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AGREEMENT

Between

UNITED FOOD & COMMERCIAL WORKERS INTERNATIONAL UNION, AFL-CIO & CLC

LOCAL 1546

And

THE CHICAGO MIDWEST MEAT ASSOCIATION

November 1, 2003 through October 31, 2006

AGREEMENT

THIS AGREEMENT, made and entered into this first day of November, 2003 by and between the **CHICAGO MIDWEST MEAT ASSOCIATION**, hereinafter referred to as the "Employer" and United Food and Commercial Workers International Union AFL-CIO & CLC, Local 1546, hereinafter referred to as the "Union".

SECTION 1. PURPOSE OF AGREEMENT

1.1 It is the intent and purpose of the parties hereto that this Agreement shall promote and improve the industrial and economic relationship between the parties and to set forth herein the basic Agreement covering conditions of employment to be observed by the parties hereto.

SECTION 2. RECOGNITION OF UNION/UNION SHOP PROBATION

- 2.1 The Employer recognizes the Union as the sole bargaining agency for all production and maintenance employees, excluding non-working supervising foremen, superintendents, office workers, salesmen, chauffeurs and engineers.
- 2.2 It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing the date on which this Agreement is signed shall remain in good standing and those who are not members on the date which this Agreement is signed shall, on the thirtieth day following the date on which this Agreement is signed, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after the date on which this Agreement is signed shall, on the thirtieth day following the beginning of such employment, become and remain members in good standing in the Union.
- 2.3 All new employees shall be on probation for a period of sixty (60) days. During this period, a probationary employee may be terminated for any reason whatsoever and without recourse to the grievance procedure under this Agreement. If an Employer deems it necessary to extend this period for an additional thirty (30) days, Employer may do so and must notify the Union.

SECTION 3. DUES/INITIATION FEES CHECKOFF

3.1 Whenever any employee covered by this Agreement has executed and delivered to his Employer a written assignment for the deduction of Union dues and initiation fees, by the Employer from that employee's wage, the Employer agrees to make such deduction and to send the Employer's check for the amount so deducted, together with a list of the individuals for whom the deductions were made, to the Union each month.

SECTION 4. ACTIVE BALLOT CLUB

4.1 The Employer agrees to honor and transmit to the Union, contribution deductions to the United Food & Commercial Workers International Union Active Ballot Club from employees who are union members and who sign deduction authorization cards. The deductions shall be in the amounts and with the frequency specified on the political contribution authorization cards; however, such deductions shall be remitted in conjunction with regular monthly dues deductions. While the deductions will be remitted at the same time of the regular monthly dues deductions, such payment shall be in the form of a separate check from the regular monthly dues deductions. When the Employer remits the deduction to the United Food & Commercial Workers International Union Active Ballot Club the Employer shall include a list of individuals for whom the deductions were made. This provision is contingent upon at least twenty-five percent (25%) or 50 employees, the lesser of the two, in each appropriate unit.

SECTION 5. RIGHT OF VISITATION

5.1 It is further agreed by and between the parties hereto that there shall be no discussion between employees on matters pertaining to the Union during working hours, but it is agreed that the Business Representative of the Union shall be admitted into the plants of the Employer to conduct necessary Union Business.

SECTION 6. HOURS OF WORK

6.1 All work in excess of eight (8) hours in any one (1) day or forty (40) hours in any one (1) week shall be paid for at one and one-half (1½) times the regular rate of pay. Work performed on Sunday shall be paid for at double the regular hourly rate; provided that

this shall not apply when the regularly scheduled five (5) day workweek includes Sunday as one (1) of the five (5) days, in which event time and one-half (1½) the regular rate shall be paid for work on the sixth day of that workweek and double time shall be paid for work on the seventh day of that workweek.

- One and one-half (1½) times the regular rate of pay shall be paid for hours worked on Saturday except: employees who are absent or do not work the hours as scheduled during the workweek without permission but this exception will not apply to an employee who had an occupational injury or other substantiated illness or disability, or excused absence accepted by the Employer. This provision will be administered by the Employer in the same manner as absences before or after a holiday. Employees regularly assigned to work which is performed on a shift basis twenty-four (24) hours each day for six (6) or more days a week shall have a designated day off in lieu of Saturday, and any work performed by such employees on such designated day will be paid for at one and one-half (1½) time the regular rate of pay. Such designated day off shall be a consecutive twenty-four (24) hour period starting at the same hour of the day as the employee's scheduled starting time on his last scheduled day of work preceding such designated day. Such designated day shall be selected by the Employer, subject to Agreement with the Union.
- 6.3 The employee shall be notified of the specific day selected as such designated day. Such designated day shall not be changed unless the employee is notified of any such change during the workweek prior to the workweek in which the change is to take effect.
- 6.4 If overtime is to be worked, at least two (2) hours prior notice shall be given by the Employer. In the absence of such notice, the employee shall not be penalized if the employee is unable to work overtime.
- 6.5 An employee assigned to work and permitted to come to work without having been notified on the previous day that there will be no work shall be guaranteed four (4) hours of work or pay therefore. This guarantee will not apply in case of a fire in the plant, flood, damage caused by a tornado, or a shutdown of the plant due to causes beyond the Employer's control.

- Any employee who is called back to work after he has completed his regular shift, and has left the plant, shall be guaranteed four (4) hours of pay at time and one-half (1½), and shall receive time and one-half (1½) for all hours worked in excess of such guaranteed four (4) hours.
- 6.7 Under no circumstances shall an employee be required to work more than twelve (12) hours in a day.

SECTION 7. GUARANTEED WORKWEEK

- 7.1 A full time employee who reports or works the first scheduled day of each week and who works the hours as directed during a regularly scheduled week shall be guaranteed a minimum of twenty-four (24) hours of work or pay in lieu of such work. Hours worked as specified in this Section shall include eight (8) hours for each paid holiday(s) falling in the calendar week of the holiday(s). This guarantee will be reduced by eight (8) hours for each day on which the plant is unable to operate because of storm, flood, fire, explosion, power failure, strikes or boycotts by any labor union, transportation delays caused by suppliers or others, or other causes that would be termed acts of God or conditions beyond the control of the Employer.
- 7.2 This guarantee shall apply only to regular full time employees who have completed their probationary period.
- 7.3 An employee who is laid off and returns to work after the first day of the scheduled work week, shall be paid only for hours of actual work. Also, an employee who is discharged shall be paid only for hours actually worked during the week of the discharge.
- 7.4 An employee may be required to work temporarily at other work during his normal shift to fulfill the guaranteed twenty-four (24) hours per week. If the employee does not accept this work, he shall not be eligible for the guarantee for that workweek.
- 7.5 It is agreed that the Union recognizes the necessity of modifying this guarantee with individual Employers who have additional holidays because of religious observances,

and the Union agrees to meet with said Employers and to modify this guarantee accordingly.

SECTION 8. LUNCH PERIOD

- 8.1 No employee shall be required to work more than five (5) hours after commencing his work without allowance of one-half (½) hour for lunch, except in cases of mechanical breakdown and emergencies requiring continuous operation.
- 8.2 In the event any employee works in excess of ten (10) working hours in any one (1) day, the Employer shall pay the employee two dollars and fifty cents (\$2.50).

SECTION 9. WAGES

- 9.1 It is further understood and agreed by and between the parties hereto that the minimum wage rates of pay set forth in Exhibits "A" and "B" which are attached hereto and expressly made a part hereof, shall apply to the classifications specified. The minimum wage rates of pay set forth in said Exhibits shall not be applicable to employees newly hired by a particular Employer during the first thirty (30) days of their employment.
- 9.2 It is the intent of the parties that any employee paid over the minimum wage scale shall in no event receive less than the foregoing general wage increases.
- 9.3 No employee presently employed by the Employer receiving a wage scale higher than the wage scale specified, shall have his wage scale reduced during the term of this Agreement.
- 9.4 The amount of any allowance in effect at the time shall be included in computing any payments under this Agreement which are based on either the regular rate or authorized rate of pay.
- 9.5 Wage rates for all new classifications created during the life of this Agreement shall be negotiated and mutually agreed upon by the Employer and the Union.

SECTION 10. NIGHT PREMIUM FOR NIGHT SHIFT WORKERS

10.1 Twenty-one cents (.21¢) an hour will be added to the hourly rate of all night shift employees. Time and one-half (1½) of the additional night premium of twenty-one cents (.21¢) per hour will be paid for all work in excess of eight (8) hours.

SECTION 11. FREEZER PREMIUM

11.1 An employee who is required to spend more than four (4) hours in the freezer shall receive an additional twenty-five cents (.25¢) per hour for all hours of work on that day.

SECTION 12. FURNISHING OF WORK CLOTHES/LAUNDERING

12.1 The Employer shall furnish to the employees outer working garments such as frocks, aprons, and coveralls. If such garments must be laundered, the Employer shall furnish such laundering at the Employer's cost.

SECTION 13. FURNISHING OF TOOLS AND EQUIPMENT

- 13.1 The Employer will furnish those knives, steels, whetstones, and meat hooks which are necessary for the work. Said items will remain Employer's property. All employees who quit or are discharged must turn into or compensate the Employer for any knives, steels, whetstones, meat hooks, etc., which have been issued to them. The Employer may require a reasonable deposit not to exceed the cost of such equipment which shall be refunded upon the return of the equipment. The Employer cannot be held responsible for lost or stolen tools, etc. In order to secure a replacement for tools, equipment, etc., an employee must return a worn or broken tool. Should he fail to do so, the replacement will be made at his expense. This does not apply to those articles which have been furnished by the Employer up to this time. Where an employee supplies his own knives or other tools, etc., the Employer shall pay such employee two dollars and fifty cents (\$2.50) per week as a tool allowance.
- 13.2 The Employer in all cases will have the tools used by employees sharpened and ground at the Employer's expense.

13.3 Whenever safety equipment is required by the Employer, such as protective arm bands, mesh gloves or protective aprons, the Employer shall furnish such equipment and it is understood that the Union will cooperate with the Employer to promote the utilization of safety measures and devices.

SECTION 14. STANDARD OF PRODUCTION & MAINTENANCE OF WAGE SCALES

14.1 It is further agreed by and between the parties hereto that all employees to whom the minimum wage rate specified in Exhibits "A" and "B" shall be applicable, will at all times be required to maintain a standard of production in the Industry equal to that heretofore enforced for those receiving the minimum wage set forth prior to the execution of this Agreement.

SECTION 15. SENIORITY

- 15.1 Seniority rights shall prevail in all cases of layoffs below the grade of foreman. The Union recognizes the necessity of the Employer maintaining an efficient and capable working force and agrees to cooperate in every way to raise the standards of work. It is expressly understood that no seniority rights granted herein justify or permit any employee to feel that he has security in his employment merely because of such seniority. It is the declared intention of both parties to keep employed those longest in the service of the Employer, provided the employee has the skill and ability to perform the required work.
- 15.2 The Employer agrees to cooperate with the Union in a fair application of the seniority rule herein set forth, and when layoffs become necessary, to temporarily dispose of the service of those employees enjoying the least seniority, and in the event of reemployment, to recall employees in the order of their seniority rights herein, provided, of course, that the employee involved has the skill and ability to perform the required work. Any employee voluntarily leaving his employment shall lose his seniority rights, except if illness is the cause of his leaving.
- 15.3 An employee shall lose all seniority rights if he has been on layoff continuously for a period exceeding one (1) year.

SECTION 16. HOLIDAYS

- 16.1 The following days shall be considered holidays during which there will be no regular production except in case of emergency, or for those jobs which are in continuous operation: New Year's Day, Washington's Birthday, Good Friday, Martin Luther King, Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving and Christmas. When a holiday falls on Sunday, such holiday shall be observed on the following Monday.
- 16.2 The Employer and the employees may agree that Good Friday will be celebrated on Good Friday or on the Saturday following Good Friday or on the Monday following Easter Sunday.
- 16.3 All employees shall be paid eight (8) hours at their regular rate of pay for each of the holidays mentioned above when no work is performed on those days, provided that said employees report for work on the scheduled day before and the scheduled day after the holiday, but the requirement shall not apply to an employee who on the scheduled day before or the scheduled day after the holiday, did not report for work due to a substantiated illness, or disability, provided continuous absences due to such illness or disability, shall not have commenced more than sixty (60) days prior to the holiday. An employee who fails to report for work on the scheduled day before and/or the scheduled day after the holiday, shall not be denied holiday pay as provided above if such absence is due to death in the family, which is covered under Section 33 herein "Funeral Leave."
- 16.4 An employee who is serving on a jury on the scheduled day before and/or the scheduled day after the holiday or on the holiday itself shall not be denied holiday pay, as provided above.
- An employee laid off in any holiday week, on or during the preceding calendar week, shall receive holiday pay whether or not he works the day before or the day after a holiday, and an employee who is recalled to work during a holiday week shall also receive holiday pay whether or not he works the day before and the day after the holiday.

- 16.6 If one or more of the above holidays occurs within the employee's vacation period, he shall receive eight (8) hours additional pay for each holiday which occurs during that vacation period. The employee may arrange with the Employer (such arrangement to be made in advance of his vacation) so that he may take an additional day off in lieu of the holiday either before or after the vacation period, but he must make this arrangement so that he will work on the scheduled day before, or the scheduled day after the vacation period in order to be paid for such holiday. No employee will be paid holiday pay while receiving workers' compensation benefits.
- 16.7 If because of an emergency, an employee shall be required to work on any day of the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day, he shall be paid double time the regular rate of pay for all hours worked on such holidays in addition to eight (8) hours pay at the regular rate for the holiday not worked as provided for herein. If, because of an emergency an employee shall be required to work on Washington's Birthday, Veteran's Day, Good Friday or Martin Luther King, Jr.'s Birthday, or on the day agreed to be celebrated, he shall be paid at the regular rate of pay for all hours worked on such holidays in addition to the eight (8) hours pay at the regular rate of pay for holidays not worked provided for herein. However, if an employee gives the Employer seven (7) or more days advance written notice the employee will not be required to work on Martin Luther King, Jr.'s Birthday, but will receive eight (8) hours of holiday.
- 16.8 If the Employer schedules work on a holiday, the employee shall be expected to work on that day.
- 16.9 For purposes of this Section, work on Saturday, prior to Veteran's Day or Washington's Birthday shall not be considered a scheduled work day unless the Employer gives advance notice and the employee does not notify the Employer within forty-eight (48) hours of said notice that he will not work.

SECTION 17. VACATIONS

- 17.1 All employees hired on or after May 1, 1982 will receive the following vacations:
 - (a) After one (1) year continuous service with the Employer, each employee shall be entitled to one (1) week vacation with pay.
 - (b) After three (3) years of continuous service with the Employer, each employee shall be entitled to two (2) weeks vacation with pay.
 - (c) After eight (8) years of continuous service with the Employer, each employee shall be entitled to three (3) weeks vacation with pay.
 - (d) After eighteen (18) years of continuous service with the Employer, each employee shall be entitled to four (4) weeks vacation with pay.
 - (e) Those employees who have twenty (20) years of continuous service prior to December 31, 1985 shall be entitled to five (5) weeks vacation with pay.
 - (f) Those employees who have thirty (30) years of continuous service prior to December 31, 1985 shall be entitled to six (6) weeks vacation with pay.
- 17.2 Any employee who is receiving four (4) five (5), or six (6) weeks of vacation upon ratification will not have their paid vacation time reduced.
- 17.3 Vacations earned will be computed from an employee's date of employment and payments will be made in accordance with the agreed policy. Vacations earned but not taken at the time of an employee's leaving the service of the Employer will be paid at such time. Vacation pay of night shift employees shall include night shift premium.
- 17.4 An employee with two (2) or more weeks vacation will be eligible to take one (1) week one (1) day at a time. All one (1) day vacations must be scheduled at least three (3) days in advance with management approval of the actual vacation day and not to be used to extend holidays or holiday weekends. Employees may not be forced to exercise this option.

- 17.5 An employee may receive his vacation in accordance with his departmental seniority with the Employer. In the event of a lay-off or the employee leaves the employment of his Employer, the employee shall be entitled to payment for the pro rata share of the vacation due him from his anniversary date.
- 17.6 No employee shall be permitted to take more than two (2) weeks of his vacation between the period commencing May 15th and ending September 15th of each year. In the event an employee shall be entitled to a longer period, the additional period to which he may be entitled may be taken at some other portion of the year. The employee may, however, take all of his vacation at one time if it is not within the period of May 15th and September 15th. As far as practicable, such vacation shall be determined to meet the employee's desire, but final allocation of vacation periods with respect to the number of employees to go on vacation at a given time is left to the Employer in order to assure orderly operation of the plant.
- 17.7 Upon the death of an employee, the family shall receive payment for the employee's pro-rata share of the vacation due him.
- 17.8 Vacations must be taken and completed not later than twelve (12) months after the close of the period in which earned. Employees entitled to vacation will not be allowed to take money in lieu thereof. If special or unusual circumstances (such as an emergency in the plant, it is required for the orderly operation of the plant or because of hardship on the part of an employee) justify it, the Employer and the Union Business Representative, by mutual agreement, may permit an employee who has qualified for a vacation to receive pay in lieu of such vacation.

SECTION 18. REST PERIOD

18.1 The Employer will give the following rest periods: fifteen (15) minutes to all employees during the first portion of the work day, and in the event of a work day in excess of nine (9) hours, fifteen (15) minutes additional during the second portion of the day. In the event of a workday in excess of twelve (12) hours, fifteen (15) minutes additional during the last portion of such workday. Similar rest periods will continue to be given to the night workers.

SECTION 19. HEALTH AND WELFARE FUND

19.1 For each of the employees covered by this Agreement who work ten (10) or more days in each preceding calendar month, the Employer will contribute per month, per employee, to the Local 1546 Health and Welfare Fund the following contributions:

Effective November 1, 2003	\$260.00 per month
Effective November 1, 2004	\$285.00 per month
Effective November 1, 2005	\$310.00 per month

Said contributions shall be used for health and welfare benefits for employees covered by this Agreement and their dependents.

- 19.2 Said Fund shall be administered pursuant to the Health and Welfare Trust Fund Agreement dated August 31, 1949, as amended and as it may be amended hereafter, which shall be, and hereby is, incorporated herein and considered to be a part hereof with the same force and effect as if herein set forth at length.
- 19.3 The Employer further agrees to contribute the monthly contributions for each employee to the Health and Welfare Fund to cover employees on lay-off for one (1) month beyond the month during which that employee was laid off, and the Employer agrees further to cover the employee and his dependents, for as long as such employee is absent because of illness and is receiving sickness and accident payments from the policy purchased by the Trustees of the Health and Welfare Fund; provided however, that such payments do not exceed three (3) months beyond the month in which he became ill and that such employee has worked for the Employer at least three (3) consecutive months. Each Employer hereby confirms and ratifies the appointment of the Employer Trustees; Dennis Wilson, Robert Saternus, Joel Lezak, James Stevens and Dwight Stiehl, together with their successors, designated in the manner provided in said Health and Welfare Trust Fund Agreement.
- 19.4 It is further agreed that the Trustees of the Local 1546 Health and Welfare Fund may set aside such sum as they may determine for each employee out of the amount that the Employer contributes for the purpose of maintaining membership of the employee in

- the Union Medical Center so as to provide comprehensive medical and surgical care for the employees and their dependents.
- 19.5 The contributions to said Fund under the provisions of this Agreement are to be made by the Employer not later than the tenth day of each calendar month hereafter covering all persons employed during the preceding month.
- 19.6 All new employees shall be eligible for coverage under the Health and Welfare Trust Fund upon the first day of the fourth calendar month of their employment and Employer shall be required to begin contributions for new employees so covered upon the first day and not later than the tenth day of the fourth calendar month of employment. It is further agreed, however, that in the event an employee for whom contributions have been made to the Health and Welfare Trust Fund by an Employer under the terms of this Agreement shall terminate his employment with such Employer and be employed by another Employer who is bound by the terms of this Agreement for ten (10) or more days in the same calendar month, the latter Employer shall be required to make the monthly contribution for such employee. If, in such a case, both of the Employers shall make a contribution for the same month, the Trustees shall refund the additional payment equally between the two (2) contributing Employers.
- 19.7 Paid vacations and paid holidays shall be treated as time worked for purpose of contributions to the said Fund.
- 19.8 It shall be the duty of each Employer to keep current said contributions due said Fund as herein above prescribed and provided for and to furnish to the Union and the Trustees each month a written statement showing the full amount due hereunder. Contributions to said Fund shall be made by check payable to "Local 1546 Health and Welfare Fund," and shall be delivered or mailed to the office of said Fund located at 1649 West Adams Street, Chicago, Illinois 60612, or as otherwise designated by the Trustees.

EXAMPLES

Applicable to Health and Welfare contributions (Section 19) and also to Pension Fund contributions (Section 20).

- (a) Employee is laid off in April after having worked the required ten (10) or more days in April. Before May 10, a payment must be made for such employee because he worked the required ten (10) or more days in April. Before June 10, a payment must be made for such employee in keeping with the requirement of a contribution to cover such employee on lay-off for one (1) month.
- (b) Employee becomes ill in April, after having worked the required ten (10) or more days in April. Before May 10, a payment must be made for such employee because he worked the required ten (10) or more days in April. Before June 10 and before July 10, a payment must be made for such employee in keeping with the requirement of contributions for two (2) months to cover employee's absence because of illness.

SECTION 20. PENSION FUND

20.1 Each Employer shall contribute per month, per employee, the following pension contributions:

Effective November 1, 2003	\$46.00 per month
Effective November 1, 2004	\$52.00 per month
Effective November 1, 2005	\$66.00 per month

For each of the employees covered by this Agreement who work ten (10) or more days in each preceding calendar month to the Pension Trust Fund known as "Local 1546 Pension Fund", for the purpose of providing pension benefits to employees covered by this Agreement. Said Fund shall be administered pursuant to the Trust Agreement creating the Union Local 1546 Pension Fund dated December 1, 1956, as amended and as it may be amended hereinafter, which shall be and is hereby incorporated herein and considered to be part hereof with the same force and effect as if herein set forth at length.

- 20.2 The Employer further agrees to make contributions to the Pension Trust Fund as provided above for each employee covered by this Agreement who works ten (10) or more days in each calendar month. Such sums shall be due on the first day of the month and shall be payable not later than the tenth day of the month for any employee who has worked ten (10) or more days in the preceding month.
- 20.3 The Employer agrees to contribute the aforesaid monthly contributions for each employee to the aforesaid Pension Trust Fund to cover employees on a lay-off for one (1) month beyond the month during which the employee was laid-off, and the Employer agrees further to cover each employee who is absent because of illness for as long as such employee is absent due to illness; provided, however, that such contributions shall not exceed a period of two (2) months beyond the month in which the employee became ill, and provided further, that such employee has been in the employ of the Employer for at least three (3) consecutive months prior to the month in which the illness occurred. The Employer may, however, in his discretion, continue to make additional contributions to the Pension Fund for an employee who is absent because of illness beyond the aforementioned two (2) months period if he so desires. Paid vacations and paid holidays shall be treated as time worked for the purpose of contributions to the said Pension Fund.
- 20.4 Each Employer hereby confirms and ratifies the appointment of the following Trustees of the Pension Fund; Dennis Wilson, Robert Saternus, Joel Lezak, James Stevens and Dwight Stiehl, together with their successors and designated in the manner provided in the aforesaid Pension Trust Fund Agreement.
- 20.5 It shall be the duty of each Employer to keep current said contributions due to said Pension Trust Fund as herein above prescribed and provided for, and to furnish to the Union and to the Trustees each month a written statement showing the full amount due thereunder. Contributions to the said Fund shall be made by check payable to "Local 1546 Pension Fund" and shall be delivered or mailed to the office of said Fund located at 1649 West Adams Street, Chicago, Illinois 60612, or as otherwise designated by the Trustees.
- 20.6 All new employees shall be eligible for coverage under the Pension Trust Fund upon the

first day of the fourth calendar month of employment. Employer shall be required to begin contributions for new employees so covered upon the first day and not later than the tenth day of the fourth calendar month of employment. It is further agreed, however, that in the event an employee for whom contributions have been made to the Pension Trust Fund by an Employer under the terms of this Agreement shall terminate his employment with such Employer and be employed by another Employer who is bound by the terms of this Agreement for ten (10) or more days in the same calendar month, the latter Employer shall be required to make the monthly contributions for such employee. If, in such a case, both of the Employers shall make a contribution for the same month, the Trustees shall refund the additional payment equally between the two contributing Employers. By making payments to the Pension Trust Fund, each contributor shall become a party to the Trust Agreement and become bound by the terms and provisions thereof.

SECTION 21. FAILURE TO MAKE PAYMENTS

- 21.1 In the event any Employer who is covered by this Agreement fails to make substantially all of the Health and Welfare payments or substantially all of the Pension payments required in Sections 19 and 20 hereof, then, in that event, the Union, twenty (20) days after mailing notice of such failure by certified mail, return receipt requested, shall have the right to take any or all of the following actions, anything in this Agreement to the contrary notwithstanding (provided that nothing herein shall be deemed to defer the obligation of the Employer to pay wages and Health and Welfare and Pension payments commencing on the dates required by this Agreement):
 - (a) Terminate this Agreement, which termination shall take effect thirty (30) days after notice in writing is given to the Employer by the Union that the Employer is delinquent in the payment of such wage rates or Health and Welfare or Pension payments.
 - (b) Sue in any court of competent jurisdiction to enforce payment of the required amounts without the necessity of first utilizing any grievance procedure or engaging in any arbitration procedure which may be otherwise required by this Agreement. If the Union or the Health and Welfare or Pension Fund Trustees

shall sue to enforce payment of the required amounts, then the Employer shall be liable for all legal fees and other costs of collection, unless the Employer is found by the court not to owe any payments required hereunder, in which event, the Union, if it be plaintiff, shall be liable for all legal fees and other court costs incurred by the Employer.

(c) Thirty (30) days after giving written notice of delinquency under the Fund, the Union may exercise any economic remedy which it may legally be entitled to take against the Employer, including but not limited to withdrawing the employees from such Employer's employment, striking the Employer or picketing any location at which the Employer is engaged in business, without the necessity of first utilizing any grievance procedure or engaging any arbitration procedure which be otherwise required by this Agreement.

SECTION 22. SUCCESSORS AND ASSIGNS

22.1 The conditions and covenants herein contained shall be binding upon each Employer and its respective successors and assigns.

SECTION 23. GRIEVANCES AND ADJUSTMENT OF DISPUTES

- 23.1 The parties hereto agree that no strike against the Employer shall be authorized or condoned by the Union, nor shall any lockout against the members of the Union be declared by any Employer during the life of this Agreement. The parties hereto agree that officially designated Union stewards will be paid by the Employer for any time lost on handling grievances. No grievance shall be processed under the grievance procedure set forth herein unless presented by the employee or the Union to the Employer within ten (10) working days from the time the grievant acquires knowledge of such grievance or reasonably should have acquired knowledge. Grievances not timely presented pursuant to the above shall be waived.
- 23.2 The Employer shall have ten (10) days to give a final response to any grievance from the date of the grievance meeting. In the event the Employer fails to respond within ten (10) days from the date of the grievance meeting, the grievance shall be resolved in

favor of the grievant as requested in the grievance, unless the parties agree to extend the time limits.

- 23.3 It is further agreed by and between the parties hereto that any grievance that cannot be amicably adjusted between the parties hereto may be referred to arbitration. The grievant must request arbitration within thirty (30) calendar days after an attempt to adjust his grievance has been denied, or the grievance will be waived.
- 23.4 Upon receipt of notice requesting arbitration the Employer and the Union shall have seven (7) calendar days within which to select an impartial arbitrator by mutual agreement or to request the Federal Mediation and Conciliation Service to furnish a panel of seven (7) impartial arbitrators. Upon receipt of such panel, the parties shall have ten (10) calendar days within which to select an arbitrator from the panel. Such arbitrator shall be selected by the alternate striking of names. The party who first strikes shall be determined by lot.
- 23.5 Each of the parties shall have the right to submit oral and written evidence in support of their respective positions before said impartial arbitrator. The arbitrator shall hear the case and render his decision without delay. The arbitrator shall have no power to alter, modify or add to any of the provisions of this Agreement and his power shall be limited to the interpretation of the Agreement. The decision of the arbitrator shall be final and binding upon both parties. All expenses incurred in the arbitration, including the fee of the impartial arbitrator, shall be paid equally by the Union and the Employer.
- 23.6 Failure on the part of the grievant requesting arbitration to comply with any of the time limits prescribed herein shall constitute a waiver of the grievance and of the request for arbitration, unless the parties agree to extend the time limits.

SECTION 24. MANAGEMENT RIGHTS

24.1 The management of the business and the direction of the working forces, including the right to plan, direct and control plant operation, hire suspend or discharge for proper cause, the right to study or introduce new or improved production methods or facilities, and the right to establish and maintain rules and regulations covering the operation of

the plant, a violation of which shall be among the causes for discharge or discipline, are vested in the Employer. Any rights reserved to the Employer herein shall be exercised with due regard for the rights of the employees as outlined in this Agreement and not for the purpose of invalidation of any contract.

SECTION 25. JOINT COOPERATION

25.1 The Union will, at all times, sincerely and wholeheartedly cooperate to the full extent with the Employer to increase efficiency, make constructive suggestions concerning products and methods of production, assist in eliminating waste, aid in increasing sales volume and cooperative in any other innovation that would add prestige or promote business for the Employer.

SECTION 26. DIGNITY AND RESPECT

26.1 The Employer and the Union hereby agree that both will treat each other with dignity and respect concerning all matters which arise out of the negotiations and implementation of this collective bargaining agreement.

SECTION 27. DISCHARGE

27.1 No employee covered by this Agreement shall be suspended, demoted or dismissed without just and sufficient cause. It shall be understood that just cause shall include, but not be limited to; drunkenness, stealing, fighting, or insubordination. If any employee is proved to have been discharged unjustly, he shall be restored to his position with compensation for lost time.

SECTION 28. OPERATION OF AGREEMENT

28.1 The Union does in good faith agree that at all times during the term of this Agreement, it will accord fair and sympathetic consideration to the requests made by the Employer and will in good faith attempt to make such modification of this Agreement and shall aid it in meeting any individual and exceptional problems and shall be fair and equitable.

SECTION 29. VOTING TIME

- 29.1 An employee entitled to vote at a general or special election or at any election at which propositions are submitted to a popular vote in the State of Illinois, shall on the date of such election, be allowed two (2) hours excused absence time between the time of the opening and closing of the polls in accordance with the applicable law; provided, however that application for such excused absence is made at least two (2) working days prior to the day of such election.
- 29.2 The Employer may specify the hours during which such employee may absent himself as aforesaid. Such time off shall not be included in the computation of overtime.

SECTION 30. TIME STUDIES

- 30.1 It is expressly understood that the employees and the Union shall not object to time studies or studies in efficiency in operation being made in the plant.
- 30.2 It is agreed, however, that any incentive rates or piece rates installed by the Employer as a result of such studies shall be subject to negotiations with the Union and shall be agreed upon by the Union and the Employer before they become effective.

SECTION 31. PHYSICAL EXAMINATION

31.1 In the event a physical examination is required by the Employer for a newly hired employee, the cost of such physical examination shall be paid for by the Employer.

SECTION 32. LEAVE OF ABSENCE

32.1 A leave of absence for personal business beyond regular vacation to which an employee is entitled, of not less than one (1) week, or not more than three (3) months, in an exceptional case a longer leave of absence may be worked out by the employee, Employer and the Union, may be granted for good and sufficient reasons, provided that the employee has at least one (1) year of continuous service. A leave of absence must be mutually approved by the Union and the Employer. Seniority and continuous service rights are not broken. If an employee while on leave of absence accepts another job or

goes into business for himself, he automatically terminates his employment and loses all rights with the Employer.

32.2 Illness shall be handled by the Employer in accordance with applicable law.

SECTION 33. FUNERAL LEAVE

- 33.1 When an employee is absent from scheduled work because of the necessity of arranging for or attending the funeral of a member of the immediate family, the employee will be paid not to exceed twenty-four (24) hours at the regular basic rate of pay provided that:
 - The employee notifies the Employer of the purpose of his absence not later than the first day of such absence, and
 - 2. The employee, when requested, furnishes proof satisfactory to the Employer of the death, his relationship to the deceased and the date of the funeral.
- 33.2 Payment under this Section will be made for three (3) days of absence only if such days are within the three (3) days either commencing with the day of death, or with the day immediately following the day of death, or include the day of the funeral and are days during which the employee would have worked if it had not been for such absence.
- 33.3 For the purpose of this Section, by "immediate family" is meant only the employee's spouse, child, father, mother, sister, brother, mother-in-law, father-in-law, grandparents, son-in-law, daughter-in-law, step-parent, step children and adopted children.

SECTION 34. JURY DUTY

34.1 An employee called to serve on jury duty will be excused from work upon presentation to the Employer of a court order requiring his service. Such employee will be paid the difference, if any, between jury pay equal to eight (8) hours per day at the basic hourly rate for each day of such service, including holidays, but not to exceed two (2) weeks, provided the employee furnishes evidence from the court as to the number of days

served and the amount of pay received. Such jury service shall include the days when an employee is required by the court to report for jury service.

SECTION 35. EMPLOYEES ENTERING ARMED FORCES

35.1 The Employer hereby agrees to re-employ all employees who join the Armed Forces of the United States, either voluntarily or by selective service, who are entitled to re-employment in accordance with the provisions of all pertinent re-employment statutes and the administrative regulations issued pursuant thereto.

SECTION 36. NON-DISCRIMINATION

36.1 The Employer agrees that it will give fair and reasonable consideration to any applicant or employee regardless of race, sex, color, creed, nationality, for membership in the Union, or regardless of age as required by applicable law.

SECTION 37. MEDICAL TREATMENT

37.1 An employee who loses time from work in order to visit a physician designated by the Employer to receive medical treatment for an illness or injury arising out of and in the course of his employment, shall receive full wages and all other benefits which he would have earned under this Agreement but for such absence from work. In order to minimize lost working time, the Employer may require that such medical treatment visit be made at a reasonable time outside working hours.

SECTION 38. MULTI-CULTURAL WORKFORCE ISSUES

Non-Discrimination: The Company shall not discipline, discharge, or in any other form discriminate against any employee because of their national origin or immigration status, or because immigration hearings and/or deportation hearings are initiated or are pending. Such employees, if "grand fathered" pursuant to Immigration Reform and Control Act of 1986 (IRCA) or possessing work authorization or able to provide documents sufficient to satisfy form I-9, shall not have their employment terminated as a result of their immigration status until or unless their immigration status requires them to leave their employment.

- 38.2 <u>Protection of Rights</u>: The Employer shall promptly notify a steward and the Union if the Bureau of Immigration and Customs Enforcement (BICE) contacts the Employer requesting documentation on a specific employee, or if BICE searches and/or apprehends an employee in order that the Union can take steps to protect the rights of its members.
- 38.3 Record Change: Any employee may notify the Employer of a change of name and/or social security number. The employer shall modify the employee's name and other information and such employees shall retain their rate of pay, seniority and all other benefits. Except for the changes permitted in this paragraph, nothing herein shall be construed as limiting or affecting in any way the Employer's right to discipline employees for falsification of the Employer's records, including but not limited to, employment applications, time cards, and attendance and production records.
- 38.4 <u>Language</u>: It is agreed that the collective bargaining agreement shall be printed in both English and Spanish. The Company and Union agree that the English version of this agreement shall be the controlling document for legal and administrative purposes. The Employer(s) agree to pay \$700.00 to apply towards the cost for a qualified translation of the collective bargaining agreement, and the Employer(s) will reproduce the new contract for distribution to the membership.
- 38.5 <u>Compliance with Law</u>: Nothing in this Article will be construed as limiting the Employers right to cooperate fully with the BICE and/or other government authorities, or as restricting the Employer from complying with federal or state law.
- 38.6 In the event that the Employer receives notice, either by correspondence or otherwise, from the Social Security Administration ("SSA") indicating that some of its employees' names and Social Security Numbers ("SSN") that the Employer reported on the Wage and Tax Statements (Forms W-2) for the previous tax year do not agree with SSA's records, the Employer agrees to the following:
 - The Employer will notify the employee upon receipt of any notice and will provide a copy of the Social Security notice to the employee listed on the notice, and to the union;

2. The Employer will distribute the following notice to each affected employee, and display it prominently on its premises: "Attention All Employees. In order to ensure that the Social Security taxes that are withdrawn from your wages are properly credited to your Social Security records, please compare the name and social security number that appears on your check stub with that on your Social Security card to ensure that we are using the exact same information. Even the simplest typographical error can sometimes cause problems in the Social Security Administration's records, and your earnings might not be properly credited. Correcting this information is very important for your future Social Security benefits should you become disabled or when you retire. Please contact the human resources office if you notice any errors. Further assistance in this matter may be obtained by contacting your Union Representative. Thank You."

SECTION 39. CREDIT UNION

39.1 The Employer agrees that it will make authorized payroll deductions to the employees credit union, sponsored by Local 1546.

SECTION 40. DEFINITIONS

40.1 Whenever the words "his or he or him" are used in this Agreement, they shall extend and be applied to females as well as males.

SECTION 41. STATE AND FEDERAL LAW

41.1 Nothing contained in this Agreement is intended to violate any Federal or State law, or rule or regulation made pursuant thereto. If any part of the Agreement is construed to be in violation by a court of highest jurisdiction, then that part shall be considered null and the parties agree that they will within thirty (30) days begin negotiations to replace said void part with a valid provision.

SECTION 42. DURATION OF AGREEMENT

Print Name/Title

42.1 This Agreement shall take effect on the first day of November, 2003 and shall continue in force and effect until the 31st day of October, 2006, and from year to year thereafter, unless written notice is given by either party sixty (60) days prior to October 31, 2006, or prior to October 31st of any year thereafter, to terminate this Agreement. In the event such written notice is given, negotiations shall begin not later than thirty (30) days before the end of such termination date.

Executed this _____ day of _____, 20____.

CHICAGO MIDWEST MEAT

ASSOCIATION

UNITED FOOD & COMMERCIAL WORKERS INTERNATIONAL UNION AFL-CIO & CLC, LOCAL 1546

Signature

Kenneth R. Boyd, President

EXHIBIT "A"
MINIMUM WAGE SCALE

JOB CLASSIFICATION	11/01/2003	11/01/2004	11/01/2005
CLASS "A" BONER	\$12.710	\$13.010	\$13.410
MINOCHERS	\$12.710	\$13.010	\$13.410
BEEF CUTTER	\$12.710	\$13.010	\$13.410
STUFFER	\$12.430	\$12.730	\$13.130
SMOKER	\$12.430	\$12.730	\$13.130
MAINTENANCE	\$12.400	\$12.700	\$13.100
SALTERS & WASHERS	\$12.385	\$12.685	\$13.085
GRINDER	\$12.355	\$12.655	\$13.055
MIXER	\$12.355	\$12.655	\$13.055
CHOPPER	\$12.355	\$12.655	\$13.055
COOKER	\$12.355	\$12.655	\$13.055
BAND SAW OPERATOR (BEEF)	\$12.315	\$12.615	\$13.015
LUGGER	\$12.315	\$12.615	\$13.015
CASING OPERATOR	\$12.335	\$12.635	\$13.035
SHIPPING & RECEIVING	\$12.335	\$12.635	\$13.035
MACHINE OPERATOR	\$12.145	\$12.445	\$12.845
LINKER	\$12.135	\$12.435	\$12.835
COMMON LABOR	\$10.380	\$10.680	\$11.080
SANITATION	\$	\$	\$
(To Be Negotiated By Each Employer)			

PROMOTION FROM LABOR TO CLASSIFIED JOBS

An employee who is promoted from a Common Laborer to one of the above classifications will receive one-third () of the difference between the applicable labor rate and the classified job rate upon being placed in that classification. An additional one-third () will be given at the end of the first year, and then the employee will receive the full classified job rate, the remaining one-third (), at the end of the second year.

EXHIBIT "B"
MINIMUM WAGE SCALE

	11/01/2003	11/01/2004	11/01/2005
LABOR "A" All employees hired from 07/01/73 to 04/30/76	\$12.135	\$12.435	\$12.835
LABOR "B" All employees hired from 05/03/76 to 05/02/82	\$11.80	\$12.10	\$12.50
LABOR "C" All employees hired from 05/03/82 to 10/31/88	\$10.985	\$11.285	\$11.685
LABOR "D" All employees hired from 11/01/88 to 10/31/91	\$10.85	\$11.15	\$11.55

PROGRESSION RATE

All Employees hired on or after November 1, 1991

	11/01/2003	11/01/2004	11/01/2005
After 40 Days	\$7.55	\$7.85	\$8.25
After 240 Days	\$7.89	\$8.19	\$8.59
After 365 Days	\$8.48	\$8.78	\$9.18
After 600 Days	\$8.82	\$9.12	\$9.52
After 730 Days	\$9.37	\$9.67	\$10.07
After 960 Days	\$9.75	\$10.05	\$10.45
After 1095 Days	\$10.38	\$10.68	\$11.08

LETTER OF UNDERSTANDING

RE: Health and Welfare Contributions

This Letter of Understanding confirms the agreement negotiated between the bargaining committees of the United Food & Commercial Workers International Union (U.F.C.W.) Local 1546, AFL-CIO & CLC, and the Chicago Midwest Meat Association (C.M.M.A.).

It is agreed between the Trustees of the United Food and Commercial Workers Union Local 1546 Health and Welfare Fund and the Chicago Midwest Meat Association that the Health and Welfare Fund of the United Food and Commercial Workers Union Local 1546 will maintain a Fund Balance not less than thirteen (13) months of operating expenses.

The Fund Balance will be determined at the conclusion of each fiscal year. The Fund reserves will be the investments plus cash on hand.

Employers who are current in all their contribution payments to the Fund by January 20, 2004 will not be required to make the February 2004 monthly contribution to the Fund pursuant to the Health & Welfare Section of the Collective Bargaining Agreement.

If the reserves are above thirteen (13) months at the end of fiscal year 2004, the Employers who are current in all their contribution payments to the Fund by September 20, 2004 will not be required to make the October monthly contribution to the Fund for the year in question pursuant to the Health & Welfare Section of the Collective Bargaining Agreement.

It is also agreed that the monthly contribution rate will increase \$12.00 per month, and such increase will commence November 1, 2003 regardless of the reserve amount.

It is also agreed that the monthly contribution rate will increase \$25.00, and such increase will commence November 1, 2004 regardless of the reserve amount.

It is also agreed that the monthly contribution rate will increase \$25.00, and such increase will commence November 1, 2005 regardless of the reserve amount.

CHICAGO MIDWEST MEAT ASSOCIATION (C.M.M.A)	UNITED FOOD & COMMERCIAL WORKERS INTERNATIONAL UNION AFL-CIO & CLC, LOCAL 1546	
Signature	Kenneth R. Boyd, President	
Print Name/Title		

HEALTH & WELFARE LETTER OF UNDERSTANDING CONTRIBUTION EXAMPLES

Example #1 showing what happens if the reserves remain above 13 months of Assets	reserves. \$17,000,000 ⁽¹⁾				
Cost	\$16,619,200				
Assets are greater than the cost which activates the one month contribution hol minimum premium contribution.	liday, and the				
Example #2 showing what happens if the reserves fall below 13 months of rese Assets					
Cost	\$16,619,200				
Assets are less than the 13 months of reserves therefore no free month is implemented, and the Employers pay all 12 months.					
Segal account, bank account and LaSalle "stiff" account					
2. Average number of participants in the 2004 fiscal year.					
3. Actual monthly cost per participant at fiscal year end (August 31)					
4. Number of agreed months of reserves (13)					
5. Total assets required					

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