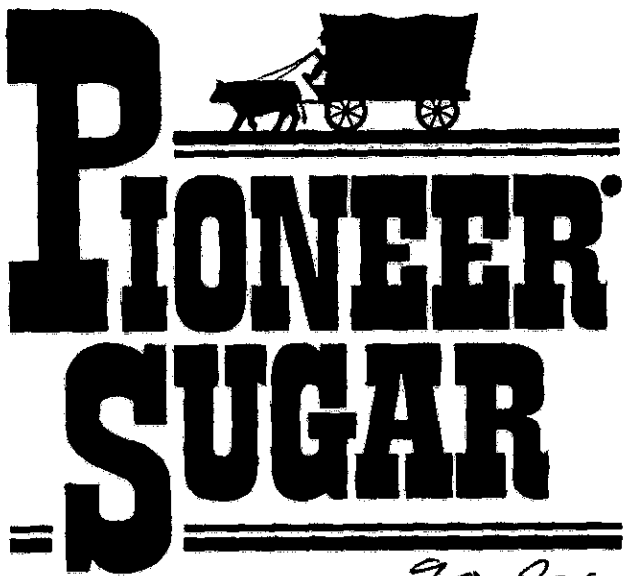


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AGREEMENT
Between
MICHIGAN SUGAR COMPANY
And
BAKERY, CONFECTIONERY, TOBACCO WORKERS &
GRAIN MILLERS, AFL-CIO-CLC
AND ITS LOCALS

- No. 259-G - Carrollton, Michigan
- No. 260-G - Caro, Michigan
- No. 261-G - Sebawaing, Michigan
- No. 262-G - Croswell, Michigan



90 pages

Term August 1, 2002 through July 31, 2005

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AGREEMENT

Identification of Parties

THIS AGREEMENT, made as of the 1st day August, 2002, between Michigan Sugar Company, herein called the "Employer" or the "Company", and the Bakery, Confectionery, Tobacco Workers & Grain Millers, AFL-CIO-CLC, and its following Local Unions herein collectively called the "Union".

No. 259-G Carrollton, Michigan

No. 260-G Caro, Michigan

No. 261-G Sebewaing, Michigan

No. 262-G Croswell, Michigan

WITNESSETH:

WHEREAS, *satisfactory evidence has been submitted by the Union to the Employer that more than a majority of the employees of the Employer within the bargaining unit as herein defined employed at Employer's factories located at -*

Carrollton Factory
341 Sugar Street
Carrollton, MI 48604

Caro Factory
725 South Almer Street
Caro, MI 48723

Croswell Factory
159 S. Howard
Croswell, MI 48422

Sebewaing Factory
763 N. Beck Street
Sebewaing, MI 48759

have associated themselves together in the Union and have designated the Union as their respective representative for the purpose of collective bargaining with the Employer; and

WHEREAS, The Employer is willing to recognize the Union for the purpose of collective bargaining on behalf of the employees in the collective bargaining unit employed at the aforementioned factories of the Employer, it is agreed as follows:

ARTICLE 1

Agreement Coverage and Union Recognition

Section 1. Employees Covered and Union Recognition. This Agreement shall cover all employees in the above factories who, by virtue of duties performed, are eligible for membership in the Union, and the Union is recognized by the Employer as the sole collective bargaining agent for all such employees.

Section 2. Work and Duties Covered.

- a. **General.** It will be the continued policy of the Company that the work and job duties, which have customarily been performed by the bargaining unit members, will continue to be performed by them as in the past. It is agreed that these work and job duties shall include the receiving and storing of beets at the plants and yard areas, the processing of beets into sugar and by-products, the storage and shipping of sugar and by-products, the normal repair, maintenance and improvements to the factories which include the plant and yard areas and the duties previously performed in the Agricultural Department except in those cases where the members of the bargaining unit lack the skill or the Company lacks the necessary equipment to carry out such repair, maintenance, and improvement work safely, economically and efficiently within the time available.
- b. **Beet Seed Cleaning and Processing.** The ordinary cleaning and processing of beet seed at the factory shall be the work of the members of the Union.
- c. **Processing By-Products.** Processing of all by-products when performed at Employer's factory shall be deemed to be covered by this Agreement.

Section 3. Outside Contractors. Where the members of the bargaining unit lack skill or the Company lacks the necessary equipment to carry out such repair, maintenance and improvement work safely, economically and

efficiently within the time available, then the company will give the Bargaining committee at each plant at least fifteen (15) days written notice prior to the time that the contract is let for such work. The notice to the Union will set forth the proposed improvements and repairs to be contracted and the reason which necessitates that the work be contracted.

The Union will notify the Company within five (5) days after receiving such notice if they disagree over whether the work should be contracted, in which event, the matter will be subject to the grievance and arbitration procedure, but the work of the contractor may proceed. In deciding a grievance based upon a disputed contract or upon a failure notice, the arbitrator shall be free to award pay to members of the bargaining unit who have been deprived of the opportunity to perform the work.

Section 4. Employment of Outside Skills. In the event situations arise wherein it is necessary to employ temporarily especially skilled labor, such as, but not exclusively, bricklayers for relining of lime kilns, it is agreed that such work is recognized as out of the ordinary sugar workers' routine, and such work and the employees performing it are exempt from this Agreement.

Section 5. Exempt Employees. All employees at the above mentioned factories shall be included under the terms of this Agreement with the following exceptions: Factory Manager, Agricultural Manager, Factory Superintendent, Agricultural Fieldmen, Warehouse Manager, Chief Engineers, Shift Superintendents, Assistant Chief Engineers, Office and Clerical help (except storekeepers), Guards, Chief Chemist, and employees of the Agricultural Department outside the plant or yard area. The service of officials and persons in the above agreed on exempt positions shall not be used to displace any of the factory employees or do work of a factory employee except when:

1. Instructing and/or training employees.
2. Demonstrating the correct use of tools or equipment.
3. Acting to prevent an accident or injury to an employee or to prevent product or equipment damage.

The Company will have the option to remove the position of Warehouse Leader from the bargaining units after such position is vacated by a present occupant, but there will be no reduction in the number of regular positions.

If, at any time, the Company employs a salaried Warehouse Manager outside the bargaining unit, record keeping and clerical duties may be performed in whole or in part by other than bargaining unit employees. So long as the position of Warehouse Leader remains in a bargaining unit, that position will retain Crew Leader status.

Section 6. Union Recognition. The Company recognizes the Union as the sole collective bargaining agency under the National Labor Relations Act for all the employees of the Employer, except such employees as are excluded therefrom by the terms of this Agreement.

ARTICLE 2

Rights of Management

The Company shall retain all rights, powers and authority it had prior to entering into this Agreement including, but not limited to the sole right to manage its business and direct the working force, subject only to such regulations governing the exercise of these rights as are expressly provided in this Agreement.

The Company retains the sole right to suspend, discipline and discharge employees for just cause, subject to the terms and provisions of this Agreement.

ARTICLE 3

Union Security

Section 1. Union Shop. The Employer agrees that employees subject to the provisions of this Agreement shall join the Union immediately following the thirtieth (30th) day after the effective date of this Agreement or immediately after the day following the date, they, as new employees complete thirty-five (35) days worked, and further agrees that failure of any employee to join the Union, as aforesaid, or to tender the periodic dues and the initiation fees uniformly required as a condition of acquiring or retaining membership in the Union, shall render said employee liable for discharge from Employer's employment.

Section 2. Check-Off. The Employer agrees, upon such certification by the Union as may be required by the Employer, to deduct each month from any wages payable on account of employment to an employee who is a member of the Union, the amount of such employee's monthly Union dues and unpaid initiation fees payable to the Union as has been authorized by such employee in a written assignment filed with the Employer in favor of the Union, and to pay to the Union the aggregate amount of all such deductions not later than the tenth (10th) day of the month following the month for which deductions were made. Each assignment executed by an employee for the deduction of monthly Union dues or unpaid initiation fees shall be irrevocable for the period of one year from the date thereof, or until the termination of this Agreement, whichever sooner occurs. If this Agreement shall be continued in full force and effect for a succeeding period or periods after each expiration, then such assignment shall be irrevocable for successive periods of one year each from and after the date thereof, or until the expiration of the continued term of this Agreement, whichever shall be sooner, unless written notice of the revocation of such assignment is given by such employee to the Employer not more than twenty (20) days and not less than ten (10) days prior to the expiration date of each such one (1) year period or the expiration of the continued term of this Agreement, whichever sooner occurs, provided further that if said collective Agreement shall not be continued in accordance with the terms and provisions for any succeeding period after the termination date thereof, then such assignment shall nevertheless remain in effect but shall be revocable upon written notice given by the employee to Employer. When an employee draws pay in a month only in a pay period following the one from which the regular monthly deduction under this Section is made, the Company will upon timely notification by the Union that the dues have not been paid, make such deduction from such later pay.

Section 3. Reporting Employment Changes to Union. The Employer shall furnish the President and Financial Secretary of the Union the names of employees hired, laid off, or discharged as soon as practical, but within five (5) days following occurrences of such event. Regular employees with one (1) or more year's seniority shall be entitled to fifteen (15) days' notice of dismissal or lay-off, or pay in lieu of, except where dismissal is for cause.

The Employer agrees to refer all employees who are members of the Union, who are laid off, or whose services are terminated, to the Union Representative designated by the Union prior to giving employees their termination pay.

Section 4. Union Representatives. Duly authorized officers or representatives of the Union shall have the right to visit the Employer's local office during working hours for the purpose of discussion of any matters that may require the attention of the Union Representative. Whereupon, the Employer agrees to give Union Representative(s) proper and reasonably prompt attention.

Section 5. Pay for Union Grievance Handling. It is agreed that the Union plant steward or committee member shall be permitted time off during working hours without loss of pay for the purpose of prompt handling of a legitimate grievance with the understanding that such privilege will not be abused.

Section 6. Pay for Union Negotiators. Three (3) committee members from each operating plant will be paid for time lost during regular working hours while attending contract negotiation meetings.

Section 7. Union Officers Temporary Leave of Absence. Employees who are members of the Union and who also may be officers of the Bakery, Confectionery, Tobacco Workers & Grain Millers, AFL-CIO-CLC, who are detailed by the Union as delegates to conventions, or to perform other committee work on behalf of the Union will be granted, during intercampaign period, the necessary leave of absence not to exceed sixty (60) days in the aggregate, from their employment to perform their duties to which they have been detailed, provided that in the discretion of the Employer no interference with the Company's operations will result. They shall not be discriminated against by the Employer or their supervisory officials for performing such Union duties, nor shall they be penalized by being required to lose any part of their vacation or seniority rights or other benefits as set forth in this Agreement.

Section 8. Union Officers Extended Leave of Absence. Employer may grant a continued leave of absence to one employee selected by the Bakery, Confectionery, Tobacco Workers & Grain Millers, AFL-CIO-CLC, to be engaged on full time duty for this organization. During such leave of

absence the employee's continuous service shall not be deemed broken for purposes of job security, but the employee shall not receive or accrue any benefits as set forth in this Agreement during the period of his/her absence. Provided, that for the purpose of Article 14, Section 2 only, an employee on such leave shall be treated as laid off as of the effective date thereof. In the event the employee's services should be discontinued in such employment, he/she shall make application for reinstatement with the Employer within thirty (30) days or lose all rights. If timely reinstatement is requested the employee would be permitted to return to his/her former position with the Employer.

Section 9. Protection on Activities of Other Labor Organizations.

- a. **Picket Lines — Other Premises.** The Company agrees that its employees will not be required under penalty of discharge or discipline of any kind to walk through or cross in any manner any picket line maintained by a labor organization, and any refusal to cross a picket line singly or in concert shall not constitute a breach of this Agreement.
- b. **Picket Lines — Employer Premises.** The Company further agrees that in the event any picket line by any labor organization is placed around its premises or in front of any entrance to its premises, it will not require its employees under penalty of discharge or discipline of any kind to walk through or cross in any manner said picket line, and any refusal to cross a picket line singly or in concert shall not constitute a breach of this contract.
- c. **Remedies for Breach.** It is further agreed in the event of any violation of these provisions by the Company, an individual employee affected by such violation shall have the right to maintain an action at law or equity in the courts to redress any injuries suffered thereby, in addition to any other provisions in this Agreement for redress of grievance.

Section 10. Failure to Arbitrate or Follow Arbitrator's Decision.

Employees have the right to strike if the employer refuses to abide by the decision of an arbitrator.

Section 11. Union Bulletin Board. The company will furnish in each plant a glass enclosed bulletin board for the Union's use in posting matters of proper concern to employees. Notices posted on the Union Board must bear the signature of the President or Secretary of the Local Union.

Section 12. BCTGM PAC Fund. The Company agrees to provide payroll deduction for the BCTGM PAC Fund. Payroll deductions for the PAC Fund shall be handled in the same manner and consistent with the terms and conditions concerning dues check-off (Article 3, Section 2, above).

ARTICLE 4

Hiring, Tenure, Discharge and Severance Pay

Section 1. Employer Freedom - New Hires. The Employer reserves complete freedom in hiring new employees.

Section 2. Rights to Union Membership. The Union agrees that employees making application for membership in the Union shall not be refused membership except for good cause, nor shall employees now members of the Union be deprived of their membership except for good cause.

Section 3. Regular Rated Employees.

- a. The Company agrees to maintain on the regular seniority list the following number of employees:

Caro	58
Carrollton	63
Sebawaing	63
Croswell	47

CREW PREFERENCE LIST

House Leader	Asst. Gen. Pkng. Room Leader
Shift Maint. Crew Leader	Sugar Boiler
House Mechanic	Instrument Technician
Chief Electrician	Heavy Loader Specialist
Electrician	Loader Relief
Warehouse Leader	Mobile Mechanic
Asst. Warehouse Leader	Agricultural Mechanic "A"

Storekeeper	Agricultural Mechanic "B"
Welder	Mechanic Helper
Crane Operator	Weibull Silo Attendant
Machinist	Lift Truck Operator
Beet End Leader	Sugar Storing & Loading
Sugar End Leader	Sugar Specialist
Drier Leader	Silo Attendant
Boiler House Operator	Janitor
Liquid Sugar Operator	Mechanic Helper
Gen. Packing Room Leader	Asst. Storekeeper
Crane Operator/Mechanic Helper	

The Company may post and fill a regular job on the crew preference list other than the one that is vacated. In such case, the Union Committee will receive prior notification. Insofar as practical, the Company intends to fill crew preference jobs internally.

If a campaign technician is displaced as a result of the provisions of this Article, he will receive his rate of pay at the time of displacement for life and will receive no increase in pay until such time as the employee bids to a higher paying job, or the rate of pay for the job on which the employee is assigned exceeds his rate of pay at the time of his displacement.

- b. Postings of regular jobs will contain a provision that the successful bidder must be available for and must accept regular status at the time he/she accepts the job. The employee who successfully bids the job will attain regular status unless disqualified.
- c. When a regular employee who holds a classification on the crew preference list is or it is anticipated that he/she will be absent by reason of disability or otherwise absent for a period of sixty (60) days or more, the classification will be posted on a temporary basis.

If the regular employee then vacates the classification through death, disability, retirement, loss of seniority, etc., then the employee filling the classification on a temporary basis will automatically fill the vacancy on a regular basis.

If a regular rated employee fills this vacancy, the employee will carry his/her regular status with him/her on a continuous basis.

If the successful bidder is not a regular rated employee, he/she will attain regular status according to the procedure outlined above.

No employee may hold more than one (1) temporary job at any given time.

The job posting will set forth these conditions.

Section 4. Guaranteed Employment.

- a. Year-Round Employment Guarantee, Regular List. It is agreed that the Employer will give year-round employment to the following number of regular employees at its various factories.
- | | |
|------------|----|
| Caro | 27 |
| Croswell | 22 |
| Carrollton | 28 |
| Sebewaing | 31 |
- b. Filling Vacancies in Guaranteed Regular List. Any regular employee will automatically be promoted into the guaranteed regular seniority list in order of seniority as vacancies occur.
- c. Guaranteed Release on Factory Closing: Seniority on Re-opening. In the event the Company decides not to operate any of the above factories, it shall not thereafter be liable for the continued employment of the number of employees listed above for any such factory. In the event a closed factory is later re-opened, the seniority list in effect on closing shall be the basis for re-employment of factory personnel, providing, on start-up, the people available have the skills and ability to do the job required by the Employer.

Section 5. Severance Pay. In the event that any of Employer's sugar plants mentioned in this Agreement is sold or abandoned by the Employer, or is not operated for two (2) successive campaigns by reason of crop failure or beet shortage, any regular employee at such plant to whom Employer (or purchaser of the plant in the event of sale) does not offer employment either at the same or other location at a reasonably similar rate of pay, shall be granted severance pay in accordance with the following schedule, based

upon the regular rate of pay received by the employee during his/her last week of employment, and based upon a forty (40) hour week. Any regular employee whose services are to be terminated for any of the above reasons shall be given not less than fifteen (15) days advance notice of termination:

3 or more but less than 5 years	9 weeks
5 or more but less than 7 years	10 weeks
7 or more but less than 10 years	12 weeks
10 or more but less than 15 years	15 weeks
15 years or more	18 weeks

A regular employee retiring without pension shall receive four (4) weeks severance pay at his/her then effective rate.

Intercampaign employees with ten (10) or more years on the intercampaign list and an average of 1,500 hours worked during the last ten (10) years of employment retiring without pensions shall receive four (4) weeks severance pay at their then effective rate.

Campaign employees with fifteen (15) years of service at the time of their retirement from service, who have worked an average of 600 hours per year during their final three (3) years of service, shall receive four (4) weeks severance pay at their last rate of pay.

Section 6. Employee Rights - Employment in Agricultural Department.

- a. **Rights Defined.** The Company agrees to hire as Casual Labor in the Agricultural Department employees of the regular and/or intercampaign factory seniority list when work is available and when they are not regularly employed by the factory and if they are available and capable of doing the work. If the regular and intercampaign list has been exhausted, the Company will, insofar as practical, select employees from the campaign list to perform casual labor. The Company is not mandated to follow seniority when making this selection.
- b. **Benefits When Employed.** These employees, when employed as Casual labor by the Agricultural Department, Shall receive all benefits according to contract.

Section 7. Discharge - Standards and Appeal Rights. Good cause for discharge of an employee shall be in the Company's discretion. The Company shall furnish each discharged employee a written statement of the reason for the discharge at the time of discharge, and the Union shall be furnished a copy. When an employee is interviewed by the Company under circumstances which may lead to disciplinary time off or discharge, the employee will be provided with Union representation. Any employee feeling that he/she has been unjustly discharged must avail himself/herself of the provision of this Agreement with reference to Employees' Committee and the Arbitration clause within five (5) days after discharge; otherwise, their claim is null and void. Any employee who after investigation by the Employer and the Union is found to have been unjustly discharged shall be returned to his/her former status of employment and seniority and compensated for time lost. No member of the bargaining unit shall be required to sign discharge slips, except to acknowledge receipt.

ARTICLE 5

Campaign and Intercampaign Work Schedules and Overtime

Section 1. Campaign and Intercampaign Defined.

- a. **Campaign.** Campaign means that part of the year during which beets are received or sliced or sugar is produced from sliced beets at the aforesaid factories. Campaign shall include a test-out period of not exceeding three (3) consecutive work days immediately prior to the slicing of beets or the processing of stored syrup and a clean-up period of not to exceed five (5) consecutive work days after the last beets shall have been sliced at the close of the beet slicing operation or four (4) days after the last stored syrup shall have been processed into sugar, provided, senior employees may exercise seniority in choosing to work or accept lay-off after cleanup of their own work area is accomplished. A work day shall in all cases commence at 7:00 a.m. except for tare room.
- b. **Intercampaign.** Intercampaign Season means the period of the year not defined above as campaign season.

Section 2. Syrup Campaign Defined.

- a. Syrup campaign shall be the period starting with the beginning of the first twenty-four (24) hour period during which stored syrup is processed and ending four (4) days after the last stored syrup has been processed into dried sugar. During the syrup campaign, all employees whose jobs are directly related to such production shall be considered as working in campaign. All campaign work and overtime rules will apply. All jobs directly related to such production will be filled by bid regular and campaign employees.
- b. If a bid campaign station employee refuses to fill a station position, that bid campaign employee will not lose his campaign seniority.
- c. If a bid campaign technician declines call back for syrup campaign, that employee will not lose his seniority.
- d. When all Intercampaign employees are working the intercampaign:
 - 1) Intercampaign employees who are currently employed will have a choice of their current assignment or of a syrup campaign bid job.
 - 2) If vacancies exist after the intercampaign list is exhausted, the remaining vacancies will be offered to bid campaign employees;
 - 3) Campaign employees who hold production bid classifications will receive the campaign bid classification wage rate. All employees filling warehousing, sugar packaging and bulk sugar loading will receive the intercampaign minimum wage rate. Intercampaign employees will receive at least the intercampaign minimum for all job classifications during the syrup campaign; and
 - 4) Shift Selection:
 - (a) Bid campaign classifications will select their shift based on job seniority; and
 - (b) All other employees will select shift based on company seniority.
 - 5) A campaign employee working Syrup Campaign will receive intercampaign seniority if employed the 1st day following the four (4) day cleanup period for Syrup Campaign, unless Article 10, section 2(b) is applicable.

e. When there are Intercampaign employees on layoff:

1) Intercampaign employees will be offered their bid campaign classification;

2) Remaining vacancies will then be filled by the senior most qualified intercampaign employees;

3) If vacancies exist after the intercampaign list is exhausted, the remaining vacancies will be offered to bid campaign employees;

4) Campaign employees who hold production bid classifications will receive the campaign bid classification wage rate. All employees filling warehousing, sugar packaging and bulk sugar loading will receive the intercampaign minimum wage rate. Intercampaign employees will receive at least the intercampaign minimum for all job classifications during the syrup campaign; and

5) Shift Selection:

(a) Bid campaign classifications will select their shift based on job seniority; and

(b) All other employees will select shift based on Company seniority.

6) A Campaign employee working Syrup Campaign will receive intercampaign seniority if employed the 1st day following the four (4) day cleanup period for Syrup Campaign, unless Article 10, section 2(b) is applicable.

f. Vacation will be granted to an employee who has requested the vacation thirty (30) days in advance with the understanding that only one (1) employee per classification can be on vacation at any given time.

Section 3. Work Week Defined. The pay period of the work week in campaign and intercampaign will begin at seven (7:00) a.m. Sunday and end at seven (7:00) a.m. the following Sunday.

Section 4. Intercampaign Work Schedules.

a. Normal Work Days - All Plants. The Company and the Union agree that the normal work day in intercampaign shall commence at seven

(7:00) a.m. and continue to twelve (12:00) noon, resume at twelve-thirty (12:30) p.m. and continue to three-thirty (3:30) p.m., Monday through Friday. If any change in such normal work day is contemplated, it shall be a matter for negotiation between the Bargaining Committee at the plant in question, the Vice President of the Bakery, Confectionery, Tobacco Workers & Grain Millers and Company representatives.

b. Work Assignments and Schedules - Non-Product.

1) Second Shift. A non-product second shift may be established in intercampaign. Such second shift shall commence at the end of the normal work day as defined in subsection a. above. If such shift is established, employees with the least seniority who can satisfactorily perform the job will be assigned.

2) Third Shift. A non-product third shift may be established in intercampaign. Such third shift shall commence at the end of the second shift as described in subsection b. above. If such shift is established, the employees with the least seniority who can satisfactorily perform the job will be assigned.

3) If a non-product second or third shift is established, the Union Committee and the employees affected will be given a minimum of three (3) days notice.

c. Work Assignments and Schedules - Product and Byproduct.

1) Second Shift. A second shift may be established in intercampaign covering sugar packaging and product loading. Such second shift shall commence at the end of the normal work day as defined in subsection a. above. If such shift is established, the employees with the least seniority who can satisfactorily perform the job will be assigned.

2) Third Shift. A third shift may be established in intercampaign covering sugar packaging and product loading. Such third shift shall commence at the end of the second shift as described in Subsection c.1. above. If such shift is established, the employees with the least seniority who can satisfactorily perform the job will be assigned.

3) Employees assigned to a second or third shift for product or byproduct packing or loading will be given a minimum of twenty-four (24) hours notice.

4) A regular sugar-loading crew selected on the basis of seniority from the bottom upward may have their shift hours changed upon five (5) days advance notification.

5) Sugar and pulp handling and sugar packaging will be assigned regularly on a classification basis. In the event of temporary shortages in such classifications, those classifications will be filled in the following manner:

(a) Intercampaign employees will be assigned to fill such vacancies in inverse order of seniority.

(b) Regular employees will be assigned to fill such vacancies in inverse order of seniority.

(c) (1) Exceptions to a. and b. above may be made by written agreement between the Company and the Local Union Committee at each plant by reason of skill requirements in other work or physical disability.

(c) (2) The Factory Manager may exempt any regular employee outlined in b. The Factory Manager may exempt intercampaign employees provided, however, that exempting such intercampaign employee(s) will not force a regular employee to go to sugar.

6) Exception to 3.c.1. and 3.c.2 above may be made by agreement between the Company and the Local Union Committee at each plant by reason of skill requirement in other work or physical disability.

7) Intercampaign shift hours may be changed to compensate for hot weather by mutual agreement between the Company and the Local Union Committee.

Section 5. Intercampaign Overtime. During intercampaign a work week shall consist of forty (40) hours of eight (8) hour days, Monday through Friday, inclusive. Overtime at the rate of time and one-half shall be paid for all hours worked in excess of eight (8) in any one day, in excess of forty (40) in any one week, and for work performed on Saturday. Double time shall be paid for work performed on Sunday.

Section 6. Overtime Scheduling Intercampaign.

- a. **Sugar and Pulp Handling.** Daily and weekend overtime in sugar and pulp handling shall be offered first to the employee on the job and then to the rest of the crew in seniority order during the regular daily hours or during the preceding week. For the purpose of sugar and pulp handling, the employee on the job shall be the employee working at the time the overtime is offered.
- b. **Other Overtime.** All other scheduled overtime shall be offered to senior workers on the basis of ability to perform the work. Employees failing to accept or report for such overtime without reasonable excuse shall forfeit the right to further calls for a period of thirty (30) days. All overtime shall be considered scheduled except daily overtime not reasonably anticipated prior to the start of the shift which will be offered to the employee on the job during the regularly scheduled shift.
- c. Employees may be required to work a reasonable amount of overtime when circumstances require.
- d. Overtime in the factory will be offered first to the factory crew and then to employees working in sugar. Overtime in sugar will first be offered to the sugar crew and then to employees working in the factory.

Section 7. Campaign Work Schedule.

- a. **Normal Work Week.** During the campaign period, an employee's scheduled work week shall conform to the non-shift rotating Universal Work Week schedule established at each factory.
- b. **Normal Work Day.** The regular work day will consist of three (3) eight (8) hour shifts commencing at 7:00 a.m. and running consecutively for twenty-four (24) hours.
- c. **Days-off.** The Company shall have the right to schedule days-off to conform to the non-shift rotating Universal Work Week.
- d. **Beet Receiving - Schedules of Work Days in Work Week.** A written schedule of work days in the work weeks for the Beet Receiving Employees shall be furnished to the Local Union Committee at each plant prior to the campaign.

- e. **Beet Transfer - Schedules of Work Days in Work Week.** A written schedule of the work days in the work weeks for the Beet Transfer Employees shall be furnished to the Local Union Committee at each plant prior to the commencement of such transfer operation.

Section 8. Campaign Overtime.

- a. Seniority Employees. All hours worked for the Company convenience in excess of eight (8) hours in one (1) twenty-four (24) hour period and forty (40) in one (1) week shall be paid at time and one-half.
- b. Probationary Employees. All hours worked in excess of forty (40) in one (1) week shall be paid at time and one-half.
- c. Exceptions. (1) as otherwise required by law; (2) as required by Article 7, Section 4, herein; and (3) as required by Article 5, Section 8, herein.

Section 9. Special Call Pay and Minimum. An employee who is called to work prior to the start of his/her regular shift and remains at work will receive one (1) hour call pay at time and one-half plus pay for the time actually worked not to exceed a maximum of four (4) hours. This provision shall apply only if such call-in was not scheduled the previous day. Any employee otherwise called from home for special duty in addition to his/her regular shift shall be compensated at the rate of one and one-half times his/her base rate, with a minimum of four (4) hours at the rate of time and one-half.

Section 10. Prohibition Against Altering Normal Work Schedules to Avoid or to Equalize Overtime. No employee shall be asked or required or allowed to lay off regular straight-time work hours in any work week in order to avoid overtime work hours in that work week nor to equalize overtime work hours in that work week nor to equalize overtime hours worked by him/her in that or any other work week. Provided, a qualified employee may be required to change shifts for the balance of the week during a work week in intercampaign to fill an unanticipated absence on another shift. Such change may not be made on the first day of absence, nor for an absence of less than two (2) days.

Section 11. Reporting - In Minimum - Exceptions. Any employee reporting for work at the proper time of his/her shift and sent home or working less than four (4) hours, shall receive four (4) hours pay. This shall not apply to employees who report for work at the beginning of the campaign or at any time during campaign when the factory operation is postponed due to an insufficient supply of beets caused by failure of the producer to make delivery.

Section 12. Split Shift Prohibition. It is agreed that there will be no split shifts worked. This is to mean that the employee's daily hours of work will be continuous except for lunch during the intercampaign period.

Section 13. No Pyramiding of Overtime. There shall be no pyramiding of overtime payments except holiday hours worked during otherwise premium time.

Section 14. If a third shift employee takes a paid holiday or a vacation day on his/her first intercampaign shift, it will count as hours worked for overtime.

ARTICLE 6

Classification and Wages

Section 1. Each Employee Assigned Classification. Every employee shall be given a job or work classification and shall be paid the wage specified in Exhibit A hereto for the employee's job or work classification, for the employee's plant.

Section 2. Listing and Reporting to Union on Rate Schedules and Changes. The Employer shall furnish the Union Secretary with a schedule of the rate of all employees covered by agreement, however, any changes in rates by increases or promotions shall be reported to the Secretary immediately.

Section 3. Normal Job Assignment by Classification. The Company agrees that an employee's regular job duties during campaign will normally be confined to those associated with the station or classification for which the employee is hired.

Section 4. Temporary Transfers.

- a. **Rights and Conditions.** It is understood that under normal operations an employee has the right to his/her regular bid job while it is in operation, but under other than normal circumstances the employee may be temporarily transferred to another classification or may be used in relief of employees in other classifications. Temporary transfers shall not be used to overcome a continuing shortage in the regular work force. Temporarily transferred employees upon returning to their regular jobs will not be required to speed up on the work not performed during their absence from their regular job.
- b. **Compensation of Temporary Transfers.** Employees temporarily transferred to a lower paid classification shall receive the higher rate. If so transferred to a higher paid classification two (2) hours or more, the employee shall receive the rate applicable to said higher classification during the transfer. Provided, there shall be no unreasonable use of this provision by regular transfers for less than two (2) hours for the purpose of avoiding payment of the higher rate.

Section 5. Permanent Transfer to Another Classification. It is provided that in cases where an employee's services are no longer required in his/her classification, or the employee is unable to perform the duties of his/her classification, the Employer instead of laying off said employee may transfer him/her to any other position and fix the employee's rate accordingly. In all such cases the consent of the Employees' Committee shall be obtained before such transfer is made.

Section 6. Transfer to Another Factory.

- a. **Rights and Conditions.** The Employer, unless the Employees' Committee at the plant to which an employee is being transferred objects within five (5) days after having been given written notice of the intended transfer, may transfer an employee, with the employee's consent, from one plant to another in case of vacancy, and any employee so transferred shall carry with him/her the employee's company seniority rating.

- b. **Retention of Seniority in Closed Factory.** It is agreed that in the event any closed factory is again placed in operation, employees transferred to such factory from another factory shall hold their seniority rights in the factory from which they were transferred for a period of three (3) years after such transfer.

Section 7. Transfers Outside of the Bargaining Unit - Seniority. An employee transferred to a job outside the bargaining unit shall retain and accumulate seniority if the employee returns to the bargaining unit within one (1) year, and provided his/her Union dues are paid for the period of absence. If the employee returns to the bargaining unit within one (1) year, the employee shall return to his/her former classification and rate, seniority permitting.

Section 8. Improvements - Job Eliminations.

- a. The Employer agrees not to reduce any employee's classification or wage rate except as provided for herein. This means that there will be no downgrading or reduction in the wage rate of an employee as long as the employee is capable of performing the duties of his/her classification. If there is machinery improvement, machinery installations and/or changes in working conditions made on an employee's job duties, the employee's classification or wage rate will be adjusted consistent with such changes, subject to e. below.
- b. The Company agrees to advise the Local Union Committee, the Chairman of the Inter Factory Committee and the Bakery, Confectionery, Tobacco Workers & Grain Millers, AFL-CIO-CLC, in writing sixty (60) days before placing in operation machinery improvements and/or substantial changes in general working conditions.
- c. Following receipt of the written advice required in b. above, the Union may request a meeting with Management to discuss such changes. The Union shall be represented at this meeting by the Bargaining Committee from each factory. Such meeting will be scheduled without undue delay.

- d. The Company maintains the absolute right to make machinery improvements, installations, removals, method and processing changes, and job eliminations, and to adjust the work force consistent with such change(s) subject only to the rights afforded the Union in g. below.
- e. Reductions in force caused by job eliminations shall be applied to employees in inverse seniority order and the employee whose job is eliminated, but who has sufficient seniority and ability not to be laid off and remain working in the factory, shall suffer no reduction in rate for a period of twenty-four (24) months, or until the employee successfully bids to any other job, whichever occurs first.
- f. Seniority employees laid off to the street pursuant to this Section shall retain their seniority pursuant to the provisions of Article 10. Section 7 of this Agreement.
- g. In the event a job elimination outlined in d. above materially changes the content, or working conditions of another job classification, and agreement on a new rate of pay is not reached through negotiations, the Union may process such pay dispute to arbitration by filing a grievance not later than thirty (30) days after the change is put into effect unless the parties mutually agree to extend this time limit. In fixing new rates and in negotiation, grievance, and arbitration brought with respect to wage rates, the standard shall be the existing level of rates in established classifications comparable to the new classification in physical effort, training, experience, concentration and skill required to perform the work. The arbitrator shall have no authority to limit Management's right to make machinery and method improvements, job eliminations, processing changes and to adjust the work force consistent with such change.
- h. Any wage increase agreed to in negotiations or awarded in arbitration shall be retroactive to the date the changes referred to in Paragraphs b. and c. were put into effect.

Section 9. Compensation for Travel. All employees will be compensated for board, lodging, travel time and travel expenses when required by Employer to be away from headquarters. Employees will be paid regular pay for days on which they would have worked when required to travel in

the interests of the Employer. Mileage shall be paid at the Company rate then in effect, where employees use their car on Company Service.

ARTICLE 7

Holidays

Section 1. Holidays Specified. The following days are recognized as holidays:

New Year's Day
Martin Luther King's Birthday
Good Friday
Monday following Easter
Friday before Memorial Day
Memorial Day
Fourth of July
Labor Day
Thanksgiving Day
Christmas Day
Post Campaign Holiday

During intercampaign, when any of the above holidays fall on a Sunday the day recognized by the State or Nation shall be recognized as the holiday in this Agreement. When any of the above holidays fall on Saturday, the Friday preceding such holiday shall be recognized as the holiday in this Agreement.

During campaign, holidays will be recognized on the day on which they fall.

Section 2. Holidays Occurring in Intercampaign.

- a. No work shall normally be required on holidays occurring during intercampaign.
- b. Each regular and intercampaign employee who does not work on such holidays shall be paid for eight (8) hours at the employee's regular rate of pay, or at the rate of the job being performed immediately prior to the holiday, whichever is higher, provided the employee works at least one (1) regular work day during the week in which the holiday occurs, or is on a regularly scheduled vacation during such week.

- c. Employees who may be requested to and do work on any of the above holidays shall receive holiday pay and double time for hours worked. Employees who have accepted such holiday work assignment and then fail to report for and perform such work, without reasonable cause, shall not receive any pay for such holiday.

Section 3. Holidays Occurring in Campaign.

- a. Regular Employees. Regular employees shall receive time and one-half for hours worked on any specified holiday during campaign and pay for a post campaign holiday at eight (8) times their regular rate of pay for each such holiday.

Regular employees not scheduled to work on such holiday shall receive pay for eight (8) hours at their regular hourly rate.

- b. Campaign Employees. Campaign employees shall be paid twice the regular rate of pay for all hours worked on Thanksgiving, Christmas, New Year's and Martin Luther King's Birthday, if these holidays occur during the campaign. Such employee not scheduled to, or not called out to, and who does not work on such holidays shall be paid eight (8) hours at the employee's regular rate of pay provided the employee has worked his/her regularly scheduled shifts immediately preceding and following such holiday.

Section 4. Other Holiday Provisions.

- a. Limitation in Case of Double Time Pay for Holidays During Campaign. It is agreed that employees kept on after campaign who during campaign received double time for holidays worked, will not receive in addition an extra holiday.
- b. Regular and intercampaign employees who are absent during the week in which a holiday occurs or are absent when scheduled to work a holiday because of illness, injury or other legitimate reason shall, notwithstanding any other provisions of the Agreement, receive pay for such holiday.
- c. Employees qualifying for holiday pay while receiving sick pay or Worker's Disability Compensation, shall have the daily amount received for such sick pay or Worker's Disability Compensation deducted from their holiday pay.

- d. A regular employee replacing another employee on a holiday or working in excess of the employee's normal shift hours in campaign shall receive the pay and time-off for all hours worked to which the employee is entitled. Pay and time-off shall be calculated in increments of 1/10 hour.

Post-campaign holiday time must be taken by Labor Day Week.

Post-campaign holiday time off must be taken in minimum increments of four (4) hours, unless otherwise arranged with the Factory Manager.

An employee wishing to take a post-campaign holiday must notify the Factory Manager not later than the preceding shift.

Intercampaign employees who are held over at the end of beet campaign without a break in service will receive one (1) PCH Day. The rate of pay for this PCH Day will be the rate of pay the employees received on his or her last day worked prior to taking the PCH Day.

ARTICLE 8

Vacations

Section 1. Regular Vacation Pay. Effective with the 1981 vacation period regular and intercampaign employees working for Michigan Sugar Company 80% or more of days in the preceding twelve (12) months are entitled to:

Seniority	Days of Vacation
One (1) but less than three (3) years	Five (5) days
Three (3) but less than seven (7) years	Ten (10) days
Seven (7) but less than fourteen (14) years	Fifteen (15) days
Fourteen (14) but less than twenty (20) years	Twenty (20) days
Twenty (20) or more years	Twenty-five (25) days

A week's vacation pay shall be forty (40) hours pay at the employee's classification rate, or the employee's average intercampaign rate during his/her qualification year, whichever is higher. A day's vacation shall be eight (8)

hours pay at the employee's classification rate, or the employee's average intercampaign rate during his/her qualification year, whichever is higher

Section 2. Pro-Rata Vacation Pay. Effective with the 1981 vacation period, regular and intercampaign employees working less than 80% of working days in the preceding twelve (12) months are entitled to vacation, as follows:

Seniority	Days of Vacation
One (1) but less than (3) years	One (1) day for each Two (2) months worked
Three (3) but less than seven (7) years	One (1) day for each One (1) month worked
Seven (7) but less than fourteen (14) years	One and one-half (1-1/2) days for each month worked
Fourteen (14) but less than twenty (20) years	Two (2) days for each month worked
Twenty (20) or more years	Two and one-half (2-1/2) Days for each month worked

Section 3. Time for Determining Vacation Benefits. Effective July 1, 1975, vacation benefits shall be determined as of July 1 for employees then having one (1) or more years seniority. Employees shall hereafter first qualify for vacation on the first anniversary of their seniority, and thereafter on July 1; no employee shall suffer a loss of vacation benefits by reason of change to a July 1 vacation determination date. Employees with anniversary dates between January 1 and July 1 will have their vacation entitlement determined according to their seniority date in the year of retirement.

Section 4. Credit for Certain Time Not Worked. In computing vacations, the first ninety (90) working days of absence because of illness, injury

or an approved leave of absence shall be counted as time worked; however, in the case of an employee injured on the job, the first one-hundred and eighty (180) working days for which Worker's Disability Compensation benefits are paid shall be counted as time worked.

Section 5. Time for Taking Vacations. Vacations may be taken at any time during the intercampaign season, subject to the following conditions:

- a. An employee shall give the Company at least one (1) week's notice of vacation of five (5) or more days.
- b. Vacations of less than five (5) days shall be taken in four (4) hour or one (1) or more eight (8) hour segments, and employee shall give the Company notice:
 - 1) Not later than the preceding shift as to daily or four (4) hour vacation, or on or before 7:00 a.m. but for only valid reasons.
 - 2) By noon Thursday for Friday four (4) or eight (8) hour vacation.
- c. Yard employees may take vacations at any time beets are not being received but shall give the Company at least one (1) week's notice of vacations of five (5) or more days; not later than the preceding shift as to daily or four (4) hour vacation, or on or before 7:00 a.m. but only for valid reasons.

During campaign, a one-week vacation for employees may consist of five (5) vacation days and one (1) day excused absence.

- d. No more than four (4) weeks vacation may be carried forward to a succeeding vacation period.
- e. No employee shall be required to take vacation before May 15 of any year. No vacations may be taken after the weekend following Labor Day unless it has been previously arranged with and approved by factory management.

No request for vacation time off after the weekend following Labor Day will be refused without specific reasons or explanations related to the work requirements of the employee seeking vacation approval, which reasons and/or explanation shall be given the employee in writing with copies to the Local Union Committee and the Director of Human Resources.

- f. The Company may defer individual vacations in circumstances where it can demonstrate that an employee's skill cannot be duplicated, or the employee's time made up or replaced without jeopardizing work necessary to open a factory for campaign. An employee's vacation may not be deferred if any employee has given at least thirty (30) days notice of intent to take vacation. An employee's vacation may be deferred no more than two (2) weeks.
- g. Under normal circumstances vacation requests will be made in writing on forms supplied by the Company.

Section 6. Time for Vacation Payment.

- a. Normal Vacation. Earned vacation pay shall be given to employees on their pay day prior to vacation if requested by the employee.
- b. Employees Off Sick. Employees will at their request be paid sick leave and vacation pay concurrently to the extent earned at the time.

Section 7. Requirement of Intercampaign Employment for Campaign Vacation Credit.

Notwithstanding any other provision of this Article 8 to the contrary, an employee on the intercampaign seniority list but not on the regular seniority list shall be entitled to vacation credit for time worked during a campaign only if the employee has worked intercampaign during the twelve (12) months preceding the date on which the employee's vacation benefits are determined.

Section 8. Restriction, Recalled Employees.

An intercampaign employee recalled from layoff before August 1 of the calendar year will not be permitted to take vacation time off until he/she has worked ten (10) days. Intercampaign employees recalled after August 1 of the calendar year may not be permitted to take vacation and may be required to carry over their accrued vacation per Company request. In lieu of carryover, the employee may choose to redeem unused vacation. Available options will be clarified with the employee at the time of recall by Management.

At Company option regular employees may sell their accrued vacation entitlement to the Company.

ARTICLE 9

Leaves

Section 1. Funeral Leave.

- a. All employees shall be entitled to five (5) days leave without loss of pay upon the death of their wife or husband, to four (4) days leave without loss of pay upon the death of a child or step-child, and to three (3) days leave without loss of pay upon the death of their father or mother, brother or sister, father-in-law or mother-in-law. One (1) day's leave without loss of pay shall be provided in the event of the death of a grandparent, spouse's grandparent, grandchild, or great-grandchild, stepfather or stepmother, stepbrother or stepsister, brother-in-law or sister-in-law, or to serve as a pallbearer at the funeral of a deceased employee or retired employee. No more than three (3) employees shall be entitled to leave to serve as pallbearer. Employees serving as pallbearer who would otherwise normally be scheduled to work on the Saturday or Sunday when a funeral is held shall be compensated at the applicable overtime rate. Funeral leaves shall in all cases be started within three (3) days of the funeral.
- b. Leave shall be conditioned in all cases on attendance at the funeral or service. Proof of death may be required.
- c. Funeral leave time-off will be counted as time worked for purposes of overtime.
- d. If necessary, additional leave without pay may be granted to attend a distant funeral or service.

Section 2. Leave of Absence. (Employee's Leave of Absence). Employer may grant any employee with one (1) year's seniority a written leave of absence during which continuous service shall not be deemed broken, and in the event Employer grants such leave of absence it will give the Union written notice thereof. Leave of absence shall be limited to two (2) months. This may be extended where special conditions warrant, but notification will be given to the Union Committee.

When a request for emergency leave is denied by the Factory Manager, the denial may be immediately appealed by the employee or the Union Committee to the Director of Human Resources.

Section 3. The Family Medical Leave Act. The Family Medical Leave Act (FMLA) provides eligible employees up to twelve (12) work weeks of unpaid time off for certain qualifying family and medical reasons. Only one (1) FMLA leave can be granted within any twelve (12) month period. FMLA leaves will not run concurrently with Sickness & Accident leaves and Workers Compensation Leaves. The FMLA Leave will be used last. There is no requirement for employees to use any of their vacation entitlement while on an FMLA leave.

Section 4. Supplementary Jury Duty Pay. An employee of the Company who is summoned for jury duty in a Federal, State or county Court shall receive pay for time lost by reason of such duty not to exceed eight (8) hours per day or forty (40) hours per week at the employee's regular hourly rate or the rate of pay the employee is receiving when called, whichever is higher, if all the following conditions are met:

- a. The employee notifies the Factory Manager within forty-eight (48) hours after he/she receives a call to jury duty.
- b. The employee cooperates with the Company in attempting to secure a deferment of jury duty during the campaign season.
- c. The employee turns over to the Company all pay received for jury duty when compensation is claimed or paid under this Section, but not including mileage reimbursement.

ARTICLE 10

Seniority

Section 1. Probationary Period, Temporary Employees.

- a. New employees shall be hired on a temporary basis not to exceed thirty-five (35) days worked. Employees thus hired shall acquire no seniority until they have successfully completed the probationary period, in which case seniority shall date back thirty-six (36) calendar days. Termination of probationary employees is not subject to the grievance and arbitration procedure.

If work is available, a probationary employee shall be released only for unsatisfactory performance, and the employee's termination record shall be marked "Not eligible for re-hire."

- b. A day worked shall consist of four (4) or more hours.
- c. Employees returning for campaign or beet receiving after failing to complete the probationary period in the prior campaign or beet receiving season shall be considered new hires, but time worked in the prior campaign will count toward attaining the published rate.

Section 2. Seniority Lists.

- a. Regular Intercampaign and Campaign Lists to be Maintained and Posted; and Priority Among Lists. The Employer and the Union agree to cooperate in maintaining correct, up-to-date seniority lists of regular employees, intercampaign employees, and campaign employees posted on the Bulletin Board at all times. The application and priority of seniority in matters of promotion, layoff, rehire and other conditions of employment shall (unless otherwise specifically stated in this Agreement) be applied in the following order:

First - Regular Seniority

Second - Intercampaign Seniority

Third - Campaign Seniority

- b. Intercampaign List Qualification. All employees, other than regular, whose date of hire is prior to September 10, shall be placed on the intercampaign list.
- c. Intercampaign Employees Also on Campaign List. Intercampaign employees (other than regular) shall be maintained on both the intercampaign seniority list and the campaign seniority list in their proper seniority position on each list.

Section 3. Seniority Standards.

- a. Plant Seniority. Plant-wide seniority shall be recognized at all times for the employees in the factory who are covered by the provisions of the Agreement unless otherwise specified.
- b. Seniority Date. An employee's seniority service shall start from the first (1st) day of the employee's last continuous employment with the Employer.
- c. Maintenance of Seniority. An employee's services shall be considered as continuous so long as the employee works during each successive

campaign or works during each successive intercampaign to the extent employment is offered to the employee by the Employer, subject always to the provisions of Article 10, Section 2.a. above.

- d. If an employee who is holding a temporary vacancy for a regular employee bids to another regular job without a break in service, then his/her regular seniority date will be retroactive to the date he/she was awarded the temporary regular bid.

Section 4. Benefits Related to Seniority Lists.

- a. **Regular List.** In computing any of the benefits to which regular employees shall become entitled, the seniority date of such employees shall be the date on which such employees are placed on the regular seniority list.
- b. **Intercampaign List.** In computing any of the benefits to which intercampaign employees shall become entitled, the seniority date of such employees shall be the date on which such employees are placed on the intercampaign seniority list.
- c. **Campaign List - Right to Consideration for Intercampaign Employment.** Campaign employees shall have campaign seniority only. Provided, however, that the Company agrees that it will consider campaign employees in campaign seniority order who have applied in writing during the two (2) weeks prior to the end of slicing for work during intercampaign period before hiring new employees for work in that period. It is understood that the decision as to whether any campaign employee is qualified for the job to be filled rests with the Company, and its decision shall be subject to the grievance procedure. Appropriate application forms will be supplied by the Company.

Campaign employees called to work under this Paragraph will be required to serve and successfully complete a ten (10) working day probationary period (unless sooner disqualified). Nothing in this Paragraph will be considered as compelling the Company to give an employee it determines not qualified the opportunity to serve a probationary period.

Section 5. Seniority in Laying-Off and Rehiring.

- a. Employer agrees to give preference to senior employees having the ability to do the available work in laying off and rehiring employees giving the most senior employee preference. In the event the Company cannot follow this policy, mutual agreement between the Employer and the Employee's Committee at that plant shall be obtained. A senior employee laid off during campaign shall be placed in a suitable job, the employee's seniority, ability, rate of pay and job preference shall be considered along with the necessity to preserve efficient and orderly factory operations, or the employee's regular rate of pay shall be maintained.
- b. The application of this Section to yard employees at the Caro and Sebewaing factories shall be governed by a separate Company-Union agreement.
- c. Non-Regular Technicians working in beet receiving and placed in the Carrollton plant under this Section shall receive the rate of the job performed.
- d. A layoff is defined as any normal work day on which a senior employee is not scheduled to work, excluding temporary reductions in force caused by break-down, insufficient supply of beets or lack of sugar.
- e. Yard station jobs will not be permitted to bump in to the factory at the Carrollton Plant.

Section 6. Seniority in Shift Selection.

- a. Job seniority will be used for the purposes of shift selection provided it does not interfere with operations. Job seniority is defined as the date a person was awarded a job without permanently vacating that job.
- b. Notice to Union of Campaign Classifications, Shifts, and Seniority. Employer agrees to submit to the Union President one (1) week prior to the start of campaign, a list of campaign employees, showing classification, shift, and seniority of each employee.

Section 7. Loss of Seniority.

- a. Campaign Seniority Not Lost By Refusing Intercampaign Work. An employee having campaign seniority only, or who has campaign and intercampaign seniority, shall not lose his/her campaign seniority by refusal to accept employment offered to the employee during the intercampaign period, but shall forfeit his/her intercampaign seniority.
- b. Intercampaign Seniority Lost By Refusing Intercampaign Work. An employee having intercampaign seniority shall lose such intercampaign seniority if the employee refuses intercampaign employment when offered to him/her, provided that the employment offered is not temporary. (For purposes of explanation of this section, thirty (30) calendar days or less shall be considered temporary employment.
- c. Intercampaign Seniority Lost By Refusing Campaign Work. An employee having intercampaign seniority only shall lose such intercampaign seniority if the employee refuses work offered to him/her during campaign.
- d. Seniority Lost, Failure to Report After Layoff. A regular or intercampaign employee shall lose his/her seniority by failure to report to work after layoff within one (1) week after being notified to do so by delivery of a registered letter, return receipt requested to the employee's last known address as last reported by the employee to the Company.
- e. Seniority Lost, Quit or Discharged for Cause. Any employee who quits or who is discharged for cause shall lose his/her seniority on all seniority lists.
- f. Seniority Lost, Continuous Absence 2-1/2 Years or Period Equal to Seniority. Except as provided above, any employee shall lose his/her seniority on all seniority lists if the employee is absent for any reason, except injury on the job for which the employee receives Worker's Disability Compensation benefits, for a continuous period to two and one-half (2-1/2) years or for a continuous period equal to the employee's seniority if less than two and one-half (2-1/2) years or for leave of absence under Article 3, Section 8. The two and one-half (2-1/2) year period may be extended by the Company and Union agreement if it appears an absent employee will return to work in the reasonably foreseeable future.

ARTICLE 11

Promotions

Section 1. Filling Vacancies in Technicians Group Classification.

- a. **Posting, Bid Selection.** New job classifications and filling of vacancies in the technician group shall be posted on the Union Bulletin Board for five (5) working days in campaign and five (5) normal working days in intercampaign to allow employees to bid on same. The plant Bargaining Committee and Company representatives shall review the list of applicants to determine by seniority and qualifications who is best qualified. Criteria used to determine qualifications will be, but are not limited to, relative ability, past job performance, relevant education, relevant work experience in and out of the plant, and attendance.
- b. **Seniority Priority Among Qualified Applicants.** If seniority dates are the same, then the employee with the higher amount of gross wages earned from the Company during the preceding twelve (12) months will be awarded the bid subject to Section 1.e of this Article.
- c. If the Union Committee does not agree with the Company's selection, the Company shall be free to fill the job without interference, and the Union will have the right to challenge the Company's selection by processing a grievance directly to Step III of the grievance procedure. The International Representative may waive his right to be present at the Step III meeting.
- d. Where practical, the Factory Manager or his/her designee may interview job applicants and will inform those applicants regarding their selection. Such openings will normally be filled within ten (10) days, except in an emergency the job may be filled immediately on a temporary basis.
- e. **Training Period and Pay.** The Company and the Union agree that in the filling of any technician job vacancy or new job classification in the technician group, the employee transferred to that job will be given up to a thirty (30) day training period during which training period the employee shall be paid at his/her old classification rate. Provided, however, the Factory Manager may, subject to the grievance proce-

dure, disqualify an employee before the expiration of the thirty (30) day training period at any time the employee demonstrates a lack of ability to perform the job. At the end of the thirty (30) day training period or when sooner permanently assigned, the employee shall be paid at the rate of the new job if the employee is qualified and continues in the new classification. Where, by the nature of the job to be filled no training period can be given during intercampaign, the training period shall be deferred until the campaign following the filling of the vacancy, and the employee shall continue to be paid at his/her old classification rate until the training period is successfully completed. Vacancies created on commencement of a training period shall be posted and filled. Technician classifications on training period will be exempted from sugar storing and loading.

f. Eligibility Limitations.

1) Before being notified of his/her selection, any applicant may withdraw his/her application without prejudice.

2) The successful applicant assigned to the job opening, if subsequently disqualified, shall return to the applicant's former classification and the next qualified bidder, if there is one, will start on his/her training period.

Section 2. Filling Vacancies - Station Classifications.

- a. Posting, Bid, Selection. Station job vacancies occurring during the campaign period shall be posted on the Union Bulletin Board by the Company for three (3) working days to allow employees to bid on same; those employees who are on their scheduled days off during the three (3) day posting period may sign the posting on their first scheduled day back. The plant Bargaining Committee of the Union and the Company shall review the list of applicants to determine the applicant who by seniority and qualifications is best qualified. Criteria used to determine qualifications will be, but are not limited to, relative ability, past job performance, relevant education, relevant work experience in and out of the plant, and attendance.
- b. Seniority Priority Among Qualified Applicant. If seniority dates are the same, then the employee with the higher amount of gross wages earned from the Company during the preceding twelve (12) months

will be awarded the bid subject to Section 2.g. of the Article.

- c. If the Union Committee does not agree with the Company's selection, the Company shall be free to fill the job without interference, and the Union will have the right to challenge the Company's selection in the grievance procedure.
- d. Where practical, the Factory Manager or his/her designee may interview job applicants and will inform applicants regarding their selection. If an employee is awarded a job as a result of a posting, he/she must accept it unless disqualified by Management.
- e. Station Vacancies. The Company is not mandated to fill station vacancies or sweeper vacancies caused by casual absence. However, if the Company decides to fill a station vacancy selection priority will be: employees from the same shift, employees from the preceding shift in the same classification, and employees from the succeeding shift in the same classification, depending on circumstances. If the Company fills a station vacancy because of overtime, the overtime will be offered to those employees in the classification in which the original vacancy occurred.
- f. Each employee will be limited to one (1) down and one (1) lateral bid job change in any campaign.
- g. Employees starting campaign in sugar packaging classifications at the Carrollton Factory (Consumer Package only) will not be permitted to bid out of this classification for the duration of the campaign without the agreement of the Company. Such employees may bid on station openings but may not fill such openings until the following campaign. Packaging classification employees may bid to and fill technician-rated positions immediately. This restriction will not apply if the Assistant General Packing Room Leader position is discontinued.
- h. Training Period and Pay. The Company and the Union agree that in the filling of any station job vacancy, the employee transferred to the job will be given a three (3) day training period during which training period the employee shall be paid at his/her old classification rate. At the end of the three (3) day training period, the employee shall be paid at the rate of the new job if the employee is qualified and continues in the new classification. If the employee is not qualified at the end of

the training period, the employee shall be returned to his/her former classification. *Provided, however, that the employee shall receive the new rate immediately if he/she is experienced in the new job or on it when promoted, subject, however, to the three (3) day training period.*

- i. **Posting Vacancies Created by Employee on Training Period: Limit on Re-Bidding.** Station job vacancies created by transfer of an employee bidding on another job shall be filled on a temporary basis during the three (3) day training period, and then posted for bids if the training period is successfully completed. *Provided, however, that an employee who bids successfully on a job shall not be permitted to re-bid on the immediate vacancy created by the employee's transfer.*

All sugar packaging/storing & loading station jobs will be posted as non-temporary.

Section 3. Posting and Bidding on Pre-Campaign Vacancies. In order to retain their campaign seniority, all employees having campaign seniority shall be required to make application for campaign employment in writing between August 2 and August 17. The Company shall post successive lists of campaign vacancies on the Union Bulletin Board at each plant, the first posting to be from August 22 to August 27; the second posting to be from September 1 to September 6; and the third posting to be from September 11 to September 16. Any employee having campaign seniority who has met the above stated job application requirements shall have the opportunity to bid for any of the job vacancies so listed during the period that they are posted. The Company will advise campaign employees of the provisions of this Section by letters directed to their last address and mailed by July 15 of each year. The postings provided by this Section shall in no event be less than three (3) working days duration.

Section 4. Temporary job vacancies shall, upon notification to the Union Committee that the incumbent employee will be temporarily absent by reason of disability or approved leave of absence for more than sixty (60) days, be posted and filled until the return of the incumbent employee in accordance with the procedure established for posting and filling vacancies; provided, however that an employee will not be required to serve more than one (1) trial period for any one classification.

If the incumbent employee then vacates the classification through death,

disability, retirement, loss of seniority, etc. then the employee filling the classification on a temporary basis will automatically fill the vacancy on a regular basis.

Temporary job vacancies brought about because of an additional work load in certain job classifications shall, upon notification to the Union, be posted and filled until the additional work load in the affected job classification is completed. Employees filling such temporary jobs shall upon completion of the temporary job return to their former position.

No employee may hold more than one (1) temporary job at any given time. Temporary work load jobs are exempt. At Caro and Sebewaing, the local factory practice will continue.

Section 5. Bidding - Relief and Swing Persons. During campaign, relief and swing persons may bid a lower rated job for justifiable reason with Company consent. They may bid and immediately fill higher rated jobs, and may bid a job having the same rate of pay, but not fill that job during campaign. There will be no restriction on relief and swing person bidding during the intercampaign period.

Employees bidding and filling swing or relief jobs shall be entitled to return to their former classifications and rates if their swing or relief job is changed in content, or eliminated. If such right is exercised, employees displaced in turn by such exercise shall similarly be returned to their former classifications and rates.

Section 6. Uniform Mechanical Crews, Factory Repair in Campaign.

The following uniform minimum mechanical crews, factory repair in campaign, are hereby established for Caro, Carrollton, Crosswell and Sebewaing factories but not necessarily in the shift make-up shown:

1st SHIFT	Shift Maint. Crew Leader
	Machinist
	Welder
	Mechanic
	Mechanic Helper
	Electrician and/or Chief Electrician

2nd SHIFT Shift Maint. Crew Leader
Mechanic
Welder
Electrician

3rd SHIFT Shift Maint. Crew Leader
Mechanic
Welder
Electrician

Except for unusual circumstances, vacancies in the Mechanical Crew not reasonably anticipated prior to the start of a shift will be filled to the extent possible by an employee of the same classification. The selection priority will be: employees from the same shift, employees from the preceding shift, employees from the succeeding shift, and the employee who is on his scheduled day off. Except for unusual circumstances, other relieved technician vacancies will be filled to the extent possible by an employee of the same classification using the same selection priority as the Mechanical Crew.

Local overtime agreements will be established to handle situations not addressed above. Such overtime agreements will not conflict with the collective labor agreement.

Section 7. Work Force in Campaign. The Company agrees that it will supply the Union Committee at each factory with a list showing the classifications, and number of employees in each classification, on each shift constituting the normal work force for such campaign by August 31 of each year.

Section 8. The Company will staff the janitor position on each shift during Campaign and during regular working hours in the intercampaign period. When the janitor is absent, the janitor may be replaced by any available help on that shift.

ARTICLE 12

Grievance and Arbitration

Section 1. Grievance Defined. A grievance, for the purpose of this Article, is any controversy, complaint, misunderstanding or dispute arising as to the meaning, or application, or observance of any of the provisions (other than the provisions of Article 13 which would be handled immediately as conditions require) of this Agreement, or arising as to the application of a Company rule.

Section 2. Employee Representation in Grievances.

- a. Stewards. Employees may designate three (3) of their number to act as stewards. Such stewards shall not assume any of the duties or powers of foreman. They shall, however, be empowered by the Union to aid in adjusting grievances between the employees and the Employer. All grievances involving employees shall whenever possible, be adjusted between the Employer and a steward. In case of a disagreement between the Employer and a steward the grievance shall be submitted to the Employees' Committee hereinafter provided for.
- b. Employees' Committee. The Union shall be represented by a committee of Union employees consisting of a Chairman and two (2) members whose duties shall be to see that the provisions of the Agreement are properly applied, or handle any grievance of employees when referred to them under the terms of this Agreement. Names of Employees' committee members will be posted on the Union Bulletin Board.

Section 3. Protection of Employee Representatives.

Employees shall not be penalized or discriminated against in any manner, by their foreman or any other official of the Employer for serving in the capacity of stewards, or acting on Employees' Committee as provided for in this Agreement, while performing any Union duty assigned by the Union.

Section 4. Grievance Processing.

- a. It is the intent of this Article that any grievance shall be adjusted whenever possible orally between the employee and the employee's supervisor. The employee may request that his/her Union steward be present at this discussion.
- b. Steward - Company. Whenever any employee claims a grievance against the Employer, the employee shall file the same in writing with his/her steward within five (5) working days from the date of grievance. Two (2) copies of grievance shall be given at the same time to the Factory Manager. If the steward is unable to satisfactorily adjust the grievance within three (3) working days after it is filed with him/her, the steward shall so notify the Factory Manager in writing and transmit the grievance to the Employees' Committee.
- c. Employee's Committee. The Employees' Committee shall, within three (3) working days, take the grievance up with the Company official designated at the factory for that purpose. A settlement or other disposition arrived at between the committee and such designated Company official shall be final and binding on all parties.
- d. Company Director of Human Resources or his/her designee, Plant Union Committee and International Union Representative. If the grievance is not disposed of within five (5) working days after it is transmitted to the Employees' Committee, it shall be transmitted by the respective parties to a representative of the Bakery, Confectionery, Tobacco Workers & Grain Millers, AFL-CIO-CLC, and the Company Director of Human Resources or his/her designee, whose joint action shall be final and binding on all parties.
- e. Company answer shall be made within the following time limits:

To the Steward - within three (3) working days

To the Committee - within five (5) working days

The company will respond to the Union within thirty (30) calendar days after the step 3 grievance meeting. In the event the Company fails to answer the grievance within thirty (30) calendar days, the grievance shall automatically advance to the arbitration step.

The Union shall, within thirty (30) calendar days of the Company's third step grievance answer, provide the Company written notice of its intent to proceed with arbitration, unless the Union refers the grievance to its internal review process. If the grievance is referred to the internal process, the Union's demand for arbitration shall be made in writing with a copy to the Company, not later than sixty (60) days from the Union's receipt of the Company's third step grievance answer. The Union shall notify the Company on the grievance form of its decision to refer any grievance to its internal review process.

- f. In all cases, time limits shall run against a party only from the date of receipt of a grievance. Date of receipt shall be provable only by its notation on the grievance form with the signature of the party receiving it.
- g. Public mediation service may be utilized. It is also agreed and understood that either the Michigan State Mediator and/or a representative of the United States Commission of Conciliation may be called in to help interpret this Agreement should there be a necessity for their assistance.
- h. Whenever the Grievant is working on Company time and the Parties agree the Grievant should be present at the Step II meeting, then the Grievant must appear.

Section 5. Arbitration.

- a. If the grievance is not settled or otherwise disposed of by the Bakery, Confectionery, Tobacco Workers & Grain Millers, AFL-CIO-CLC Representative and the Director of Human Resources within a reasonable time not to exceed ten (10) working days unless extended by mutual agreement after it is transmitted to them, the matter shall be submitted to an impartial arbitrator mutually agreed upon by the parties to this Agreement.
- b. In the event that the parties are unable to reach an agreement on an impartial arbitrator within a reasonable period of time, they shall request the Federal Mediation and Conciliation Service for a list of available arbitrators from which one (1) may be selected by the parties. If the parties are still unable to agree on an arbitrator from this list, then they shall request the Federal Mediation and Conciliation

Service to appoint the arbitrator to settle the question or questions in dispute. The decision of the arbitrator shall be final and binding upon both parties to this Agreement. It is agreed that the arbitrator shall not add to or delete from the contract. The expenses of the arbitration proceedings shall be equally divided between the Company and the Union. There shall be no suspension of operations during the arbitration proceedings.

Section 6. Stewards Investigation of Grievances. The plant stewards shall be allowed a reasonable amount of time off during their regular working hours to investigate grievances to determine whether or not such grievances shall be presented to Management, after first obtaining permission of the Company to leave their work station. Such permission will not be unreasonably denied.

Section 7. International Union Representative - Plant Visits. The Business Representative or Officers of the International Union shall be allowed to visit the plant premises periodically to confer with the local Union officials and to determine whether or not the provisions of this contract are being abided by, after first notifying the Company prior to the visit, and such representatives or officers may be accompanied by representatives of Management at their option.

Section 8. Failure to Follow Time Limit. In the event of failure of the Union or the Company to take any action required of it within the time specified in this Article, the grievance shall automatically advance to the next step of the procedure, unless the time limits have been extended by mutual agreement.

Section 9. Paid Company-Union Meetings. In addition to the meetings provided on or about August 1 under Section 8.c of Article 6, the Company will pay for time lost from work by three (3) committee members from each plant for the purposes of attending two (2) Company-Union meetings per contract year. Such meetings may be held at any time during the intercampaign period at the call of either party and at mutually convenient times and places (off Company premises). Call of meetings shall be by a writing delivered to the other party, at least two (2) weeks prior to any suggested meeting date, which writing shall list the agenda of items, including pending grievances or other problems or matters arising under this Agreement, which the calling party proposes to discuss at such meeting.

ARTICLE 13

Prohibitions of Strikes and Lockouts

Section 1. Strikes and Lockouts Prohibited. During the term of this Agreement there shall be no cessation of work by employees who are covered by provisions of this Agreement or action of any form taken or permitted by them impairing Employer's operations or affecting the distribution of its products, except as stated in Article 3, Section 10, nor shall there be any lockout by Employer.

ARTICLE 14

Insurance

Section 1. Life Insurance. Employer agrees to assume the cost of providing \$36,000 worth of Group Life Insurance to cover each regular employee. Effective August 1, 2003, the amount shall be increased to \$37,000. Effective August 1, 2004, the amount shall be increased to \$38,000. Pensioner's coverage after age 65 shall be \$11,000 and after age 70, \$5,000.

- a. In addition, the Employer agrees to provide an employee paid optional group life insurance plan in amount of \$25,000 and \$50,000, above the aforementioned Company paid plan.
- b. In addition, the Employer agrees to provide an employee paid optional dependent life insurance plan in the following amounts. For dependent spouse of an employee the amount will be 50% of the applicable amount in Article 14, Section 1. For dependent child(ren) the amount will be 25% of the applicable amount in Article 14, Section 1.

Section 2. Hospital-Medical-Surgical-Dental Benefits-Insurance.

- a. Hospital-Medical-Surgical. Employer agrees to assume the full cost of the Hospital-Medical-Surgical Benefits-Insurance described below for regular employees and their dependents and pensioners and their dependents, to be insured as soon as practicable through Blue Cross-Blue Shield of Michigan under its BC-BS Preferred Plan or PPOM Option Plan 250.

SCHEDULE OF BENEFITS

Maximum Reimbursement for Employees and Dependents

HOSPITAL EXPENSE

Room and Board

Full reimbursement for semi-private accommodations; reimbursement for Private room up to the hospital's Average semi-private charge.

Intensive Care

(in lieu of room and board)

Covered in full for 365 days

Payment for Additional
Charges

100% of covered hospital charges during the compensable period of Confinement.

Limit of Payment

365 days per confinement

Maternity

Same as non-maternity.

SURGICAL EXPENSE
(including obstetrical
benefits and assistant
Surgeon's fees).

Reimbursement will be provided for "Reasonable and Customary" Charges.

IN-HOSPITAL MEDICAL
EXPENSE (maximum 365
Days), X-RAYS AND
LABORATORY EXPENSE
(unscheduled), CONSULTATION
BENEFIT, RADIATION
THERAPY, OUT-PATIENT
PHYSICAL THERAPY
(60 days per Condition per calendar
Year), and OUT-PATIENT
EMERGENCY SICKNESS.

PRESCRIPTION DRUGS	<ul style="list-style-type: none"> · \$10.00 deductible on each Prescription or refill then Reasonable and customary. The Co-pay deductible remains at \$2.00 For employees retired prior to August 1, 1993. Employees retiring On or after August 1, 1993, shall Retire with a \$5.00 Co-Pay Deductible. Employees retiring on or after August 2, 2003, shall retire with a \$10.00 co-pay deductible.
DIAGNOSTIC LABORATORY AND X-RAY SERVICE	Reasonable and Customary charges.
MASTER MEDICAL EXPENSE BENEFIT	\$1,000,000.00 per lifetime with automatic annual reinstatement of up to \$5,000.
Calendar Year Deductible	Base plan benefits plus \$150 (\$300 family maximum).
PRIVATE ROOM COVERED	A daily rate equal to the hospitals Average room and board charge for Semi-private accommodations.
COINSURANCE	80% BC-BS, 20% insured.

PREGNANCY BENEFITS

ELIGIBILITY

The benefits are provided for employees, dependent wives, and dependent children.

BENEFITS

The benefits described below are the maximum payable for charges incurred due to pregnancy, childbirth, abortion or miscarriage.

Hospital Expense: Reimbursement is provided on the same basis as for any non-maternity confinement.

Surgical Expense: Reimbursement will be provided for "Reasonable and Customary" charges.

NOTES

Dependents are defined as an employee's spouse and dependent child from birth to 19 years or 25 in the case of an unmarried dependent child. Coverage will be continued beyond the limiting age for unmarried dependent children who are physically or mentally incapable of self-support.

Benefits for current pensioners age 65 or over will be integrated with Medicare through coordination of benefits provision.

- b. Dental Insurance. Employer agrees to assume the full cost of the Dental Insurance described below for regular employees and their dependents, currently insured through Delta Dental Plan of Michigan.

SCHEDULE OF BENEFITS

Maximum Reimbursement for Employees and Dependents

BASIS OF PAYMENT	Reasonable and Customary
DEDUCTIBLE PLAN 11	\$25 (\$75 family maximum)
CALENDAR YEAR MAXIMUM	\$1,000. Effective August 1, 2004, the calendar year maximum will be increased to \$1,200.
100% REIMBURSEMENT (deductible, if any, does not apply)	<ol style="list-style-type: none">1. Oral Exams2. X-Rays3. Prophylaxis4. Fluoride Treatment5. Emergency Palliative Treatment6. Oral Surgery7. General Anesthesia8. Extractions

50% REIMBURSEMENT
(deductible does apply)

Fillings, onlays, inlays, crowns, periodontal, and endodontal treatment. Initial installation of, or addition to, full or partial dentures or bridgework, replacement or repair of existing dentures or bridgework, prescription drugs.

Orthodontics per course of treatment
Subject to a maximum of \$1,000.

- c. **Hospital-Medical-Surgical Insurance, Intercampaign Employee Eligibility.** The coverage described in a. above shall be available to intercampaign employees with an intercampaign seniority date on or prior to September 27, 1992 with six (6) months service at the employee's expense. This coverage, if so elected, shall begin upon the first of the month following the six month anniversary. Upon attaining two (2) years in intercampaign seniority, the Company will pay the cost of such coverage while they are working and the employees will pay each month when laid off. This coverage, if so elected, shall begin upon the first of the month following the two (2) year anniversary. Employee premium payments during lay-off will commence on the 26th of the month following the month in which the employee was laid off, and Company-paid coverage will resume on the 1st of the month following the month of recall. Failure of an employee to pay the Company such cost while laid off or loss of intercampaign seniority, will result in permanent loss of the coverage, either while working or laid off except as provided in Section g. below.
- d. **Dental Insurance, Intercampaign Employee Eligibility.** The coverage described in b. above shall be available to intercampaign employees with an intercampaign seniority date on or prior to September 27, 1992 with six (6) months service at the employee's expense. This coverage, if so elected, shall begin upon the first of the month following the six (6) month anniversary. Upon attaining two (2) years intercampaign seniority, the Company will pay the cost of such coverage while they are working and the employee will pay each

month when laid off. This coverage, if so elected, shall begin upon the first of the month following the two (2) year anniversary. Employee premium payments during lay-off will commence on the 26th of the month following the month in which the employee was laid off, and Company-paid coverage will resume on the 1st of the month following the month of recall, Failure of an employee to pay the Company such cost while laid off or loss of intercampaign seniority, will result in permanent loss of the coverage, either while working or laid off except as provided in Section g. below.

- e. Employees going onto the intercampaign seniority list after September 27, 1992 of the Agreement will not be eligible for Company paid health insurance. They will be given a one (1) time opportunity at six (6) months to purchase insurance at group rates. Current intercampaign employees who have rejected BCBS coverage will be given a one (1) time opportunity to resume coverage if done within thirty (30) days of ratification. Present intercampaign employees eligible for BCBS coverage must pay for such coverage all the while they may be laid off or lose the option for Company paid insurance until obtaining regular status.
- f. Insurance coverage will commence on the first of the month following the month in which an employee becomes eligible for coverage.
- g. Change of Circumstances. Employees rejecting or losing coverage under Subsection c. or d. of this section will be permitted to elect or reinstate it on change of personal circumstances such as marriage, loss of other coverage, or the like.
- h. Surviving Spouse Insurance Rights. Surviving spouses of pensioned employees, surviving spouses of regular employees, non-pensioned regular retirees, and/or their surviving spouses, and disabled covered employees shall be allowed to continue coverage at their cost, under the terms of Company-Union letter agreement approved by the Union on August 31, 1972.
- i. The surviving spouse of a deceased covered intercampaign employee will be permitted to continue health care coverage under the Company Plan for the spouse and dependents, if any, at the spouse's cost.
- j. The Company will pay up to three (3) months health care coverage for

a surviving spouse of an employee described in Subsection h. of Section 2., Article 14. Coverage will cease if the spouse re-marries, becomes covered under another employer's plan, or becomes eligible for Medicare before the end of the three (3) month period.

- k. The Company will pay up to one (1) year health care coverage for a surviving spouse of an active employee or disability retiree. Coverage will cease if the spouse re-marries, becomes covered under another employer's plan, or becomes eligible for Medicare before the end of the one (1) year period.

Section 3. Retiree Health Insurance.

Retiree Medical Cost Sharing - for employees with regular seniority dates prior to August 1, 1992, and retiring on or after August 1, 1992.

	<u>Retiree Pays % of Premium</u>
Retirement before age 62	100%
Retirement at age 62	50%
Retirement at age 63	40%
Retirement at age 64	30%
Retirement at and after age 65	20%

Employees with regular seniority dates On or after August 1, 1992

Retirement at any age	100%
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Grandfathering Clauses

- * Employees with regular seniority dates prior to August 1, 1992, and who are 55 and above on August 1, 1992, may retire at any age and pay 0% of health insurance.
- * Employees with regular seniority dates prior to August 1, 1992 and who are 50 and above or have twenty (20) years of service on August 1, 1992, may retire at age 55 and above and pay 10% of health insurance.

Section 4. Termination of Insurance.

- a. Lay-Off. In the event a regular employee is laid off for longer than a

six (6) month period the Employer's responsibility to assume their cost of the above benefit shall cease; however, this does not prevent the employee from continuing to pay for this insurance through the group plan.

- b. Termination of Employment. In the event of termination of employment other than normal layoff or retirement with pension, an employee's hospitalization, surgical and medical coverage and life insurance under the group arrangement shall be cancelled in thirty (30) days, unless continued under Subsection c. of Section 2., above.

Section 5. State or National Health Insurance. Should the provisions of this Article 14 be affected during the term of this Agreement by the passage of a State or National Health Insurance Act, the parties agree to meet and negotiate in good faith to provide for maintenance of benefits at as nearly the same levels as can be achieved at no cost to the employee.

Section 6. Company Right to Change Carriers. The Company will have the option during the new Agreement to change carriers, or to reinstitute a self-insured program (including TPA) with the same benefit levels and coverage, and with the cost containment features of the BC-BS Preferred Plan to the extent applicable.

Section 7. Sick and Accident Insurance.

- a. Off-the-Job Accidents and Illness, Benefits Prescribed. The Employer agrees to provide a sickness and accident plan to cover lost working time. Effective August 1, 2002, the Company will provide benefits of \$86 per day with a maximum of \$430 for thirty-nine (39) weeks from the first day of an off-the-job accident and the fourth day of illness for employees qualifying under Section 2. for Company paid benefits. Effective August 1, 2003, the daily rate shall be \$88 and the weekly maximum \$440. Effective August 1, 2004, the daily rate shall be \$90 per day and the weekly maximum \$450.

When an employee is ill for one (1) week he/she will pick up the first day of waiting period. When an employee is ill for two (2) weeks he/she will pick up the second day of waiting period. When an employee is ill for three (3) weeks he/she will pick up the third day of waiting period.

- b. **Additional Coverage - Sickness Waiting Period.** In addition, in case of sickness of a covered employee, the Employer will pay not more than once during a contract year for a total of three (3) days lost working time at \$80 a day not covered by the above plan, effective August 1, 2002. Effective August 1, 2003, the sick day amount will be \$85 per day. Effective August 1, 2004, the sick day amount will be \$90 per day. Employees may sell their unused sickness days each July at the current rate as specified in this paragraph b.
- c. **Additional Coverage - Worker's Disability Compensation Waiting Period.** In addition, in the case of an on-the-job accident to any employee, the Employer will pay not more than twice during a contract year for lost working time at 66-2/3% of the employee's bid rate a day if not covered by Worker's Disability Compensation Insurance due to the waiting period requirements.
- d. **Additional Coverage Worker's Disability Compensation Benefit Supplemented.** The Sickness and Accident Plan shall provide for payments to covered employees of the difference between Worker's Disability Compensation Benefits, and \$430 a week for a period of thirty-nine (39) weeks effective August 1, 2002. Effective August 1, 2003, the rate will be \$440 a week, and effective August 1, 2004, the rate will be \$450 a week.
- e. In no event will a weekly benefit payable under Subsections a., b., c., d., above exceed the applicable daily rate multiplied by 5.
- f. **Doctor's Certification.** Doctor's certification as to inability to work because of illness or injury may be required in all the above cases except those covered by Subsection b. above.
- g. **Intercampaign Insurance While On S & A.** Intercampaign employees who are off work due to a non-work related accident or injury (S & A) will not have their health care premium paid for by the Company unless they are eligible for and receiving a Company-paid monetary S & A benefit.

Section 8. Pay for Time Lost on Shift - Day of Injury. In case of an injury which requires medical attention, the injured employee shall be paid for all time lost during that shift, if the employee is unable to return to work.

ARTICLE 15

Pension/Retirement

Section 1. The Pension Plan provided by separate agreement between the company and the Union gives covered employees retiring during the first year of the contract a monthly retirement benefit level of \$35 multiplied by years of credited service. Employees retiring in the second year of the contract will do so at a \$37 benefit level, and in the third year, \$38 benefit level. The disability pension amount is \$550.00 per month effective August 1, 2002. All rights under the Plan are determined by its terms. Copies of all Plan documents are available at the Company's General Office.

Section 2. The normal retirement age shall be 65, which may be extended at an employee's option. Effective August 1, 1990, the pension plan will provide unreduced early retirement benefits at age 62. If benefits commence prior to age 62, the reduction will be one-half of a percent each month retirement precedes age 62.

Section 3. Medicare Cost. The Company will reimburse persons who retire on or prior to August 1, 1995, an amount not to exceed \$31.90 per month for Medicare "B" coverage for themselves and their spouses. Such reimbursement is to be made with the pension payment for each month in which the pensioner supplies the Company with satisfactory evidence that the Medicare "B" coverage is in effect and that the premiums have been paid. The Company will supply each pensioner with forms to be completed and returned to the Company on a quarterly basis, confirming the pensioner's continuance of Medicare "B" coverage. Employees retiring after July 31, 1995, will not be eligible for Medicare "B" reimbursement.

Section 4. 401(K) Plan -Regular Employees. The Company has established a 401K Plan for regular employees. The Plan provides for a voluntary employee pre-tax contribution and a Company contribution. The Company contribution is a cents per hour paid contribution based on wages paid to an employee during the Plan year.

Company contribution is as follows:

08/01/02 to 07/31/05 - 35 cents for each hour paid.

- a. Intercampaign employees upon attaining six months of intercampaign seniority will be eligible to participate in the company sponsored 401(k) plan with no company contribution.

Intercampaign employees who work 1600 hours or more in a calendar year shall receive a lump sum payment of \$800.00 less applicable taxes in January. The employee shall have the option of receiving a cash payment or deferring the \$800.00 on a pre-tax basis into the 401(k) plan. The 1600 hours shall consist of all straight time hours worked (including straight overtime hours), vacation and paid sick days.

All rights under the 401K Plan are determined by the Plan Document. Copies of the Plan document are available at the Company's General Office.

ARTICLE 16

Miscellaneous

Section 1. Veteran's Re-employment Rights. Military service employees inducted into the land, air, or naval forces under Military Service Training Act, shall be accorded by Employer the re-employment benefits provided by law.

Section 2. More Favorable Conditions Not Abrogated. Nothing contained in this Agreement shall require any reduction in wages or abrogation of more favorable conditions where employees, whether on an hourly or monthly rate basis receive a higher rate of pay or more favorable working conditions than the provisions of this Agreement provide on its adoption.

Section 3. Safety Committee. In order to promote cooperation between Employer and employees it is deemed advisable to the Employer that the employees shall be represented by three (3) of their number on a Safety Committee, the three (3) members shall be published on the Union Bulletin Board. The factory Safety Committee will meet on a monthly basis, insofar as practicable. Local Factory Committees will be augmented and supported by a joint Company-Union Central Safety Committee.

Section 4. Miscellaneous Provisions.

- a. **Hot Water.** It is agreed that the Company will furnish hot water in all regular washrooms.
- b. **Warm Lunch Rooms.** It is agreed that the Company will furnish a warm place in which employees may eat their lunch.
- c. **Uniforms, Caps, Safety Appliances for Welders.** Whenever Employer demands the wearing of uniforms or head coverings the same shall be purchased, laundered and cleaned by Employer and shall bear a Union Label unless the same is not available. Welders shall be furnished with safety appliances according to the laws of Michigan.
- d. **Gloves.** The Company shall continue to furnish gloves to employees for those jobs for which it is now furnishing them. In addition, the Company agrees to furnish gloves at all plants for sugar and pulp loading and to furnish gloves for those operations where the health and safety of the employees so requires.
- e. **Safety Glasses.** The Company will supply each employee required to wear safety glasses with an initial pair of glasses, and will pay for the cost of replacement of such glasses damaged or broken on the job. The Company agrees to include progressive bifocal & blended bifocal safety glasses into the prescription safety glass program.
- f. **Licenses.** The Company will pay the cost of licenses required of an employee to permit the employee to perform his/her job.

Section 5. Union Label. The Company will use the Bakery, Confectionery, Tobacco Workers & Grain Millers, AFL-CIO-CLC, Union label on its bagged products wherever and whenever possible.

Section 6. Company and Successors Guarantee of Agreement. The Michigan Sugar Company, or its successor, guarantees the fulfillment of this Agreement through its expiration date.

Section 7. Protective Clothing. The Company will furnish protective clothing to employees engaged in painting with equipment or under conditions which may stain or damage their regular clothing, and to employees working with insulating material.

Section 8. Employees Working Alone. No employee shall be required to work alone in circumstances constituting a hazard to the employee's personal safety.

Section 9. Physical Examinations. The Company policy requiring medical examination of re-called employees shall be subject to the following conditions:

- a. No re-called seniority employee will be rejected until his case has been reviewed and passed upon mutually by the Local Union Committee and the Factory Manager with such other or further medical advice as they may mutually deem necessary
- b. A re-called employee disqualified by the Company's examining doctor shall have his seniority protected for a minimum of one (1) year to permit him to recover from or have the disqualifying condition corrected, unless Section 7.f. of Article 10 provides a longer period.
- c. In the event of a dispute as to physical qualifications arising on a medical opinion, contrary to the Company's examining doctor's finding, expressed by a medical doctor retained by the employee or the Union on his behalf at the employee's expense, the questions shall be resolved by re-examination by a third medical doctor selected by the Company and the employee's or Union's doctor, the third doctor to be paid by the Company.
- d. Physical examinations of re-called employees will be given, if at all, in a doctor's office.
- e. No policy requiring medical examination of regular employees will be adopted by the Company except after notice to and by agreement with the Union.

Section 10. Job Descriptions. The Company agrees to supply the Union with job descriptions covering qualifications and work duties of each new classification created after August 1, 1968.

Job descriptions for future bidders for "Boiler Operator" must either meet the standards or undertake training to meet the standards as defined in the September 25, 1981 letter to Mr. Richard Feld, Subject: Skill Certification. Present Boiler Operators to be "red circled" as to training requirements. Present and future holders meeting the standards will receive an additional \$.20 per hour.

“Shift Maintenance Crew Leader” job postings to include the following requirements: Must be able to work on machinery which requires close tolerances, precision fits and proper alignments such as could be found in turbines. Must know basic electrical safety procedures. Should be able in coordination with the Electrician to troubleshoot electromechanical systems. Must be able to use a cutting torch and evaluate welding.

The Company and Union negotiated revisions to the mechanic helper classification. Mechanic helper rates can be found in Exhibit A of the Agreement.

The Company and Union to develop test material, program criteria, and testing procedures.

The Company will continue its current practice of allowing employees to take job-related classes at the Company's expense upon prior approval of the Factory Manager.

The Company will pay mileage to employees taking Company-sponsored classes while on layoff, provided that all other approval criteria has been met. (Apprentices are excluded).

Section 11. Discrimination Prohibited. Neither the Employer, nor the Union shall discriminate against any employee covered by this Agreement in a manner which would violate any applicable laws because of race, creed, color, national origin, age, sex, handicap, marital status, height or weight. The parties further agree to cooperate fully to comply with all state and federal laws.

Section 12. Gender Clause. Wherever pronouns used herein are written in one gender only, they are intended and shall be read as if written in both genders and are equally applicable to both male and female. The word “employee” is, irrespective of pronouns used in reference thereto, similarly intended to and shall refer equally to both male and female.

Section 13. Paychecks. All paychecks shall be dated to be cashed on Thursday and reasonable effort will be made to make paychecks available to employees on Thursday p.m. The Company's failure to make checks available on Thursday p.m. shall not be subject to the grievance/arbitration procedure.

ARTICLE 17

Term, Termination and Effect

Section 1. Term and Termination. This Agreement shall remain in force and be binding upon the parties beginning as of August 1, 2002, to and including July 31, 2005; and shall continue in full force and effect thereafter from year to year unless either party, at least sixty (60) days prior to the 31st day of July commencing with the 31st day of July, 2005, gives written notice to the other party of its desire or intention to alter, modify or terminate the same upon the 31st day of July immediately following such notice and in the event such notice is given this Agreement shall terminate. A letter notice signed jointly by the Chairman and Secretary of the Committee representing the Union shall be accepted by the Employer as legally sufficient. Such letter will be sent to the Director of Human Resources, Michigan Sugar Company, 4800 Fashion Square Blvd., Saginaw, MI 48603, or to such other address the Company may furnish the Union.

Section 2. Zipper Clause. During the negotiations resulting in this Agreement, the Company and the Union each had the unlimited right and opportunity to make demands and proposals with respect to any subject matter as to which the National Labor Relations Act imposes an obligation to bargain.

Except as specifically set forth elsewhere in this Agreement the Company expressly waives its right to require the Union to bargain collectively and the Union expressly waives its rights to require the Company to bargain collectively over all matters to which the National Labor Relations Act imposes an obligation to bargain, whether or not: (a) such matters are specifically referred to in this Agreement, (b) such matters were discussed between the Company and the Union during the negotiations which resulted in this Agreement, or (c) such matters were within or not within the contemplation or knowledge of the Company or the Union at the time this Agreement was negotiated and executed.

As used in this Section 2, the waiver of the right to "bargain collectively" includes the waiver of the right to require the other party to negotiate.

This Agreement contains the entire understanding, undertaking, and the agreement of the Company and the Union, after exercise of the right and

opportunity referred to in the first sentence of this Section 2 and finally determines all matters of collective bargaining for its term.

Changes in this Agreement, whether by addition, waiver, deletion, amendment, or modification, must be reduced to writing and executed by both the Company and the Union. In this regard "Company" means the Director of Human Resources.

Section 3. Separability. If any term or provision of this Agreement is at any time during the life of this Agreement, adjudged by a court or administrative body of competent jurisdiction to be in conflict with any law, such term or provision shall become invalid and unenforceable. The Company and the Union shall meet to negotiate a clause to replace the clause adjudged in conflict with the law. Neither party shall be required to meet with the other for the purpose of negotiating a replacement clause after thirty (30) days have expired since the issuance of the decision or order of the court or administrative body and adjudging a clause as in conflict with law. Neither the parties' failure to reach agreement on a replacement clause nor the invalidity or unenforceability of the clause adjudged to be in conflict with law shall impair or affect any other term or provision of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement this
October 14, 2002, but effective as of August 1, 2002, as ratified by
the membership of the Local Unions' parties hereto.

BAKERY, CONFECTIONERY,
TOBACCO WORKERS &
MICHIGAN SUGAR COMPANY, GRAIN MILLERS, AFL-CIO-CLC

Jeffrey J. Adams
James A. Adams

[Signature]

[Signature]

LOCAL 259-G

[Signature]

William [Signature]

Robert Braum

Fred Ebell

[Signature]

Rodney Butler

[Signature]

LOCAL 260-G

[Signature]

Tat Ewald

[Signature]

[Signature]

[Signature]

[Signature]

LOCAL 261-G

[Signature]

Don Keldner

[Signature]

John [Signature]

[Signature]

Alan [Signature]

LOCAL 262-G

[Signature]

Berry J. Brooks

[Signature]

Joseph M. Walter

[Signature]

[Signature]

EXHIBIT A - WAGE RATES

	Rate Per Hour Effective 8-1-02	Rate Per Hour Effective 8-1-03	Rate Per Hour Effective 8-1-04
TECHNICIANS			
Journeyman Electrician/ Instrument Technician	\$20.66	\$21.38	\$22.13
Brick Mason	18.72	19.38	20.06
Shift Maint. Crew Leader	18.53	19.18	19.85
House Leader	18.53	19.18	19.85
Warehouse Leader	18.53	19.18	19.85
Machinist	18.53	19.18	19.85
Chief Electrician	18.45	19.10	19.77
Instrument Tech I	18.45	19.10	19.77
Agricultural Mechanic A	18.35	18.99	19.65
Ass't. Warehouse Leader	18.27	18.91	19.57
Crane Operator	18.27	18.91	19.57
Gen. Packing Room Leader			
Carrollton	18.36	19.00	19.67
Sebewaing	17.91	18.54	19.19
Mobile Mechanic	18.27	18.91	19.57
Control room operator (Sebewaing)	18.30	18.94	19.60
Storekeeper	18.27	18.91	19.57
Ass't Store Keeper	17.75	18.37	19.01
Welder	18.27	18.91	19.57
Electrician	18.27	18.91	19.57
Sugar Boiler	18.50	19.15	19.82
Carrollton	18.23	18.87	19.53
Caro	18.53	19.18	19.85
Instrument Tech. II	18.17	18.81	19.47
Boiler House Operator (coal fired)	18.12	18.75	19.41
House Mechanic	18.05	18.68	19.33
Pipe Fitter	18.05	18.68	19.33
Boiler House Operator	18.05	18.68	19.33
Beet End Leader (Caro)	18.47	19.12	19.79
Ass't Gen. Packing Room Leader			
(Carrollton)	17.98	18.61	19.26
Agricultural Mechanic B	17.82	18.44	19.09
Beet End Leader	17.82	18.44	19.09
Caro	18.47	19.12	19.79
Carpenter	17.82	18.44	19.09
Drier Leader	17.82	18.44	19.09
Caro	17.99	18.62	19.27

	Rate Per Hour Effective 8-1-02	Rate Per Hour Effective 8-1-03	Rate Per Hour Effective 8-1-04
Liquid Sugar Operator	\$18.00	\$18.63	\$19.28
Sugar End Leader	17.82	18.44	19.09
Heavy Loader Specialist (1)	17.81	18.43	19.08
Heavy Loader Operator (1)	17.64	18.26	18.90
Auxiliary Truck Driver	17.43	18.04	18.67
Weibull Silo Attendant	17.43	18.04	18.67
Electrician's Helper	17.43	18.04	18.67
Instrument Tech. III	17.43	18.04	18.67
Mechanic Helper	17.43	18.04	18.67
Mechanic Helper Class II	15.56	16.10	16.66
Mechanic Helper Class III	13.58	14.06	14.55
Pipe Fitter Helper	17.43	18.04	18.67
Relief Drier Leader	17.43	18.04	18.67
Spray Paint Washer Operator	17.43	18.04	18.67
Piler Mechanic	17.36	17.97	18.60
Swing Person (Tech. Relief) (2)			
Relief Person (Tech. Relief) (2)			

STATION RATES - A

Sugar Packing Leader (Carrollton)	\$10.15	\$10.25	\$10.35
Special Chemist	10.15	10.25	10.35
Waste Loader Operator	9.79	9.89	9.99
Sugar Specialties	9.62	9.72	9.82
Evaporator-Carbonator Oper.	9.32	9.41	9.50
Carbonator & Filter Attendant (Caro)	9.25	9.34	9.43
Sugar Packing Leader	9.25	9.34	9.43
Sugar Packing Leader (Croswell)	9.56	9.66	9.76
Sugar Silo Attendant	9.16	9.25	9.34
Pellet Mill Operator	9.04	9.13	9.22
Sugar End Operator (Sebewaing)	9.04	9.13	9.22
Sugar End Operator (Croswell)	9.04	9.13	9.22
Beet End Operator (Croswell)	9.04	9.13	9.22
Lime Kiln Operator (Sebewaing)	9.04	9.13	9.22
Beet End Operator (Carrollton)	8.97	9.06	9.15
Beet End Operator (Sebewaing)	10.15	10.25	10.35

	Rate Per Hour Effective 8-1-02	Rate Per Hour Effective 8-1-03	Rate Per Hour Effective 8-1-04
STATION RATE GROUP I	\$8.81	\$8.90	\$8.99
Bench Chemist - Sugar End			
Bench Chemist			
Beet Washer-Sorter, Crowwell			
Boiler House Fireman			
Diffuser Operator			
Evaporator Operator			
Knife Station Operator			
Lift Truck Operator			
Lime Kiln Operator			
Pulp Drier Regulator			
Pulp Storing & Loading			
Relief Person (3)			
Swing Person (3)			
White Centrifugal Operator			
Yard Trucker			
STATION RATE GROUP II	\$8.50	\$8.59	\$8.68
Bench Chemist-Beet End			
Beet Washer			
Knife Filer			
Crane Helper			
Sweeper Leader			
Truck Weighperson			
Extra Person-Sweeper, Janitor			
Factory Clerk			
Flumer			
Stone & Weed Catcher			
Granulated Sugar Packager			
Oiler			
Piler Operator			
Piler Helper			
Sample Carrier			
Store Room Helper			
Sugar Storing & Loading			
Tare Sampler			
Tractor Operator			
Vacuum Filter & Dorr Thickener Operator			
Yard Leader			
Yard Person			

- (1) Opening to be filled in (3) days, no 30-day training period.
- (2) To be paid the highest rate of the classification relieved.
- (3) When relieving a station with a higher rate, that rate shall apply.

Non-Regular employees holding the same station classifications for five (5) consecutive years will receive \$.10 per hour in addition to their published rate during campaign so long as they remain on that station.

Effective August 1, 2002, a minimum rate of \$11.35 per hour will be paid for all work performed in the intercampaign period. The minimum intercampaign rate shall be \$11.75 effective August 1, 2003, and \$12.16 effective August 1, 2004. Intercampaign employees working with or packaging product (sugar, pulp, molasses) shall receive the intercampaign minimum rate. Intercampaign technicians will not have their rate of pay reduced when they are transferred to product packing, storing and loading at Company convenience.

New hires in campaign only (including former employees who have lost seniority) in station classifications shall be paid fifty (\$.50) cents less than the rate for the first thirty (30) calendar days of employment.

The rate for all regular employees holding station classifications under the crew preference list in Article 4, Section 3. will be \$16.48 per hour effective August 1, 2002, \$17.06 per hour effective August 1, 2003, and \$17.66 per hour effective August 1, 2004.

Employees holding skill certifications or licenses acceptable to the Company and the Union will receive an additional \$.20 per hour effective on the establishment and acceptance of the certification or license after June 1, 1981.

The Company will increase the amount paid for employee's receiving electrical licenses to \$.35.

An employee wishing to receive a \$.20 per hour premium for having a certain skill certification will contact the Factory Manager or the Agricultural Manager and discuss with him/her the relevance to the employee's job

of the proposed course or test. The Factory Manager or Agricultural Manager will decide if the course or test is of a quality and quantity that warrants payment for this certification and will inform the employee in writing of his/her decision.

When the employee has completed the approved course and the related final examination or has passed the approved test the employee will be paid the appropriate premium from the day of the final test.

An employee may be in possession of more than one relevant skill certification and will be paid a \$.20 per hour premium for each certification.

Disputes about the relevance of the proposed training, its quality and quantity, will be referred to the general Factory Manager or the general Agricultural Manager, who will make the final decision.

(LETTER OF UNDERSTANDING)

August 1, 2002

Mr. Micheal T. Konesko
International Vice President
Bakery, Confectionery, Tobacco
Workers & Grain Millers, AFL-CIO-CLC

Dear Mr. Konesko:

The following understandings, which are not set forth in the body of the Collective Bargaining Agreement, are summarized as follows:

1. Article 12

- a. The Parties may mutually agree not to file post hearing briefs.
- b. Upon mutual agreement the Parties may create a panel of arbitrators;

2. Article 1, Section 3:

- a. The Company will notify the International Representative of the *Union of the Company's* intent to subcontract - the International Representative of the Union is notified when the Company places the notification in the mail.

3. Article 4, Section 4:

- a. *The Parties will identify those employees who are on the Guaranteed Employment List, who are presently unable to work or are disabled. These employees will not count against the Guaranteed number stated in the current labor agreement.*

4. *In so far as practicable, when work is available the Company will employ the Agricultural Technicians in a classification and at a rate commensurate with their skills and ability.*

5. *Whenever practicable the Company will train employees for technicians vacancies in advance of the position being vacated.*

6. *A 4 day, 10 hour work schedule may be established in the factory by mutual consent. With the understanding that employees will not receive overtime pay for hours worked, unless in excess of 10 hours per day or 40*

hours per week. Vacation entitlement will be charged 10 hours. Holiday weeks will be worked at normal eight (8) hour shifts. This provision in no way increases an employee's holiday or vacation entitlement. This provision under no circumstances will apply to sugar packaging and warehouse employees. Either party may terminate the 4 day - 10 hour work schedule upon one week written notice.

7. The parties will continue their practice to determine the make up, objectives and form of the Local Plant Safety Committee.
8. The Union has identified Article 11, Section 4 as a problem because of inconsistent application of the provision; the Company discussed the issue and management will comply with this provision as dictated by good business practice.

9. UNDERSTANDING AND AGREEMENT

Re: Call-In for Sugar & by-Products

The parties (Company & Union) understand and agrees as follows:

- 1) Two weeks prior to the end of the campaign, the company shall post a notice informing intercampaign employees of the opportunity to be called in for work of short duration.
- 2) Intercampaign employees not wanting this opportunity shall make this known by signing a call-in waiver form which shall be witnessed by their union representative.

The parties further agree and understand that since the provision of Article 10, Sec. 7d., regarding recall notice only applies to Article 10 Sec. 7b., regarding work that is not temporary in nature, no changes to the current contract are required to implement this memorandum, understanding and agreement.

10. Employee Leasing

This Memorandum of Understanding and Agreement is made by and between the parties, MICHIGAN SUGAR COMPANY (hereinafter referred to as "Employer") and the BAKERY, CONFECTIONERY, TOBACCO WORKERS & GRAIN MILLERS, AFL-CIO-CLC, AND ITS LOCALS 259G, 260G, 261G AND 262G (hereinafter referred to as "Union"). It is understood and agreed to as follows:

1. The Union on a non-precedenting basis, does not object to the Employer's utilization of employee leasing arrangement with regard to bargaining unit employees.
2. The leasing arrangement shall not change or release any of the Employer's obligations under the parties' collective bargaining agreement or supplement agreements.
3. The leasing arrangement shall not adversely affect any wage, benefit, hours, term or other condition of employment concerning any employee covered by the parties' collective bargaining agreement, and it shall be a condition of the leasing agreement, that the lessor shall assume and be bound by the collective bargaining agreement.
4. The leasing arrangement shall be the sole supplier of bargaining unit employees for Michigan Sugar Company and no other employer.
5. The Union will receive copies of the leasing agreement between the lessor and Michigan Sugar prior to implementation.
6. The Employer will provide a representative or an outside consultant prior to the ratification vote.

11. RE: ASSISTANT STORE KEEPER POSITION

1. The assistant store keeper position and the employee currently filling those positions shall become "regular employees" for all purposes under the contract.
2. Red circle the current assistant store keepers rate of pay.
3. In the event the company decides to continue to maintain the assistant store keeper position, that position shall not be counted for purposes of satisfying the company's obligations under Section 3A of Article 4.
4. In the event the company eliminates the assistant store keeper position, only the numbers in Section 3A of Article 4 shall control the company's obligations.
5. The rate of pay for the assistant store keeper position will be \$17.15 per hour plus any negotiated increases.

12. Sebewaing Sugar Warehouse

This Memorandum of Understanding and Agreement is made by and between the parties, MICHIGAN SUGAR COMPANY (hereinafter referred to as "Employer") and the BAKERY, CONFECTIONERY, TOBACCO WORKERS & GRAIN MILLERS, AFL-CIO-CLC, AND ITS LOCALS 259G, 260G, 261G and 262G (hereinafter referred to as "Union").

It is understood and agreed that intercampaign employees working within the sugar packaging warehouse may sign voluntary waivers waiving their right to accept work within the factory (with a copy to the factory manager and the Union). Such employees may revoke their waivers if done so in writing by providing a copy to the factory manager and the Union.

13. Mechanic Helper

This Memorandum of Understanding and Agreement is made by and between the parties, MICHIGAN SUGAR COMPANY (hereinafter referred to as "Employer") and the BAKERY, CONFECTIONERY, TOBACCO WORKERS & GRAIN MILLERS, AFL-CIO-CLC, AND ITS LOCALS 259G, 260G, 261G and 262G (hereinafter referred to as "Union"). It is understood and agreed that:

1. The Mechanic Helper position, rate of pay and right to take the test, shall be limited to intercampaign employees only.
2. The campaign employees on the attached list who have written and passed the Mechanic Helper test shall be grandparented.
3. Intercampaign employees shall not be permitted to take the Mechanic Helper test more than one (1) time in any twelve (12) month period.

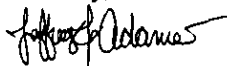
14. Waste Water Treatment Operations at Caro During Intercampaign

This Memorandum of Understanding and Agreement is made by and between the parties, MICHIGAN SUGAR COMPANY (hereinafter referred to as "Employer") and the BAKERY, CONFECTIONERY, TOBACCO WORKERS & GRAIN MILLERS, AFL-CIO-CLC, AND ITS LOCALS 259-G, 260-G, 261-G, and 262-G (hereinafter referred to as "Union"). It is understood and agreed as follows:

1. At the Caro factory only, the parties have agreed that certain temporary exceptions to the collective bargaining agreement shall be made to the processing of waste water during the intercampaign.
2. For a period of time not to exceed four (4) weeks during the intercampaign, the parties have agreed to apply campaign overtime, campaign scheduling and campaign vacation rules to those positions associated with the processing of waste water when filled by intercampaign seniority employees. All other collective bargaining provisions pertaining to intercampaign shall apply if not in conflict with any of the provisions of this memorandum of understanding and agreement.
3. While it is understood and agreed that there shall be no vacations during the four (4) week waste water processing period for those employees who do not incur any break in employment due to layoff between the end of campaign and the beginning of waste water processing, it is further understood and agreed that in the event an employee is recalled from layoff after the campaign to process waste water, intercampaign vacation rules shall apply to that employee only.
4. Employees involved with the processing of waste water during the intercampaign, shall be exempt from transfer to sugar storing and loading.

The understandings set forth above were a part of the final settlement and shall, by reference herein, be incorporated into the contract.

Sincerely,



Jeffrey J. Adamo
Director of Human Resources

APPENDIX "A"
MICHIGAN SUGAR COMPANY
DRUG AND ALCOHOL TESTING PROGRAM AND
POLICY

August 31, 1998

- (1) Michigan Sugar Company (the "Company") and the Bakery, Confectionery, Tobacco Workers & Grain Millers, Locals 259-G, 260-G, 261-G and 262-G (the "Union") recognize that the presence and influence of drugs and alcohol in the workplace is inconsistent with employee safety and the efficient operation of the factory.
- (2) Company policy prohibits the presence of illegal drugs on Company premises and prohibits employees from selling, using, possessing, working or attempting to work under the influence of illegal drugs or alcohol as well as unauthorized selling, transferring, purchasing or abusing prescription or other legal drugs (hereinafter, the term "drug(s)" shall include illegal, prescription, and legal drugs).
- (3) Company policy prohibits the possession of alcoholic beverages in the workplace and the consumption of alcoholic beverages in association with the workplace.
- (4) When an employee is found violating this policy, or when there is reasonable suspicion that an employee is violating this policy, the employee may be disciplined up to and including discharge, subject to the grievance and arbitration procedure.
- (5) "Reasonable Suspicion" is the observance of abnormal or unusual on-duty behavior of an individual employee which:
 - (a) is observed on-duty by a supervisor trained to recognize the symptoms of drug abuse, impairment or intoxication, and confirmed by another observer (which observations shall be documented by the supervisor); and
 - (b) is the type of behavior which is a recognized and accepted symptom of intoxication or impairment caused by controlled substances or alcohol or addiction to or dependence upon said controlled substances.
 - (c) is not reasonably explained as resulting from causes other than the

use of controlled substances (such as, but not by way of limitation, fatigue, lack of sleep, side effect of prescription or over-the-counter medications, reaction to noxious fumes or smoke, etc.)

Reports of drug use or abnormal behavior which are not confirmed by another observer shall not constitute reasonable suspicion.

- (6) As an alternative to discipline for violating this policy, the Company, at its discretion, may do one or more of the following:
- (a) counsel the employee,
 - (b) require the employee to submit a urine specimen to test for the presence of drugs, or
 - (c) require the employee to submit a breath sample to test for the presence of alcohol.
- “Counsel” shall mean the opportunity to meet with the Factory Manager and the Union Committee.
- (7) The collection of urine samples for drug tests will be conducted in accordance with the procedures of the collection clinic designated by the Company.
- (8) The Company wishes to protect the dignity of the employee. Employees who attempt to, or actually provide adulterated or false samples, or who attempt to or actually circumvent the testing process will be terminated.
- (9) Breath and urine specimens shall be drawn or collected at the laboratory, hospital or medical facility at which the specimen is to be tested or prepared for testing. If requested by the employee, a Union representative, if available, may be allowed to accompany the employee, without a loss of time, to the testing facility. The employee shall not be observed when the urine specimen is given.
- (10) The testing shall be done by a laboratory certified by the State of Michigan as a medical and forensic laboratory which complies with the Scientific and Technical Guidelines for Federal Drug Testing Programs and the Standards for Certification of Laboratories, Engaged in Urine Drug Testing for Federal Agencies issued by the Alcohol, Drug Abuse and Mental Health Administration of the U.S. Department of Health and Human Services.

- (11) Employees asked to provide samples for drug and alcohol testing pursuant to this policy will be required to cooperate and to sign a consent form (see Attachment 1) as a condition of continued employment. Objections may be raised by the employee or the Union, but will be subject to the “comply now and grieve later” doctrine.
- (12) The Company will direct that split samples be taken with the confirming test to be a gas chromatography/mass spectrometry (GC/MS). If the first test and confirmation test on the first sample are positive and the employee elects to have the second sample tested, the Company will pay for the cost of the second test. If the employee elects to have the split sample tested, the Company will advise the laboratory selected by the employee or the Union.
- (13) The Company will determine if the employee asked to take a drug or alcohol test should be permitted to work during the time between providing the sample and the receipt of the test results. If the employee has been directed by the Company not to work during this time, but to remain on an unpaid leave of absence and the reason is solely because of the pendency of the drug or alcohol test and the test results prove to be negative, the employee will be compensated as though he or she had not been suspended.
- (14) The Company will advise the Union if it becomes aware of a change in laboratories in which the testing is done or if it becomes aware of a change in laboratory procedures including any changes in the laboratory’s certification. The purpose of this is to permit the Union to understand the procedures. The failure of the Company to advise the Union of these changes will not invalidate an otherwise properly conducted drug or alcohol test.
- (15) In the event an employee tests positive for drugs or at a blood alcohol level of .08% or more, or the employee admits violating this policy after being asked to submit to a drug or alcohol test, the employee must sign a “Last Chance Agreement.” (see Attachment 2). If the employee refuses to sign the Last Chance Agreement, the employee will be terminated.

(a) The Last Chance Agreement requires an employee to participate in a Company and Union approved employee assistance program (EAP)

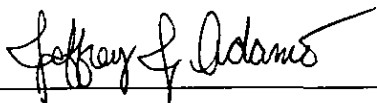
as a condition of continued employment. If the employee does not follow the directions of the rehabilitation professionals, attend all counseling sessions and/or treatment programs, then the employee will be terminated.

(b) Upon completing the EAP referral, the Company reserves the right to require the employee to submit to periodic drug or alcohol, or drug and alcohol testing, without advanced notice, for a period of one year (the "Follow Up Test") but not to exceed 15 tests. An employee who tests positive in a Follow Up Test will be terminated without recourse, except as to the validity of the test. An employee who refuses to comply with a request to submit to a Follow Up Test will be terminated without recourse.

- (16) Illegal drugs are those drugs defined as illegal under federal, state, or local laws.
- (17) Before any drug test is given, the employee may note the use of any prescription or non-prescription medications. The laboratory procedures will report the significant presence of all prescription and non-prescription drugs.
- (18) An employee may request a written copy of the drug and/or alcohol test results.
- (19) The Company and the Union will strive to maintain the confidentiality of employee drug-related problems.

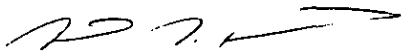
Agreed this 3rd day of September, 1998

For Michigan Sugar Company



Jeffrey J. Adamo
Director of Human Resources

Bakery, Confectionery, Tobacco Workers & Grain Millers



Micheal Konesko
International Vice President

ATTACHMENT 1

DRUG AND ALCOHOL TEST AUTHORIZATION AND RELEASE

I, _____, hereby authorize Michigan Sugar Company (the "Company") pursuant to its drug and alcohol testing program and applicable law, to conduct drug and alcohol tests through its designated physicians or consultants. I voluntarily consent to all such examinations and tests and authorized the release of the results to the Company's Medical Review Officer or other designated Company official and to the Company, in accordance with applicable law.

I understand that if I refuse to sign this release or refuse to cooperate with the testing I will be terminated.

Signed this ____ day of _____, 199__

Employee's Signature

Witness

Date

Witness

Date

ATTACHMENT 2

LAST CHANCE AGREEMENT

I understand that my continued employment at Michigan Sugar Company (the "Company") is based upon the following terms:

- (1) I have enrolled and I will continue to participate in a rehabilitation and aftercare program as referred by the EAP. I understand that I will be required to successfully complete this program and attend all support group meetings and aftercare for as long as the rehabilitation and aftercare program recommends. If I fail to comply with all requirements of the rehabilitation and aftercare program, I will be terminated.
- (2) I understand that I maintain my right to patient-physician confidentiality. Nevertheless, I understand that by signing this Agreement, I am giving the Company the right to verify that I am successfully participating in the rehabilitation and aftercare program and to verify that I am attending all support group meetings as recommended by the professional counselors.
- (3) I will submit to drug and alcohol testing as required by the Follow Up Test as per No. 15 of the Drug and Alcohol Testing Program and Policy procedure. I understand that if I refuse to take a drug or alcohol test or if a test result is positive, I am in violation of this Agreement and I will be terminated.
- (4) I will return to work consistent with the requirements of the EAP, and I understand that I will be expected to work and perform the duties of my job.
- (5) I understand that this Agreement constitutes the conditions of my continued employment with the Company and that my employment is in jeopardy. Any violation of these conditions will result in the immediate termination of my employment with the Company.
- (6) I will be responsible for any financial obligations incurred under this Last Chance Agreement not otherwise paid for or covered by the Company, the EAP, or, if a medical plan participant, the Company medical plan. In all cases, the EAP provider shall consider the employee's level of insurance coverage when directing the employee to a rehabilitation and aftercare program.

- (7) I understand that my regular attendance at work is important to the Company and my fellow employees to ensure that my future attendance does not suffer because of drug-related reasons, I understand that close attention will be paid to my attendance at work. I will accept this attention as a constructive part of my recovery.
- (8) I understand that the Company retains all rights and powers stated in the Michigan Sugar Company Drug and Alcohol Testing Program and Policy, in addition to those rights and powers stated in this Last Chance Agreement.

Dated this _____ day of _____, 20____

Employee's Signature

Company Representative

Union Representative

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