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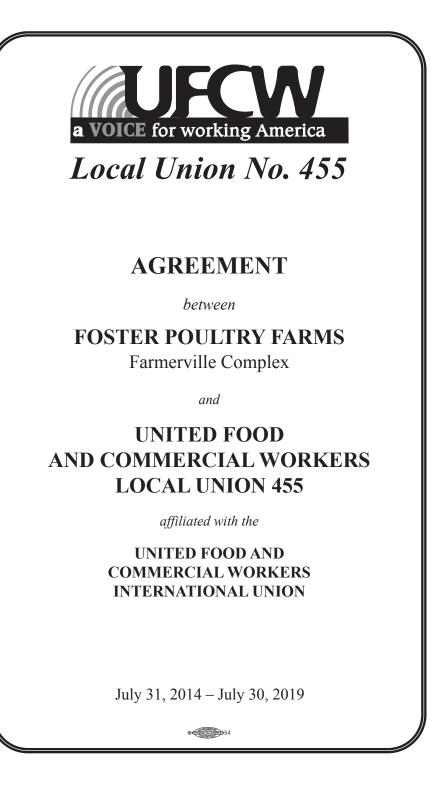


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<u>AGREEMENT</u>

This Agreement entered into this July 31, 2014, by and between Foster Poultry Farms, Farmerville Complex, Farmerville, Louisiana, hereinafter referred to as the Company, and the United Food and Commercial Workers, Local Union No. 455, hereinafter referred to as the Union.

ARTICLE 1 • RECOGNITION

<u>Section 1.01</u> The Company hereby recognizes the Union as the sole collective bargaining agent for all regular full-time production and maintenance employees, including protein conversion employees, group leaders, supply clerks and maintenance clerks, employed by the Company at its Farmerville, Louisiana facility; excluding all office clerical employees, quality assurance employees, truck drivers, vehicle maintenance mechanics, pullet crew, medical and technical employees, watchmen, guards, weigh masters, professional employees and supervisors as defined in the Act.

ARTICLE 2 • MANAGEMENT RIGHTS

<u>Section 2.01</u> The Union expressly recognizes that the Company has the exclusive responsibility for the management, operation and maintenance of its facilities, and in furtherance thereof, has a right to select and hire, direct the work force, assign and schedule work, determine what work is to be done and by whom and by what means and methods, to determine the size of the work force, to locate or remove any portion of the facilities, to abandon any operation, to arrange for work to be done by outside contractors or other plants of the Company; and such shall not be subject to grievance or arbitration. No portion of this section shall be used to displace regular employees with contract labor. The Company agrees that this section will not be used for the purpose of discrimination or to avoid any part of this agreement.

The above rights of management are not all-inclusive, but indicate the type of matters of rights, which belong to and are inherent in management. Any of the rights, powers and authority had prior to entering into this collective bargaining agreement are retained by the Company, except as expressly and specifically abridged, delegated, granted or modified by this agreement or applicable state and federal statutes.

ARTICLE 3 • NO STRIKE – NO LOCKOUT

<u>Section 3.01</u> There shall be no strikes, slow downs, or work stoppages of any kind, including sympathy strikes, nor any other activity of employees or

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of the Union designed to curtail or interfere with production, and there shall be no lockouts by the Company because of labor disputes between employees or the Union and the Company.

ARTICLE 4 • NON-DISCRIMINATION

<u>Section 4.01</u> <u>No Discrimination.</u> The Company and the Union are committed to maintain a work environment that is free from discrimination. In the administration of this Agreement and, in accordance with applicable federal and state law, neither the Company nor the Union shall discriminate against any employee because of that employee's race, color, sex, religion, national origin, age, martial status, veterans' status, sexual preference or disability.

<u>Section 4.02</u> <u>Harassment Prohibited</u>. Harassment of any employee due to that employee's race, color, sex, religion, national origin, age, veteran's status, or disability is also prohibited by this Agreement as well as federal and state law. Harassment consists of unwelcome conduct, whether verbal, physical or visual, that is based upon a person's protected status, such as sex, race, color, ancestry, religion, national origin, age, disability, martial status or other protected status. The Company will not tolerate harassing conduct that affects tangible job benefits, that interferes unreasonably with an individual's work performance; or that creates an intimidating, hostile or offensive working environment.

- 1. <u>Sexual Harassment</u>. Sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other physical, verbal or visual conduct based on sex, when:
 - (i). Submission to the conduct is an explicit or implicit term or condition of employment;
 - (ii). Submission to or rejection of the conduct is used as the basis for an employment decision; or
 - (iii). The conduct has the purpose or effect of unreasonably interfering with an individual's work performance, or creates an intimidating, hostile or offensive working environment.

Prohibited sexual harassment may include explicit sexual proposition, sexual innuendo, suggestive comments, jokes, obscene language or gestures, displays of obscene material, and physical conduct.

Harassment on the basis of other protected status may include comments based on race, religion, age, disability, national origin etc., jokes, offensive language

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or gestures, or displays of material offensive to members of the above described groups.

<u>Section 4.03</u> <u>Use of Grievance Procedure.</u> If any employee feels that they have been subjected to prohibited discrimination, including harassment, they may file a grievance under the grievance and arbitration provisions of this Agreement. If the employee feels they have been the subject of discrimination or harassment whether by other employees, supervisors, vendors, customers, or a union agent or steward, they should immediately notify their immediate supervisor.

If the supervisor is unavailable or if the employee believes it would be inappropriate to contact their supervisor, the employee should immediately contact the Human Resources Department. The Company will investigate all such complaints thoroughly and promptly. To the fullest extent practicable, the Company will keep complaints and terms of their resolution confidential. If an investigation confirms that harassment has occurred, the Company will take corrective action, up to and including immediate termination of employment of any employee found to have violated the provisions of this Article. The Company forbids retaliation against anyone who has truthfully reported harassment.

<u>Section 4.04</u> <u>Reasonable Accommodation.</u> In the administration of this Agreement, the Company and the Union will provide reasonable accommodations to qualified employees with a disability and to employees based upon their sincerely held religious tenets. Any employee who seeks such an accommodation must inform the Company, in writing, describe the requested accommodation and cooperate with the Company and the Union in seeking to identify reasonable alternatives. The need for and extent of such accommodations shall be determined by the Company in accordance with its interpretation of the requirements of the American with Disabilities Act and Title VII of the Civil Rights Act of 1964, even if such accommodations may be in conflict with another provision of this Agreement. However, in the event a reasonable accommodation may necessitate the modification or waiver of any provision of this Agreement, the Company and the Union will meet to discuss same.

ARTICLE 5 - UNION BULLETIN BOARDS

The Company will provide a bulletin board for the posting of official notices of union business. No political postings shall be permitted.

Officials of Local 455 shall have access to visit the facility after notifying and

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signing in at plants entrance gate. This includes the Company's break areas and other non-work areas. Union Representatives shall be allowed to enter production work areas after notifying management of their intent to do so provided there is no interruption of work.

ARTICLE 6 • DEPARTMENTS

Section 6.01 For the purpose of this Agreement, the departments of the Farmerville Processing Plant will be defined as:

First Processing	Sanitation
Second Processing	Maintenance
Mechanical De-Boned Poultry	Protein Conversion
(MDP)	Refrigeration

Section 6.02: For the purpose of this Agreement, the departments of the Farmerville Cook Plant will be defined as: Further Processing • Maintenance • Sanitation.

ARTICLE 7 • HOURS OF WORK

Section 7.01 The workweek shall be Sunday through Saturday. Night Shift employees starting at 9.00 p.m. or later on Sunday night will be counted as Monday.

The work schedule for employees in the IF department will change. The workweek will consist of 12 hour shifts, three days per week. Employees will receive two thirty minute paid breaks during their shift. If employees are required to work in excess of twelve hours, they will receive an additional paid fifteen minute break at the end of the 12 hour schedule. Under no circumstances will an employee be required to or allowed to work in excess of sixteen hours in any workday.

Employees who work the twelve (12) hour shifts may have the opportunity to work an additional shift during the week, however, it is recommended that employees have at least one (1) day off following their normal there (3) twelve (12) hour workdays. In any event, prior permission must be obtained from the Company that an employee be allowed to work an additional shift.

Group A – Evenings		Group B - Days		
Sunday	6PM to 6AM	Monday	6AM to 6PM	
Monday	6PM to 6AM	Tuesday	6AM to 6PM	
Tuesday	6PM to 6AM	Wednesday	6AM to 6PM	
Group C – Days		Group D – Evenings		
Thursday	6AM to 6PM	Thursday	6PM to 6AM	
Friday	6AM to 6PM	Friday	6PM to 6AM	
Saturday	6AM to 6PM	Saturday	6PM to 6AM	

Current employees will be allowed to choose their shift of preference based on seniority. Those who feel the 12 hour shifts would not fit their specific circumstances will be allowed to transfer to available openings in other departments.

For those employees working 12 hour shifts, overtime will be paid for all hours worked in excess of twelve (12) hours in the workday or in excess of forty (40) hours in the workweek, but not both.

Holidays will be compensated at the rate of 12 hours of pay at the employee's straight-time hourly rate.

Pay for employees entitled to full vacation who work twelve (12) hour shifts will be computed on the basis of forty (40) hours for each week of full vacation at their regular hourly rate of pay.

Bereavement pay will be paid at the rate of 12 hours of pay at the employee's straight-time hourly rate of pay.

Employees subpoenaed for jury duty will be paid the difference between their jury duty pay and their straight-time hourly rate of pay for work time lost due to serving on a jury up to a maximum of 12 hours.

<u>Section 7.02</u> Processing and Cook Plant employees will be entitled to a thirty (30) minute non-paid rest period not sooner than two (2) hours nor later than three (3) hours following the scheduled start time.

An additional thirty (30) minute non-paid rest period will be granted not sooner than two (2) hours nor later than three (3) hours following the previous thirty (30) minute rest period.

In the event the period of work following the last thirty (30) minute rest period shall result in the work schedule exceeding eight (8) hours of work, all employees shall be granted an additional paid ten (10) minute rest period following eight (8) hours of work and an additional paid ten (10) minute rest period shall be granted following ten (10) hours of work.

Maintenance and Protein Conversion employees shall be granted a paid lunch no shorter than 15 minutes or no longer than 30 minutes it will be taken as time permits. Maintenance personnel cannot leave the work area (Pilgrims Pride Compound) on this break and must be available for work at anytime during this break.

All Maintenance and Protein Conversion employees will be allowed one (1) ten (10) minute break, with pay, in the shift worked prior to the lunch break, a ten (10) minute break, with pay, in the second half of the work shift, and another ten (10) minute break with pay after a ten (10) hour work schedule.

<u>Section 7.03</u> Time and one-half (11/2) of the employees rate of pay shall be paid for all hours worked over nine (9) in any one day or in excess of forty (40) hours in any workweek, provided however, there will be no pyramiding of overtime. Time paid but not worked will not be used in calculating overtime hours.

Section 7.04 Employees will be entitled to a minimum of four (4) hours of work when they:

- 1. Report to work as scheduled.
- 2. Are recalled to work the same day, after clocking out and leaving the plant grounds.
- 3. Are called in to work outside their normal work schedule.

The only exception to the above guidelines would be under the following circumstances:

- 1. The employee does not desire the four (4) hour entitlement and there is written acknowledgment by the employee provided to the supervisor.
- 2. The employee is notified not to report as scheduled, at least two (2) hours prior to the scheduled starting time.
- 3. The plant cannot operate due to floods, fires, tornadoes, public utility failures, other acts of God, or other similar events which cannot be controlled.

<u>Section 7.05</u> To reinforce the concept of proper notification when employees are required to work over eight (8) hours in a day (but less than 9) the Company will give one (1) hour notification in non emergency situations. In the event the overtime will run past one (1) hour the Company will attempt to notify the employees by the last break. If not, the Company will make every effort to accommodate those employees who indicate a need to make phone

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calls in order to make additional transportation or child care arrangements. Accommodation will be made to the extent it does not interfere with the ability to run the department.

Where weekend work will be required, except where Saturday or Sunday is an employees normal scheduled workday, notice of such work will be posted on the bulletin board by no later than six o'clock p.m. Thursday evening.

Posting of the weekend work notices will be the responsibility of the Plant Manager, Production Coordinator or Shift Manager.

On Monday of each week, the Company will post a sheet on the bulletin board on each shift to which employees desiring to volunteer to work will affix his/her name. This list will be in addition to the employees in the departments scheduled to work the weekend.

Volunteers may come from anywhere in the plant provided they can do the work. The most senior qualified volunteers will be given the opportunity to do the extra work. In the event there are not sufficient numbers of qualified volunteers, junior employees from the affected departments will be required to report for the weekend work.

<u>Section 7.06</u> Time worked on the seventh consecutive day for maintenance and sanitation employees in the processing plant, cook plant and protein conversion will be paid at two times (2X) the regular hourly rate of pay. Time worked on the eighth consecutive day for refrigeration employees will be paid at two times (2X) the regular hourly rate of pay.

This provision will not apply if an employee requests to work his/her scheduled day off and as a consequence works seven (7) consecutive days or in the case of refrigeration, eight (8) consecutive days.

Pay for hours worked on the seventh or eighth consecutive day when that day falls on a holiday will not be pyramided with holiday pay.

Production employees will be paid (2X) their regular hourly rate of pay for the third 7th consecutive day worked after having worked two consecutive 7 day periods in a row and for each consecutive 7th day worked thereafter without interruption. If there is a break in consecutive periods, the requirement starts over.

<u>Section 7.07</u> Sanitation employees will be scheduled as follows:

1.	Start time:	Processing Cook	4:00 p.m. 12:00 midnight
2.	Thirty-minute paid lunch:	Processing Cook	6:00 p.m. to 6:30 p.m. 2:00 a.m. to 2:30 a.m.
3.	A ten-minute paid break:	Processing Cook	8:30 p.m. to 8:40 p.m. 4:30 a.m. to 4:40 a.m.

- 4. The normal workday will conclude at approximately 11:00 p.m. for Processing and 7:00 a.m. for Cook.
- 5. Sanitation employees will be eligible to receive a performance incentive of eight (8) hours pay in lieu of actual hours worked (If less than eight (8) hours in a shift) provided the following has been met: The employee reports for work and works all scheduled hours on the

The employee reports for work and works all scheduled hours on the shift, except if the employee is injured on the job.

- 6. The incentive will be calculated on a daily basis and paid weekly.
- 7. Sanitation employees shall be paid prior to the end of the shift.
- 8. The Company shall assign employees to areas and machines; however, the Company reserves the right to change assignments, as it deems necessary.

ARTICLE 8 • SENIORITY

Section 8.01 The Processing Plant and the Cook Plant constitute separate Seniority units.

<u>Section 8.02</u> An employee shall not be considered a regular employee and shall have no seniority rights until he/she has been on the payroll for forty-five (45) calendar days, but after said forty-five (45) calendar days have been completed, if an employee is retained on the payroll, seniority will date back to the first day of work. An extension up to an additional forty-five (45) calendar days will be granted upon written request by the Company or the Union and upon agreement by the Company and the Union through its representatives. Employees hired on the same day will have seniority established alphabetically, first by surname and then if necessary by first name.

Probationary employees may be terminated at any time during the probationary period without recourse under the grievance procedure.

Section 8.03 An employee's seniority will be considered broken and they will be discharged when they:

- 1. Have quit or are discharged for cause.
- 2. Have been laid off and not recalled for a period exceeding six months.
- 3. Fail to return from layoff when recalled within seventy-two (72) hours unless absence or failure to return is due to sickness or emergency.
- 4. Failure to return to work at the expiration of leave of absence.
- 5. Absent for three (3) consecutive days without notification.

<u>Section 8.04</u> Promotional bid jobs will be as follows:

PROCESSING PLANT	COOK PLANT
Pallet Jack Operator	Marinator
Forklift Operator	Group Leader
Live Hanger	Bread/Batter Operator
Maintenance Helper (M6)	Floor Person
Tool Sharpener	Maintenance Helper (M6)
Floor Person	Chemical Handler
Helper - Protein Conversion	Oven/Fryer Operator
Refrigeration	Oven Operator
Group Leader	Pallet Jack Operator
Chemical Handler	Forklift Operator
Killer	Lead Grader
SPC	

Promotional bids will be allowed on a plant-wide basis. Non-promotional bids, (bids to the regular/non-probationary rate and shift bids) will be allowed on a plant-wide basis until twenty (20) bids have been offered. A minimum of ten (10) bids shall be from one shift to the other and the remainder limited to the same shift bid per calendar quarter.

When a job becomes available, the supervisor will notify the Union Plant Coordinator and/or Chief Stewards and provide him/her with the job posting. Any employee wishing to bid for such job shall write his/her name on the notice within two (2) working days. At the end of the two (2) working days, the notice will be removed and the senior bidder shall be assigned the vacancy if qualified to perform the work according to existing requirements and in comparison to other employees performing the same job, or if capable of learning to perform it within five (5) working days, such times which may be extended by mutual agreement, in extreme cases.

However, in cases of bids to Group Leader, Maintenance Helper, or Operator Helper in Protein Conversion and Trainers, the Company has the right to

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exercise final judgment after giving due regard to seniority. No employee will be entitled to more than one successful bid in any six (6) month period, unless their job is eliminated by the Company. No employee may bid any job until they have nine (9) or more month's continuous service.

Once the successful bidder has been identified, the Union Plant Coordinator will be notified and name of the employee awarded the bid shall be posted.

The successful bidder will be moved to bided job within four (4) weeks from the date the bid was posted. If the successful bidder is later disqualified by the Company, they shall be returned to their old job and cannot bid again for three (3) months.

<u>Section 8.05</u> Until the employee is on the bid job, the Company may designate the least senior qualified employee to temporarily fill the job.

Section 8.06 If no employee is selected, the Company has the right to hire from the outside.

<u>Section 8.07</u> Nothing herein shall prohibit the Company from rotating employees to different jobs on a temporary basis or to satisfy the requirements of the Company's O.S.H.A. Agreement and/or Alternate Duty Program.

<u>Section 8.08</u> Overtime, extra work or temporary assignment will be given to the senior, qualified available volunteer from that department. If there are no volunteers, the Company will assign the junior available employee from that department. If the entire department is not needed for overtime or extra work, employees temporarily assigned to the department will be released before overtime or extra work is given.

<u>Section 8.09</u> The principle of seniority for all employees shall prevail on a plant-wide basis in regard to transfer, promotion and demotion, assuming the employee is qualified to perform the work.

The principle of departmental seniority shall prevail in regard to lay off and rehire. The Union recognizes that due to the nature of the Company's business, various departments may be laid off (not to exceed seven (7) days) in order of completion of processing and recalled in the order of business resumption.

In such cases, employees shall be recalled on departmental assignment. Notwithstanding the above, lay-offs which are anticipated to be in excess of seven (7) days will be done on a plant-wide seniority basis, provided the retained employees have the ability to perform the work.

Section 8.10 The company shall furnish the Union, monthly, an up-to-date list of employees showing first name, middle name, last name, social security

number, seniority unit, department, job classification, seniority date, hire date, date of birth, rate of pay, home address, including zip code, and home telephone number.

ARTICLE 9 • GRIEVANCE & ARBITRATION

<u>Section 9.01</u> The aggrieved employee or employees or the Union, may present the grievance to the Supervisor and if necessary to the Shift Manager within five (5) days of occurrence. A union steward may assist the aggrieved employee in presenting grievances. The Company will answer within five (5) days. Every reasonable effort shall be made to settle the grievance at this level.

<u>Section 9.02</u> If satisfactory adjustment of the matter is not made by virtue of this meeting, the complaint may be presented in the form of a written grievance within five (5) days following the meeting, to the Human Resources Supervisor, who shall render a decision in writing within the five (5) days thereafter.

<u>Section 9.03</u> In the event the decision at the second step shall not be satisfactory to the Union, it shall within fifteen (15) days after receipt of such written decision, have the right to submit the matter in writing to the Complex Human Resources Manager. A decision shall be rendered in writing to the Union, unless such fifteen (15) day period is extended by mutual consent.

The Union Representative may be involved at any step of the grievance procedure.

<u>Section 9.04</u> If the parties remain in disagreement at the conclusion of the foregoing steps and the Union desires to submit the dispute to arbitration; it will so notify the Division Human Resources Manager in writing within thirty (30) days from the date of the decision of the Plant Manager and Division Human Resources Manager. Within five (5) days, the parties shall either by mutual agreement select an arbitrator or request the Federal Mediation and Conciliation Service to submit a list of seven (7) arbitrators. Upon receipt of the list of arbitrators, the Union and the Company shall within twenty (20) days, eliminate from the list six (6) names by each alternately eliminating one name. The parties shall use the toss of a coin to determine which party strikes the first name. The last remaining name shall then become the sole arbitrator. The arbitrator, when so selected, shall proceed as soon as practicable to hold a hearing, and examine into and render a decision on the matter at issue.

No more than one grievance may be presented to the same arbitrator at the same time except by mutual consent of the parties. The decision of the arbitrator shall be final and binding upon both parties.

The grievance and arbitration procedure under this Agreement shall be strictly limited to specifically alleged violations of a particular portion of the Agreement, and the power and authority of any arbitrator selected hereunder shall be limited to interpreting the contract to make conclusion of fact based upon the evidence submitted at the arbitration proceedings and to apply the contractual provision to said facts. He shall have no authority to add to, detract from, alter, modify or amend any provisions of this Agreement.

<u>Section 9.05</u> The compensation of the arbitrator and his expenses in connection with the arbitration shall be shared equally by the Union and the Company.

Section 9.06 The time limits specified in this article shall be inclusive of Saturdays, Sundays and holidays.

<u>Section 9.07</u> In the absence of a mutual agreement to the contrary, if either the Company or the Union fails to comply within the time limitations as established herein, the other shall be deemed to have won the complaint by default.

<u>Section 9.08</u> Nothing in this article shall prevent employees from individually presenting grievances to the Company providing the settlement of such grievance shall be consistent with the terms of the Collective Bargaining Agreement.

ARTICLE 10 • SUPERVISORS WORKING

<u>Section 10.01</u> No supervisory personnel of the Company shall perform any of the work of the employees within the above described unit except in cases of emergency, for the training of personnel (new or otherwise) or the unavailability of employees within the unit at the time work is to be performed.

ARTICLE 11 • VACATIONS

<u>Section 11.01</u> The Company will recognize the Pilgrim seniority date for vacation, layoff and recall, and years of service for Service Awards. The present vacation schedule for all employees hired before August 4, 2009 and who were on the Pilgrim's payroll when the Farmerville facility closed.

Vacation pay for employees who have worked at least 1300 hours in a year but less than 1600 hours per year shall be prorated by dividing the total hours worked by 2080 hours and multiplying the result by 100% of hours of vacation earned. (Place below the 1st listing of vacation weeks)

Continuous Years of Service	Vacation Weeks
1	1
3	2
8	3
15	4

Employees hired on or after August 4, 2009 and who were not employed by Pilgrim's Pride at the Farmerville facility when the facility closed, will accrue vacation at the following rates:

Continuous Years of Service	Vacation Weeks
1-2	1
3-7	2
8+	3

Vacation earnings will be paid at the employee's normal hourly rate of pay times forty (40) hours per week of vacation eligibility.

Years of service will be based on the employee's continuous service anniversary date. Employees must pass their anniversary date prior to taking additional earned vacation in a milestone year.

<u>Section 11.02</u> Employees having the greatest seniority shall be given preference as to the time of their vacation. Vacation schedules shall be arranged by agreement between the Company and the Union, and so far as can be done without serious disruption of the Company's work schedule. Where possible, employees will be given their vacation at times which suit them. Employees shall receive their vacation pay before leaving on vacation, provided the Company has at least four (4) weeks notice.

Section 11.03 Vacation will be taken on an anniversary year basis.

<u>Section 11.04</u> Employees who retire or terminate employment and have vacation earned, which has not been taken, shall receive vacation pay.

Section 11.05 Employees eligible for two (2) or more weeks' vacation may use up to five (5) days of eligible vacation for one day vacations.

- 1. In non-emergency situations, requests must be submitted in writing at least five (5) days in advance.
- 2. In emergency situations notice must be given as soon as practical by the employee but not more than forty-eight (48) hours following the emergency or in the event an employee cannot notify the Company, a family member may do so but in no more than seventy-two (72) hours.

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In cases where vacation time is substituted for days missed due to illness, it will be substituted for the entire period of illness up to the maximum five (5) paid vacation days allowed.

In items one (1) and two (2) above, requests will be handled on a first come, first serve basis and must have approval of the department supervisor. The only criteria to be considered for the approval or denial shall be staffing needs. Upon the receipt of a vacation request, the supervisor shall respond in writing to the employees within one (1) day.

ARTICLE 12 • HOLIDAYS

<u>Section 12.01</u> Employees who have completed their probationary period will be entitled to eight (8) hours pay at their normal rate of pay for each of the following holidays. Employees hired on or after 7/06/2014 will not be eligible for Birthday Holiday.

New Year's Day	Thanksgiving Day
Martin Luther King Birthday	Birthday Holiday
Memorial Day	Christmas Eve Day
Fourth of July	Christmas Day
Labor Day	

For purpose of computing hours worked on a holiday, the night shifts' holiday period will be that twenty-four (24) hour period from start-up the night before the holiday.

To be eligible to receive holiday pay, an employee must work their last scheduled day prior to the holiday, any hours scheduled on the holiday, and the next day after the holiday.

The Birthday Holiday shall be taken on the actual day of his or her birth or on another day mutually agreeable to the employee and the Company during the week preceding, the week of, or the week following the week in which the employee's birthday falls.

<u>Section 12.02</u> In the event a paid holiday falls within an employee's paid, scheduled vacation, the employee will receive an additional eight (8) hours pay for the holiday.

<u>Section 12.03</u> Holidays falling on a Sunday will be observed on the following Monday.

<u>Section 12.04</u> Employees who work on a scheduled, paid holiday will be paid two times (2 x) their normal hourly straight time rate in addition to eight (8) hours holiday pay.

ARTICLE 13 • UNION SECURITY AND CHECK-OFF

<u>Section 13.01</u> The Company agrees to check-off union dues, initiation fees, assessments and/or an equivalent amount for all employees for whom it has a check-off authorization and shall abide by this agreement until the Company is notified by the Union that such authorization is duly revoked". The Company shall promptly remit all sums deducted to the Union monthly.

Section 13.02 The Company agrees to make a uniform deduction for the Active Ballot Club from those employees who voluntarily so authorize the Company. The Company will submit by a separate check on a quarterly basis to the Local Union.

<u>Section 13.03</u> The union will indemnify and hold the Company harmless against any claim, demand, suit, or liability from an employee arising out or by reason of any action taken by the Company in deducting and remitting such dues.

ARTICLE 14 • WORK CLOTHING/TOOLS

<u>Section 14.01</u> The Company shall furnish all knives and tools required in the operation of the plant.

All items which the Company shall require to be work in the workplace, such as but not limited to, shop coats or smocks, hearing protection, rubber gloves, aprons hairnets beard nets, bump caps shall be furnished at no cost. Such items will be replaced provided the worn or unserviceable items are returned. Employees failing to turn in worn articles will have them replaced at no cost but will face disciplinary action for failing to properly secure Company property.

Section 14.02 Employees will be responsible for cleaning and/or laundering their aprons and shop coats.

<u>Section 14.03</u> Effective 8/01/2014 all maintenance employees shall be provided a hand tool allowance of twenty-five dollars (\$25.00) per month. Either upon presentation of a receipt for tools purchased by the employee or for tools purchased by the employer for maintenance employees, the employees' account (s) shall be debited for such amount (s).

In the event there is an insufficient amount of money in an employee's account at any time, and employees purchase a tool or tools that exceed the amount in such account, the employee shall pay the difference.

<u>Section 14.04</u> Maintenance employees in the Processing and Cook plants will pay 50% of the cost of uniforms. Uniforms for production and maintenance employees in Protein Conversion will be provided at no cost.

ARTICLE 15 • RETIREMENT -MEDICAL & LIFE INSURANCE PLANS

Section 15.01

Effective January 1, 2015:

1. Enrollment for health benefits will be open to all newly hired employees the first day of the month following ninety (90) days of employment. Employees will be eligible for vision and dental benefits the first day of the month following one (1) year of continuous employment.

	COMPANY PAYS	EMPLOYEE PAYS
Employee	75%	25%
Employee+1	75%	25%
Family	70%	30%
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No last quarter carryover

2. The first of the month following ninety (90) days of employment, employees will be eligible for short term disability insurance. There will be a 7-day waiting period for payment.

Under one year of service - no benefit

1 year up to 2 years of service - 13 weeks at 60% of income

2 or more years of service - 26 weeks at 60% of income

3. LIFE INSURANCE / AD&D BENEFITS

Eligibility – The first of the month, following ninety (90) days of employment.

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Yearly Compensation	Life Benefit		Accident Death & Dismemberment Benefit		
Less than \$10,000	100% of compensation		100% of compensation		
\$10,000-\$10,999	\$	13,000	\$	13,000	
\$11,000-\$11,999	\$	15,000	\$	15,000	
\$12,000-\$12,999	\$	17,000	\$	17,000	
\$13,000-\$13,999	\$	20,000	\$	20,000	
\$14,000-\$14,999	\$	23,000	\$	23,000	
\$15,000-\$15,999	\$	26,000	\$	26,000	
\$16,000-\$16,999	\$	29,000	\$	29,000	
\$17,000-\$17,999	\$	33,000	\$	33,000	
\$18,000-\$18,999	\$	37,000	\$	37,000	
\$19,000-\$19,999	\$	40,000	\$	40,000	
\$20,000-\$20,999	\$	45,000	\$	45,000	
\$21,000-\$21,999	\$	49,000	\$	49,000	
\$22,000-\$22,999	\$	53,000	\$	53,000	
\$23,000-\$23,999	\$	58,000	\$	58,000	
\$24,000-\$24,999	\$	63,000	\$	63,000	
\$25,000-\$25,999	\$	68,000	\$	68,000	
\$26,000-\$26,999	\$	73,000	\$	73,000	
\$27,000-\$27,999	\$	79,000	\$	79,000	
\$28,000-\$28,999	\$	85,000	\$	85,000	
\$29,000-\$29,999	\$	90,000	\$	90,000	
\$30,000-\$30,999	\$	97,000	\$	97,000	
\$31,000-\$31,999	\$	103,000	\$	103,000	
\$32,000-\$32,999	\$	109,000	\$	109,000	
\$33,000-\$33,999	\$	116,000	\$	116,000	
\$34,000-\$34,999	\$	123,000	\$	123,000	
\$35,000-\$35,999	\$	130,000	\$	130,000	
\$36,000-\$36,999	\$	137,000	\$	137,000	
\$37,000-\$37,999	\$	145,000	\$	145,000	
\$38,000 and over	\$	150,000	\$	150,000	

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DEPENDENT LIFE INSURANCE COVERAGE

Spouse - \$3,000 Child (Live birth to 6 months) - \$1,000 Child (6 months to 19, or age 24 if full-time student - \$3,000

<u>Section 15.02</u> The Company will provide employees a 401k Plan. Employees will be eligible to enter the Plan, provided they have completed one year of service. Participants may contribute 1-10% of eligible pay on a pre-tax basis. The company will contribute \$0.25 for every \$1.00 the employee contributes to the plan, up to 4% of their eligible pay. The Company will pay an additional 1% of compensation regardless of the amount the employee is contributing.

All company contributions are vested as follows:

Years of Service**	Percent Vested
1 Year	20%
2 Years	40%
3 Years	60%
4 Years	80%
5 Years	100%

** A year of service is a calendar year during which you work at least 1,000 hours.

ARTICLE 16 • LEAVES OF ABSENCE

<u>Section 16.01</u> The Company agrees to grant the necessary time off without discrimination or loss of seniority rights and without pay up to four (4) employees designated by the Union to attend a labor convention or serve in any other capacity on other official Union business, provided the Company is given at least one (1) week advance notice. In no case shall the length of time off exceed one (1) year.

<u>Section 16.02</u> Employees leaving work for military service in the uniformed services shall be accorded all rights to which they are entitled under provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA). Employees on National Guard duty will not be required to take vacation at that time.

<u>Section 16.03</u> Requests for medical leave of absence will be granted for reasons supported by medical evidence and documentation. Any such requests shall be made in writing at least five (5) working days in advance.

In case of emergency proper notification shall be made as soon as practical, but within at least forty-eight (48) hours of said emergency occurring. Written

verification must be submitted within seventy-two (72) hours. The employee or their family member will supply written documentation within fifteen (15) days.

Medical leave, when not specified by the doctor to be for a determinate period of time shall be granted for no more than thirty (30) days and may be renewed in up to thirty (30) day increments with proper documentation.

The overall period of leave shall not exceed a period of six (6) months.

<u>Section 16.04</u> If a member of an employee's immediate family shall die, said employee shall be paid for reasonable period of absence, depending upon the circumstances but not to exceed a maximum of three (3) days, provided the employee attends the funeral. The term "immediate family" shall mean husband, wife, parent, child, brother, sister, mother-in-law, father-in-law, foster children, grandparents, grandchildren, Son-In-Law and Daughter-In-Law

<u>Section 16.05</u> All employees will be entitled to jury duty pay for days on which they would have been scheduled to work. The amount of the daily jury pay will be calculated as follows:

Normal hourly rate of pay x (multiplied by) scheduled hours of work missed, not to exceed eight (8) hours per day, minus jury duty pay per day.

Employees, who are summoned for jury duty, must present a copy of their summons to their immediate supervisor so that arrangements for their replacement can be made.

<u>Section 16.06</u> Any employee required to appear in legal proceedings on behalf of the Company shall be paid for any time necessary for that purpose, including travel time to the proceedings from the plant, and shall be reimbursed for parking fees resulting from parking for such proceeding. Parking receipt must be presented to receive reimbursement.

<u>Section 16.07</u> Time off for personal reasons without pay not to exceed sixty (60) days may be granted to an employee at the discretion of the Company without loss of job or seniority. Such time off shall not be used for the purpose of accepting other employment. The Company shall not arbitrarily deny such a request.

Section 16.08 Family & Medical Leaves (FMLA)

(a) <u>Leave Entitlement</u>. An employee who has been employed by the Company for 12 months and who has completed 1,250 hours of work during the 12-month period immediately preceding the commencement of such leave, will be entitled to leave under the

Family and Medical Leave Act of 1993 ("FMLA") in accordance with its provisions and the provisions of this Section 9.

- (b) Year for Purposes of Determining Leave Entitlement. For purpose of determining an employee's leave entitlement under the Act, the 52week period immediately preceding the commencement of leave under the Act shall be the applicable measuring period.
- (c) Employee Responsibilities.
 - (i) <u>Application for Leave.</u> An eligible employee must complete a written application for an FMLA leave. Where the need for a leave was not known in advance due to accident, illness, or circumstances beyond the employee's reasonable knowledge or control, an application may be completed upon the employee's first reasonable opportunity to do so. In all other cases where FMLA leaves are known in advance, the application should be completed and submitted thirty (30) days prior to the commencement of the leave.
 - (ii) <u>Physician's Certification.</u> In order for an FMLA leave to be approved, it is the responsibility of the employee to obtain from his or her physician a fully executed Physician's Certification form, which will be provided to the employee by the Company. The failure of the employee to obtain and submit the completed Physician's Certification form may result in the delay or denial of an FMLA leave, in which event, the leave may be treated as an unexcused absence.
 - (iii) <u>Cooperation.</u> An employee on an approved FMLA leave must provide periodic reports as requested by the Company in order to keep the Company informed as to the employee's status and expected date of return. A returning employee must provide the Company with 5 days notice of his or her expected return date. The Company will attempt to schedule the employee for work as soon as practicable.
 - (iv) <u>Fitness for Duty.</u> Prior to returning from an FMLA leave involving their own serious health condition, an employee must successfully pass a fitness for duty examination to be paid for by the Company.
 - (v) <u>Failure to Return.</u> An employee who fails to return upon the expiration of an approved FMLA leave will be considered a voluntary quit.

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- (d) <u>Union Responsibilities</u>. Alleged violations of this section shall be subject to the grievance procedure of this Agreement.
- (e) <u>Payment of Group Insurance Premiums During Leave</u>. Each employee on unpaid leave under the Act shall remain responsible for paying the employee's share of the premium for coverage elected by the employee under Article 20 of this Agreement. The employee who desires to continue coverage shall directly submit to the Company, not later than the employee's normal payday, the amount of premium owed by the employee.

Employee Contribution. If the employee shall fail to timely premium payments under this Article (20), the Company shall make such payments on behalf of the employee and, after the employee's return from such leave, shall deduct (from each wage payment made to the employee) two times the Employee Contributions, until the entire amount paid by the Company on behalf of the employee, during the leave under this Section 9, has been repaid. If the employee fails to return to work upon the expiration of an approved FMLA leave, any payments made by the Company toward the premiums cost of benefits provided under Article 20 of this Agreement (including both Company and Employee Contributions), shall be a debt which the Company may institute appropriate legal action to collect.

<u>Section 16.09</u> Time spent on leave of absence will not be counted as time worked for the purpose of wage computation or other benefits (unless otherwise provided herein) and will not result in loss of seniority. Failure to report back to work at the end of a leave of absence shall result in employee being considered a voluntary quit, except as otherwise provided herein where leave was granted for the purpose of being employed by the union.

ARTICLE 17 • MAINTENANCE OF STANDARDS

It is agreed and understood that no employee's straight time hourly rate of pay shall be reduced by any provision of this agreement.

ARTICLE 18 • MISCELLANEOUS PROVISIONS

<u>Section 18.01</u> A copy of warning letters will be provided to the affected employee. Upon request the Union will be provided with copies of warning letters.

<u>Section 18.02</u> The Company and the Union agree to monthly labor/management meetings. The Union will be allowed to designate a

reasonable number of employee representatives to participate in these meetings at straight time pay. The Company, in its discretion, may restrict the number of employee representatives to twelve (12). Such meetings shall be limited to two (2) hours, provided management may in its sole discretion, authorize time extensions as may be reasonable to the circumstance.

<u>Section 18.03</u> The parties to this agreement seek to establish and maintain harmonious and professional relationships between Management, the Union, and employees. To assure employees their rights under this Agreement, Management shall maintain a professional approach in dealing with employee and Union grievances per Article 9 of this Agreement. All parties shall strive to make our industry an industry run by professionals.

<u>Section 18.04</u> The Company agrees not to enter into any agreement, written or oral, or contract with the employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement.

<u>Section 18.05</u> The Company recognizes the rights and needs of employees to request bathroom privileges. The Company shall honor such requests by employees within reason considering timing and production needs. Employees who abuse this privilege shall be dealt with according to contracted disciplinary procedures.

<u>Section 18.06</u> Warning letters for disciplinary issue other than attendance will be disregarded after twelve (12) months, except in the case of continued violations, in which case they may be considered for up to eighteen (18) months.

<u>Section 18.07</u> Employees attending classes or meetings mandatory or required by Foster Farms shall be paid for attendance at straight time rates.

<u>Section 18.08</u> Both the Union and Company agree that the safety and well being of employees in the work environment is a high priority. The Union and the Company also recognize that it is the responsibility of all employees to abide by the Company policies designated to ensure the well being of each of them. The Union may elect to have a representative attend safety meetings.

The Union recognizes that the Company has safety policies and programs established for the purpose of promoting safety. Safety committees exist which are designed to assist in the development of additional programs, policies, and procedures. The Union agrees that it will join the Company and Hourly production on these committees.

The Company invites the active participation of its hourly employees on the safety committee(s) and values their input and suggestions. The Company will investigate any unsafe conditions brought to its attention and is committed to remedy any unsafe conditions its investigation may uncover.

It is understood that it remains the exclusive right of management to develop and implement rules, policies, and procedures governing the safe conduct of its employees. The Company will provide its employees with training in proper work methods, and the proper use of protective equipment when it is material to their work. Employees will be compensated for any time spent participating in any such training at their hourly rate of pay.

The Health and Safety Committee shall consist of a minimum of four (4) bargaining unit employee representatives, two (2) of whom will be designated by the Local Union and those two (2) subject to replacement under such circumstances as the Local Union may determine. The remainder of the bargaining unit members shall be determined by a recommendation of outgoing bargaining unit committee members. The committee will include a minimum of four (4) management representatives designated by the company and subject to replacement under such circumstances and conditions as the company management may determine.

The Health and Safety Committee shall hold meetings as often as necessary, but no less than once every two (2) months at a regularly scheduled time and place.

Safety Committee members may also serve as an additional resource through which employees may report safety hazards.

Work Time lost by the employee committee members in the performance of their duties as members of the committee shall be compensated by the Company at their regular hourly rate

Section 18.09 Memorandum of Agreement between UFCW Local 455 and Foster Farms in regards to the Payroll Delivery, Payroll Card/Direct Deposit Options Proposal of the Company.

<u>Section 18.10</u> Financial assistance for educational programs. See Foster Farms Program for educational reimbursement.

ARTICLE 19 • DURATION OF AGREEMENT

Section 19.01 This agreement shall become effective July 31, 2014 and shall remain in full force and effect until July 30, 2019.

<u>Section 19.02</u> If this Agreement is not terminated at least sixty (60) days prior to the anniversary date by either party, it shall remain in full force and effect for a one (1) year period or until it is terminated by either party by giving at least sixty (60) days notice prior to the anniversary date. Such notice shall be given by Certified Mail.

<u>Section 19.03</u> This Agreement executed this 31 of March, 2015 by and between Foster Poultry Farms, Farmerville Complex, Farmerville Louisiana and the United Food and Commercial Workers, Local Union No. 455.

FOSTER POULTRY FARMS, Farmerville Complex **UFCWLOCAL UNION 455**

ne 3/31/2015

Maria H. Silveira Vice President of Labor Relations

Rick Alleman Secretary-Treasurer

GENERAL PROVISIONS RELATIVE TO THE HOURLY WAGE SCHEDULE

- Production, Sanitation Production and Sanitation employees in their first forty-five (45) days of employment shall be paid not less than 15¢ above the federally required minimum wage. Employees completing their fortyfive (45) day period with the Company shall be paid an additional 15¢ per hour. After six (6) months continuous service, these employees will be placed on the first progression of the wage schedule
- Shift Premium Employees who are assigned to the Evening Shift will be paid an additional 25¢ from 7:00 pm to 12:00 am. Employees who are assigned to the Night Shift will be paid an additional 25¢ per hour from 12:01am to 5:00 am.
- 3. New hire rates shall not apply to employees rehired within six (6) months of their separation of employment by the Employer, provided they had at least twenty-four (24) months seniority with the Employer at said termination.
- 4. All maintenance employees are currently in classifications which range from M-1 to M-6, M-1 being the highest level. Refrigeration are on levels ranging from R1 to R5, R1 being the highest level.

In order to progress to a higher classification, a maintenance or refrigeration employee must demonstrate competence in accordance with the job description, job evaluation forms, equipment training, and material data sheets. The inclusion of any classification number in either maintenance or refrigeration does not impose upon the Company a requirement to fill that classification. It also remains with the Company the right to determine how many jobs will exist within any classification.

Each maintenance employee will be evaluated two (2) times per year. Employees may request to be evaluated prior to scheduled evaluations. If an employee fails to advance to the next higher classification, there will be a ninety (90) day waiting period before a re-evaluation will be done.

Maintenance personnel will not be evaluated on equipment on which they do not routinely work.

Appeals of decisions resulting from the evaluation process may be made to the Plant Manager.

4. Forklift Operators whose primary job is operating forklifts will receive a \$0.25 per hour premium over the straight time hourly rate.

<u>Appendix "A" Effective Hourly Rates of Pay After Applying Premiums</u> <u>APPENDIX "A"- HOURLY RATES</u>

	08/2015	12/2015	12/2016	08/2017	12/2017	12/2018
General	.15	\$300*	.15	\$300**	.20	.30
Maintenance	.40	\$300*	.35	\$300**	.40	.50

* The lump sum will be paid to all employees employed as of 7/30/14, who are on the payroll as of 12/2015.

** The lump sum will be paid to all employees employed as of 7/30/14, who are on the payroll as of 08/2017.

RATIFICATION BONUS

	Processing Employees Cook and Raw Plant Hired Before 7/6/2014		Processing Employees Cook and Raw Plant Hired on or After 7/6/2014		
	Current				
0 - 45 Days	\$7.71		0 - 45 Days	\$7.71	
45 Days – 6 Months	\$7.86		45 Days – 6 Months	\$7.86	
7 – 12 Months	\$8.93		7 – 12 Months	\$8.36	
13 – 18 Months	\$9.87		13 – 18 Months	\$8.86	
19 – 24 Months	\$10.11		19 – 24 Months	\$9.36	
Thereafter	Appropriate Rate		25 - 30 Months	\$9.86	
			31 - 35 Months	\$10.11	
			Thereafter	Appropriate Rate	

	Processing Employees Cook and Raw Plant						
-	Current	8/1/2015	12/1/2016	12/1/2017	12/1/2018		
Thereafter	\$11.68	\$11.83	\$11.98	\$12.18	\$12.48		
Group Leaders, Live Receiving, Trainers, Chillers Operators, Lead Grader & MDP \$1.05							
	Current	8/1/2015	12/1/2016	12/1/2017	12/1/2018		
Thereafter	\$12.73	\$12.88	\$13.03	\$13.23	\$13.53		
Live Receiving & MDP Group Leader \$2.10							
	Current	8/1/2015	12/1/2016	12/1/2017	12/1/2018		
Thereafter	\$13.78	\$13.93	\$14.08	\$14.28	\$14.58		
Tool Sharpener \$0.40							
	Current	8/1/2015	12/1/2016	12/1/2017	12/1/2018		
Thereafter	\$12.08	\$12.23	\$12.38	\$12.58	\$12.88		
Chemical Handler & Killers \$0.55							
	Current	8/1/2015	12/1/2016	12/1/2017	12/1/2018		
Thereafter	\$12.23	\$12.38	\$12.53	\$12.73	\$13.03		
Oven Operator \$0.80							
	Current	8/1/2015	12/1/2016	12/1/2017	12/1/2018		
Thereafter	\$12.48	\$12.63	\$12.78	\$12.98	\$13.28		
SPC - \$0.25							
	Current	8/1/2015	12/1/2016	12/1/2017	12/1/2018		
Thereafter	\$11.93	\$12.08	\$12.23	\$12.43	\$12.73		
	RENDERING RATES						
Rendering Operator							
	Current	8/1/2015	12/1/2016	12/1/2017	12/1/2018		
0-12 Months	\$11.93	\$12.08	\$12.23	\$12.43	\$12.73		
Thereafter	\$13.90	\$14.05	\$14.20	\$14.40	\$14.70		

Rendering Helper							
	Current	8/1/2015	12/1/2016	12/1/2017	12/1/2018		
0 – 12 Months	\$11.13	\$11.28	\$11.43	\$11.63	\$11.93		
Thereafter	\$13.09	\$13.24	\$13.39	\$13.59	\$13.89		
MAINTENANCE RATES							
	Current	8/1/2015	12/1/2016	12/1/2017	12/1/2018		
Maintenance-1	\$17.38	\$17.78	\$18.13	\$18.53	\$19.03		
Maintenance-2	\$16.88	\$17.28	\$17.63	\$18.03	\$18.53		
Maintenance-3	\$15.96	\$16.36	\$16.71	\$17.11	\$17.61		
Maintenance-4	\$15.71	\$16.11	\$16.46	\$16.86	\$17.36		
Maintenance-5	\$15.15	\$15.55	\$15.90	\$16.30	\$16.80		
Maintenance-6	\$14.34	\$14.74	\$15.09	\$15.49	\$15.99		
Refrigeration-1	\$19.44	\$19.84	\$20.19	\$20.59	\$21.09		
Refrigeration-2	\$19.01	\$19.41	\$19.76	\$20.16	\$20.66		
Refrigeration-3	\$18.58	\$18.98	\$19.33	\$19.73	\$20.23		
Refrigeration-4	\$17.48	\$17.88	\$18.23	\$18.63	\$19.13		
Refrigeration-5	\$16.31	\$16.71	\$17.06	\$17.46	\$17.96		
SPN1	\$15.21	\$15.61	\$15.96	\$16.36	\$16.86		
SPN2	\$14.96	\$15.36	\$15.71	\$16.11	\$16.61		
SPN3	\$14.40	\$14.80	\$15.15	\$15.55	\$16.05		
SPN4	\$13.59	\$13.99	\$14.34	\$14.74	\$15.24		

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