

K#: 9037

Memorandum of Agreement

Whereas, M.B. Consultants ("Employer") and Local 726, IUWAT ("Union") are parties to a collective bargaining agreement effective December 20, 2004 through December 19, 2009; and

Whereas, the Union and the Employer have met and bargained in good faith over the terms of a new collective bargaining agreement effective February 27, 2009 - February 26, 2012.

**NOW THEREFORE, IT IS AGREED:**

1. All provisions of the collective bargaining agreement between the parties effective December 20, 2004 - December 19, 2009 will remain in effect unless modified herein.
2. The new agreement is effective for a three year period from February 27, 2009 - February 26, 2012 ("Agreement").
3. The Employer will not layoff any employees during the next six months. The only reduction in the workforce will come by attrition over the next six months (i.e. if someone terminates employment the Employer has the right not to replace them).
4. The Employer will not sell or transfer the business for at least the next six (6) months while during this period of company reorganization.
5. Wage increases will be implemented on a department basis, after a review by management of the efficiency in each department. In the departments that have already received wage increases of over \$1.00 per hour in the past month, if other efficiencies can be found there will be more money available for raises during the term of the Agreement. The other departments will receive raises according to the efficiencies found after the Employer individually reviews departmental operations. The Employer will notify the Union of any proposed wage increases and give the opportunity for the Union to review the basis for the Employer's decisions.
6. The Union will seek to arrange for Employer participation for medical coverage for employees thru the United Benefit Fund effective March 1, 2009 at the same contribution formula that presently exists for providing medical coverage. The Employer and the Union agree to add \$20,000 employee life insurance, a basic eye glass plan, a basic dental plan, and to provide a supplement to the NY State disability plan. The prescription drug program will have a zero co-pay cost for generic drugs. In the event there is a disagreement as to the benefits or the cost therefore, the dispute will be the subject of arbitration to be conducted under the grievance arbitration provisions of the Agreement.
7. Between September 1, 2009 and October 31, 2009, either party may request in writing adjustments or changes in economic terms to be effective during the term of the Agreement. Neither party is obligated to make such requests. If a request is made, failure to reach an

Agreement between the parties on such adjustment or change will be subject to arbitration to be conducted under the grievance arbitration provisions of the Agreement. Notwithstanding this limited reopening, the Union agrees that the no-strike provision will remain in effect until February 26, 2012.

8. If the Employer closes all or part of its operation during the term of this Agreement, it will as soon as practicable after the decision is made, notify the Union in writing and the parties will meet to negotiate a severance pay plan. If the parties fail to reach an agreement, the terms of such severance pay plan will be subject to arbitration under the grievance arbitration provisions of the Agreement.

The parties hereto have caused this Agreement to be signed by their duly authorized representatives this 27<sup>th</sup> of February 2009.

MB Consultants LTD.

By: [Signature]

International Union of Journcymen & Allied Trades  
Local 726

By: [Signature]  
2/27/09

By: [Signature]

By: [Signature]

**Addendum to the Collective Bargaining Agreement**

Agreement made by and between the IUJAT and USW, United Welfare Fund and MB Consultant (Shop No. 11585), Employer.

The parties agree to amend the current collective bargaining agreement by adding the following USW, Welfare Fund benefit for this benefit year effective April 1, 2006 through March 31, 2007, and annually thereafter until notice of termination of this addendum has been provided or the underlying collective bargaining agreement is terminated. Each year the Employer shall contribute \$3.00 per member per year, payable in advance, to the USW, United Welfare Fund – Welfare Division to provide each actively employed employee covered by the collective bargaining agreement who is not covered by any benefit provided by the USW, United Welfare Fund, a \$10,000.00 accidental death and dismemberment benefit. Only active employees on the payroll as of April 1, 2006, and each April 1, thereafter (“Benefit Year”), for whom contributions are made, shall be entitled to the benefit for that full Benefit Year. The contribution shall be paid on an annual basis with payment due on or before May 1, 2006 for the year 2006, and May 1 of each year then following. The Employer agrees to be bound by the USW, Welfare Fund’s Trust Agreement and Rules and Regulations issued by the Trustees, as may be amended from time to time. A list of employees along with such information as may be required by the Fund shall be provided along with the Employer’s payment. This addendum may be terminated by either party upon 30 days advance written notice to the other. If such notice is not given at least 30 days prior to the anniversary date, such notice shall be effective on the next April 1, anniversary date. Only employees actively at work who are enrolled as of April 1st in any year shall be deemed eligible for the benefit in that year.

Union: [Signature] Dated: 11/17/06  
Employer: [Signature] Dated: 1/17/06

AGREEMENT

BETWEEN

M. B. CONSULTANTS, LTD.

-and-

LOCAL 726, I.U.J.A.T.

\* \* \*

December 20, 2004 - December 19, 2009

INDEX

<u>DESCRIPTION</u>	<u>ARTICLE NO.</u>	<u>PAGE NO.</u>
CHECK-OFF	3	3
DISCHARGE	8	6
DISCRIMINATION	4	3
EMPLOYEE PROBATIONARY PERIOD	5	4
ENGLISH VERSION	26	17
FUNERAL LEAVE	19	15
GRIEVANCE AND ARBITRATION	9	6
HEALTH INSURANCE	22	16
HOLIDAYS	16	12
HOURS OF WORK	6	4
JURY DUTY	21	15
LEAVES OF ABSENCE	20	15
MANAGEMENT DOING WORK	10	8
MANAGEMENT RIGHTS	12	8
RATIFICATION BONUS	14	11
RECOGNITION	1	2
SANITARY CONDITIONS	23	16
SAVINGS CLAUSE	25	17
SCHEDULE A		19
SCHEDULE B		20
SECURITY FUND	15	12
SENIORITY	7	5
SICK/PERSONAL DAYS	18	14
STRIKES AND LOCKOUTS	24	16
TERM OF AGREEMENT	27	17
UNION REPRESENTATIVES	11	8
UNION SECURITY	2	2
VACATION	17	13
WAGES	13	9

THIS AGREEMENT made and entered into this 20<sup>th</sup> day of December, 2004 by and between the Local 726, I.U.J.A.T. having its office located at 1 Union Square West, Suite 713, New York, New York 10003 (hereinafter referred to as the "Union") and M.B. Consultants Ltd., having its office located at 334 Main Street, South Fallsburg, New York, 12779 (hereinafter referred to as the "Employer").

## **ARTICLE 1. RECOGNITION**

The Employer recognizes the Union as the sole and exclusive bargaining agent for all full-time and regular part-time production and maintenance employees, including but not limited to live department employees, slaughterers, evisceration department employees, cryovac department employees, sanitation department employees, maintenance department employees, and mechanics, live drivers and dressed drivers employed by the Employer at its Main Street, South Fallsburg, New York facility, and excluding office clericals, professional employees, guards and supervisors as defined in the National Labor Relations Act.

## **ARTICLE 2. UNION SECURITY**

All present employees covered by this Agreement who are members of the Union on the effective date of this Agreement or on the date of execution of this Agreement, whichever is later, shall remain members of the Union in good standing as a condition of employment. All employees covered by this Agreement who are not members of the Union in good standing and all employees hired hereafter shall become and remain members in good standing of the Union as a condition of employment on and after the thirty-first (31<sup>st</sup>) day following the beginning of their employment or on and after the thirty-first (31<sup>st</sup>) day following the effective date of this

Agreement, or the date of execution, whichever is later. The phrase 'in good standing' whenever used in respect to an employee's membership in the Union shall be interpreted to mean that such employee has tendered or paid the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining Union membership.

### **ARTICLE 3. CHECK-OFF**

The Employer agrees to deduct monthly from the earnings of employees covered by this Agreement, who have made and delivered to the Employer their written authorizations, in accordance with the provisions of said authorizations, membership dues, initiation fees, or assessments as fixed by the Union, and remit the total of such deductions to the Union. Such sums deducted and withheld shall be paid over to the Union not later than the tenth (10<sup>th</sup>) day of the month. Written notice must be sent by the Union to the Employer of the amount of dues, initiation fees or assessments levied. No deductions shall be made which are prohibited by applicable law. The Union shall defend, indemnify and hold the Employer harmless against any and all claims, demands, suits, grievance, or other liability that arise out of or by reason of actions taken by the Employer pursuant to this Article.

### **ARTICLE 4. DISCRIMINATION**

The Employer agrees that it will not discriminate in the hiring of employees or in their training, upgrading, promotion, transfer, layoff, discipline, discharge or otherwise because of race, creed, color, national origin, age, disability, veteran status, political affiliation, sex, sexual orientation, union affiliation, marital status, or other protected classifications protected by federal and/or state law.

The use of the words "his," "him" or "he" are intended to be gender neutral and are intended to be used interchangeably with the words "hers," "her," and "she" for purposes of this Agreement.

Nothing in this Article is intended to restrict the Employer's right to use only males for the job classification of Halal Slaughterer.

#### **ARTICLE 5. EMPLOYEE PROBATIONARY PERIOD**

The service of any new employee shall be probationary for a period of ninety (90) working days from the first day of employment, which period shall be known as the probationary period. During their probationary period, employees shall be subject to dismissal without having recourse to the Grievance and Arbitration procedure herein provided.

#### **ARTICLE 6. HOURS OF WORK**

A. The regular work week for all full-time employees shall be in compliance with New York State law with no further limitations.

B. Employees will be entitled to overtime pay at the rate of one and one-half (1½ X) times their straight time pay for hours worked in excess of forty (40) hours in a work week. A "work week" is defined as the period of time between 12:00 a.m. Monday and 11:59 p.m. Sunday, with the exception of nighttime Sanitation Department employees and nighttime Maintenance Department employees for whom the work week is from 12:00 p.m. Monday to 11:59 a.m. Monday.

C. It is agreed that there are occasions on which work must be performed on an overtime basis. When such determination has been made by the Employer, those employees who can perform this work must accept this overtime work unless excused by the Employer.

## ARTICLE 7. SENIORITY

A. The Employer recognizes the principle of seniority and agrees in connection with layoffs and re-hiring employees that seniority based on length of continuous service shall be a factor after ability, competence and performance are evaluated. When the factors of ability, competence and performance are equal or comparable between or among employees, seniority shall prevail. When seniority prevails, the employee with the least time of employment with the Employer shall be laid off first and re-hired last. Nothing in this section shall limit the Employer's ability to layoff by department or as otherwise necessary for the operations.

B. In recalling employees to work, written notice shall be sent to the employee's last known address advising him/her of the date of return. In the event that the employee does not communicate with the Employer in writing or report for work within five (5) working days after receiving notice of recall, said employee shall lose seniority and if employed thereafter, shall be considered as a new employee from the date of return to work. The employee is responsible for keeping the Employer advised at all times of his/her latest telephone number and mailing address.

C. Employees shall lose their seniority rights for the following reasons:

1. When an employee quits or voluntarily resigns his position;
2. When an employee is discharged for just cause;
3. Unauthorized failure to report to work for two (2) or more consecutive working days without having obtained prior authorization;
4. When the employee is laid off for a period exceeding one (1) year or the length of his employment, whichever is shorter.

5. When an employee is laid off and fails to return to work within five (5) working days after receiving notice of recall by registered mail or telegram addressed to the last known address of the employee;
6. When the employee is absent from work due to illness or injury for a period exceeding one (1) year or the length of his employment, whichever is shorter.

## **ARTICLE 8. DISCHARGE**

The Employer shall have the right to immediately discipline or discharge employees for just cause. In the case of discipline or discharge for the sale, use or possession of drugs, consumption of alcohol, theft, physical fighting, excessive absenteeism, gross misconduct (such as, but not limited to, insubordination), sleeping on the job, walking off the job, or possession of a firearm during working hours on Employer premises, the Union shall have the burden of showing that the Employer acted unreasonably. In all other cases of discharge, the Employer shall have the initial burden of showing that it acted with just cause, subject to the Grievance Procedures set forth herein.

## **ARTICLE 9. GRIEVANCE AND ARBITRATION**

A. Should a dispute arising during the term of this Agreement between the Employer and the Union, or between the Employer and any employee, as to the application of a specific provision of this Agreement, in order to promote and improve industrial harmony, an earnest effort shall be made to settle such differences in accordance with the following procedure:

Step 1. The aggrieved employee shall discuss the grievance with the employee's supervisor within five (5) days from the date that the grievance occurred or the employee reasonably should have had knowledge of the same, and the supervisor shall give an answer to the employee within five (5) working days after the grievance is presented.

Step 2. If the grievance is not resolved within that time, the Union shall submit the grievance, in writing, within five (5) days after the supervisor's answer in Step 1. Within five (5) working days after the Employer receives the written grievance, a meeting shall be held by an Employer representative and a representative of the Union. The Employer's answer at this Step shall be in writing to the employee.

Step 3. Any grievance which is not satisfactorily settled under Step 2 may be submitted by either the Union or the Employer for arbitration pursuant to section B below upon written notice to the other party within seven (7) days after receipt of the Employer's answer to the Step 2 meeting.

Expedited Arbitration: A grievance regarding the discharge of an employee shall be handled on an expedited basis instead of using the above steps. Such grievance must be submitted in writing to management within seventy-two (72) hours of the discharge, otherwise the action will be presumed to be supported by just cause. If the discharge is not resolved within forty-eight (48) hours of the submission of the grievance, the Union may submit the dispute for arbitration pursuant to section B below.

B. In the event of arbitration, either the Union or the Employer shall request a hearing before one of the following arbitrators on a rotating basis: J.J. Pierson, Eugene Coughlin, Roger Maher and Michael Murray. The decision of the arbitrator shall be final and binding on the Employer, the Union and the employee. The fees and expenses of the arbitration will be shared equally by the Union and the Employer. In making his decision, the arbitrator shall not have the right to add to, detract from, alter, amend or modify any provision of this Agreement or impose upon any party hereto a limitation or obligation not provided for in this Agreement.

C. It is understood and agreed that the Union and the Employer are the only parties who have the right to request the aforesaid arbitration.

#### **ARTICLE 10. MANAGEMENT DOING WORK**

The Union understands and agrees that certain employees, outside of the bargaining unit, have duties and responsibilities which require them to work with employees covered by the Agreement and perform work which employees covered by this Agreement may also perform. Further, the Union understands and agrees that in order to assure effective, efficient and expeditious service to the Employer's customers, any or all of the Employer's employees may be used to perform services covered hereunder when, in the Employer's opinion, the efficient operation of the facility mandates their assignment to perform such services.

#### **ARTICLE 11. UNION REPRESENTATIVES**

Authorized representatives of the Union shall have the right to visit the Employer's establishment at reasonable times to investigate wages, hours, working conditions, grievances, and other matters covered by this Agreement. Such visits, however, shall not be made at such times or in such manner as shall interfere with the operation of the Employer's business. Prior to visiting, representatives shall receive permission from the Employer's designated representative.

#### **ARTICLE 12. MANAGEMENT RIGHTS**

Except as specifically abridged or modified by this Agreement, nothing herein shall be construed to limit the Employer's exclusive right to manage its facility and direct its work force, including but not limited to: the right to plan, direct and control facility operations; the right to

direct the work force including the right to determine the size of the work force, hire, layoff and assign duties to employees; the right to hire, layoff part-time and temporary employees; the right to discipline, demote, suspend or discharge employees for just cause; the right to plan, direct, control, subcontract, continue, sell, discontinue or relocate any part of the operations; the right to determine and change the method and manner of operations and the number of employees necessary to perform operations; the right to introduce or change technology, equipment, processes, products, equipment; the right to establish and change working schedules; the right to establish, maintain, modify and enforce a drug/alcohol testing policy; the right to introduce new or improved methods of production or facilities; the right to change existing business practices; This statement of management rights is not intended to exclude other inherent rights which are not mentioned herein which are vested exclusively in the Employer.

The Employer has the right to establish and require employees to observe Employer policies, rules, regulations and work performance standards. A copy of any policies, rules and regulations shall be submitted to the Union.

### **ARTICLE 13. WAGES**

- A. Minimum wage rates are set forth in Schedule A attached.
- B. One-Time Wage Adjustment: Effective December 27, 2004, the wage rate of each full-time and regular part-time employee (with the exception of Live Drivers, Dressed Drivers and Evisceration Department employees) who have been employed by the Employer for less than one (1) year of continuous employment shall receive a fifty cent (\$.50) per hour wage increase. The wage rate of each full-time and regular part-time employee (with the exception of Live Drivers, Dressed Drivers and Evisceration Department employees) who have been

employed by the Employer for one (1) or more years of continuous employment shall receive a sixty-five cent (\$.65) per hour wage increase.

Evisceration Department employees who have been employed by the Employer for less than one (1) year of continuous employment shall receive a seventy-five cent (\$.75) per hour wage increase. Evisceration Department employees who have been employed by the Employer for one (1) or more years of continuous employment shall receive a ninety cent (\$.90) per hour wage increase.

C. Longevity Pay:

Effective January 1, 2005, full-time employees shall receive longevity pay as follows:

If they completed one (1) year of continuous service	\$200.00
If they completed two (2) years of continuous service	\$300.00
If they completed three (3) years of continuous service	\$400.00
If they completed four (4) years of continuous service	\$500.00
If they completed five (5) years of continuous service	\$600.00
If they completed ten (10) years of continuous service	\$1,000.00

Effective January 1, 2008, full-time employees shall receive longevity pay as follows:

If they completed one (1) year of continuous service	\$200.00
If they completed two (2) years of continuous service	\$300.00
If they completed three (3) years of continuous service	\$400.00
If they completed four (4) years of continuous service	\$500.00
If they completed five (5) years of continuous service	\$600.00
If they completed ten (10) years of continuous service	\$1,000.00

Effective January 1, 2009, full-time employees shall receive longevity pay as follows:

If they completed one (1) year of continuous service	\$200.00
If they completed two (2) years of continuous service	\$300.00
If they completed three (3) years of continuous service	\$400.00
If they completed four (4) years of continuous service	\$500.00
If they completed five (5) years of continuous service	\$600.00
If they completed ten (10) years of continuous service	\$1,000.00

Longevity pay shall be made in the payroll following the employee's anniversary date of hire. Employees must be actually employed on their anniversary date in order to receive payment. Part-time employees shall receive 50% of the above longevity pay amounts. An

employee's status as full-time or part-time will be determined by their status on their anniversary date of hire.

D. Effective January 1, 2006, all employees who have been who have been employed by the Employer for one (1) or more years of continuous employment shall receive a seventy-five cents (\$.75) per hour wage increase. All employees who have been who have been employed by the Employer for less than one (1) year of continuous employment shall receive a wage increase to bring them to the New York State Minimum Wage.

Effective January 1, 2007, all employees who have been who have been employed by the Employer for one (1) or more years of continuous employment shall receive a forty cents (\$.40) per hour wage increase. All employees who have been who have been employed by the Employer for less than one (1) year of continuous employment shall receive a wage increase to bring them to the New York State Minimum Wage.

*min. wage  
\$7.15*

E. The Employer is permitted to grant wage increases based on merit.

#### **ARTICLE 14. RATIFICATION BONUS**

All full-time employees who have completed their probationary period as of December 20, 2004, will receive a ratification bonus of \$100.00 in their paychecks immediately following ratification of this Agreement. All part-time employees who have completed their probationary period as of December 20, 2004 will receive a ratification bonus of \$50.00 in their paychecks immediately following ratification of this Agreement. All full-time employees hired before December 20, 2004 who have not completed their probationary period, will receive a ratification bonus of \$100.00 in their paychecks upon completion of their probationary period. All part-time employees hired before December 20, 2004 who have not completed their probationary period,

will receive a ratification bonus of \$50.00 in their paychecks upon completion of their probationary period.

#### **ARTICLE 15. SECURITY FUND**

Effective December 20, 1999, the Employer agrees to contribute five cents (\$.05) per hour worked up to a maximum of forty (40) hours per week to the United Service Workers of America Security Fund for all full-time employees who have completed one (1) year of continuous employment. An employee will be deemed to have completed one (1) year of continuous employment on the first anniversary date of the employee's date of hire.

#### **ARTICLE 16. HOLIDAYS**

A. All full-time and regular part-time employees who have successfully completed their probationary period shall be entitled to the following paid holidays:

New Year's Day ✓  
Good Friday ✓  
Martin Luther King Day ✓  
Memorial Day  
July 4<sup>th</sup>  
Labor Day  
Thanksgiving Day  
Day After Thanksgiving  
Christmas Day ✓  
Employee's Birthday (only after the employee has completed one year of employment)

B. Full-time employees who qualify to receive the holiday pay will receive eight (8) hours pay at the straight time rate for such holiday. Part-time employees who qualify to receive the holiday pay will receive five (5) hours pay at the straight time rate for such holiday.

C. To be eligible for holiday pay, the employee must work the scheduled day before and after the holiday. For purposes of this paragraph only, Thanksgiving Day and the Day After

Thanksgiving shall be considered as one holiday to determine eligibility for holiday pay. Thus, the full-time employee will receive sixteen (16) hours of holiday pay provided he works the Wednesday before and the Monday after Thanksgiving.

D. Employees shall receive, in addition to holiday pay for any of the above holidays, straight-time pay for all hours worked on the holiday, except to the extent overtime pay is required under Article 6.

### **ARTICLE 17. VACATION**

A. A paid vacation will be granted to all full-time and regular part-time employees who have been in the service of the Employer in accordance with the following schedule:

After one (1) year of continuous employment - - one week (5 days)  
After three (3) years of continuous employment - - two weeks (10 days)  
After seven (7) years of continuous employment - three weeks (15 days)  
After ten (10) years of continuous employment - - four weeks (20 days)

B. Vacation must be taken within the employee's anniversary year or it will be forfeited. "Anniversary year" is deemed to be the twelve month period from the anniversary date of the employee's date of hire until the next anniversary of the employee's date of hire.

Employees who at the request of management are asked to forego their scheduled vacation due to business reasons shall be paid for that vacation prior to the end of the anniversary year. Their will be no entitlement to vacation pay upon termination of employment.

C. In accordance with the above schedule, each full-time employee shall receive pay at the straight time rate of eight (8) hours for each vacation day used by the employee. The vacation pay for each regular part-time employee shall be calculated based on the average number of hours worked by the employee in the prior four (4) weeks. Vacation pay will be provided prior to the employee taking the vacation.

D. All vacations shall be scheduled at least three (3) weeks in advance. The Employer reserves the final right to grant or deny vacation requests based upon operating needs. In case of a conflict, the employee with the most seniority shall prevail.

#### **ARTICLE 18. SICK/PERSONAL DAYS**

A. Paid sick/personal days will be granted to all full-time and regular part-time employees who have been in the service of the Employer in accordance with the following schedule

After one (1) year of continuous employment - - four (4) days  
After three (3) years of continuous employment - - five (5) days  
After seven (7) years of continuous employment - - six (6) days  
After ten (10) years of continuous employment - - seven (7) days

B. All sick/personal days must be taken within the employee's anniversary year or unused sick/personal days will be paid out to employee at the end of the anniversary year. "Anniversary year" is deemed to be the twelve month period from the anniversary date of the employee's date of hire until the next anniversary of the employee's date of hire.

C. In accordance with the above schedule, each full-time employee shall receive pay at the straight time rate of eight (8) hours for each sick/personal day used by the employee, and each regular part-time employee shall receive pay at the straight time rate of five (5) hours for each sick/personal day used by the employee.

D. If an employee is out of work for illness or injury for two (2) or more consecutive days, he must submit a doctor's note verifying the illness or injury and permitting him to return to work.

## **ARTICLE 19. FUNERAL LEAVE**

All full-time employees who have completed one (1) year of employment are eligible for a paid funeral leave. In the event of a death in the employee's immediate family, the employee shall be entitled to a maximum of three (3) working days off, with pay, for the purpose of arranging and attending the funeral. One (1) of the days must be spent attending the funeral. Immediate family shall be defined as spouse, mother, father, child, brother and sister. Pay shall be the straight time hourly rate for eight (8) hours. The Employer reserves the right to require official notification and/or proof of death and attendance at funeral.

## **ARTICLE 20. LEAVES OF ABSENCE**

The Employer shall provide leaves of absence in for family and/or medical leave, jury duty and military duty in accordance with federal and state law.

## **ARTICLE 21. JURY DUTY**

All full-time employees who are summoned to serve as a municipal, county or federal juror shall be paid his straight-time base rate for eight (8) hours for such jury service, less the amount received from the court for such jury service. A day of jury service shall be any day for which the employee is paid by the court for such service as certified by a written statement from the court. Employees shall notify their supervisor at the time they receive notification to serve jury duty. Employees must present to management written proof from the court that they serve on jury duty in order to be paid by the Employer under this Article. Employees who are excused from jury duty by 12:00 p.m. (noon) must report to work for the duration of that day.

## **ARTICLE 22. HEALTH INSURANCE**

**See Arbitrator Pierson's Award Attached as Schedule B**

## **ARTICLE 23. SANITARY CONDITIONS**

No employee shall be required to work under conditions, or to use products, which are detrimental to his health. Compliance with applicable federal, state and local laws shall be deemed compliance with this section.

## **ARTICLE 24. STRIKES AND LOCKOUTS**

A. During the term of this Agreement, no employees shall, and the Union for itself and its members employed by the Employer covenants and agrees, that neither the Union nor its said members shall cause, take part in or authorize any strike (whether sit-down, stay-in, sympathetic, general or any other kind), a slowdown program, walkout, picketing, stoppage, sick-out or retarding of work or boycott, or any other interference with the Employer's business or the operation or conduct thereof, or with the business or the operation or conduct of the business of any of its customers.

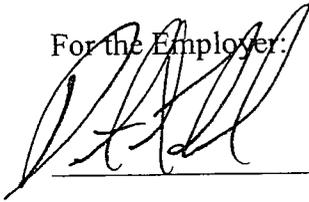
B. The Union agrees that the Employer shall have the absolute right to immediately discharge or otherwise discipline any employee who engages in conduct prohibited by this paragraph.

C. The Employer agrees that during the term of this Agreement, it will not lockout employees in connection with any labor dispute. However, a complete or partial reduction of operations by the Employer for economic reasons or other compelling business reasons shall not be considered a lockout.

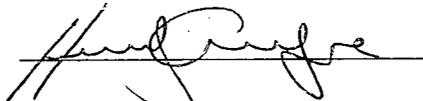
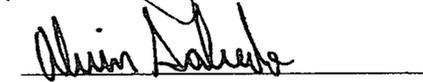
1 WITNESS WHEREOF, the parties hereto execute this Agreement the day and year

first written above.

For the Employer:

  
VP, OPER.

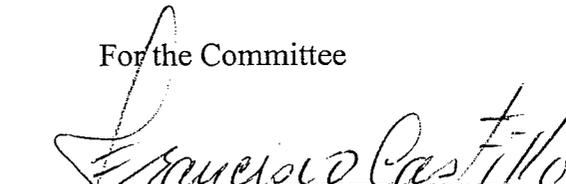
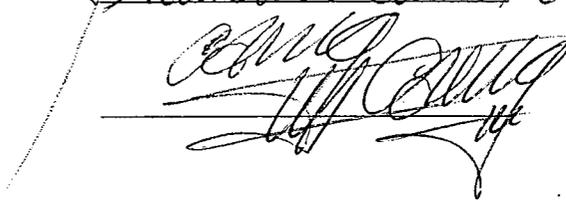
For the Union:

Date: 2/8/2005

Date: 2/6/05

For the Committee

Date: 2/8/05

SCHEDULE A

<u>Minimum Hourly Wage Rates</u>	<u>1/1/05</u>	<u>1/1/06</u>	<u>1/1/07</u>
Evisceration Department	\$6.25	6.75	7.15
Halal Slaughterers	\$6.50	6.75	7.15
Cryovac Department	\$6.00	6.75	7.15
Part-time Cryovac	\$6.00	6.75	7.15
Live Department	\$6.50	6.75	7.15
Mechanics	\$6.50	6.75	7.15
Maintenance	\$6.50	6.75	7.15
Night Sanitation	\$6.25	6.75	7.15
Day Sanitation	\$6.00	6.75	7.15
Drivers (Dressed)	\$8.00/hour	8.75	9.15
	or \$100/trip	or \$110/trip	or \$125/trip
Drivers (Live)	\$100.00/trip	110.00/trip	125.00/trip

SCHEDULE B

was important. Mr. Koplik reiterated that, while the Company is not contractually obligated, “employees want it ... and we want to do it for employees.”

Indeed, the Agreement requires only that the Employer discuss the issue of health insurance and is not contractual required to implement health insurance coverage. Notwithstanding, the Company has agreed to purchase a health insurance plan with employee cost participation. Accordingly, with due consideration of the Union’s proposal, this Arbitrator has accepted the framework and content of the Employer’s offer and concluded that the Employer’s proposal is both reasonable and cost practical under the facts presented. While the Employer and employees will share the costs, the contractual medical and health care coverage will greatly benefit employees and that is of dominant importance.

In keeping with the record, the undersigned Arbitrator hereby renders, decides, determines, and issues the following:

AWARD

1. The Collective Bargaining Agreement shall be amended to include the appropriate implementation of a health care plan for bargaining unit employees as follows:

Article 23. Health Insurance.

Section 1. All regular full-time employees who completed one (1) year of continuous employment shall be eligible for health insurance coverage under the plan in effect at the time of eligibility. Contributions shall be made weekly beginning on the first day of the month preceding the month in which the employee becomes eligible.

Section 2. Health insurance benefits will be provided by a carrier to be determined by the Employer. Effective June 1, 2002, the carrier will be G.H.I. H.M.O. The health insurance plan (i.e., carriers, providers of service, employee contributions, claims administration, plan designs) will be evaluated annually before January 1, by the Employer to ensure that employees receive the best possible coverage and service for the minimum cost to both the Employer and the employee. The Employer has the sole and exclusive right to perform the annual evaluation and to select the carrier and determine the level of benefits.

Section 3. Effective June 1, 2002, the Employer will provide single coverage (employee only) under G.H.I. Plan based on the following cost sharing arrangement which is dependent upon such employee's most-recent seniority date:

Years of Continuous Service   Weekly Contributions Paid by Employees

After 1 year	\$38.50
After 2 years	\$33.20
After 3 years	\$25.54
After 4 years	\$17.88
After 5 years	\$ 7.66

Section 4. Additional coverage (employee/spouse, employee/dependents, or family) will be made available for employees willing to pay the additional cost. Employees who chose coverage will be responsible for paying the entire difference between single coverage and the selected additional coverage. Weekly contributions to be paid by the employee who elects additional coverage shall be based on the employee's most-recent seniority date:

<u>Years of Continuous Service</u>	<u>Weekly Contributions Paid by Employees</u>		
	<u>Employee/Spouse</u>	<u>Employee/Dependents</u>	<u>Family</u>
After 1 year	\$99.59	\$84.27	\$137.89
After 2 years	\$94.48	\$79.16	\$132.79
After 3 years	\$86.82	\$71.50	\$125.13
After 4 years	\$79.16	\$63.84	\$117.47
After 5 years	\$68.95	\$53.63	\$107.25

Section 5. Eligible employees may elect to waive single coverage under the Plan. If an employee elects to waive single coverage, the Employer shall pay the employee the following gross amount in the first paycheck of each month based upon such employee's most-recent seniority date:

<u>Years of Continuous Service</u>	<u>Monthly Waiver Payment</u>
After 1 year	\$27.66
After 2 years	\$38.73
After 3 years	\$55.33
After 4 years	\$71.93
After 5 years	\$94.06

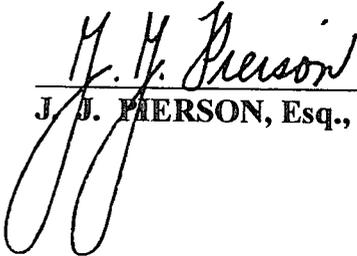
To waive coverage, an employee will be required to complete a waiver form.

Section 6. The Employer has the sole right during the term of this Agreement to amend, modify, or adjust any of the terms of insurance coverage (including a change in administration, carrier, or the amount of financial participation required by employees) subject only to the other terms contained in this Article of this Agreement.

Section 7. The Employer will pay for increases in health insurance premiums up to a maximum of three percent (3%) annually for the duration of this Agreement. Any annual increases in health insurance premiums in excess of first three percent (3%) will be borne by the employees.

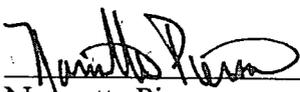
2. The Arbitrator shall retain jurisdiction of this matter with respect to the implementation of this Award and as to questions regarding adjustment of rates during the term of the Agreement.

Dated: April 19, 2002.

  
\_\_\_\_\_  
J. J. PIERSON, Esq., Arbitrator

STATE OF NEW JERSEY )  
  :SS  
COUNTY OF MORRIS )

On the 19<sup>th</sup> day of April 2002 before me personally came and appeared J. J. PIERSON, ESQ., to me known and known to me to be the person described herein who executed the foregoing instrument, and he acknowledged to me that he executed the same.

  
\_\_\_\_\_  
Nannette Pierson  
Notary Public State of New Jersey  
My Commission expires March 5, 2006