

6310

A G R E E M E N T

1,400 ee

BETWEEN

**ASSOCIATED PRODUCE DEALERS
AND BROKERS OF LOS ANGELES, INC.**

AND

TEAMSTERS UNION LOCAL NO. 630



FEBRUARY 1, 2005 -- JANUARY 31, 2010

33 pages

TABLE OF CONTENTS

ASSOCIATED PRODUCE DEALERS
AND BROKERS OF LOS ANGELES, INC.

AND

TEAMSTERS LOCAL NO. 630

ARTICLE		PAGE
	PREAMBLE	2
I	GENERAL PROVISIONS	2
II	JOB SECURITY	4
III	CHECK-OFF	6
IV	MANAGEMENT RIGHTS	6
V	UNION VISITATION	7
VI	HOURS OF WORK	7
VII	OVERTIME	8
VIII	HOLIDAYS	9
IX	VACATIONS-SEVERANCE PAY	11
X	LEAVE OF ABSENCE	13
XI	SICK LEAVE	13
XII	DISABILITY LEAVE	15
XIII	FUNERAL LEAVE	16
XIV	HEALTH AND WELFARE	16
XV	WAGES	20
XVI	PENSIONS	22
XVII	GRIEVANCE PROCEDURE	25
XVIII	CONTINUITY OF OPERATIONS	26
XIX	SUCCESSORS AND ASSIGNS	27
XX	NEW LOCATIONS	27
XXI	SEPARABILITY AND SAVINGS CLAUSE	27
XXII	NO IMPLIED WAIVER	28
XXIII	ENTIRE AGREEMENT	28
XXIV	RENEWAL OR TERMINATION	28
	EXHIBIT "A"	30
	EXHIBIT "B"	31

AGREEMENT

EFFECTIVE FEBRUARY 1, 2005 through JANUARY 31, 2010

**ASSOCIATED PRODUCE DEALERS AND BROKERS OF LOS ANGELES,
TEAMSTERS UNION LOCAL NO. 630**

PREAMBLE

THIS AGREEMENT is effective as of February 1, 2005 and supersedes and succeeds the Agreement between the Parties dated July 1, 1999 through January 31, 2005. The Agreement is made and entered into between THE ASSOCIATED PRODUCE DEALERS AND BROKERS OF LOS ANGELES, INC., hereinafter referred to as the ASSOCIATION, for and on behalf of its member Employers and the FOOD, INDUSTRIAL AND BEVERAGE WAREHOUSE, DRIVERS AND CLERICAL EMPLOYEES UNION, LOCAL 630, Affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS A.F.L. - C.I.O., hereinafter referred to as the UNION. This agreement was reached pursuant to timely notification of intent to terminate, extend and/or modify the agreement between the ASSOCIATION and the UNION effective July 1, 1999 through January 31, 2005.

ARTICLE I - GENERAL PROVISIONS (RECOGNITION, NON-DISCRIMINATION, NON-EXCLUSIVE HIRING HALL, REPORTING PROCEDURES FOR NEW EMPLOYEES, UNION SECURITY

1. The Association and its member Employers, as set forth in Exhibit "B," do hereby recognize the Union as the exclusive representative of all employees in the unit subject to this Agreement, and the Union does hereby recognize the Association as the exclusive representative of all its member Employers who employ employees in the unit subject to this Agreement (all such individual member Employers are hereinafter sometimes collectively referred to as the "Association"), for the purpose of collective bargaining with respect to hours, wages and other terms and conditions of employment and with respect to the handling of grievances arising under this Agreement, provided that this Agreement does not cover clerical or office employees, janitors or those employed in a supervisory capacity as defined by Section 541.1 of the Fair Labor Standards Act.

2. It is agreed that all present members who are employees, defined as coming under the provisions of the Agreement in Section 1 must remain members thereof in good standing. In the event of expulsion or suspension of a member of the Union for the non-payment of Initiation Fee or Dues, the Employer agrees to discharge such employee within twenty-four (24) hours after the receipt of written notice of such action from the Union. The Union will, upon request by the Employer, furnish a list of experienced and qualified workers to fill any available job. The Employer agrees in hiring new employees to give preference to men/women who have been laid off due to slack business.

3. It is further agreed that an Employer is free to employ any qualified persons to fill a vacancy and shall not be required to employ a member of the Union.

4. It is mutually agreed that, in the administration of the provisions of this Agreement, there shall be no discrimination because of an individual's race, color, creed, sex, age, national origin or handicap or because of membership or non-membership in the Union, subject to Article I, Paragraph 5 hereof.

5. Each present employee who is not a member and each new employee must become a member of the Union thirty-one (31) days from the date of employment or the date of this Agreement, whichever is later and thereafter remain a member of the Union in good standing. In the event that portion of the Labor-Management Relations Act of 1947, which covers this Paragraph 5 is changed, modified or abandoned, ten (10) days shall become the maximum period of time in which an applicant shall become a member in good standing.

6. All new employees shall report to the Association and the Union in person on the first day of employment to assure compliance with the provisions of this Agreement.

7. The Employer agrees to notify the Union within the first thirty (30) days of employment of any hires or returns to active payroll. In the event an Employer fails to notify the Union of such hire and the Union loses money in initiation and/or dues as a result, the Employer will pay to the Union all such lost monies. It is also agreed that the Employer will promptly notify the Union of all terminations.

ARTICLE II - JOB SECURITY

1. Employee status hereunder shall be defined as follows:

(a) Regular Employee. A person who is hired as a Regular Employee and works for more than 90 days.

(b) Apprentice Employee. A person who is hired as an Apprentice Employee. Apprentice Employee limitations thereon shall in no event exceed 30% of the total regular work force of the bargaining unit. Apprentice Employees shall not be hired for the purposes of displacing Regular Employees.

2. The Employer has the right to discharge any Regular Employee for just cause, provided the employee has previously been the subject of a: 1) verbal warning; 2) written warning notice, and 3) suspension, copies of which were provided to the Union and the Association. However, in cases involving dishonesty; intoxication or drinking while on duty; being under the influence of or possessing while on duty any non-prescribed drugs; use of illegal narcotics; carrying unauthorized passengers; gross insubordination; destruction of the Employer's property; or fighting, the Employer may immediately discharge an employee without notice.

3. Any disciplinary action issued in conformity with this Article shall remain in effect for a period of no more than nine (9) months from the date such warning notice was issued; provided that, in cases where an employee alleges a violation of this Article before an arbitrator per Article XVII, the employee's entire employment record shall be considered in resolving any such dispute.

4. The first ninety (90) days of employment for all Regular Employees shall be a probationary period during which period said employees shall be subject to discharge without cause.

5. Seniority shall prevail in promotions, qualifications, and ability to perform work as required being equal. Seniority shall prevail in choice of vacations. Terminations, layoffs in excess of one hundred & eighty (180) days and voluntary quits shall break seniority. The senior Apprentice Employee shall be offered available work first if he/she is available for work.

6. Job Posting. The Employer shall post notices of any promotional job which is vacant so that interested employees may have knowledge of it. Such notice shall be posted in a conspicuous place for at least five (5) days and shall indicate to whom the employee may make his interest in the opening known. Selection to fill such vacancy shall be made by the Employer in accordance with the provisions of Article II, Section 5, Job Security. When selection is made, the name of the employee selected shall be posted.

7. An employee laid off due to a reduction in work force may exercise his/her seniority to displace an employee with less seniority in a parallel or lower rated job classification provided the more senior employee has the present skill and ability to perform the available work.

8. Recall Notification. Employees not having a telephone, or employees who may not be reached by telephone, shall be notified of available work by delivered telegram directed to the last known address by the Employer. Such notice, whether by telephone or delivered telegram shall include the reporting time for work. It shall be the sole responsibility of the employees to keep the Employer advised of their current addresses and telephone numbers, if available, by telephone.

Notice of recall shall be given at least 72 hours prior to the time an employee is scheduled to report for work. An employee who fails to contact his/her Employer within 24 hours of the time he/she is scheduled to report for work shall lose the right to be recalled to the job for which notice was given and shall remain on layoff status subject to the terms of this Agreement.

Any employee who fails to report for work after notice of recall and response thereto shall be terminated, unless said failure is due to circumstances beyond the control of the employee, in which case the employee shall be considered to be still on layoff and subject to recall as provided herein.

9. It is the intent of the parties to this Agreement that the wages, hours, working conditions and fringe benefits embodied herein, which have been arrived at through the years of collective bargaining, shall be preserved and maintained.

10. PRESERVATION OF WORK. Employer agrees that no bargaining unit work will be subcontracted if it directly results in the displacement of a bargaining unit employee.

ARTICLE III - CHECK-OFF

1. The Employer agrees to withhold and to remit promptly to the Union an initiation fee and monthly dues from the paycheck of each employee covered by this Agreement in accordance with a written order which the Union agrees to furnish, signed by each individual employee. All monies withheld on check-off shall be in the business office of Local 630 no later than the 15th day of the current month. In the event of non-compliance with the foregoing provision, the Employer agrees to pay, in addition, a penalty fee in the amount of ten percent (10%) of the check-off monies due for each calendar week until such monies do arrive at the business office of Local 630. All such penalty fees shall be remitted to the City of Hope Charity.

2. The Union agrees to indemnify and hold harmless the Employer and the Association from any and all liability which may arise out of the application of the provisions of this Article.

ARTICLE IV - MANAGEMENT RIGHTS

All rights of the Employer not specifically limited by the terms of this Agreement are hereby reserved to the Employer. Further, it is understood by the parties that the negotiations resulting in this Agreement, provided ample opportunity for all matters to be considered and this Agreement, shall not be construed to contain any matter not specifically set forth.

2. It is agreed that any employee covered by this Agreement who shall enter into a partnership or acquire an ownership interest with any of the employers shall remain covered by the Agreement unless exempted by the Board of Adjustment based either upon nonperformance of work of covered employees or because of substantial investment in the business.

3. Owner's or partner's sons, sons-in-law, daughters, daughters-in-law, brothers, brothers-in-law, and sisters, and sisters-in-law shall not be interfered with or requested to join said Union during the time he/she may work for firms or corporations owned in whole or in part by the parent, provided regular employees in the Bargaining Unit are not discharged or replaced.

ARTICLE V - UNION VISITATION

1. The representative of the Union shall have the express right at any time to call upon the Executive Vice President of the Association, or his/her designated representative for the purpose of administering the provisions of this Agreement, and with him/her may inspect time or employment records dealing with the interpretation of this Agreement provided that there shall be no interference with or interruption of the Employer's business operations.

2. The Employer will grant the authorized agent of the Union reasonable access to its business premises as necessary for the purpose of administering the provisions of this Agreement. Said agent shall immediately identify himself/herself to the Employer's supervisor in charge, and there shall be no interference with or interruption of the Employer's work operations.

3. There shall be no solicitation whatsoever *on* working time for purposes other than administration of the provisions of this Agreement.

ARTICLE VI - HOURS OF WORK

1. Each individual Employer shall establish a regular and uniform starting time for each Regular Employee. In the event there is a change in the starting time for any Regular Employee, two (2) calendar days advance notice shall be given to such employee. Whenever the Employer fails to give said notice, he shall pay premium pay for the time and one-half the applicable hourly rate for all time worked prior to the last scheduled starting time, not to exceed the two (2) day period, except as provided in Paragraph 2 of this Article.

2. In the event there is a change in the starting time for any Regular Employee due to an emergency, the Employer can call in a replacement employee subject to availability of the regularly scheduled employee.

3. The employee's workweek shall be either five (5) consecutive 8-hour days in six, with Saturday and Sunday being premium days, or four (4) 10-hour days per week, with Sunday being a premium day. The existing practice regarding an employee's regular Monday shift starting on Sunday night shall remain unchanged. Also, the Employer may schedule their employees Tuesday through Saturday as a regular workweek with Saturday being paid as a straight time day.

4. 50% of Regular Employees may work five (5) 8-hour days in six, Monday through Saturday with Saturday being a straight-time day.

Assignments of split work week shall be assigned to the least senior employees or by rotation if mutually agreed upon by employees and Company.

5. All work shall be performed in straight shifts with only meal time off during the shift. It is mutually agreed that each firm shall keep accurate time records for all employees.

6. As provided in Article II, 1(b), if at any time the Employer, in its judgment, requires additional employees, the Employer can employ Apprentice Employees to perform such work up to a maximum of 30% of the total regular work force in its bargaining unit work force. Such Apprentice Employees shall not be considered as Regular Employees under this Agreement and only the minimum four (4) hour guarantee shall apply when called to work.

7. Implementation of a four (4) day, 10-hour per day work schedule, pursuant to Paragraph 3 of this Article, shall be allocated on the basis of seniority.

8. Ten (10) hours work per day shall be offered each employee. Should any employee working a ten (10) hour shift request to work less than ten (10) hours, he shall be paid at his regular hourly rate for the time actually worked.

9. All employees working such ten (10) hour shifts shall receive at least two (2) consecutive days off each calendar week.

ARTICLE VII - OVERTIME

1. The Employer has the right to require employees to work overtime and refusal to work overtime may constitute grounds for discipline or discharge. Overtime shall be offered to employees in accordance with their seniority, and shall be assigned to employees in reverse seniority order.

2. All time worked in excess of forty (40) hours in any one week or in excess of eight (8) hours in any one day shall be paid for at the rate of one and one-half (1 1/2) times the employee's regular straight time hourly rate, except as provided in Article VI, Paragraphs 3 and 7.

3. Payment of overtime or premium rates shall not be duplicated for the same hours worked.

4. In the event any employee is called in for work on any given day and duly reports, then said employee shall be guaranteed four (4) hours work or pay in lieu thereof.

5. Except as provided in Article VI, Paragraph 4, work performed by any Regular Employee on any Saturday or Sunday shall be paid for at the rate of one and one-half times the employee's regular straight time hourly rate, except that Receivers and Helpers commencing their regular work week on Sunday, and Drivers going to the country on regular schedules, shall not be paid overtime for Sunday work as such.

6. Work performed by any employee on the sixth (6th) day worked in any one work week shall be paid at time and one-half (1 ½) the regular straight time rate of pay. Work performed by any employee on the seventh (7th) day worked in any one work week shall be paid at double the regular straight time rate of pay.

In case an employee is voluntarily absent a day or part of a day during the week due to causes beyond his control, employee may work on the sixth (6th) or seventh (7th) day to make up the forty (40) hour week without overtime, if mutually agreeable to Employer and employee.

7. In the event that Fair Labor Standards Acts shall be amended during the term of this Agreement to provide greater benefits to employees by establishing a different workweek or overtime rate, then such revisions shall automatically become a part of this Agreement upon the enactment of such amendment.

8. Complaints in regard to wages and overtime by any employee shall be filed with the Association by the Union within 30 days of its occurrence. In the case of an award, there shall be no limitation of the Employer's liability under this Article.

ARTICLE VIII - HOLIDAYS

1. The following holidays shall be observed, for which the Employer agrees to pay any employee with at least thirty (30) days' service with the Employer, for eight (8) hours at the straight-time hourly rate of pay for the classification

involved.

New Year's Day
Presidents' Day
Memorial Day
July 4th
Labor Day

Veteran's Day
Thanksgiving Day
Christmas Day
Employee's Birthday

2. When an employee is required to work on a holiday, he shall be paid, in addition to the regular salary, a holiday premium of one and one-half (1 ½) times his regular rate for eight (8) hours, or ten (10) hours if working a regular ten (10) hour day.

3. If a holiday falls on an employee's regular day off, then such employee shall receive an additional day off or a day's pay.

4. If a holiday falls within an employee's vacation period, he shall receive a holiday premium of eight (8) hours pay in addition to his vacation pay.

5. The work week shall not be changed in a holiday week.

6. In order to be entitled to Holiday pay, a Regular Employee must work his/her scheduled workday immediately preceding and immediately following the holiday, except for excusable absences such as illness or injury. An employee absent from work due to illness or injury shall be entitled to Holiday pay for any holidays that occur during the first thirty (30) calendar days of such absence.

7. Each employee shall notify his/her Employer of the date of his/her birthday at least two (2) weeks prior to his/her birthday. The holiday shall be granted either on the employee's birthday or, by mutual agreement between the Employer and the employee, on any other date in the week during, following or prior to the week in which the employee's birthday falls. If the employee's birthday falls on another holiday specified in this Agreement, he/she shall be granted an additional holiday and if the employee's birthday falls on February 29 his/her birthday shall be considered as falling on February 28.

8. If any of the above-listed holidays falls on a Saturday, each eligible employee shall observe the Friday before or the Monday after at the discretion of

the Association. At least one week's advance notice shall be given prior to the above.

9. If any of the above-listed holidays falls on a Sunday, such holiday shall be observed on the following Monday.

10. Holiday pay for Apprentice Employees will be determined in the following manner. Such employee shall have added to his/her pay for each such holiday week one (1) hour of straight-time holiday pay for each full four (4) hours of straight-time work performed during the affected week.

11. As has been practiced in the past, payment of Holiday pay shall continue to be considered as time worked for the purpose of computing overtime when the Holiday falls on an employee's regularly scheduled day of work.

ARTICLE IX - VACATIONS, SEVERANCE PAY

1. Any Regular Employee who has worked less than six (6) months for an individual Employer is not entitled to a paid vacation or any severance pay.

(a) Each Regular Employee who has completed twelve (12) months of service for an individual Employer shall be allowed a vacation with pay for one (1) week.

(b) Each Regular Employee who has completed two (2) years or more of service for an individual Employer shall be allowed a vacation with pay of two (2) weeks.

(c) Each Regular Employee who has completed six (6) years or more of service for individual Employer shall be allowed a vacation with pay of three (3) weeks.

(d) Each Regular Employee who has completed fifteen (15) years or more of service for an individual Employer shall be allowed a vacation with pay of four (4) weeks, provided that the fourth week be taken between November 1st and April 1st following.

(e) A week's vacation for the purpose of this Article shall be construed as seven (7) consecutive days off without work with pay for forty (40) hours at the

employee's regular straight time rate of pay.

Apprentice Employees shall receive a pro rated vacation per hours worked based on regular employee vacation.

2. Vacations must be taken within five (5) months after the end of each twelve (12) months of completed employment. The time of such vacation shall be set by the Employer consistent with the efficient operation of the Employer's business with due regard to the desires and seniority preferences of the employee, and the employee may not be paid in lieu of vacation. If a holiday named in the Agreement falls in a vacation week, the employee shall receive an additional day of vacation, excepting if a holiday falls on Saturday, payment will be made under Article VIII, Paragraph 3.

3. In the event of severance from employment, regardless of the reason for termination, an employee shall be paid any vacation, which has been earned in accordance with Paragraph 1 of this Article, but had not been taken.

4. In the event of severance from employment, regardless of the reason for termination, an employee will be entitled to a pro rata share of vacation as severance pay, based on the following:

(a) A Regular Employee with six or more months of active service, but less than one year, shall be paid one-twelfth (1/12) of one week's vacation pay for each month, or major fraction thereof worked.

(b) A Regular Employee with more than one year's active service, but less than two years, shall be paid one twelfth (1/12) of one (1) week's vacation pay for each month or major fraction thereof worked since his/her anniversary date of employment.

(c) A Regular Employee with more than two years' active employment, but less than six years' employment, shall be paid one-twelfth (1/12) of two (2) weeks' vacation pay for each month or major fraction thereof worked since his/her last anniversary date of employment.

(d) A Regular Employee with more than six years' active employment shall be paid one-twelfth (1/12) of three (3) weeks' vacation pay for each month or major fraction thereof worked since his/her last anniversary date of employment.

(e) A Regular Employee with more than fifteen years' active employment shall be paid one-twelfth (1/12) of four (4) weeks' vacation pay for each month or major fraction thereof worked since his/her last anniversary date of employment.

(f) Apprentice Employees shall receive a pro rated vacation pay based on same years of service and hours worked.

5. Only the time a Regular Employee actually works or for which he/she is entitled to pay shall be counted toward earned vacation time. Time on disability or other leave shall not be counted toward earned vacation time; provided, however, that disability or leave time not exceeding two (2) weeks shall not be deducted in computing earned vacation time under this Article.

6. Effective February 5, 2005 (date of ratification of this Agreement), all new hired employees shall be entitled to a maximum of two (2) weeks vacation.

ARTICLE X - LEAVE OF ABSENCE

1. The Employer may grant a reasonable leave of absence to an employee upon his/her written application submitted on a form designated for this purpose by the Association. The employee, the Union and the Association shall be provided a written notice of the terms and conditions of any such leave of absence granted.

2. The employers agree to comply with any Federally or State mandated family or medical leave acts.

3. Any employee who undertakes work or employment during any leave of absence without first securing permission from the Employer, the Association and the Union automatically cancels such leave of absence and shall be considered to have terminated his/her employment as of the last day worked.

ARTICLE XI - SICK LEAVE

1. All employees covered by this Agreement who have completed one (1) year of continuous active service for an individual Employer shall be entitled to four (4) days per year. If the first (1st) working day off is on a Tuesday, Wednesday or Thursday, sick leave pay shall commence on the first working day lost for each disability. If the first working day lost is on a Monday or Friday, such

sick leave pay shall commence on the second (2nd) working day lost for each disability. The Employer can require a doctor's certification or other reasonable proof of disability for illnesses of three (3) days or more as a condition to granting sick leave or sick leave pay.

2. Unused sick leave benefits in any one (1) year shall accumulate on the basis of four (4) days per year with a maximum accumulation of twenty (20) days. Unused sick leave accumulated on excess of twenty (20) days shall be paid on the employee's anniversary date up to a maximum of four (4) days based upon his straight-time hourly rate in effect on such anniversary date.

All unused sick leave will be paid to the employee upon termination, except for just cause terminations.

3. Subject to Paragraph (4) below, full pay shall mean eight (8) hours' pay at the employee's regular straight time hourly rate for those days, which the employee would have worked had the disability not occurred, calculated at straight time.

4. Sick leave pay shall be integrated with unemployment compensation disability benefits and Worker's Compensation temporary disability benefits so that the sum of the daily sick leave allowance hereunder and the aforesaid State Disability Daily Benefits, exclusive of the daily hospital benefits, which may be payable to an employee, shall not exceed one hundred percent (100%) of the employee's regular daily wages at straight time. If the sick leave pay allowable to an employee hereunder when so combined with any such State Disability Daily Benefits received by an employee exceed one hundred percent (100%) of his/her regular daily rate at straight time, for any one day, then such sick leave pay for that day shall be reduced accordingly. Any portion of the sick leave pay allowance not received by the employee by reason of any such reduction shall be retained in the employee's sick leave pay account as a part of his/her accumulated sick leave pay credit. In order to effectuate the integration with the U.C.D., all sick leave will be broken down from days of sick leave as earned to hours and such sick leave will be used and retained as hours of sick leave.

5. Any employee sustaining injuries which are compensable under the Worker's Compensation Act which prevent the employee from performing all work available to the employee at Employer's place of business shall be paid for the balance of the day on which the injury occurred.

6. No employee shall be discriminated against as a result of filing a claim

with the Industrial Accident Commission.

7. Falsification of sick leave claims or abuse of sick leave privileges shall be cause for discharge or other disciplinary action.

ARTICLE XII - DISABILITY LEAVE

1. A disability (including maternity) leave of absence which is requested in writing by an employee will be granted by the Employer providing that satisfactory medical proof substantiates the necessity thereof.

2. Any employee requesting a disability leave of absence or renewal thereof, or returning to work after a disability leave, may be required to submit to a medical examination by a doctor designated by the Employer at the Employer's expense. An employee returning from a disability leave shall notify the Employer five (5) days prior to the date of return.

3. It is agreed that an employee who has been under a doctor's care or who has been off work for any extended period of time because of illness or disability shall furnish the Employer with a doctor's release, indicating that the employee is fit to return to work and able to perform all normal duties on a regular basis.

4. Employees with less than one (1) year seniority who have a non-industrial illness and/or injury and are eligible for group Health and Welfare benefits shall not lose employment or seniority provided the employee returns to work within a period of ninety (90) days from the last date worked and is able to perform his/her normal duties.

5. Employees with one (1) or more years of continuous employment who are eligible for group Health and Welfare benefits and are off work due to a non-industrial injury and/or illness shall have Health and Welfare benefits for a period of ninety (90) days from the last date worked. Full seniority shall continue for a period of one hundred eighty (180) days from the last date worked.

6. Eligible employees off work due to an industrial related injury and/or disability shall have group Health and Welfare benefits in effect for a period of one hundred eighty (180) days from the last date worked.

7. Eligible employees off work due to an industrial related injury and/or

disability shall not lose employment or seniority provided that the employee returns to work within a period of one (1) year and is able to perform all normal duties on a regular basis.

8. **DRUG AND ALCOHOL POLICY-** The Employers and the Union agree that the Drug and Alcohol Policy shall be addressed in a separate document which document shall be titled "Alcohol and Drug Abuse Policy for Member Employees of the Associated Produce Dealers and Brokers of Los Angeles, Inc."

9. The Employers agree to comply with the current A.D.A. language and any and all other Federally or State mandated programs which address employees with disabilities.

ARTICLE XIII - FUNERAL LEAVE

Employees shall be allowed two (2) days' funeral leave with full pay for a death in the immediate family if such employee was in attendance at the funeral. Immediate family shall be defined as the employee's parents, spouse, children, siblings, current mother-in-law or father-in-law, grandparents and grandchildren.

ARTICLE XIV - HEALTH AND WELFARE

1. Death Benefits and Medical Hospital, Dental, Vision and Prescription Benefits. The parties hereto agree to continue for the duration of this Collective Bargaining Agreement group Hospital and Medical Insurance, Life insurance, Dental Insurance, Vision Care Insurance and Prescription Drug Insurance for eligible employees in the payroll of the company on February 5, 2005 (date of ratification of this Agreement).

(a) Insurance booklets and brochures are available at Associated Produce Dealers and Brokers of Los Angeles, Inc.'s office, at 1601 E. Olympic Blvd., Suite # 312, Los Angeles, CA 90021.

(b) The Association shall continue to provide to the employee, the benefits agreed upon during the course of the negotiations of this Collective Bargaining Agreement. Each eligible employee and his/her dependents shall be covered by a quality HMO medical plan. In the event of termination of employment for any

reason, all employees who are eligible for Health and Welfare benefits hereunder shall remain eligible for an additional thirty-one (31) day period from their date of termination. It is also agreed that an employee changing jobs from one Employer to another covered by the same group insurance policy, within a thirty (30) day period, shall have his or her insurance transferred without any lapse in coverage.

c). Effective April 1, 2005 the medical plans available shall be HEALTH NET SALUD PLAN 55C

d). **COST CONTAINMENT CONTROL.** Under Health Net Salud Plan 55C, Doctor visits will carry a \$20.00 co-payment, and Hospitalization a 30% co-payment with an annual maximum of \$2,500 per member and \$5,000 per family

e). In order to maintain the level of negotiated benefits, the Employer (members of the Association) agrees to make 100% of the Health and Welfare premium payments on behalf of each employee and his/her eligible dependents, subject to the cap discussed below.

f). In the event of disputed Health and Welfare claims arising hereunder, the Executive Vice President or his representative, shall meet with the Union representative in order to resolve such dispute.

2. Retirees' Medical and Hospital Benefits. The Association members agree to continue providing a quality HMO and Prescription drug plan for retired members aged 55 to 65. Such a plan may have a retiree member co-payment. The parties agree and it is understood that this retiree program will be relatively revenue neutral to the Association's existing Retiree Medical Plan. The following will be the criteria for qualifying for the Retiree Medical Plan:

a). The member must have at least ten (10) years of covered service with an Employer who belongs to the Association Produce Dealers and Brokers of Los Angeles, Inc. insurance program.

b). The member may not have had a break in service of any long than six (6) months at any one time.

c). The member must qualify for the Western Conference of Teamster Pension Plan and must collect such.

d). The member must be leaving for the purpose of actually retiring and may not continue to work for any more than forty nine (49) hours per month.

e). Retiree coverage shall be contingent upon the member Employer either actively remaining in business or having a successor in interest take over its operations.

3. **Dental Care.** The Employer agrees to make necessary contributions each month on behalf of each Regular Employee into the Employer Insurance Trust Account for the purpose of providing dental care benefits for Regular Employees and their eligible dependents. The coverage will be a quality dental program which shall be described as either Western Dental Plan or PMI Delta .

4. **Extended Benefits to Employees on Sick Leave and Total Disability.** The parties agree that all benefits and coverage under group Hospital and Medical insurance shall be extended to all employees on sick leave and that major benefits shall be extended for a maximum of twelve (12) months for a totally disabled insured. it is understood that this twelve (12) month extended coverage applies to the disabled covered insured only.

5. **Vision Care.** The Employer shall make necessary contributions per month on behalf of each Regular Employee into the Employer Insurance Trust Account held by the Association and to be used for the sole purpose of providing Vision Care Insurance.

6. **Prescription Drug Insurance.** The Employer shall make necessary contributions per month on behalf of each Regular Employee into the Employer insurance Trust Account to be used for the sole purpose of providing Prescription Drug insurance, subject to the cap discussed below.. Effective April 1, 2005, such benefits shall be described as a \$10.00 generic drug, \$25.00 brand name drug and \$35.00 non-formulary drug co-payment prescription card.

7. **Maintenance of Benefits.** The Employer agrees to be responsible for all premiums of the above benefits for employees and their eligible dependents until February 28, 2006. Effective March 1, 2006, the Employer will pay up to an additional \$80.00 per month for the Health and Welfare premium. Effective March 1, 2007 and effective each March 1 thereafter the Employer will pay an additional \$40.00 per month for the Health and Welfare premium. The premium caps set forth

above shall be paid on a rolling basis. This means that in the event the total amount of the monthly premium increase in any year is less than the maximum amounts set forth above, the difference between the actual amount of the monthly increase and the maximum amounts set forth above shall be rolled over and added to the next year's \$40.00 maximum. This rolling cap is cumulative.

In the event the total additional monthly contribution required to maintain benefits exceeds any cumulative amount the parties agree that the Employer will make the total required contribution and the amount of the monthly contribution in excess of the cumulative amounts specified herein will be paid to the Employer by the affected employees by means of a payroll deduction.

8. Buy up Option. Employees shall have the option to buy up to The Health Net open network by means of a payroll deduction. The share of the monthly premium cost to the employee will be the difference in monthly premium cost of The Health Net Salud plan and the Health Net open network plan. The Health Net open network plan available for the buy up will be plan 28Q with cost containments as follows: \$25.00 Doctor's visits, \$500.00 hospital co-payment with annual maximums of \$1,500 per individual, \$3,000 two party and \$4,500 for family, with aq \$10.00, \$25.00 and \$35.00 Prescription Drug card. The cost of the buy up will be \$114.20 per month until February 28, 2006.

9. New Hired Employees. Employees hired after February 5, 2005 (date of ratification of this Agreement).

a). Employer will provide coverage for "employee only" under Health Net Salud plan 55C.

b). Employer cost for Medical and Prescription Drug coverage shall be capped at \$275.00 per month for the life of this Agreement.

c). New Hired employees will not be eligible for Medical and Prescription drug benefits until the first month following six (6) consecutive months of employment.

d). New hired employees will not be eligible for Dental or Vision coverage.

e). New hired employees eligible for benefits will be given the option to buy up dependent coverage through a payroll deduction.

10. Apprentice Employees will be entitled to have Health and Welfare payments made on their behalf only after the Apprentice Employee has worked in excess of 120 hours per month.

11. The Association Companies and the Union agree to comply with the current law regarding COBRA implementation.

ARTICLE XV - WAGES

1. Effective February 1, 2005, wages shall be paid by the Employer to employees according to the wage scale attached as Exhibit "A."

2. Cost of living increases shall remain frozen for the life of this Agreement.

3. Experienced persons who are hired as new employees by member Employers will be hired at the appropriate contract classification rate. Provided that said experienced persons have been employed for a Produce Company covered under a Teamster Labor Agreement during the last six (6) months immediately prior to being hired.

(a) Apprentices will be expected to achieve the full journeyman rate after completion of their progression, but will be hired according to the following schedule:

DRIVERS:

1st 6 months - 70%
2nd 6 months - 80%
3rd 6 months - 90%

ALL OTHERS:

1st 2080 hours - 70%
2nd 2080 hours - 80%

3rd 2080 hours - 90%

The Loader Classification shall be limited to 25% of the work force, and their work shall be limited to loading or unloading, sorting, palletizing, use of tow motors, forklifts and hand-jacks on the company premises or wherever a company truck is located. Shall exclude all receiving, dispatching, quality control, truck driving and inspection.

The limitation on the use of Loader classification shall be open for further negotiations effective February 5, 2005 (date of ratification of this Agreement). A joint Labor-management committee shall be created for the purpose of continued negotiations after the ratification of this Agreement.

(b) It is further understood that full contract benefits will be pro rata to apprentices pursuant to the terms of the Collective Bargaining Agreement. Apprentice Employees will be advanced to Regular Employee status when the full 30% requirement is met.

4. The Employer's current practices and rates relating to line or long haul drivers shall be maintained for the life of the Agreement, and further, the daily expense stipend payable shall be \$18.00 per day.

5. For the purpose of this Agreement, a truck driver, including Fork Lift Operators, shall be an employee who spends more than fifty percent (50%) of his/her working time per week driving. Time spent loading and unloading as well as driving shall be counted.

6. Companies who operate a frozen food facility shall appoint a minimum of one (1) employee as a freezer person.

7. An employee may sell merchandise for not more than one hour each day while the sales person under whom he/she works is out of the store during his/her meal period. Such activity shall not be considered as sales person's work.

8. Any employee ordered to report for work at a certain hour and who actually reports to work at that hour shall be paid from that hour even though he/she may not actually start work until after that time.

9. All employees, other than Apprentice Employees, ninety (90) calendar days after their original date of hire, shall be Regular Employees and shall be

guaranteed forty (40) hours of work per week of employment or pay in lieu thereof for each week in which they work, except as otherwise provided herein. Such work week shall be scheduled in accordance with Article VI. This forty (40) hour guarantee shall not apply to a Regular or new employee working a part week at the beginning or at the termination of his/her employment, nor to an employee who absents himself for part of a week for any reason whatsoever. All employees shall be guaranteed four (4) hours work when called in to work on any given day.

10. Any employee now receiving more than the above minimum wage scale shall not have his wage reduced by reason of this Agreement, nor shall he be discharged and then rehired at a lower scale.

ARTICLE XVI - PENSIONS

1. Effective February 1, 2005, based on January 2005 hours, the Employers shall contribute on the behalf of each bargaining unit employee working under the terms and conditions of this Collective Bargaining Agreement, to the Western Conference of Teamsters Pension Trust Fund, a basic contribution rate of one dollar and forty-one cents (\$1.41) per straight time hour paid and a PEER contribution of nine cents (\$0.09) per straight time hour paid in order to maintain the (PEER) Program for Enhanced Early Retirement.

Total contributions, including PEER, shall be made on behalf of each employee cover under the terms of this Collective Bargaining Agreement according to the following formula.

\$ 1.50 per hour
\$ 12.00 per eight (8) hour day
\$15.00 per ten (10) hour day
\$60.00 per forty (40) hour week

The total amount paid for each covered employee who has received compensation for all possible straight time hours in any one month shall be the sum of \$259.50 per calendar month.

2. Time paid for but not worked, such as holiday, sick leave, funeral leave and vacation time shall be considered as time worked for the purpose of this Article, but no payment shall be made on overtime hours.

3. The Employer shall continue to make contributions to the Western Conference of Teamsters Pension Trust Fund in order to maintain the Program for Enhanced Early Retirement (PEER). This contribution shall be paid on the same basis as contributions for the basic plan as provided for in XVI - 1 above.

The contribution required to provide the Program for Enhanced Early Retirement will not be taken into consideration for benefit accrual purposes under the Plan. The additional contribution for the PEER must at all times be six and one-half percent (6.5%) of the basic contribution and cannot be decreased or discontinued at any time.

4. Effective February 1, 2007 based on January 2007 hours the Employers agree to increase their contributions into the Western Conference Pension Trust Fund by five cents (\$0.05) per straight time hours paid. Said increase shall result in a basic contribution rate of one dollar and forty-six cents (\$1.46) per straight time hour paid, and nine cents (\$0.09) per straight time hours paid in order to maintain the PEER program.

Total contributions, including PEER, shall be made for each employee covered under this Labor Agreement according to the following formula:

\$ 1.55 per hour
\$12.40 per eight (8) hour day
\$15.50 per ten (10) hour day
\$62.00 per forty (40) hour week

The total amount paid for each covered employee who has received compensation for all possible straight time hours in any one month shall be the sum of \$ 268.15 per calendar month.

5. Effective February 1, 2009 based on January 2009 hours the Employers agree to increase their contributions to the Western Conference of Teamsters Pension Trust Fund by five cents (\$0.05) per straight time hours paid. Said increase shall reflect a basic contribution rate of one dollar and fifty-one cents (\$1.51) per straight time hour paid and a PEER contribution rate of ten cents (\$0.10) per straight time hour paid.

Total contributions, PEER included, shall be made for the benefit of each

covered under the terms of this Collective Bargaining Agreement in accordance with the following:

\$ 1.61 per hour
\$12.88 per eight (8) hour day
\$16.10 per ten (10) hour day
\$64.40 per forty (40) hour week

The total amount paid for each covered employee who has received compensation for all possible straight time hours in any one month shall be the sum of \$278.53 per calendar month.

6. The total amount due for each calendar month shall be remitted in a lump sum not later than the twentieth (20th) day of the following month. The Employer agrees to abide by such rules as maybe established by the Trustees of said Trust fund to facilitate the prompt and orderly collection of such amounts and the accurate reporting and recording of such amounts paid on account of the employees. Failure to make the payments herein provided, within the time specified, shall be a breach of this Agreement; provided, however, that the Union shall take no action based on such a breach of this Agreement until ninety-six (96) hours have elapsed, from the time that Union serves notices on the Employer of the Union's intent to consider such a failure to make payment as a breach of this Agreement.

7. The Employer agrees to comply with all State and Federal regulations in regard to employees serving on the armed forces for an extended period of time. Time spent on Military Leave shall be considered as time worked for the purpose of this Article.

8. The parties agree that because the Trustees of the fund will rely on the execution of this Agreement to restore and not to reduce benefits to retiring employees, this Agreement may not be modified, terminated or rescinded by the parties, directly or indirectly, without the express written consent of the Trustees.

ARTICLE XVII - GRIEVANCE PROCEDURE

1. If any differences arise between any employee and the Employer involving the meaning or application of the terms of this Agreement which such employee desires to have considered by the Employer, he/she shall, within three (3) working days of the occurrence of the facts underlying such difference, present and discuss the same with his/her immediate supervisor, and both the employee and his/her supervisor shall make; a bona fide effort to amicably settle such difference.

2. In the event such difference is not settled as aforesaid and the employee desires further consideration thereof, it shall be deemed a grievance and presented in the manner hereinafter set forth:

(a) Said grievance must be presented to the Employer in writing, within an additional period of three (3) work days, by the employee involved or by the employee and his/her Union representative.

The Employer must respond in writing within ten (10) days of a grievance being presented to him and noncompliance with the ten (10) day limitation would automatically proceed said grievance to arbitration:

(b) Should any grievance involving the meaning or application of the provisions of the Agreement not be settled by the above procedure, it may, within ten (10) working days from written notification or disagreement, at the option of either party, be submitted to arbitration by three arbitrators, one to be selected by the Employer, one to be selected by the Union, and the third to be selected by agreement of the other two. In the event the two arbitrators are unable within three (3) days to agree upon the third arbitrator, said arbitrator shall be selected by the Federal Mediation and Conciliation Service or California State Conciliation Service on application of either party in accordance with the procedures of said association. The question to be arbitrated shall be reduced to writing and signed by both parties, and the arbitrators shall have no right or authority to enlarge the question to be arbitrated or to modify, amend, add, or in any way change the terms of this Agreement. The cost of the arbitrator shall be borne by the losing party. The arbitrator shall determine the losing party, if any. The arbitrators shall render their decision within fourteen (14) days of the date the question is finally submitted to them for decision. All decisions of the arbitrators will be binding upon both parties.

3. It shall be the responsibility of the employee to report any claimed discrepancy in earnings promptly to the Employer. Such claims not presented in

writing to the Employer within thirty (30) days of the time they occur shall be null and void.

ARTICLE XVIII - CONTINUITY OF OPERATIONS

The Union and the Association each recognize that the operations of the Association are in the handling of perishable foodstuffs, that many Employers are operating in a trust capacity for growers and shippers, and that said Association has an obligation in feeding the general public. In view of this recognition, the parties agree as follows:

1. During the term of this Agreement, the Association agrees that there shall be no lockout and the Union agrees that there shall be no strike or picketing.

2. The foregoing notwithstanding, it shall not be a violation of this Agreement nor cause for discharge or disciplinary action for any employee to refuse to cross a legitimate, bona fide, primary picket line sanctioned by the Joint Council of Teamsters No. 42.

3. A picket line wherein the union involved is not affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America and has not been established or recognized as the bargaining representative or offered proof of majority representation of the employees involved, or where there is no strike against nor lockout by the Employer being picketed, shall not be considered "bona fide" for the purpose of this Article.

4. The parties hereto intend that the operation of this clause shall not include picket lines placed on any of the Employers' operations that are directed against financially affiliated companies which are not operationally related to the Employer covered by this Agreement.

Market Picketing. In the event pursuant to Paragraphs 2-4 above, a picket line which otherwise does not violate Paragraph 1 of this Article is established by the Union, the Union shall ensure that a) all picket signs in use clearly designate the Employer against whom such activity is directed, and b) all picket signs clearly state that no request to withhold services or deliveries or performance is made with respect to employees of, or persons having business with, any other Employer.

ARTICLE XIX - SUCCESSORS AND ASSIGNS

In the event of a sale, consolidation, merger, assignment or transfer or majority control or of the business or any part thereof or any other change of ownership of the business of the Employer, the purchaser, assignee or transferee shall be bound by this Agreement. It is the intent of the parties that the Employer shall notify any potential purchaser, assignee or transferee of the foregoing provisions relative to the purchase, etc., of the business of the Employer.

ARTICLE XX - NEW LOCATION

In the event the Employer opens new branches or locations of the type covered by this Agreement or moves the location of his/her present operation to a location within the geographical jurisdiction of Joint Council of Teamsters No. 42, present employees shall have preference for vacancies at such location. Such assignments shall be subject to Employer's work force requirements at both the old and new locations.

Subject to the above, qualified employees who have been laid off or would be laid off because of such new locations shall have preference for employment before any new employees are hired.

ARTICLE XXI - SEPARABILITY AND SAVINGS CLAUSE

1. It is not the intent of the parties to this contract to violate any federal or state law and it is agreed that if any portion of this Agreement is contrary to any federal or state law, that portion of this Agreement shall, by mutual agreement, be null and void but without invalidating the other provisions of this Agreement.

2. At either of the parties' option, upon such invalidation, the parties shall immediately meet to negotiate substitute provisions for such parts or provisions permits rendered or declared illegal and invalid. Should the parties fail to agree within sixty (60) days following such invalidation, the dispute, at either party's option, may be resolved through the arbitration provisions in Article XVII, provided that the power of the Arbitrator shall be restricted and limited to determining a substitute provision to provide for the same specific objective and

purpose of the provision rendered or declared illegal.

ARTICLE XXII - NO IMPLIED WAIVER

If the Association, the Employer or the Union elect not to exercise any right, privilege or authority under any provision of this Agreement at any time, lack of such exercise in that respect shall not be construed as a present, continuing or future waiver of the Association's or Employer's rights or the Union's rights under that or any other provision of this Agreement.

ARTICLE XXIII - ENTIRE AGREEMENT

The parties hereby acknowledge and affirm that during the negotiations which led to this Agreement, each of them had the unlimited right and opportunity to formulate demands and proposals with respect to all subjects or matters not excluded by law from the collective bargaining area, and that all decisions and covenants reached by them through the use of such rights and opportunities appear in this Agreement. Therefore, it is agreed that the items herein set forth contain the complete agreement between the parties for the term of this Agreement. Subject only to Article IV hereof ("Management Rights"), the right to present any demands or proposals on any matters, whether or not discussed during the negotiations which led to this Agreement, are hereby waived by the Association and the Union for the term of this Agreement. However, nothing in this clause precludes the parties from making changes in this Agreement by mutual consent upon written request by one party and written acceptance by the other party.

ARTICLE XXIV - RENEWAL OR TERMINATION

This Agreement shall be in full force and effect from February 1, 2005 until January 31, 2010 and shall continue thereafter in full force and effect on a year-to-year basis, unless either party shall give written notice on or before December 1, 2009, or by December 1 of any subsequent year, of intent to terminate or modify this Agreement.

The parties agree that negotiations for a new Agreement shall commence as soon as practicable after such notice is given and that irrespective of the notice to

terminate or modify, such negotiations may continue after the termination date. The termination notice may be made effective by either party at any time after such termination date, by giving the other party seven (7) days' written notice by registered mail. This Agreement shall be deemed terminated seven (7) days after such written notice is given.

Signed this _____ day of _____, 2005.

**ASSOCIATED PRODUCE DEALERS AND
BROKERS OF LOS ANGELES, INC.**

Signature: *Dick Marent*

Title: EXEC. VICE PRESIDENT

**FOOD, INDUSTRIAL AND BEVERAGE WAREHOUSE, DRIVERS &
CLERICAL EMPLOYEES UNION, LOCAL NO. 630, AFFILIATED WITH THE
INTERNATIONAL BROTHERHOOD OF TEAMSTERS**

Signature: *Paul A. Kenny*
PAUL A. KENNY

Title: Secretary Treasurer.

Exhibit "A"

	<u>02/01/05</u>	<u>02/01/06</u>	<u>02/01/07</u>	<u>02/01/08</u>	<u>02/01/09</u>
Sales Person	\$15.725	\$16.025	\$16.325	\$16.625	\$16.925
Freezer Person	15.55	15.85	16.15	16.45	16.75
Receiving Clerk	15.50	15.80	16.10	16.40	16.70
Dispatcher	15.50	15.80	16.10	16.40	16.70
Driver/Forklift	15.40	15.70	16.00	16.30	16.60
Receiver Helper	15.375	15.675	15.975	16.275	16.575
Houseman	15.30	15.60	15.90	16.20	16.50
Semi-Driver	15.60	15.90	16.20	16.50	16.80
Double Driver	15.85	16.15	16.45	16.75	17.05
Loader	11.60	11.90	12.20	12.50	12.80

EXHIBIT "B"

**ASSOCIATED PRODUCE DEALERS
AND BROKERS OF LOS ANGELES, INC.**

AND

TEAMSTERS LOCAL UNION NO. 630

**LIST OF COMPANIES SIGNATORY TO
2005 - 2010 LABOR AGREEMENT**

ANSHIN PRODUCE CO., INC.
1115 S. SAN PEDRO ST.
LOS ANGELES, CA 90015

BROSTOFF & CELLE
1601 E. OLYMPIC BLVD., BLDG. #500
LOS ANGELES, CA 90021

CAL-O-VEGETABLE EXCHANGE
924 - 934 S. SAN JULIAN ST.
LOS ANGELES, CA 90015

CHOUMAS PRODUCE CO., INC.
1601 E. OLYMPIC BLVD., BLDG. #300
LOS ANGELES, CA 90021
**COAST CITRUS dba OLYMPIC FRUIT
& VEGETABLE DISTRIBUTION**
1601 E. OLYMPIC BLVD., BLDG. #213
LOS ANGELES, CA 90021

COAST CITRUS dba PAIFIC BANANA CO.

744 SO. ALAMEDA STREET
LOS ANGELES, CA 90021

I & T PRODUCE CO., INC.
1601 E. OLYMPIC BLVD., #320 - 322
LOS ANGELES, CA 90021

J. HELLMAN PRODUCE CO.
1601 E. OLYMPIC BLVD., BLDG #200
LOS ANGELES, CA 90021

MORSE & CHORNA, INC.
1124 S. SAN JULIAN ST.
LOS ANGELES, CA 90015

OGAWA PRODUCE CO., INC.
746 S. CENTRAL, #672
LOS ANGELES, CA 90021

SEASON PRODUCE CO.
1601 E. OLYMPIC BLVD., BLDG. #315 - 317
LOS ANGELES, CA 90021

SHAPIRO-GILMAN-SHANDLER
1059 - 69 S. SAN PEDRO STREET
LOS ANGELES, CA 90015

THRIFTY VEGETABLE CO.
728 S. CROCKER STREET
LOS ANGELES, CA 90021

TIMES PRODUCE
973 - 1001 S. SAN PEDRO ST.
LOS ANGELES, CA 90015