such individual's age, race, color, religion, sex, disability or national origin, nor will they limit, segregate or classify Employees in any way to deprive any individual Employee within the above protected classes of equal employment opportunities.

SECTION 2:

The parties agree to cooperate in ensuring that the rights of all Employees are protected and specifically that each and every Employee is provided a workplace free from illegal discrimination and/or harassment. In no case shall any Employee engage in any harassment. Any Employee who feels their rights are being violated is encouraged to immediately notify management personnel to allow for an early, fair, and complete investigation to occur. In

case of perceived or alleged harassment or discrimination, an Employee, at his or her option, may bypass his or her immediate supervisor by bringing the complaint directly to upper level management.

SECTION 3:

Nothing herein will prevent the Employer from fulfilling its obligations under the American with Disabilities Act or the Family and Medical Leave Act of 1993, if applicable.

Article 23—SAVINGS CLAUSE

If any provision of this Agreement is invalid under federal or state law, such provision shall be modified to comply with the law. If any portion of this Agreement is invalidated, the remainder of the Agreement remains in full force and effect.

Article 24—LEAVE OF ABSENCE

SECTION 1:

The Company may in its discretion, grant a leave of absence without pay to an Employee upon request. An Employee on an approved leave of absence will retain all seniority rights provided the Employee does not accept other employment during the course of the leave. Military leave does not constitute other employment. Employees elected to a full-time Union position shall be granted a leave of absence as long as serving in that position. Upon reasonable notice to the Company, Employees will be granted a leave to perform Union business.

SECTION 2:

Leave other than noted in Section 1 will be provided in accordance with applicable state and/or federal law.

SECTION 3:

A discretionary leave of absence of more than two (2) days should be requested in writing at least one (1) month in advance.

SECTION 4:

The Employer may require medical verification of the need to be absent for any injury or illness.

SECTION 5: RETURNING TO WORK AFTER ILLNESS OR INJURY

In the event the Employee is off work because of an illness, industrial accident or accident off the job, the employee shall obtain from his physician a letter or certificate certifying that the Employee has recovered sufficiently to be able to resume regular or light-duty work. Failure to present such a letter or certificate is sufficient cause for the Employee to be denied employment until such a letter or certificate is obtained.

Employees released for temporary modified or light-duty work must accept such work when it is made available. Employees who are off work due to industrial injury or illness shall continue to receive their regular rate of pay for one (1) week while performing modified or light duty work. If the Employee remains on modified or light duty work for more than one week, the Employee will receive the rate for the work performed. Any such modified or light duty work shall be temporary, and limited to the period of temporary disability or thirty (30) days, whichever is shorter. Employees who miss work due to an injury or illness must report for work on the date released to return to the former or modified work.

Employees off work due to injury or illness must comply with all attendance and call-in requirements, unless otherwise instructed.

Article 25—FREE BEER

Un-saleable miss-filled bottles that have been marked “not for re-sale” on the label, may be taken off the premises by Employees for personal consumption in full case quantities only after the Employee pays the applicable taxes and CRV. No consumption of alcoholic beverages shall occur on Company premises or Company time, including rest breaks and lunch periods.

Article 26—TERMINATION CLAUSE

SECTION 1:

This Agreement is effective April 1, 2016, and is binding upon the Company and the Union, and shall remain in full force and effect subject to no contractual or wage change, through and including March 31, 2019. If neither party gives notice in accordance with Section 2, this Agreement shall continue in full force and effect from year to year thereafter.

SECTION 2:

Either party may terminate this Agreement or require the renegotiations of this Agreement for changes, modifications or wage changes by notifying the other party in writing sixty (60) days or more prior to March 31, 2019.

SECTION 3:

It is further agreed and understood that if the parties or either of them give notice for changes or modifications (and neither party gives a notice of termination) as provided in Section 2 above, this Agreement shall remain in full force and effect until either a new agreement is reached or either party resorts to economic action such as strike or lockout in accordance with the provisions of that Article.

Signed this ____ day of

Mad River Brewing Co., Inc.
Woodworkers Local Lodge W98IAM, AFL-CIO

, Director

Paul Jay, Local Lodge W98 President

, Human Resources

Kevin Fisher, Chief Shop Steward

Article 27—SICK LEAVE

SECTION 1:

Sick leave with pay shall be earned by each Employee at the rate of one percent (.1%) of hours worked during the first year of employment, up to a maximum of 50 hours of sick leave per calendar year. Employees with more than one (1) year of service shall begin to earn paid sick leave at the rate of two percent (2%) of hours worked, up to a maximum of 50 hours per calendar year. Sick leave will accrue from the Employee's initial date of hire. However, Employees are not eligible to use sick leave until completion of their probationary period. Employees may accumulate a maximum of fifty (50) hours of sick leave beginning on the first day of each year.

SECTION 2:

Employees are eligible for sick leave for the following reasons only:

1. Personal illness or physical disability.
2. Medical or dental appointments during working hours, with one (1)-week prior approval by the Employee's immediate supervisor.
3. Enforced quarantine of the Employee in accordance with community health standards and regulations.
4. An employee may use up to one half of the annual sick leave accrual to care for a sick or injured immediate family member

Sick leave for any of the above will be charged against the Employee's accumulated sick leave.

SECTION 3:

Sick leave abuse by an Employee shall subject the Employee to disciplinary action including dismissal.

SECTION 4:

The Employer may require a doctor's verification of illness or fitness to return to work.

SECTION 5:

Paid sick leave shall be calculated to the nearest one-half (1/2) hour.

SECTION 6:

The transfer, assignment, donation or trading of accumulated sick leave is strictly forbidden.

SECTION 7:

Notice of the taking of sick leave shall be given as early as possible before commencement of the shift.

SECTION 8:

Upon resignation or termination from the Company, Employees are not eligible for payment for any unpaid sick leave benefits.

Article 28—JURY DUTY

SECTION 1:

Any regular Employee who is required to perform jury duty, including Grand Jury duty, will be entitled to time off for jury service. Employees will be allowed to use any accrued paid

vacation time if they so choose, for the hours necessarily lost as a result of serving on the jury. The Employee will be required to furnish a signed statement from a responsible officer of the court as proof of jury service.

SECTION 2:

Day shift Employees may be required to report for work if their jury service ends on any day in time to permit at least four (4) hours work in the balance of their regular shift. Employees working other shifts will not be required to report for work on any day they have to perform jury service for more than one-half day.

SECTION 3:

The above provisions apply to Employees on days they are required to report for jury duty, even if they are not selected to serve as a jury member.

Article 29—BEREAVEMENT LEAVE

SECTION 1:

When death occurs in an Employee's immediate family, the Employee shall be granted necessary time off. The Employee will be compensated at his/her regular straight-time hourly rate for eight (8) hours or the regular DAILY schedule, whichever is greater for two (2) days for time lost from work. Proof of relationship and/or death may be required by the Company.

SECTION 2:

Members of an Employee's immediate family are limited to the Employee's spouse, sons, daughters, mother, father, brothers, sisters, grandparents, grandchildren, and current mother-in-law, father-in-law, sister-in-law, brother-in-law, stepparents, and stepchildren.

Article 30—CONTRACTING-SUBCONTRACTING

The Employer agrees for the life of this Agreement not to contract or subcontract any work which is normally done by the employees covered by this Agreement, provided that the Employer may subcontract work: 1) when no employees who regularly perform the work in question are on layoff; or 2) when the work requires skills not possessed by bargaining unit Employees or equipment not possessed by the Employer; or 3) when the work must be performed in a time frame that cannot reasonable be met by the regular bargaining unit employees.

Article 31—INDUSTRY TRAINING

SECTION 1:

In recognition of the importance of continuing training and education to the Company's and Employees' growth, the Company will contribute towards a full-time Employee's tuition, fees, and books for job-related courses or seminars, provided that the following provisions are met:

- a) Before enrolling in the course, the Employee completes and submits to the General Manager a Tuition Reimbursement Approval Form;
- b) The General Manager pre-approves the tuition reimbursement request; and
- c) The Employee satisfactorily completes the courses with a passing grade (if applicable).

SECTION 2:

The Company has sole discretion to approve or deny a request for tuition reimbursement.

Article 32—MNPL CHECK-OFF

The Employer agrees to a voluntary check-off for the Machinist Non-Partisan Political League.

Article 33—WAGE RATE

The Warehouse Person Lead rate will be \$16.75, and there will be a Warehouse Person rate of \$15.75 added to the rate schedule.

When an employee gains 10 years of service in one of the following jobs they will receive the senior rate: (Brewer, Brew/Cellar, and Warehouse Person)

The Company agrees to meet with the Union to discuss a wage increase or bonus program in March of 2018.

RATES OF PAY FOR APRIL 1, 2016:**April 1, 2017**

Senior Brewer	\$17.75	\$18.25
Senior Cellar	\$17.75	\$18.25
Brewer	\$16.75	\$17.25
Brewer/Cellar	\$16.75	\$17.25
General Labor/Brewer	\$13.75	\$14.25
Lead Packaging Person	\$18.25	\$18.75
Machine Operator	\$15.75	\$16.25
- Jr. Machine Operator	\$13.25	\$13.17
General Labor	\$10.75	\$11.25
Lead Maintenance/Fab Person	\$18.25	\$18.75
Lead Warehouse Person	\$16.75	\$17.25
Warehouse Person	\$15.75	\$16.25

- The position of Maintenance Person will be called Lead Maintenance / Fabrication Person. This individual can perform the duties and tasks of all bargaining unit staff.
- The position of Warehouse Person will remain as Warehouse Person. It is understood that the individual currently filling this position does graphic arts as a temporary job in addition to his warehouse duties. The company reserves the right to move this job into a management position, at any time, as it deems necessary.
- The category, General Laborer, will be able to work in any area and job role of the plant that is needed and conduct these duties under supervision. If working full time after 90 days he/she will be moved to Junior Machine Operator rate. If working part time, 50% or less per month, he/she will remain at the \$10.75 rate for no more than 6 months and then moved to Junior Machine Operator rate.