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AGREEMENT

between

CAMPBELL SOUP SUPPLY COMPANY

and

LOCAL UNION No. 540  
UNITED FOOD  
AND COMMERCIAL WORKERS  
A.F.L.-C.I.O.-C.L.C.

December 19, 2001

July 29, 2005

INTRODUCTION

This Agreement effective December 19, 2001, is by and between Campbell Soup Supply Company (hereinafter called the Company) and Local 540, United Food and Commercial Workers, A.F.L.-C.I.O.-C.L.C. (hereinafter called the Union).

Article One  
RECOGNITION

A. The Company recognizes the Union as the sole and exclusive representative of the employees defined in Section A-1 below for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment, and other conditions of employment.

1. The term "employees" as used throughout this Agreement shall include all hourly (removed "Container Manufacturing") Engineering & Maintenance, Distribution & Receiving, Plant Services and Production employees.

2. The term "employees" as used throughout this Agreement shall exclude all agricultural employees and all salaried employees, including the following categories: Office Clerical, Plant Clerical, Quality Control employees, Manufacturing Engineering Employees, Factory Accountants, Inspectors, Guards, Professional employees and all other Supervisors as defined in the act as amended.

B. The purpose of this provision is to describe the bargaining unit and in no way guarantees continued operations or jobs. However, the Company and the Union acknowledge that the opportunity to enhance employment security and the continuation of Paris, Texas operations is contingent upon the cultivation of a team based work force. Both parties will demonstrate a commitment to broadening team members' job skills. The goal of this agreement is to provide job security by improving the competitive position of the plant. It is the intention of both parties to investigate opportunities for alternative compensation when teams are fully implemented. The Company agrees that Paris will be in the first group of facilities to receive this program.

Article two  
UNION SECURITY

A. The Company will not interfere with the right of employees to become members of the Union. The Union, on its part, agrees that the Union, its agents and its members will not intimidate, nor in any way coerce employees into joining the Union or paying Union dues and will not solicit membership or engage in any Union activities on Company time.

B. The Company will restrict salaried employees from performing manual labor normally performed in the bargaining unit except in cases of emergency or for the purpose of instructing employees.

C. The Company will deduct from the wages of employees who have thirty (30) or more days of service with the Company on or after the signing of this Agreement and who have authorized such deduction, the Union initiation fee and dues uniformly required at the time of such deductions subject to the following provisions:

1. The employee must individually and in writing to the Company authorize such deductions on a form agreed to by the parties.

2. The authorization will remain effective and the deductions will be continued so long as the Union continues to be the certified collective bargaining agent for the employees in the bargaining unit.

3. The authorization shall be irrevocable for one year from the date of authorization or the signing of a labor agreement between the Company and the Union and shall be irrevocable for each succeeding year or agreement period thereafter, unless the employee submits a notice of revocation in writing to both the Company and the Union during the fourteen (14) days preceding the anniversary date of signing the authorization or termination of the agreement.

4. The amounts deducted will be turned over to the appropriate official of the local Union.

5. The local Union President and Recording Secretary will notify the Company in writing of the amount of current Union dues and the initiation fee as well as the appropriate official of the local Union to whom the money is to be turned over. This notification must bear the official seal of the local Union.

Article Three  
HOURS OF WORK AND OVERTIME

A. Insofar as practical production schedules permit, the Company will establish a normal work week at forty (40) hours of work, exclusive of meal times, in each

payroll week. The parties recognize the Company's right to schedule abnormal work weeks. If the hours of work fall below an average of thirty-five (35) hours per week, this situation will be discussed with the Union.

B. The payroll week begins at 12:01 A.M. Monday morning and ends at 12:00 P.M. Sunday night. For payroll purposes an employee's entire shift of work will be considered in the day and week in which the employee is scheduled to start the shift of work.

C. All work in excess of forty (40) hours in any one payroll week shall be paid for at the rate of time and one-half.

D. All work in excess of eight (8) hours in any one day shall be paid for at the rate of time and one-half.

E. All work performed on Saturday and Sunday shall be paid for at the rate of time and one-half.

F. Double time will be paid for work performed on Sunday if it is the seventh consecutive day worked in the payroll week. A holiday called for in Article Four will be counted as a day worked when calculating the seventh day of work.

G. The Company has the right to schedule overtime as necessary. Employees are expected to work overtime scheduled by the Company. Insofar as practical, the Company will notify employees in advance when overtime is being scheduled.

H. The Company will equalize overtime opportunities within job classification by shifts. The Company will maintain records of overtime opportunities of employees within a department and such records will be available for review by Departmental Stewards or employees.

I. Overtime will not be pyramided. When two or more of the above overtime rules apply to the same hours of work, the highest single overtime rate will be paid for such work. Overtime pay also will not be pyramided with holiday pay.

J. An employee will not be deprived of the opportunity to work his/her scheduled shift solely for the purpose of avoiding overtime pay. In crewing for weekend overtime, employees will be offered the opportunity to work Saturday and Sunday for the sixth (6th) and seventh (7th) day before any other employees in the department are contacted to work either day.

K. Absences approved by the company for any employee to conduct bona fide Union business will be considered as "excused" as applicable in Article Four, B. 1.

L. Employees will normally be paid on Thursday. Employees assigned to the fourth shift who do not work on Thursday will be paid on Wednesday.

M. Employees involved in temporary transfers as provided for in Article Seven, E. 2, will not have their regular rate of pay reduced.



B. Each full-time employee shall receive eight (8) hours straight-time pay for each of the holidays enumerated above, subject to the following provisions:

1. To be eligible, the employee shall be required to work all of his/her hours scheduled by the Company the work day before and the work day following the holiday unless an absence on these days was previously excused by his/her supervisor, or the day before or the day after the holiday is an overtime day in excess of his/her normal work week.

2. An employee will not be eligible for holiday pay if he/she is on personal leave of absence when the holiday occurs.

3. An employee will not be eligible for holiday payment unless he/she actually works at least one (1) day within the week in which the holiday falls. An employee on jury duty or approved leave for bereavement during the holiday week will be considered as having worked to qualify for holiday pay.

4. If an employee is on vacation during a holiday week, he/she shall be entitled to the holiday, and that day shall not be considered as a day of vacation but shall be scheduled at another time.

5. An employee who is eligible for holiday pay and works on a holiday shall receive, in addition to his/her regular holiday pay, time and one-half for all hours worked.

6. An employee will not receive holiday pay if he/she accepts an assignment to work on a holiday and does not work unless it is for some reason beyond his/her control or if having reported to work, he/she fails to complete his/her work assignment for the day without being excused by his/her Supervisor.

#### Article Five

#### WAGES

A. The job classifications, together with the hourly base rates of jobs within the bargaining unit (Exhibit #1), are attached to and made a part of this Agreement.

B. An employee called in to work by the Company and who is sent home because of lack of work will be paid either the amount of money earned as normally calculated, or four (4) hours at the employee's straight-time base rate, whichever is greater, unless the employee is sent home as the result of a strike, unauthorized work stoppage or some reason beyond the control of the Company.

C. An employee assigned to work on a job will receive the rate of the job as established in the Schedule of Hourly Base Rates, regardless of sex. An employee assigned to a lower-rated job in an emergency situation where his/her own job continues to operate shall have his/her rate protected for the duration of that assignment.

D. All employees assigned to a shift of work that begins on or after 12:00 Noon and prior to 4:31 a.m. shall receive a night bonus rate of thirty cents (\$.30) per hour for all hours worked.

E. Employees working on a higher rated job for 50% or more of their regular work week will be paid the higher rate for the entire work week.

#### Article Six VACATIONS

A. Each employee covered by this Agreement who has been on the payroll at least one (1) full month or more as of June 1 will be entitled to vacation with pay on the following basis:

1. Employees with less than one year seniority will receive four (4) hours straight-time pay for each full month on the payroll not to exceed a maximum of forty (40) hours. A half day's vacation will be given for each of the months not to exceed five (5) full days.

2. Employees with more than one and less than two years seniority as of June 1 will receive one (1) week of vacation and will be paid 2% of earnings received during the previous calendar year, less previous vacation payments and the Christmas gift.

3. Employees with more than two and less than eight years seniority as of June 1 will receive two (2) weeks vacation and will be paid 4% of earnings received during the previous calendar year, less previous vacation payments and the Christmas gift.

4. Employees with more than eight and less than seventeen years seniority as of June 1 will receive three (3) weeks vacation and will be paid 6% of earnings received during the previous calendar year, less vacation payments and the Christmas gift.

5. Employees with seventeen years or more of seniority as of June 1, 1982 will receive four (4) weeks vacation and will be paid 8% of earnings received during the previous calendar year, less previous vacation payments and the Christmas gift.

6. Effective June 1, 1990, employees with twenty-five years or more seniority as of June 1, will receive five (5) weeks vacation and will be paid 10% of earnings received during the previous calendar year, less previous vacation payments and the Christmas gift.

7. For the purpose of calculating vacation pay only, a vacation earnings credit for forty (40) times the employee's base rate will be given to any employee, for any seven consecutive day period, in the vacation earnings year when he/she received total disability payments under the Accident and Sickness or Workers' Compensation Plan. When an employee has worked 1700 hours or more during the previous year, they will receive a minimum of forty (40) hour pay at their base rate per vacation week earned.

8. An employee who has not received his/her vacation during the current calendar year shall be entitled to his/her vacation pay as determined above if he/she is terminated after June 1.

9. Employees with more than two (2) months service who leave the Company to enter the Armed Forces shall receive a vacation payment at the time of their departure provided they have re-employment rights under the

Universal Military Training and Service Act. Proof of induction into the Armed Forces must be supplied to the Human Resources Department before these vacation payments can be released. Vacation payments shall be in accordance with the regular schedule.

Servicemen/Servicewomen with reemployment rights under the Universal Military Training and Service Act who are reinstated to active employment will be eligible on June 1 following their reinstatement to a vacation payment in accordance with the regular vacation policy provisions.

10. Any employee who retires in the period January 1 through June 1 will be entitled to vacation pay with the appropriate percentage rate on any earnings in the current vacation earning year on which vacations have not been calculated.

B. Vacation shall be taken at such time as fixed by management. The Company may provide a vacation shutdown period. The Company will schedule one shutdown period of two (2) consecutive weeks. Shutdown schedules will be posted by January 1. Employees eligible for vacation in excess of scheduled shutdowns will be allowed to use one (1) week of vacation in one-day increments provided approval is obtained at least twenty-four (24) hours in advance. Once approved, the one-day vacation may not be rescheduled.

#### Article Seven SENIORITY

##### A. Probationary Period

1. New full-time employees shall be considered probationary and have no seniority during the first 180 consecutive days of active employment in a twelve-month period. Benefit coverage will be effective on the first day of work following the completion of the probationary period. Probationary employees shall be eligible for holiday pay after thirty days of employment. The Company will provide the Union with a list, on a monthly basis, which shows the job performed by probationary employees for the previous week.

##### B. Plant Seniority

1. Employees shall be considered seniority employees and placed on the plant seniority list on the first day of work following completion of their probationary period, and their plant seniority will date back to their date of hire. Employees retain seniority so long as they are in active employment, on leave of absence, or on layoff with right of recall.

2. The plant is divided into departments. Currently the departments are:

- Plant Services
- Receiving
- Filling
- Sterilizing
- Vegetable Operations
- Meat Operations
- Blending
- Labeling
- Blending Services
- Distribution

Maintenance  
Utilities  
Prego/Pace  
Training

3. The principle of seniority among qualified personnel within the shift will be followed in filling openings to balance the crewing between shifts.

4. If an operation is relocated from a department, the employees performing the work shall have the option of moving with the operation or being assigned to available work in the department.

#### C. Seniority Lists

A seniority list showing employees' plant seniority will be maintained. The Company will supply the Union with such a list semi-annually and a department seniority list on a quarterly basis.

The Company will notify the Secretary-Treasurer of the Union monthly of additions to and termination's from the bargaining unit.

#### D. Employee Transfer

1. In transfers or promotions, consideration will be given to seniority, ability, aptitude, and other qualifications to perform the job. The senior qualified bidder will be awarded the job. Permanent job openings will be posted three (3) working days on the main bulletin board. Employees on vacation, or on approved leave of absence, who filed with the Human Resource Department before going on the leave of absence or vacation, a request for consideration on the job opening will be considered for the duration of such leave of absence or vacation, as having bid on the job, provided that they are able to commence the job within two (2) weeks of being awarded the job. Job posting will include job title, rate of pay, hours of work, department, number of people required, name of supervisor, and the approximate date the opening is to be filled. Information concerning job duties will be available in the Human Resources Department. The name of the successful bidder will be posted. The successful bidder shall be assigned to the job within two (2) weeks. If an employee refuses a job after their previous job has been posted, they will either go to available work and will not be allowed to bid on any job opening for a period of three (3) months, or they can accept the job and then exercise their bidding rights.

2. Effective January 1, 1996, an eligible employee will be entitled to three (3) successful bids in a rolling twelve (12) month period. If an employee's job is eliminated by the Company and the employee has used his/her three (3) bids, the employee will be allowed one (1) additional bid.

3. Openings which will not exceed ninety (90) days will be considered temporary and will not be posted. Openings in the Distribution Department during September and October will be considered temporary and will not be posted except openings in previously bid jobs. Openings as a result of an employee being on personal leave of absence or medical leave of absence which do not exceed sixty (60) days will not be posted. Openings as a result of military leaves of absence which do not exceed six (6) months will not be posted. Employees filling temporary openings will not use their plant seniority to displace other employees when their temporary job ceases to exist. Insofar as



practical, the principle of seniority among qualified personnel within the shift will be followed in filling temporary openings.

4. Mechanics, Machinists, and Electricians will be reviewed for upgrading purposes according to the following schedule:

C - B 1 year  
B - A 1 year  
A- AA 1 year

In addition, all employees in their classification will be informed of their progress at the midpoint of the upgrading period.

#### E. Reductions in Force

1. In the event it becomes necessary to make a reduction in force within a department, probationary employees in the department will be the first to be transferred. If a further reduction in force is necessary, it will be done among the remaining employees in the department based on their plant seniority date except in cases where efficient production would be impeded.

Employees with the greater plant seniority who are not subject to layoff and are displaced from their job classifications shall retain rights to be recalled to that job classification and shift from which they were displaced for twelve (12) months. Employees displaced from their department may exercise their seniority to return to their department to available openings if qualified to perform available jobs before less senior employees are allowed to exercise job recall rights.

2. Temporary transfers due to the temporary curtailment of an operation or a part of an operation may be made without regard to seniority provided it does not exceed three (3) continuous working days.

3. Employees transferred to a salaried position shall retain seniority for a period of six (6) months. Upon returning to hourly status they will go to work available. An employee will be allowed to return to hourly status only once.

4. In the event it becomes necessary to make a plant-wide layoff the following procedure will be followed:

a. All probationary employees within the plant shall be laid off before employees with seniority. It is understood probationary employees need not be laid off in the order of their length of service with the Company but may be chosen at the Company's discretion. This shall not be construed to mean that the Company shall be required to lay off any employees having special technical or mechanical skill.

b. If conditions require a further layoff, employees with seniority shall be laid off in reverse order of their plant seniority in accordance with the following procedure:

1.) Determine number of jobs to be eliminated.

2.) Names and jobs held by employees with the least plant seniority subject to layoff will be listed.

3.) Employees with the greater plant seniority who are not subject to layoff, but whose jobs are being eliminated, will be assigned openings resulting from the layoff of employees at the bottom of the plant seniority list by the principle of seniority among qualified employees.

4.) Employees with the greater plant seniority, who are not subject to layoff, who are not qualified to perform available job openings at the bottom of the plant-wide seniority list may displace the least seniority employee in jobs they are qualified to perform. No employee shall be laid off who is capable of performing the duties of a job held by another employee with less plant seniority.

c. The Company will forward to the Union as soon as possible a list of employees affected by a reduction in force. The list will include the employee's former classification and shift.

F. Employees will be recalled from layoff strictly on the basis of their plant seniority provided they are qualified to satisfactorily perform the duties of the jobs to be filled. If an employee is not qualified to perform the available job, such employee will be continued on layoff.

G. It is agreed that all employees recalled or rehired from layoff will be extended job retention rights for one (1) year to the bid or assigned job held prior to the original reduction in force. Jobs to be filled through retention rights do not have to be posted.

H. An employee shall cease to have seniority and his/her employment with the Company shall be considered terminated for all purposes when:

1. He/she voluntarily leaves the Company's employ.
2. He/she is discharged for just cause.
3. Having been laid off for lack of work, he/she fails to report within a period of forty-eight hours following a telephone call to the employee or ninety-six hours following mailing of registered notice to the last known address as shown on the Company's records, unless failure to do so is due to circumstances beyond his/her control.

4. He/she fails to report for work at the termination of a leave of absence or furlough, unless such failure is due to circumstances beyond his/her control.

5. He/she works for another company or another job while on leave of absence.

6. He/she is laid off for a period equal to his/her acquired seniority if he/she has less than one years seniority, or for a one-year period, if he/she has more than one year seniority.

#### Article Eight GRIEVANCE PROCEDURE

A. Should differences arise between the Company and the Union or employees as to the meaning and application of the provisions of this Agreement, earnest efforts shall be made to settle such differences in accordance with the following procedure.

Step 1 -- The aggrieved employee may present his/her grievance, with or without the Departmental Steward, to his supervisor.

Step 2 -- If not settled at the first step, the employee and/or his/her Departmental Steward shall present the grievance in writing to the Area Manager. The Area Manager's answer shall be submitted in writing.

If a grievance at the first or second step of this procedure has not been answered after three (3) working days, it may be taken to the next higher step. If a grievance at the first or second step of this procedure has not been appealed within three (3) working days to the next higher step, it will be considered satisfactorily settled.

Step 3 -- If a grievance is not settled at the second step, it shall be presented in writing to the Human Resources Manager and put on the agenda for the next third-step Grievance Committee Meeting. The Union will be represented at the third step by the Chief Shift Steward, Major Departmental Steward, Department Steward, with or without the aggrieved employee. The participation of the local President in this step of the grievance procedure is optional. The Company will be represented at the third step by the Major Department Manager, and the Human Resources Manager or their designated representatives. Grievances taken up at the third step will be answered in writing within three (3) days and shall be considered satisfactorily settled unless they have been appealed to the fourth step within three (3) days after receiving the written third-step answer.

Step 4 -- If a grievance is not settled at the third step, it shall be taken up at a meeting between the Plant Manager or his/her designated representative and the Union's fourth-step Grievance Committee. A representative of the International Union may be present at this meeting. Grievances taken up at the fourth step will be answered in writing within 14 days.

B. If a grievance has not been settled after the above steps have been carried through, either party may ask that the grievance be arbitrated. If a request for arbitration in the form of a submission is not received within twenty (20) working days after the receipt of a written fourth-step answer, the grievance shall be considered satisfactorily settled. All the necessary arrangements, including the selection of an arbitrator, shall be completed within sixty (60) days following the Company's receipt of the Union's submission to arbitrate. Only grievances having to do with the interpretation of the Agreement or disciplinary suspensions or discharges may be arbitrated. Grievances concerning work standards, base rates, or the rights of management may not be arbitrated.

C. The request for arbitration referred to in paragraph B shall be timely submitted to the Federal Mediation and Conciliation Service (with a copy to the Company). With respect to grievances filed after the ratification of this agreement, the request for arbitration shall request a panel of eleven (11) arbitrators. The parties shall select the arbitrator in accordance with the rules and procedures of the FMCS. The expenses and fees of the arbitrator shall be borne equally by the Company and the Union. The decision of the arbitrator shall be final and binding on both parties provided the arbitrator has acted in accordance with Article Eight (8), Paragraph B.

D. It is understood that regular meetings of the third-step and/or fourth-step Grievance Committee may be called by either party once each week.

Grievances involving discharge cases may be taken up in specially called meetings. Grievance discussions or meetings at the first and second steps will be held with representatives of the Company before or after their regular work hours.

E. Grievances involving discharges or suspensions may be initiated at step three (3) of the grievance procedure.

In cases concerning discharge or suspension the Company will immediately notify the Union of the case. In cases involving termination, the Company will give the employee the reason for the termination in writing.

F. When the Company adds a new job, or substantially changes an existing job in the bargaining unit, it will determine the base rate and notify the Union in writing. Employees will retain jobs that are re-evaluated. If the Union disagrees with the base rate determined by the Company, it may institute a grievance within 10 days in the third step of the grievance procedure.

#### Article Nine LEAVES OF ABSENCE

A. Employees shall be entitled to a leave of absence for a period of time not exceeding sixty (60) days, provided the Company is satisfied with the reason given for such leave of absence. Medical leave of absence shall be granted for a period of twelve (12) months upon approval of the Medical Department provided the employee has completed his/her probationary period.

B. Upon request, any officer of the Union will be granted a personal leave of absence for the duration of the Agreement to carry out the business of the Union. The Union will give the Company reasonable notice in writing of such leaves in order that replacements can be secured to cover their jobs.

All health and welfare benefits and seniority for such benefits will be forfeited during such leave; however, such employees may continue their coverage by paying the required premiums monthly in advance. Employees on a leave of absence for Union business will retain seniority within their job classification.

C. An employee of the Company who has been called for service in the Armed Forces of the United States will, to the extent required by law, be given all possible assurance of re-employment provided that: (a) he/she makes application for re-employment within ninety (90) days after he/she is relieved from such military training and service, and (b) he/she is still qualified to perform the duties of his/her position with the Company, and (c) he/she has received a certificate to the effect that he/she has satisfactorily completed his/her period of military training and service.

D. The Company will grant leaves of absence where both the husband and wife work and must take vacations at different times. The granting of all personal leaves must be consistent with practical production requirements and must be requested no later than March 31 in the year in which the leave of absence is to be taken.

Article Ten  
GENERAL CONDITIONS

A. The Company will continue its present practice of furnishing uniforms, aprons, boots, coats, and gloves. The Company will issue an initial supply of uniforms to all employees. It will be the employee's responsibility to maintain their uniforms clean and in good order. Replacement uniforms will only be issued upon return of un-wearable uniforms. Employees whose uniforms have become un-wearable due to negligence or improper care, resulting in replacement of uniforms, will be charged for the replaced items. The Company will supply specialized tools that may be necessary for Maintenance Department employees to perform their work.

B. Employees working an eight-hour shift will be granted one ten-minute rest period in the first half of the shift and another ten-minute rest period in the second half of the shift. Employees working less than an eight-hour shift will receive only one ten-minute rest period which will be in the first half of the shift. Employees working a twelve-hour shift will be granted another ten-minute rest period after ten hours.

C. Employees working a regularly scheduled shift will receive a thirty-minute lunch period. Insofar as practical, lunch periods will be scheduled near the middle of the shift but not later than five hours after the employee's starting time. In the event an employee works more than twelve hours, he/she will be given the opportunity to take a second lunch period.

D. The Company and the Union will share the cost of printing sufficient copies of this Agreement to provide all present employees with copies as well as employees who may be hired during the life of this contract.

E. The Company agrees to permit an employee or a Union Steward to wear the button of the Union or its International on Company property, provided such insignia have safety clasps of a type approved by the Company.

F. The Parties agree that a Labor-Management Committee will be established with equal representation from the Company and the Union to meet periodically and discuss general matters of mutual concern. Also, the parties agree to the establishment of a Labor Relations Manual.

Article Eleven  
ANTI-DISCRIMINATION

A. The Company and the Union do not and will not, as a matter of policy, discriminate against employees or applicants because of race, color, sex, sexual orientation, marital status, national origin, religion, age, disability, or status as a disabled veteran or veteran of the Vietnam Era; or any other characteristic protected by law. In this connection, the Company offers equal employment opportunities regardless of race, color, sex, sexual orientation, marital status, national origin, religion, age, disability, or status as a disabled veteran or veteran of the Vietnam Era; or any other characteristic protected by law.

Article Twelve

## RIGHTS OF MANAGEMENT

A. The Company shall exercise the functions of hiring, transferring, promoting, demoting, suspending, discharging, laying off, recalling, and the establishment and enforcement of rules and regulations at its sole discretion, except as these functions are specifically restricted by the terms of the Agreement. Union members will not be discriminated against.

B. The type of product manufactured, the location of plants, the planning and scheduling of production, the establishment of labor standards and the introduction of new production methods, and new or improved machinery shall be the exclusive function of management.

C. Any of the rights, powers or authority the Company had prior to the signing of this Agreement are retained by the Company except those specifically abridged, delegated, granted, or modified by this Agreement.

## Article Thirteen JURY DUTY

A. When an employee is called for service as a juror, he/she will be paid the difference between the fee he/she receives for such service and the amount of base rate earnings lost by him/her by reason of such service up to a limit of eight (8) hours per day and forty (40) hours per week.

B. An employee shall be excused from work for the days on which he/she serves on a jury panel.

## Article Fourteen NO STRIKE - NO LOCKOUT

A. It is mutually agreed that there shall be no strike, stoppage, suspension of work, slowdown or lockout during the term of this contract.

B. The Union will notify employees that engage in any unauthorized actions that such actions shall cease.

C. If a problem arising under this clause goes to arbitration, the only question that an arbitrator may decide is whether or not individual employees participated in such unauthorized action.

## Article Fifteen BULLETIN BOARD

A. A bulletin board will be provided by the Company where notices pertaining to official Union business may be posted, provided such notices are approved by the Company and with the understanding that they will be removed when they have served their purpose.

## Article Sixteen

### TRAINING

A. Recognizing the fact that there will be changes resulting from the introduction of new and improved methods, processes, and production schedules, which in turn will affect the employees, the Company will attempt to anticipate the establishment of new skilled jobs and, where practical, will assist qualified, interested, senior employees to secure training for the new jobs. In this connection, the Company will bring to the Union's attention the new skills involved and the required training.

B. The Company will make available a Tuition Aid Plan.

Article Seventeen  
BEREAVEMENT

A. When a death occurs in the immediate family of an employee which requires the employee to be absent from his/her scheduled work week in order to attend the funeral or other related matters, such employee shall be granted up to three (3) days off with pay. The immediate family shall be limited to the employee's mother, father, children, stepchildren, grandchildren, grandfather, grandmother, husband, wife, brother, and sister. Payment will be made for a day of absence only if such day is a day within the employee's scheduled work week commencing with day of death and ending two days following the day of the funeral. The employee, when requested, must furnish satisfactory proof of the death and relationship of the deceased and the day of the funeral. The employee is to notify the Company of the necessity of his/her absence no later than the first day of such absence.

B. Employees will be granted a one-day funeral leave to attend the funeral of his/her father/mother-in-law when such funeral is held during the employee's basic 40-hour work week. The employee will be paid eight (8) straight-time hours for that day. When requested, the employee must furnish satisfactory proof of the death, relationship of the deceased, and the day of the funeral.

Article Eighteen  
HEALTH, SAFETY, AND WELFARE

A. The Company will provide a security benefit program including Retirement and Pension Plan, Life Insurance, Medical Plans, Vision, Dental, Accident and Sickness, Long Term Disability as outlined in summary form in the attached Exhibit #2. Employees will be given a Group Benefits Program booklet describing their benefits.

B. The Company shall make reasonable provisions for the safety and health of the employees of the plant and shall provide sufficient and sanitary washrooms, and health and safety facilities in accordance with the provisions relating thereto as contained in the laws of the State of Texas.

C. A Management-Union Safety Committee will be established. Policies and functions of this committee shall not be subject to arbitration.

Article Nineteen  
DURATION OF AGREEMENT

This agreement shall become effective December 20, 2001 and shall remain in full force and effect through July 29, 2005. Either party desiring to change or

terminate any part of this agreement at its expiration must notify the other party in writing sixty (60) days before July 29, 2005. If neither party requests any changes, the agreement will automatically renew itself on a year-to-year basis until either party notifies the other party sixty (60) days in advance of a subsequent anniversary date of its intent to change or terminate the agreement on the anniversary date.

FOR THE UNION

Clyde Beauchamp  
Ray Howser  
Johnny Rodriguez  
Ivan Stepp

Gary Cunningham  
Sharon Mullens  
Gary Owings

FOR THE COMPANY

John Staszewski  
Rolando De La Peña  
Beth Ritter

Ken Rogers  
Linda Campbell



Exhibit No. 1

SCHEDULE OF BASE RATES

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>
	<u>Eff. Date</u> 01-02-02	<u>Eff. Date</u> 12-23-02	<u>Eff. Date</u> 12-22-03	<u>Eff. Date</u> 12-20-04
<u>Job Group</u>	<u>Rate</u>	<u>Rate</u>	<u>Rate</u>	<u>Rate</u>
Hire Rate	10.19	10.19	10.19	10.19
2	13.20	13.60	14.01	14.29
3	13.40	13.80	14.21	14.49
4	13.60	14.00	14.42	14.71
5	13.82	14.22	14.65	14.94
6	14.08	14.48	14.91	15.21
7	14.35	14.75	15.19	15.49
8	14.58	14.98	15.43	15.74
9	14.85	15.25	15.71	16.02
10	15.16	15.56	16.03	16.35
11	15.49	15.89	16.37	16.70
12	15.85	16.25	16.74	17.07
13	16.37	16.77	17.27	17.62
14	18.16	18.56	19.12	19.50
15	18.79	19.19	19.77	20.17

Distribution

Job Title	Job Group
Battery Shop	
Attendant.....	6
Finished Product Assembler.....	8
General Labor.....	2
High Lift Truck Operator.....	7
Medium Lift Truck.....	6
Reconditioning Product Handler -- Distribution.....	2
Reconditioning Recorder.....	6
Truck Dock Shipper.....	7
Utility Service - Distribution.....	12

Receiving

Bulk Flour System Operator.....	7
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Bulk Flour System Assistant Operator.....	5
Front End Loader Operator - Receiving.....	5
General Labor.....	2
Medium Lift Truck.....	6
Medium Lift Truck - Receiving Dock.....	6
Medium Lift Truck - Receiving Freezers.....	6
Power Scrubber and Sweeper Operator.....	4
Receiving Associate.....	6
Utility Service - Receiving.....	12
Waste Dock Attendant.....	5

Maintenance

Construction	
Helper.....	7
Electrician -- Class AA.....	14
Electrician -- Class A .....	13
Electrician -- Class B .....	12
Electrician -- Class C .....	11
Electronics Technician.....	15
Leader.....	15
Mechanic - Class AA.....	14
Mechanic - Class A .....	13
Mechanic - Class B .....	12
Mechanic - Class C .....	11
Seam Evaluator.....	8

Plant Services

Job Title	Job Group
Cleaner -- Plant and Equipment.....	5
Floor Waxer.....	3
General Labor.....	2
Laundry Operator.....	4
Waste Disposal Building Operator.....	8
Utility Service-Disposal Fields and Yards.....	12

Production

Job Title	Job Group
Assistant	
Cook.....	5
Automatic Label Machine Operator.....	7
Automatic Packaging Line Operator.....	7
Automatic Palletizer Operator.....	7
Broth Kettle Cook.....	6
Cheese Operator.....	6
Chemical Scaler.....	6
Continuous Cooker Operator.....	8
Cook - Class A .....	8
Cook - Class B .....	6
Emulsion Operator.....	6

Equipment Cleaner.....	3
Filling and Closing Machine Operator.....	6
General Labor.....	2
Howe-Richardson Flour Operator.....	7
Ingredient Sorter.....	5
Label Attendant.....	6
Label Room Damaged Product Handler.....	6
Lead Cook.....	9
Lead Noodle Dough Operator.....	8
Lift Truck/Bean Blancher Operator.....	6
Lift Truck Operator -- Label Room.....	6
Lift Truck Operator -- Production Service.....	5
Night Cleaner/Filler Operator.....	6
Night Cleaner - General.....	2
Noodle Cutter Attendant.....	5
Noodle Dough Operator.....	6
Overhead Cleaner.....	3
Pre-Mix Scaler.....	4
Scaler -- Class A.....	5
Slurry Mixer Operator.....	6
Spaghetti Cutter Attendant (Two Extruders).....	6
Spice Scaler.....	7
Standardized Tomato Paste Operator.....	6
System Attendant.....	5
System Leader.....	12
System Operator.....	7
System Service.....	3
System Technician.....	9
Utility Service.....	12

Utilities

Mechanic -- Class A.....	13
Mechanic -- Class B.....	12
Mechanic -- Class C.....	11
Power Plant Shift Operator -- Class AA.....	14
Power Plant Shift Operator -- Class A.....	13
Heat and Vent -- Class AA.....	14
Heat and Vent -- Class A.....	13

Training

Training Advisors .....	9
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The sole purpose of the titles Electrician, Electronics Technician, Heat and Vent, Machinist, Mechanic, and Power Plant Shift Operator is to give recognition to acquired skills. Work Assignments will be made on the basis of utilizing all the knowledge and abilities of employees to operate the plant efficiently.

Exhibit No. 2  
SECURITY BENEFITS PROGRAM

The following outlines generally the Security Benefits Program referred to in Article Eighteen. It is understood that the terms of the benefit contracts shall be controlling. However, under the Retirement Equity Act of 1984, if you

are married, your spouse must consent if you wish to name a survivor other than your spouse or if you wish to provide your spouse with a survivor annuity of less than 50%. Your spouse's consent must be made in writing on the proper form, and his or her signature must be witnessed by a notary public. You are entitled to revoke the spousal waiver anytime before benefits start. If you are married, or under age 35, and have designated a beneficiary other than your spouse, the non-spouse designation will not be effective until you reach age 35.

EMPLOYEE SAVINGS AND STOCK BONUS PLAN  
&  
SAVINGS AND 401K PLAN

Effective August 1, 1994, the Savings Plan was replaced by the Campbell Soup Company Savings and 401K Plan for hourly paid employees.

The Company will make available to each regular, full-time, employee a Savings and 401K Plan on the first day of work following completion of two (2) months of service as a regular full-time employee.

Company Contributions: For each \$1.00 saved, up to the first 5% of pay, the Company will make a matching contribution of \$ .50. At the sole discretion of the Company the \$ .50 per \$1.00 saved Company match may be increased based on the attainment of goals set by the Compensation and Organization Committee of the Board of Directors. The establishment of these goals and the Company contributions above \$ .50 per \$1.00 saved up to the first 5% of pay, may be continued or discontinued at the sole discretion of the Company and for the purposes of the labor agreement is unilateral.

If you are married, your spouse must consent if you wish to name a beneficiary other than your spouse. Your spouse's consent must be in writing on the proper form available from Benefits Connections, and his/her signature must be witnessed by a notary public. You may change your beneficiary at anytime by contacting Benefits Connections and by completing the proper forms.

RETIREMENT AND PENSION PLAN  
Effective December 19, 2001

**ESP**

Pension benefits prior to December 10, 1984, are based on eligible earnings and continuous service up to age 65. All employees at work on and after December 10, 1984, receive pension benefits based upon eligible earnings and continuous service based upon the following provisions:

**Eligibility:** All regular, full-time employees become covered under the Plan on their first day of work.

**Retirement Age:** Normal retirement age is 65. All employees may, in accordance with applicable law, continue in employment beyond his/her normal retirement age. An employee with vested rights may elect to retire between age 55 and 65, but on a reduced amount of pension.

**Cost:** The Company pays for the entire cost of the Retirement and Pension Plan.

**\*The complete details of the Pension Plan are contained in Campbell's Soup's Retirement and Pension Plan for Employees Covered By Collective Bargaining Agreement and Paris Plant Schedule.**

Effective January 1, 2002, as part of the Equity, Savings & Planning (ESP) program the Campbell Soup Retirement and Pension Plan is modified, as follows: Each employee will have an individual notional account and each year the notional account will be credited with an annual allocation of earnings, based on the employee's age at the end of the prior year, and guaranteed interest based on the 30-Year Treasury Bill rate for the prior November, or such equivalent rate as designated by the Internal Revenue Service.

In no event will an employee hired prior to January 1, 2002 who separates from the Company before January 1, 2017 receive a benefit less than he or she would have received under the pension plan formula in affect prior to the implementation of the ESP changes.

Employees who separate from the Company with 5 years of service or more will, at age 65, receive a supplement from the pension plan equal to \$3.00 per month times years of service. In addition, employees who retire from the Company between ages 55 - 65 with at least 10 years of service will receive a pension supplement of \$13.00 per month times years of service, payable until they reach age 65. The use of this supplement is at the complete discretion of the employee. Employees who were at least age 55 with at least 10 years of continuous service as of January 1, 2002 will not receive the \$13.00 supplement if they elect to receive company paid retiree medical when they retire.

**PENSION DISABILITY SUPPLEMENT:**

A Pension Disability Supplement shall be provided to any vested active employee who is totally disabled and on an approved occupational or non-occupational medical leave. It shall not apply to individuals who terminated employment prior to December 11, 1978.

The Pension Disability Supplement provides pension credit for totally disabled employees whose employment is terminated and whose pension benefits are vested. The pension credit will be based upon the employee's base pay immediately preceding the disability and calculated each year using the same pension formula as for active covered employees. The Pension Disability Supplement will cease the earlier date: (1) when the employee reaches age 65, (2) when the total disability ceases to exist, (3) when the employee begins to receive retirement benefits under the plan, or (4) when Long Term Disability benefits cease.

Total disability means that the covered employee is unable to perform the duties of any available or existing position in the Company because of bodily injury or illness which is expected to result in death or to be of long, continued and indefinite duration.

**RETIREE MEDICAL PROGRAM**

The Equity, Savings & Planning (ESP) program has replaced the retiree medical program. For employees who are not age 55 with at least 10 years of continuous service on January 1, 2002 the current retiree medical plan (in place prior to January 1, 2002) will not be offered. The Company will make various healthcare

options available to such employees where the employee will pay the full cost of the plan, if elected.

Employees age 55 with 10 years of continuous service as of January 1, 2002 who retire after January 1, 2002 may choose the current Retiree Medical Plan (in place prior to January 1, 2002) at the Company's expense to maintain their medical insurance or receive a cash supplement from the pension plan based on their years of service with the Company.

Please refer to the ESP Informational Kit for eligibility requirements to receive either retiree medical or the cash supplement.

#### STOCK APPRECIATION RIGHTS

Eligible employees on January 1, 2002 will receive 100 Stock Appreciation Rights (SARs) and will be paid the appreciation on those shares if they are continuously employed by Campbell through January 1, 2005.

#### LIFE INSURANCE

The Group Life Insurance Plan is composed of Basic Life Insurance and Additional Life Insurance. The full cost of the Basic Life Insurance is paid by the Company.

Effective 4/30/96 Additional Life will be discontinued with the exception of employees who are age 50 and over. Those employees previously enrolled, will continue to have the opportunity to participate in the Additional Life Insurance Program. The cost of the Additional Life Insurance is paid by the employee.

Eligibility is stated in Article Seven, Section A, Paragraph 2. The amount of your Life Insurance is determined by your classification in the Schedule of Insurance.

Schedule of Insurance:

*Basic Annual Earnings	Amount of Basic Life Insurance Paid For By The Company	Employee May Purchase Either the Full Amount or 1/2 the Amt. of Additional Life Insurance Shown Below
\$2,250 or less	\$2,000	\$2,000
over \$2,250 to \$2,750	2,500	2,500
over \$2,750 to \$3,500	3,000	3,000
over \$3,500 to \$4,500	4,000	4,000
over \$4,500 to \$5,500	5,000	5,000
over \$5,500 to \$6,500	6,000	6,000
over \$6,500 to \$7,500	7,000	7,000
over \$7,500	equal to the nearest \$1,000 of earnings	equal to the nearest \$1,000 of earnings

\*Basic annual earnings shall mean your basic hourly rate of pay times 2080.

If you receive a wage adjustment which is sufficient to cause an increase or decrease in the amount of your insurance, the amount of your insurance will be changed on the date your wage adjustment becomes effective.

Employees are covered for the Basic Life Insurance on the day they become eligible.

You may name any person you wish as your beneficiary to receive the insurance payment in the event of your death. You may change your beneficiary at anytime by contacting the Human Resources Department and by completing the proper forms.

Basic Group Life Insurance is continued by the Company for an employee on an approved medical leave of absence. An employee on personal leave of absence, or laid off with seniority status may continue his/her coverage for both Basic and Additional Life Insurance by paying the required premium in advance.

On retirement, Additional Life Insurance is terminated. For employees who retire under the Company Pension Plan on or after December 8, 1975, the Basic Life Insurance paid by the Company shall be the greater of \$1,500, or in the first year 80% of the Basic Life Insurance in effect immediately before retirement; in the second year 60%; in the third year 40%; and in the fourth year 20%. At the end of the fourth year, the amount of Basic Life Insurance shall be \$1,500\* which shall remain in force during the retired employee's life.

If you continue in employment beyond age 65 and subsequently retire, the following indicates the percentage of Company paid Basic Life Insurance that will be in effect at retirement based upon your age at actual retirement.

Amount of Company Paid  
Basic Life Insurance

Retirement Age	Percent or Amount of Retiree Life'
65	80%
66	60%
67	40%
68	20%
69	\$1,500
70	\$1,500

For Example: If an employee at age 66 had \$12,000 of Basic Life Insurance and the employee retired at age 67, the amount of Company paid Life Insurance would be \$4,800 ( $\$12,000 \times 40\% \{.4\}$ ). If the employee worked until age 69 and then retired, at retirement Company paid Life Insurance in the amount of \$1,500, would continue in force indefinitely at the Company's expense.

Upon retirement under the Pension Plan, an employee can convert any portion of the difference between the full amount of his/her life insurance and the retirement amount without a physical examination, provided written application for such conversion is made to the Insurance Company within thirty-one (31) days following his retirement date. The employee will pay the full cost of the insurance that is converted. The amount of life insurance that may be converted is limited to the amount the Basic Life Insurance is reduced each year.

Upon termination of employment, an employee has the right of converting his/her Life Insurance without a physical examination to an individual Life Insurance Policy in any one of the forms currently issued by the Insurance Carrier, except Term Life Insurance. Written application for such conversion must be made to the Carrier within thirty-one (31) days after termination. The employee will pay the full cost of insurance that is converted.

#### GROUP UNIVERSAL LIFE

Effective 5/1/96 Group Universal Life Insurance will be available to all regular full-time employees. Eligibility is stated in Article Seven, Section A, Paragraph 1.

Group Universal Life provides coverage for the employee, spouse and children. Employee's can enroll for as much as 3 X's their annual base salary and enroll their spouse for as much as 2 X's the employee's annual base salary. Children, eligible dependents, from age 14 days to 6 mos. of age can be enrolled for \$1,000 each. Children over six months of age can be enrolled for \$10,000 each. The cost for children is \$1.00 per month, a flat rate.

This program has a Cash Accumulation option and an Additional Death Benefit option.

#### MEDICAL PLAN

The Company and Union have agreed on a new plan design. The Company and Union agree to investigate an alternative third party administrator to administer medical for this new design during the first 90 days of this collective bargaining agreement. The current HMO Blue design will remain in effect until the investigation is complete and both parties have agreed.

Employee Eligibility: Benefit coverage will be effective on the first day of work following the completion of the probationary period (First 180 consecutive days of active employment in a twelve-month period).

Employee Contributions: From implementation of this contract until December 31, 2002 the employee contributions will be:

Single - \$ 5.00 per month  
Family - \$40.00 per month.

In future years of this contract, these rates will be re-established on January 1<sup>st</sup> of each year in order to hold employee contributions as a fixed % of the overall cost of the medical costs. The fixed % will be established once the new plan design has been implemented and the rates for this plan are established, based on the 1<sup>st</sup> year contribution levels.

Should the implementation of the new plan not be finalized within the 90 day period, the current HMO Blue coverage will be extended, but employee contributions will be increased as follows:

90 days after ratification -	Single \$20.00/mo., Family \$50.00/mo.
1/1/03 - 12/31/03 -	Single \$25.00/mo., Family \$60.00/mo.
1/1/04 - 12/31/04 -	Single \$35.00/mo., Family \$75.00/mo.
1/1/05 - 07/29/05 -	Single \$40.00/mo., Family \$85.00/mo.

The premiums for coverage will be deducted from the employee's wages.



HEALTH MAINTENANCE ORGANIZATION  
(Texas Residents)  
PREFERRED PROVIDERS ORGANIZATION  
(Oklahoma Residents)  
PROGRAMS

Co-pay for doctor visits are \$10.00 and co-pay for specialist visits are \$10.00.

If an employee's spouse is employed and has access to group medical insurance, he/she will be required to carry that coverage and will not be covered by Campbell Soups medical plan. This will apply to all employees hired on or after March 23, 1998.

Should additional HMO's be implemented, an employee may choose to change from the low-cost HMO to the higher-cost HMO one time without penalty. However, further changes to a higher-cost HMO will require the employee to contribute the cost difference between the chosen HMO and the lowest-cost HMO.

**SUMMARY OF BENEFITS**

The **HMO** carrier has developed a network of independent, private practice physicians, hospitals, and other health care facilities that will provide you and your eligible dependents with your health care services.

In addition to covering health care from pre-screened and credential providers, your health plan also provides you the following benefits:

- \* No costly deductibles for medical care
- \* Coverage for preventive care
- \* You simply pay your co-payment when you receive a covered service

All covered services (except in emergencies) must be provided by or through your participating Primary Care Physician, who may refer you for further treatment by providers in the applicable network of participating specialists and hospitals.

The **PPO** carrier offers you and your eligible dependents the option to choose Preferred Providers. Preferred Providers are those providers that participate in the PPO Network. You and your eligible dependents may choose to use any provider covered under your plan at any time. If you do not choose a Preferred Provider, you give up your PPO advantages, but you are covered under the major medical portion of the plan.

Details of your HMO/PPO coverage can be found in your Summary of Benefits booklet.

Effective January 1, 1994, employees (and their eligible dependents) who are under age 55 and have ten (10) continuous years of service as a regular full time employee immediately preceding total disability as defined by the Company's LTD plan or death, shall be eligible to continue active employee medical plan coverage at the active employee's cost from the date the employee ceases to be

active until the disabled employee becomes or deceased employee would have become age 55. The first of the month thereafter, active employee medical program coverage shall terminate and Retiree Medical Program coverage shall become effective.

The cost for active employees and employees on approved Medical Leave is borne entirely by the Company. Dependent coverage may be continued provided the employee pays the active employee's dependent cost. Employees on Personal Leave of Absence or on layoff with seniority status may continue coverage for themselves and their eligible dependents by paying the full premium in advance. Pregnancy, childbirth or related medical conditions will be treated the same as any other injury or illness.

Effective January 1, 1988, the definition of dependent is as follows: The term dependent means unmarried children within the specified age limits under the Plan. Spouse means the person to whom you are legally married.

If you apply for the benefits for your dependents more than 31 days after becoming eligible, it will be necessary for you to furnish evidence of the good health of each dependent, satisfactory to the carrier, at your own expense before the benefits for your dependents may become effective.

Effective January 1, 1990, your dependents include your wife or husband, unless you are legally separated or divorced, and your unmarried dependent children. (See definition of "children" below.) These dependent children are covered until the December 31 following attainment of age 19. Unmarried dependent children are covered until December 31 following attainment of age 23 if they are full-time students (minimum of twelve (12) hours at a licensed or accredited school). Coverage for such students will continue during vacation periods but not beyond six (6) months from the date of last attendance at school.

The term "children" means:

1. Your natural children for whom you are legally responsible; and,
2. The following children are also covered but must be living with you in a regular parent/child relationship (a regular parent/child relationship does not exist if the child's parents, other than your spouse, also resides with you) and must be dependent upon you for maintenance and support.
  - a. Adopted children for whom a provisional or final court order has been issued and is in effect; and,
  - b. Stepchildren; and
  - c. Children related to you by blood or marriage for whom you are legal guardian.

Proof of dependency, i.e., marriage licenses or affidavits for spouses and birth certificates or guardianship papers for dependent children, must now be furnished.

Benefits are the same for employees and eligible dependents, if eligible dependents have been enrolled.

#### **EMPLOYEE ASSISTANCE PROGRAM**

Effective February 1, 1992, if you and/or your eligible dependents seek mental health (psychiatric), alcohol, and/or drug treatment, you must contact an

Employee Assistance Program (EAP) Counselor for assistance (1-800-366-4841). When you and/or your eligible dependents have completed the benefits schedule with EAP and you are enrolled in the HMO you should contact Merit Behavior Corporation (1-800-729-2422) for additional benefits. If you and/or eligible dependents are enrolled in the PPO and you have completed the benefits schedule with EAP you will have the choice of using either an in-network or out-of-network provider.

#### ACCIDENT AND SICKNESS BENEFITS

Effective December 12, 1983, Accident and Sickness Insurance will be provided for each regular full-time employee. Eligibility is stated in Article Seven, Section A, Paragraph 2. The plan will cover disabilities due to non-occupational bodily injuries, sickness, or disease which arise on and after becoming eligible for the A & S Benefit. Benefits become payable with the eighth consecutive day of disability provided the disabled employee has been treated by a physician on or before the day upon which the benefits would begin. Otherwise, benefits begin on the first day on which the disabled employee is treated by a physician. Benefits are payable until the disabled employee is able to perform the duties of his/her occupation but not for more than twenty-six (26) weeks during any one period of disability.

Effective December 12, 1983, for employees who are hospitalized, benefits shall be paid commencing with the first full calendar day of hospital confinement. If the benefits commence within the normal waiting period, such benefits shall continue in accordance with the plan while disabled without an additional waiting period in the event the employee is discharged from the hospital after the first full calendar day of hospital confinement.

The Accident and Sickness benefit only applies to active employees, therefore if you are on layoff or leave of absence, or otherwise not actively at work, these benefits will not apply until you return to regular full time employment.

Accident and Sickness benefits will be reduced by any loss of income benefit payable for the same period of disability under the provisions of any State No-Fault Automobile Insurance contract.

Effective December 5, 1994, the following schedule of maximum weekly Accident and Sickness benefits shall apply:

Job Group	Maximum Weekly Benefit Effective 12/5/94
1 - 5	\$190.00
6 - 8	\$195.00
9 - 11	\$200.00
12+	\$205.00

The cost is borne entirely by the Company. Upon termination of active employment or retirement the insurance plan shall terminate except with respect to a disability which occurred prior to termination of active employment or retirement.

#### LONG-TERM DISABILITY INSURANCE

Effective January 1, 1984, a Long-Term Disability Insurance plan will be made available to each regular, full-time hourly employee. Eligibility is stated in

Article Seven, Section A, Paragraph 1. Long-Term Disability benefits will not be payable for any disability beginning within the first twelve (12) months of employment if the disability is due to a sickness, disease, or injury for which the employee was under a physician's care or receiving treatment within three (3) months prior to the date of employment. After twelve (12) months of employment, if the employee is at work thereafter, benefits may be payable for conditions in existence on the date of employment.

If an otherwise eligible employee is not at work on the effective date of his/her coverage because of injury, sickness or disease, such employee will be insured on the first day of work after performing his/her regular, full-time duties for twenty-one (21) consecutive days. However, all employees who are on Medical Leave, or Workers' Compensation on January 1, 1984 will be covered by Long-Term Disability Insurance.

#### **What is Long Term Disability Insurance?**

Your benefits are determined from your average weekly earnings from the Company. Average Weekly Earnings will be computed as of March 1 each year to determine the amount of your coverage. The coverage will be based upon your Average Weekly Earnings annualized for the previous calendar year. Your Average Weekly Earnings will be projected to average monthly earnings. Effective March 23, 1998 the maximum considered is \$4000.

#### **What are my benefits?**

The Long-Term Disability benefits shall be equal to 50% of an eligible employee's average weekly earnings (Average Weekly Earnings projected to a monthly basis). Effective March 23, 1998 the maximum benefit is \$2000 per month which would be \*reduced by the amounts of payments received from sources (a) to (e) below:

- A. Company pension (if he/she elects to begin his pension before age 65).
- B. \*\*Primary Social Security (individual benefit only, excluding dependent benefits),
- C. Temporary weekly Workers' Compensation benefits,
- D. Weekly disability benefits provided under any state plan or company-sponsored private plan,
- E. Dependent Social Security benefits would also be used as an offset to the extent that one-half of his/her average weekly earnings plus dependent Social Security benefits exceed 75% of his/her average weekly earnings. Any general increases in Federal Social Security benefits after the employee becomes entitled to benefits under this plan will have no effect on the employee's basic Long-Term Disability amount.

If an employee continues in employment beyond age 65, his/her coverage will remain in force, but will be administered as follows:

If a covered disability occurs prior to age 60, benefits will be payable until he/she recovers or attains age 65. If a covered disability occurs on or after age 60, benefits will be payable until he/she recovers, or for a maximum of five (5) years, but in no event will benefits be payable after attainment of age 70.

Insurance protection does not continue for employees on personal leave, \*\*\*or layoff with seniority unless the employee pays the full cost of the Long-Term Disability Insurance. However, their coverage will immediately be reinstated upon return to active, full-time employment.

In the event of a dispute between a private physician and a physician retained by the insurance carrier, a selection of an impartial physician (examiner) is to be made jointly by the physician retained by the insurance

carrier and the private physician. The impartial physician will make a final determination as to the medical facts relating to the employee's mental and/or physical condition for determination by the insurance carrier of liability under the group Long-Term Disability policy.

In the event an employee has been receiving Long-Term Disability benefits when it became necessary to make such a determination, benefit payments will continue until the impartial physician has made his/her determination.

If the impartial physician's examination, as determined by the carrier, establishes the carrier's liability, benefit payments will be retroactive to the date that the employee became eligible for Long-Term Disability benefits.

\* Average weekly earnings will be computed as of March 1 each year to determine the amount of the benefit. The benefit will be based upon the average weekly earnings annualized for the previous calendar year.

\*\* If his/her disability entitles him/her to Social Security benefits, he/she must apply for such benefits. If Social Security benefits are denied, he/she must apply a second time. If he/she fails to apply for Social Security his/her Long-Term Disability benefits will nevertheless be reduced as outline in B and E.

\*\*\*An employee on a personal leave of absence continues to be covered through the end of the calendar month in which he/she goes on leave.

#### **RETIREE MEDICAL PROGRAM**

The Equity, Savings & Planning (ESP) program has replaced the retiree medical program. For employees who are not age 55 with at least 10 years of continuous service on January 1, 2002 the current retiree medical plan will not be offered. The Company will make various healthcare options available to such employees where the employee will pay the full cost of the plan, if elected.

Employees age 55 with 10 years of continuous service as of January 1, 2002 who retire after January 1, 2002 may choose the current Retiree Medical Plan at the Company's expense to maintain their medical insurance or receive a cash supplement from the pension plan based on their years of service with the Company.

Please refer to the ESP Informational Kit for eligibility requirements to receive either retiree medical or the cash supplement.

#### **DENTAL ARRANGEMENT**

Eligibility is stated in Article Seven, Section A, Paragraph 1.

Benefits are payable for any covered dental expense incurred on or after January 1, 1983.

Effective January 1, 1991, the maximum dental benefit for each eligible employee and eligible dependent is \$1,000 during any calendar year and a \$10,000 lifetime benefit. The Plan will not cover expenses due to orthodontic treatment, periodontal treatment (except listed periodontal procedures), an occupational accident, or services performed in a government hospital.

The Company will pay the full cost of the Plan for an employee and eligible dependents while the employee is working or on an approved medical leave. Employees on personal leaves of absence or layoff with seniority may continue the coverage by paying the required full monthly contribution in advance.

All dental expenses for accidental injury to natural teeth for employees and eligible dependents will come under the HMO/PPO rather than the Dental Plan.

**ADVANCE TREATMENT REVIEW** -- If a course of treatment will exceed \$200.00 the treatment plan must be submitted for review before the work starts. The employee and the dentist or physician will be advised of the estimated benefits payable under the Dental Plan, subject to eligibility, maximums, and limitations and exclusions. In order to review the treatment plan, a description of each service and charge should be submitted along with supporting aids such as pre-operative X-rays if surgery is involved.

Effective as soon as practical, but no later than January 1, 2003 one additional Dental Plan will be available to employees. Information regarding this plan is available in the Human Resources Department.

#### **VISION CARE PLAN**

Eligibility is stated in Article Seven, Section A, Paragraph 1.

Effective December 9, 1991, a Company administered Vision Care Plan was made available to eligible employees and their eligible dependents of the plan.

Effective January 1, 1997 the Company will reimburse 100% up to a maximum of \$125 per calendar year per covered individual for vision care services connected with an examination and purchase of eyeglasses or contact lenses.

The Company will pay the full cost of the plan.

#### **COORDINATION OF BENEFITS**

The purpose of our Employee Benefit Program, which provides broad extensive coverage for various types of medical care and treatment, is to help employees pay their medical bills.

It is not intended that benefits exceed the medical expenses incurred. For this reason, if an employee is covered under another "plan" and the total benefits would exceed the actual medical expenses incurred, the medical benefits provided under our program will be reduced so that the total benefits received do not exceed the actual medical expenses incurred.

For this purpose, the word "plan" means any plan providing benefits or services for or by reason of medical care or treatment, which benefits or services are provided by (1) group, blanket or franchise insurance coverage, (2) Blue Cross, Blue Shield, group practice or other prepayment coverage, (3) any coverage under labor-management trusteed plans, Union welfare plans, employer organization plans, or employee benefit organization plans, (4) any coverage under governmental programs, and any coverage required or provided by any statute, and (5) in the case of a child, any coverage sponsored by, or provided through, a school or other educational institution. When the Company is the secondary insurance coverage, any eligible charges not paid at 100% by the primary carrier will be subject to applicable deductibles and co-payments under the Company plan (secondary carrier).

#### **SUBROGATION**

It is not intended for our Plan to cover medical expenses for treatment of injuries sustained in an accident that are rightfully the responsibility of a

third party. For that reason our Plan has a subrogation clause. This means our Plan will make prompt payments of its benefits even though a third party may be liable, but the right is reserved to have such payment refunded if the liability is later assumed by the third party.

**CONSOLIDATED OMNIBUS BUDGET  
RECONCILIATION ACT OF 1985 (COBRA)**

Effective January 1, 1988, as a result of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), employees who no longer work for the Company (except for those discharged for gross misconduct) or employees who lose group health plan benefits due to a reduction in hours, will be able to continue coverage under the group health plan for a period not to exceed 18 months. Dependents who lose coverage as a result of the divorce, legal separation, or death of the employee, or the employee becoming eligible for Medicare, or exceeding the age limit under the health plan, will be able to continue coverage under the group health plan for a period not to exceed 36 months.

The former employee or dependent must pay the total premium plus two percent administrative fee as provided for under the law. Coverage will be terminated when the former employee or dependent fails to pay the required amount due. The Company will cease to provide group health coverage when the former employee or dependent becomes covered under another group plan or becomes eligible for Medicare.

Employees will be notified of the opportunity to continue group health plan coverage upon termination of employment. Dependents will be notified of their rights to continued coverage in the event of death of the employee or the employee becoming eligible for Medicare. Dependents must contact the Human Resources office to continue coverage, in the event of the divorce or legal separation of the employee or the dependent becoming ineligible because of the age limit.

In the event the Consolidated Omnibus Budget Reconciliation Act of 1985 is changed by Federal Law, the Company reserves the right to change or terminate continuation of coverage in accordance with the law.

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