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AGREEMENT

BETWEEN

DELTA PRIDE CATFISH, INC. INDIANOLA, MISSISSIPPI BELZONI, MISSISSIPPI



AND

UNITED FOOD & COMMERCIAL WORKERS, LOCAL 1529



March 10, 2005 through October 31, 2007

NAME CHANGE?

In the event of a name change, please notify the Union Office immediately so the Local Union can maintain current information on each member as well as notify the International Union.

> UFCW UNION LOCAL 1529 ADDRESS AND PHONE NUMBER: 8205 Macon Road Cordova, Tennessee 38018 901-758-1529

> > Toll Free: 1-888-758-1529

MOVING?

When moving, please notify the Local Union Office immediately so the Local Union can maintain a current address and phone number on each member to insure that each member receives all mail from the Local Union as well as the ACTION MAGAZINE.

REMEMBER

It is your responsibility to keep your Local Union informed on any of the above changes. Please notify the main office, in writing, should you have a change in your name or a change in your address.



A MESSAGE FROM YOUR PRESIDENT

This booklet was put together for the convenience of our members. It is a copy of your Collective Bargaining Agreement that covers the employees represented by United Food and Commercial Workers Local 1529, AFL-CIO employed at Delta Pride Catfish, Inc. This contract covers your wages, working conditions, rules and policies governing seniority, hours of work, vacations, holiday work, overtime work, the grievance and arbitration procedures and all other aspects related to work that were agreed to by your Union and the Company during our negotiations.

The members of Delta Pride Catfish, Inc., should be very proud of your accomplishments you made in this Contract. This was only possible with your support and patience. Increasing your benefits, wages and working conditions has never come easy. UFCW Local 1529 can and will continue to be successful only with the help and support of you and other members. One way you can help is by making sure all employees pay their fair share and this can only be done by becoming a member of your Union.

When an employee refuses to join your Union, you are paying their way. Explain to them that nothing is free; however, the cost for all of these benefits and working under the protection of a union contract are minimal and if they are going to enjoy them, they too should pay their fair share.

I strongly recommend that you read and understand this entire contract, and then help to enforce all of its terms and conditions. After reading this contract you will have a better understanding of the benefits and protections that your UFCW Contract provides.

If you should have any questions about any Section and/or Article of this contract, please contact your Union Steward or your Union Representative.

Fraternally,

Leon E. Sheppard, Jr.
President and Chief Executive Officer

AGREEMENT BETWEEN

DELTA PRIDE CATFISH, INC. INDIANOLA, MISSISSIPPI

BELZONI, MISSISSIPPI

AND

UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 1529

March 10, 2005 through October 31, 2007

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AGREEMENT

THIS AGREEMENT entered into this the 10th day of March, 2005, between Delta Pride Catfish, Inc., hereinafter referred to as the "Company", and the United Food and Commercial Workers Union, Local 1529, AFL-CIO, CLC, chartered by the United Food and Commercial Workers International Union, AFL-CIO, CLC, hereinafter referred to as the "Union".

- 1. It is the intent and purpose of the Company and the Union to promote and improve labor management relations between them and to set forth herein the terms of agreement covering wages, hours, and conditions of employment to be observed.
- 2. In consideration of mutual agreements between the parties hereto, and in consideration of their mutual desire in promoting efficient conduct in business and providing for the orderly settlement of disputes between them, the parties to this Agreement agree as follows:

ARTICLE I. - RECOGNITION

- 1. The Company recognizes the Union as the exclusive bargaining representative of its employees.
- 2. The term "Employee" or "Employees" as and whenever used in this Agreement shall mean all fish processing and maintenance employees in job classifications outlined in Appendix A employed by Delta Pride Catfish, Inc., located in Indianola, Mississippi (including Delta Main and Delta South), and Belzoni, Mississippi, but excluding all office clerical employees, Company nurse, sales employees, truck drivers, guards and supervisors, as defined in the Act.
- 3. This recognition clause shall not limit the Company's right to determine the assignment of work to employees in the above-described unit. The specific terms of this Agreement shall be the sole source of any rights that may be asserted by the Union against the Company.

ARTICLE II. - MANAGEMENT RIGHTS

1. It is agreed that the management of the Company alone shall have the authority to determine and direct the policies, modes, and methods of operating its business without interference by the Union. Except as expressly limited by specific provisions of this Agreement, the Company shall continue to have the exclusive right to take any and all action it deems necessary in the management of its business and the direction of its work force, and such rights exclusively reserved for the Company shall include, but not be limited to the following:

- a. The right to select and hire employees and to determine the composition and size of its working force;
- To determine the type of products to be manufactured or sold;
- c. To promote, transfer and assign employees;
- d. To determine job content and the amount and types of work needed;
- To expand, reduce, alter, discontinue, transfer or assign all or any part of its business operation for economic reasons;
- f. To introduce improved or different methods of operation;
- g. To determine the starting and quitting times, the number of hours and shifts to be worked;
- The decision as to where or when training on a particular operation or job is required, how much training is required, and the right to move, retrain, or transfer employees at its discretion;
- The establishment, revision, or elimination of reasonable production standards, or of reasonable quality standards;
- The determination of safety, health, and property protective measures for the plant, the maintenance of discipline of employees and safety of operations;
- k. To generally direct the work force and to make and enforce reasonable rules and regulations not in conflict with the provisions of this Agreement, which rules and regulations shall be subject to the Grievance Procedure herein, if such rule or regulation is grieved as to its reasonableness within ten (10) days of delivery to the Union.
- The establishment, revision, or elimination of incentive rates for job classifications.
- m. To install surveillance cameras throughout the facility (except bathrooms).

2. Those rights exclusively reserved by the Company hereinabove shall not be subject to the arbitration procedure. The Company's failure to exercise any right hereby reserved shall not be deemed a waiver of the exercise of such rights at other times.

ARTICLE III. - NO STRIKE - NO LOCKOUT

- 1. There shall be no strikes, sympathy strikes, work stoppages, picket lines, slowdowns, boycotts, disturbances or concerted failure or refusal to perform assigned work by the Union or any employee and there shall be no lockouts by the Company for the duration of this Agreement or extension thereof.
- 2. Any employee who participates in or promotes a strike, sympathy strike, work stoppage, picket line, slowdown, boycott, disturbance, or concerted failure or refusal to perform assigned work, may be disciplined up to and including discharge by the Company and only the question of whether he did in fact participate in or promote such action shall be subject to the grievance and arbitration procedure.
- 3. A layoff, reduction in the work force, or other termination of employment for lack of work shall not be considered to be a lockout nor a violation of this Article.

ARTICLE IV. - GRIEVANCE PROCEDURE

- 1. For the purpose of this Agreement, the term "grievance" is defined as a dispute with respect to the alleged violation by the employees, or the Company, of a specific provision of this Agreement.
- 2. The procedure for the settlement of grievances shall be as follows:
 - STEP 1: The aggrieved employee shall present his grievance to his immediate supervisor, who shall attempt to resolve the matter by discussions with the aggrieved employee and the appropriate steward if the employee so requests.
 - STEP 2: If there is no settlement in Step 1, the grievance may be presented by the employee and/or the appropriate Union Representative to the Plant Manager or his designated representative.

STEP 3: If the grievance is not settled in Step 2, the grievance may be presented by the employee and/or the appropriate Union Representative to the Manager of Human Resources or his designated representative. The grievance must be presented in writing and must state the facts of the incident on which the claim is based, and the relief sought by the claimant. Irrespective of the timing of the discussions in Step 1 or 2, the written grievance in Step 3 must be presented within ten (10) working days excluding Saturday, Sunday, and recognized holidays, following the event which is the subject of the grievance, or of the date on which the grievant had, or reasonably should have had, knowledge thereof. If the grievance is not presented within the time limit prescribed. it shall be considered finally settled and waived. The Company representative shall give the Company's answer within five (5) working days after the grievance is presented to him. Failure of the Company representative to give the Company's answer within the prescribed time shall have the effect of automatically advancing the grievance to Step 4.

STEP 4: If the grievance is not settled in Step 3, then within five (5) working days following the Company's answer in Step 3, or the expiration of the time limit for the Company's answer, the written grievance may be presented by the Union to the Vice President of Administration or his designated representative. In the event the grievance is not taken to Step 4 within the time limit above stated, it shall be considered waived and settled. Within ten (10) days following the presentation of the grievance in this step, the Vice President or his designated representative and the representative of the Union shall meet to discuss the grievance and the Vice President or his designated representative shall give the Company's answer in writing within ten (10) days following such meeting. Failure of the Company representative to give the Company's answer in writing shall be considered a denial of the grievance.

(a) After the investigation of the grievance, should the Union Representative not find merit in the grievance or finds no contract violation, the Union will notify the grievant in writing of its decision with a copy to the Company. The grievant may request an appeal to the Executive Board of UFCW, Local

1529 to further pursue the grievance. The Union will notify the Company of any timely appeals. Time limits will be waived to allow the Executive Board the opportunity to hear a timely appeal. The Union will notify the Company of the Executive Board's decision within 120 days.

- (b) If merit is determined by the Union Representative, the Union will proceed to arbitration.
- 3. A grievance initiated by the Company shall be referred directly to the Union, and a grievance initiated by the Local Union shall be referred directly to the Vice President or his designated representative. Such grievances shall be processed initially under Step 4 of the procedures provided in this Article.
- 4. The time limits in this procedure may be extended by the joint written consent of the Union and the Company.

ARTICLE V. - ARBITRATION

- 1. In the event such complaint or grievance shall not have been satisfactorily settled, the matter shall then be submitted to arbitration that shall consist of the following steps and understandings:
 - a. If the Union elects to refer a grievance to arbitration, it shall give the Company the arbitration request form as written notice of its intent to do so within seven (7) regular working days of the Vice President of Administration's written answer to the grievance in question.
 - b. Upon a timely receipt of such notice, either party may request from the Federal Mediation and Conciliation Service a panel of not less than seven (7) arbitrators. Upon receipt of the panel, the parties shall meet within fifteen (15) days to strike the panel to choose the arbitrator. Either party may reject one such panel in its entirety. The arbitrator shall select three (3) dates in which the case may be heard. If either party is not able to make selected dates, then within five (5) days, the arbitrator shall have the authority to select the time, date and place for the case to be heard, which will be binding on both parties.
 - c. The above selection procedure in (b) of this Article shall not preclude the parties from mutually selecting an arbitrator by some other method.

2. Arbitrators Limits. Any arbitration where provisions of this Agreement being arbitrated are silent, the arbitrator will render a decision if this particular grievance is arbitrable. The arbitrator shall have no power to add to, subtract from, or in any way modify the terms of this Agreement. His decision shall not go beyond what is necessary for the interpretation and application of this Agreement or the obligation of the parties under this Agreement. The arbitrator shall not substitute his judgment for that of the parties in the exercise of rights granted or retained by this Agreement.

The arbitrator shall not decide issues which are not directly involved in the case submitted to him and no decision of the arbitrator shall require the payment of a wage rate different from or the payment of any wages in addition to those expressly set forth in this Agreement.

Where an employee has been discharged or suspended in violation of this Agreement, the arbitrator may order reinstatement, either with or without back pay, for loss of income for such time off. Income derived from Unemployment Insurance during such period or other compensation he may have received from another source shall be deducted from any back pay due him under an award. The employee will verify any other income. The parties shall not submit more than one (1) grievance to an arbitrator at any one time unless mutually agreed by the parties.

- 3. Expense of Arbitration. The expense of the arbitrator as well as other joint expenses of holding the arbitration, including but not limited to the arbitrator's fees, travel expenses, and lodging, shall be borne equally by the Union and the Company. However, each party shall bear the expense of its own representatives, of its own witnesses, and preparation and presentation of its own case. Either party may elect to have a transcript made of the arbitration hearing, and if a copy of such transcript is desired by the other party, the cost of such copy, the original, and the arbitrator's copy shall be shared equally by the parties.
- 4. Arbitrator's Decision. Unless the parties mutually agree to a verbal decision, the arbitrator shall be required to reduce his award to writing and shall state the reasons for reaching that award. The decision of the arbitrator shall be final and binding upon the parties to this Agreement.

ARTICLE VI. - HOURS OF WORK

- 1. The workweek shall be a period of seven (7) consecutive days from Monday through Sunday.
- 2. There will be a weekly guarantee of thirty-two (32) hours per week, subject to the following exceptions:
 - If the employee declines any hours of work offered by the Company;
 - 2. If the employee is absent or on layoff status;
 - 3. If the plant cannot process;
 - 4. Acts of God as defined in Section 10d.

The Company may post on the previous Friday a total of sixteen (16) times per year for work weeks that will be less than the thirty-two (32) hours guarantee.

- 3. The hours of work for each department shall be posted one hour prior to the ending time for the next day's shift. The work schedule shall consist of a starting time and forecasted ending time for the next day's work.
 - 4. Employees shall be paid for all time worked.
- 5. Time and one-half (11/2) an employee's regular straight time hourly rate shall be paid for all work performed after forty (40) hours of work in a workweek.
- 6. All hours worked in excess of nine (9) per day will be paid at time and one-half (1½) the employee's straight time hourly rate of pay.

At termination of this Agreement or any extension thereof, daily overtime will revert back to time and one-half (1½) for all hours worked in excess of eight (8) per day.

- 7. All employees working seven (7) days in any work week will be paid double time (2X) for the seventh (7th) day.
 - 8. There will be no pyramiding of overtime.
- Pay for hours not worked shall not be included in computation of the rate for overtime purposes except as outlined in other Articles of this Agreement.
 - a. The Union recognizes the right of the Company to change the starting and ending times of work and shifts from time

to time, as deemed necessary by the Company to effect its operational needs. The Company shall notify the employees at least by the last scheduled workday of the week of changes to begin the following Monday. Changes during the week shall be announced prior to the end of the shift the day before the change.

- b. When an employee is scheduled to work and arrives at the plant to work and the plant does not begin processing, the employee shall receive two (2) hours pay. When the employee shows up for scheduled work, there shall be a minimum of three (3) hours work, or pay in lieu thereof, if processing starts. If any employee volunteers to leave work, such employee will be paid only for their time worked. The Company can request the employees to report back to work at a later time only once in any given work shift.
- c. Overtime work shall be necessary for all employees to meet the operational needs of the Company. Notification of overtime work will be given to the employees as far in advance as is practicable. In cases of mandatory overtime, the Company will specify the number of employees needed. If the whole department is not needed, the most senior employees may elect to work. If not enough senior employees elect to work, the Company can assign the needed number of lesser senior employees by inverse seniority to work the mandatory overtime.
- d. "Acts of God" beyond the Company's control such as fire, flood, tornado, severe weather and electrical outages shall pre-empt all of Section 10. (Lack of fish due to oxygen shortages, failure of fish suppliers to deliver fish and lack of processing supplies, will not be considered "Acts of God.")
- Employees will not accumulate any attendance points as a result of "Acts of God" as defined above.
- 11. The nature of the business and the availability of fish may from time to time cause a delay in scheduled startup time. When employees are scheduled to work and are forced to wait, the employees will be paid for all waiting time. Those hours will be

calculated in the computation of weekly overtime and will be counted as hours worked.

- 12. Employees will be allowed a one hour unpaid meal break approximately half way between their starting and quitting times as scheduled by their supervisor. Employees on night shift only will be allowed a thirty (30) minute unpaid meal break.
- 13. Employees will be given a paid fifteen (15) minute break approximately every two (2) hours of work. No employee will be required to take a break before one and one-half (1½) hours of work or longer than two and one-half (2½) hours of work. A third fifteen (15) minute break shall be provided to employees working over nine (9) consecutive hours in a shift. If employees work through the third break, it will be paid. The above referenced breaks shall be counted as time worked. In cases of emergencies, breaks may vary upon mutual consent between the designated Company and designated Union representative. Such consent shall not be unreasonably withheld.

ARTICLE VII. - WAGES/PREVIOUS EXPERIENCE

- 1. Rates of pay and pay schedules as set forth in Wage Schedule "A" & "B" attached hereto shall remain in effect for the life of this Agreement and shall constitute the basis for determination of wages for time worked. The wage increases listed in Schedule B will go into effect on Monday, March 7, 2005 for the first year; Monday, February 13, 2006 for the second year; and on Monday, February 12, 2007 for the third year.
- 2. Any previous experience from <u>Delta Pride Catfish</u>, <u>Inc</u>. will be given full credit in determining the proper rate of pay upon completing their probationary period, provided they were rehired within two (2) years of their last employment. Previous comparable experience from another major competitor will be given credit when verified not to exceed the three (3) year rate.
- 3. If the Company creates a new job classification, it will notify, meet, and bargain with the Union to establish a new rate for the newly created classification. If arbitration is necessary to establish the rate, the Union must request arbitration within thirty (30) days of being notified of the new classification. If the arbitrator's award

establishes a rate higher than that set by the Company, the award shall be prospective only with no retroactive pay or benefits.

4. No employee will suffer a reduction in his or her rate of pay as a result of this Agreement.

ARTICLE VIII. - GENERAL

- 1. The Union and the Company agree that for the life of this Agreement neither party shall discriminate, coerce, intimidate, restrain, or interfere with any employee because of Union membership status. Any reference herein to the male gender shall be considered as referring to the female gender.
- 2. The Company and the Union agree that there shall be no discrimination against any employee because of race, creed, color, sex, age, qualified disability, or national origin in accordance with federal, state, and local civil rights laws. Whenever the masculine pronoun is used, it refers to both genders.
- 3. Due to emergency situations, the Company may assign work to managers or supervisors, which was usually performed by employees in the bargaining unit.

ARTICLE IX. - PROBATIONARY PERIOD

- 1. All newly hired employees covered by this Agreement shall be considered as probationary for a period of sixty (60) days, during which time none of the rights under this Agreement shall accrue to any such employees. Upon mutual agreement between the Company and the Union, the probation period may be extended an additional thirty (30) days.
- 2. During the probationary period, the Company may discharge or discipline the employee without cause and for any reason solely within the discretion of the Company. Upon completion of the probationary period, an employee's seniority shall date back to his last date of employment.

ARTICLE X. - SEPARABILITY

If any provision or part thereof of this Agreement is in conflict with any applicable federal or state law or regulations, such provision shall be deleted from this Agreement or shall be deemed to be in effect only to the extent permitted by such law or regulation. In the event that any provision of this Agreement is thus rendered inoperative, the remaining provisions shall nevertheless remain in full force and effect. Any provision or part thereof thus rendered inoperative shall be deleted here from as though never written into this Agreement, and there shall be no bargaining on the subject of such provision until the termination of this Agreement. If a law or regulation is amended again to permit the provision, it shall go back into full force and effect.

ARTICLE XI. - COMPLETE AGREEMENT

- 1. The parties acknowledge that during the negotiations, which resulted in this Agreement, each had the unlimited right to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining. They, therefore each voluntarily and unqualifiedly waive the right for the life of this Agreement to bargain collectively with respect to any matter referred to or covered in this Agreement, or with respect to any other subject or matter relating to wages or working conditions, except as provided for in other Sections or Articles of this Agreement.
- 2. This Contract represents the entire Agreement between the parties and no other agreement or practices are binding upon either party thereto with respect to wages, hours, or working conditions, except as provided for in other Sections or Articles of this Agreement.
- 3. The provisions of this Agreement may be amended, supplemented, rescinded, or otherwise altered only by mutual agreement, in writing, between the Company and the Union with the same formality as the original Agreement.
- 4. The Company agrees not to enter into any other agreement with covered employees, either written or orally, as to wages, hours, and working conditions.

ARTICLE XII. - STEWARDS

1. The Union shall have the right to designate stewards, and independent contractors, who shall be employees of the Company, and to change such as needed. The Company shall be notified in writing of the names of designated stewards, and independent contractors, and shall only be required to deal with the stewards

designated in writing. The Union shall have the right to designate an alternate for each of the stewards, which alternate shall function only in the absence of the steward for whom he or she is an alternate.

- 2. Shop Stewards, and Independent Contractors are not employees of United Food & Commercial Workers, Local 1529, nor do they carry any power as representatives of United Food & Commercial Workers, Local 1529. Their function is exclusive of assisting an employee in the initial stages of a grievance, talking to other employees about Union membership, and being an employee witness in the initial stages under Grievance and Arbitration procedures. Only those Union Representatives designated by United Food & Commercial Workers, Local 1529, in writing, to the Company are true representatives and have the power to speak for Local 1529.
- 3. In the interest of promoting cooperative relations between the Company and the Union, the Company agrees that a member of management will, within the first week of employment, introduce all new employees to either a Union Shop Steward, Independent Contractor, Union Representative, or anybody the Union so designates. The designated representative will be given an opportunity of up to fifteen (15) minutes to talk with new employees during orientation to discuss the Union Contract or any other material the Union may feel is important. One designated representative of the Union will be allowed for every five (5) new employees during orientation. Contractors and Stewards can talk with new employees concerning Union business during working hours, but not during work time. Work time excludes before start, break time, lunch time, and after work.
- 4. Should an employee not see a designated representative during orientation, the Company will allow a reasonable time for a designated representative to discuss Union business upon request on Company time.
- 5. The above mentioned Independent Contractor is individually chosen by Local 1529 to assist and sign up new employees as members of Local 1529.
- 6. The Company agrees that at the request of the Union, upon reasonable notice, it will release the stewards from work one week per year for training purposes. The Union will compensate the stewards for lost time.

- 7. Once a year, a joint management/stewards training session will be scheduled on a mutually agreeable day. The Company will pay the stewards up to eight (8) hours for this day.
- 8. The Company agrees to furnish each new employee with a membership application and inform each new employee who the Union Representative is and the Shop Steward.
- 9. Union leaves of absence totaling less than ninety (90) days in one calendar year shall not affect a vacation. Any type of leave for Union Stewards totaling more than ninety (90) days in a calendar year shall have the following effect upon vacation earned in that year:

Leaves of more than ninety (90) days, but not over one hundred eighty (180) days shall reduce vacation pay by one-fourth (1/4); leaves of more than one hundred eighty (180) days, but not over two hundred seventy (270) days shall reduce vacation pay by one-half (1/2); leaves of absence of more than two hundred seventy (270) days shall disqualify any vacation pay but will receive all time off, if requested by the employee.

10. Upon mutual agreement between the Company and the Union, Shop Stewards may be given time off without pay up to a maximum of one consecutive year in order to take care of Local Union business activities.

ARTICLE XIII. - TRANSFERS

- 1. Those employees permanently assigned to skilled classifications who are temporarily assigned to lower rated jobs shall be paid the rate of such skilled job when so assigned, unless he has been reclassified to a lower rated job and desires to retain such job rather than to accept a lay off, then he will be paid at the lesser rate.
- 2. Those employees permanently assigned to a lower rated job classification who are temporarily assigned to a skilled classification shall be paid a rate of such skilled job when so assigned to that job over two (2) hours.
- 3. When an employee is temporarily assigned from one department to another, the employee will have the option at the completion of the shift to leave the plant or to go back to their normal job duties (if their original department is still working) for additional

hours. This option shall not apply if the employee has worked less than eight (8) hours for that day.

4. Employees who desire to advance to classifications other than their own, or to shifts they consider more advantageous to them, may apply by notifying the plant personnel office of such desires and their reasons for same. As vacancies occur in the work force, such employees will be considered for same, on the basis of seniority, qualifications, their reasons and the Company's ability to affect such transfer with as little disruption to production as is possible.

ARTICLE XIV. - SENIORITY

- 1. Company seniority is defined as the employee's length of continuous, uninterrupted service with the Company, since the employee's date of hire or re-hire.
- 2. Bargaining unit seniority is defined as the employee's last date of entry or re-entry into the bargaining unit. Bargaining unit seniority will control job posting, choice of vacation weeks, and mandatory overtime.
- 3. Probationary employees shall have no seniority rights. Upon successful completion of the probationary period, the employee's seniority will be retroactive to the date of hire or re-hire.
- 4. The Parties agree that should the Company find it necessary to reduce its work force because of economic or other reasons, any such reduction in force will be accomplished by using Company seniority within job classifications. The Company, in its sole discretion, will determine how many employees in each job classification will be reduced and the dates on which the reductions will occur. Once the Company has determined the number of employees in each job classification to be reduced, the reduction will occur by laying off the needed number of employees by reverse Company seniority within job classifications (the most senior employees remain), giving due consideration for the remaining employees' ability to perform all needed job duties. Employees not filling the needed number in the affected job classification(s) will be offered open positions within the Company by seniority. (The job classifications are listed in Schedule "A").

The Company will notify the Union as to any potential layoffs. A designated representative of the Union and of the Company will

meet to discuss and to review all employees scheduled to be laid off. Consideration will be given to the affected employees as to their experience in other classifications. Should an agreement between the parties be reached as to the employee's experience in another classification, such employee may bump a lesser senior employee in the agreed classification.

Probationary employees will be the first employees to be laid off.

- 5. Non-probationary employees laid off in the reduction in force will retain recall privileges for a period equal to the length of service up to a maximum of twelve (12) months from the date of their being laid off. Any employee on layoff status for more than their length of service up to twelve (12) months will not retain any recall privileges and will be automatically terminated. Probationary employees who are laid off will not retain any recall privileges and will be automatically terminated when they are reduced.
- 6. The Company will recall employees retaining recall privileges by seniority by job classification (the most senior employees will return first), giving due consideration to the returning employees' ability to perform all needed job duties. The Company will notify employees who are to be recalled. This notice may be given by (1) certified mail to the employees' last address in the Company's records, or (2) actual notice to the employee. Any employee who fails to notify the Company of his desire to return to work within five (5) calendar days of such notice will lose all recall privileges and will be automatically terminated. The Company will have fourteen (14) calendar days after sending out the notice to put the employees desiring to return to work back to work.
- 7. An employee may lose his seniority and his employment considered terminated by:
 - Discharge for just cause;
 - Failure to report for work upon recall from layoff (within five (5) calendar days of notification) or upon the completion of an approved leave of absence;
 - (3) Voluntary quitting;
 - (4) Engaging in any gainful work, whether for self or another company, while on a leave of absence;

- (5) Absence without notice for three (3) consecutive working days;
- (6) Being on layoff status for twelve (12) months, or up to their length of service;
- (7) Being on leave of absence for twelve (12) months;
- (8) Permanent shutdown of the plant for a period of one (1) year or more.
- 8. A. The Company will follow the policy and practice of promoting and upgrading from within whenever practical. As such, the employees will be given the opportunity for promotions and upgrades to higher-rated positions within the bargaining unit (the job positions and pay classifications are listed in Schedule "A").
 - B. (1) If a position becomes available in the plant, the Company will post the position on a bulletin board located near the time clocks and/or in the break rooms for a period for two (2) working days. Employees in lower-rated positions who desire to be considered for the posted position must go to the Human Resource Department during the period that the positions are posted, and sign and date the appropriate new position sheet indicating their interest in being considered for the posted position.
 - (2) At the end of the two-day posting period, the Company will review the names on the new position sheet. The Company will first attempt to select an employee from this sheet based on absenteeism records, job performance, work record and ability. If these factors are reasonably equal, then Company seniority will be used. The successful bidder will have five (5) working days to prove to be capable of learning the job. The training period may be extended an additional five (5) working days for further training. Any employee who is awarded a job bid and is subsequently disqualified shall return to their old job. If no employee can satisfactorily perform the job after their training period, the Company may fill the position from any source.

- C. No employee who has signed a new position sheet and received a promotion or upgrade will be eligible to be considered for a newly posted position for a period of twelve (12) months for a lateral or downgrade position, and six (6) months for an upgrade, unless he is medically unable to perform the work, or the Company requests that the employee sign a new position sheet for the position.
- D. This Article applies only to bargaining unit positions, and the Company retains the sole right to make promotions and upgrades to non-bargaining unit and supervisory positions and to determine the qualifications for those positions.
- E. The Union will receive a copy of all positions posted. The copies can be picked up at Delta Pride on Friday of each week.
- 9. Employees who have been promoted from the bargaining unit to a non-bargaining unit position will have up to six (6) months to return to their previous bargaining unit position (at the discretion of either the Company or the employee) without loss of Company or bargaining unit seniority.

ARTICLE XV. - HOLIDAYS

1. The following are recognized holidays:

New Year's Day Thanksgiving Day
July Fourth Christmas Day

Labor Day Dr. Martin Luther King's Birthday Memorial Day Employee's Birthday (after 1 Yr.)

2. All recognized holidays shall be paid holidays.

- 3. Each eligible employee shall receive pay for eight (8) hours at his straight time hourly rate of pay for any paid holidays as described above.
- 4. The employee's birthday holiday will be taken on their actual birthday. When an employee's birthday occurs on Saturday and is not a scheduled workday, the holiday will be taken on the previous scheduled workday. When the birthday occurs on Sunday, the holiday will be taken on the next scheduled workday. When a birthday falls on a recognized holiday, employee will take their birthday holiday as scheduled with mutual consent that week.

- 5. To be eligible for holiday pay, an employee must be employed full time by the Company, must have completed his probationary period, and must have worked his last full scheduled work day immediately preceding the holiday, his first full scheduled work day immediately following the holiday, and must also have worked on the holiday itself if so scheduled or assigned and must not be on a leave of absence or disciplinary suspension. Eight (8) hours of work in one day, or the employee's full shift if the shift is less than eight (8) hours, shall be considered a full workday. Employees on light duty will count as time worked towards receiving holiday pay.
- 6. In the event that a recognized holiday occurs on a Saturday, the previous Friday shall be observed as a holiday. If the recognized holiday occurs on a Sunday, then the following Monday shall be observed as a holiday.
- 7. When a paid holiday occurs during an employee's paid vacation, said employee may choose one of the following options:
 - a. 'An additional day's pay as holiday pay;

OR

- b. A paid day off, which must be scheduled during the vacation scheduling process, for the Friday before the vacation or the Monday after the vacation, and will be subject to the current contract language relative to vacation and holiday eligibility.
- 8. Hours paid for, but not worked under this Article, shall not count towards the computation of overtime.
- 9. If an employee works on any of the above recognized holidays, except for the employee's birthday, said employee shall receive holiday pay (eight (8) hours times regular rate of pay) in addition to time and one-half (1½) of their regular rate of pay for all hours worked on the holiday.
- 10. An employee will not be disqualified for holiday pay if the employee is absent on one or all of the qualifying work days for the following reasons:
 - (1) Death in the employee's immediate family.
 - (2) Job related injury occurring on a qualifying workday.
 - (3) Employee, spouse, child admitted to hospital.
 - (4) Jury duty.
 - Scheduled medical visit as a result of a job-related injury or illness.

ARTICLE XVI. - VACATIONS

- 1. <u>Vacation Year</u>. The vacation year runs from January 1st through December 31st of the next year.
- 2. Employees with a minimum of 1400 hours worked the previous year (inclusive of holiday hours, vacation hours, FMLA and Workers' Compensation leaves as specified in Article XVII), shall be entitled to vacations according to the following schedule: ("Service" means continuous employment.)

*1 Year of Service - 1 Week 3 Years of Service - 2 Weeks 10 Years of Service - 3 Weeks 15 Years of Service - 4 Weeks 20 Years of Service - 5 Weeks

*The employees first qualifying week must be taken during the period from their anniversary date through December 31st. If the Company is unable to allow the employee to take earned vacation by December 31st, the employee will be paid for said vacation. On January 1, following the employee's first anniversary date, subsequent vacation shall be taken on a calendar year basis.

- 3. Vacation pay will be computed on the basis of the employee's straight-time hourly rate of pay times forty (40) hours per vacation week. Employees with less than the minimum 1400 hours will receive a pro-rated vacation of the total number of hours in previous twelve (12) months or previous calendar year divided by fifty-two (52).
- 4. Vacations will be earned only on January 1 of each year, except as noted in Section 2 above.
- 5. Employees who voluntarily quit shall receive their earned but unused vacation pay. Employees who have earned vacation and quit or are discharged, shall receive their pay, except where the discharge is for proven dishonesty or if the employee has been convicted of a felony, subject to the Grievance Procedure set forth herein.
- 6. Vacations may not be accumulated, and employees will normally take earned vacations during the vacation year.
- 7. The Company will determine by December 1 of each year the number of employees allowed to take a week vacation for each department for every week in the calendar year. Vacation choices

will be offered by bargaining unit seniority. The choice of weeks will be completed by January 1 of each year. Employees on an approved leave will be allowed to choose by seniority by appearing in person or by signed written notice to the Human Resource Department for their selected weeks within the time limits described. The Company will approve the vacation schedule for each department by January 1 of every year. No changes will be made unless mutually agreed upon by the Company and the employee.

- 8. The Employer will give each employee, eligible to receive vacation, his or her vacation pay in advance of the week he or she is scheduled to take vacation.
- 9. Employees who are eligible for at least two (2) weeks of vacation may take up to one week of their vacation one day at a time on mutually agreeable dates. The Employer retains the right to limit the number of employees off in any one week.

ARTICLE XVII. - LEAVE OF ABSENCE

1. Bereavement Leave.

- A. If an employee has completed his/her probationary period and there is a death in the employee's immediate family, the employee will be granted up to three (3) consecutive days off to arrange for or attend the funeral of the deceased. The employee will be paid eight (8) hours straight time pay for one (1) day. The other two (2) days will be unpaid.
- B. If an employee has not completed his/her probationary period and there is a death in the employee's immediate family, the employee will be granted up to one (1) day off without pay to arrange for or attend the funeral of the deceased.
- C. The term "immediate family" shall mean husband, wife, parent, child, brother, sister, mother-in-law, father-in-law, grandparents, and grandchildren.
- D. The employee may extend this leave (funeral leave) an additional three (3) unpaid days.
- Jury Duty. The Company agrees not to discipline an employee merely because he or she is called for and serves jury duty. Any employee so called will notify the Company upon receipt of jury notice as soon as practical.

- 3. <u>Legal Proceedings</u>. If the Company requires an employee to appear at a legal proceeding on its behalf, the Company will reimburse the employee for all reasonable expenses associated with the employee's appearance at the legal proceeding including mileage and parking fees. Additionally, the employee will suffer no loss in pay because of his appearance.
- 4. All hours spent by an employee in a legal proceeding at the Company's request will be treated as hours worked.
- 5. Sickness, Injury, or Disability. A leave of absence without pay not to exceed ninety (90) days shall be granted to a full-time or part-time regular employee who has been employed longer than six (6) months, who is unable to work because of sickness, injury, or disability. Requests for such leave must be supported by competent medical evidence. Extensions will be granted for no less than three (3) days, up to an additional ninety (90) days when the request for such extension is accompanied by competent medical evidence showing the necessity for such extension. The Human Resources Manager may grant a leave of absence not to exceed thirty (30) days to a full-time or part-time regular employee who has been employed less than six (6) months. The Company will not arbitrarily deny such request.
- 6. Work Related Injury or Illness. If an employee has completed his/her probationary period and the employee is unable to work because of a work related injury or illness, the employee will be granted a medical leave of absence without pay for the period of continuing disability not to exceed one (1) year. Requests for such leave must be supported by competent medical evidence.
- 7. <u>Personal Leave</u>. At the discretion of the Company, an employee with more than one (1) year of service may be granted a personal leave of absence not to exceed five (5) working days per year. The leave must be requested a minimum of five (5) days in advance except in emergencies. Upon request an additional five (5) days may be granted.
- 8. Time spent on leaves of absence will not be counted as time worked for the purpose of wage computation or other benefits, except as otherwise provided in the Agreement, and will not result in loss of seniority. Any employee accepting employment elsewhere while on leave of absence shall be considered a voluntary quit.

9. Time spent on a leave of absence necessitated by a work related injury or illness will count as time worked for the purpose of calculating wages and for computation of benefits if the employee has met the requirements to qualify for Family Medical Leave as provided in the Family Medical Leave Act up to a maximum of twelve (12) weeks.

If an employee does not qualify for Family Medical Leave due to lack of hours worked, or hire date, time spent on a leave of absence by a work related injury or illness will count as time worked for the purpose of calculating wages and for computation of benefits up to a maximum of 30 calendar days.

10. The Company and the Union agree to follow the provisions of the Family and Medical Leave Act.

ARTICLE XVIII.-TOOLS AND EQUIPMENT

- 1. The Company agrees to initially furnish those knives, steels, guards, freezersuits, fillet gloves, stainless steel gloves, safety glasses, ear plugs, hairnets, aprons, rubber, cotton and insert gloves and sleeves, and beard covers which are required for work. When these tools and safety devices become worn to the extent that they cannot be used, employees will be furnished a suitable replacement by turning in the old one, if requested by the Company. If any of the above items are lost or willfully damaged in a way other than normally used, the employee involved will pay for replacement cost.
- 2. The Company will continue to pay one-half (½) of the employee's lab coat cost or the cost of uniforms in those areas with specified uniforms such as maintenance and truck shop. Wearing of the uniform will be voluntary by the employee. If the Company decides that wearing of uniforms is mandatory, the Company will pay the entire cost.

ARTICLE XIX. - MISCELLANEOUS

1. <u>Bulletin Boards</u>. The Company agrees to provide the Union with a bulletin board in the employee break room for the purpose of posting Union notices of interest to the employees. The Union agrees that it will not post anything derogatory toward the Company, its products, owners, supervisors, or other members of management.

The Union further agrees that it will police the bulletin board from time to time to insure that any out of date notices have been removed and that no notices extend beyond the boundaries of the bulletin board.

- 2. <u>Time Cards</u>. Employees are required to punch their own time cards or time clocks indicating their attendance and arrival and departure times. Employees will be paid based on their hours worked as recorded on the master time card for their line and/or department for starting time and their personal time cards for ending time. Employees will be expected to be in the plant ready to work by the time their line or department is scheduled to commence work, as determined by their supervisor. Employees may not punch in more than fifteen (15) minutes prior to their scheduled starting time, nor more than five (5) minutes after their work has been completed. An employee who records another employee's time or allows another employee to record his or her time will be subject to disciplinary action up to and including discharge without prior warning.
- 3. <u>Purchases of Fish</u>. Employees may purchase fish for personal/ family consumption, and they will be charged the same price for fish purchased from the Company as is charged to management employees and stockholders.

ARTICLE XX. - MILITARY CLAUSE

In the event an employee enters the military service of the United States, any rights with respect to employment which he or she has will be governed in accordance with the existing law.

ARTICLE XXI. - SUB-CONTRACTING

- 1. Nothing in this Article or in the entire Agreement shall be construed to prevent or hinder in any way the Company's right to sub-contract or contract out work which it has sub-contracted or contracted out prior to the signing of this Agreement.
- 2. Nothing in this Article or the entire Agreement shall prevent the Company from sub-contracting or contracting out the performance of work or services of a skilled nature, or for which the licenses or permits are required or for which processes that there are no in-house capabilities.

ARTICLE XXII. - DISCHARGE AND DISCIPLINE

- 1. All employees are subject to discharge or other discipline for just cause. In general, an employee will be counseled and/or warned prior to being discharged, except in cases of extreme misconduct such as, but not limited to:
 - (a) dishonesty;
 - (b) unauthorized possession of property of the Company, customers, or of other employees;
 - (c) insubordination;
 - (d) reporting for work under the influence of intoxicants including drugs or alcohol or possessing the same on Company property or in Company vehicles;
 - (e) fighting (1st aggressor)
 - intentionally or negligently damaging or injuring product, another employee, or member of management, or Company property;
 - (g) committing a criminal act against the Company, members of management, or other employees;
 - (h) falsifying Company documents;
 - possessing firearms or other lethal weapons not provided by the Company on Company property or in Company vehicles; or
 - (j) conviction of a felony.

In cases involving the above and similar violations or misconduct, an employee may be discharged or otherwise disciplined without prior warning or counseling.

- 2. Grievances relative to the discharge or discipline of employees will be handled in accordance with Articles IV and V.
- 3. When an employee engages in misconduct or violates or fails to follow a work or safety rule in a manner which does not warrant immediate discharge as provided in Section 1, the employee will be disciplined in the following manner:

First Violation Second Violation Third Violation Fourth Violation

Verbal Warning Written Reprimand 3-Day Suspension Discharge Based on the severity of the failure to follow a safety rule only, the Company may pass over or skip one or more steps in the disciplinary procedure and administer greater discipline.

- 4. Employees will be notified in a timely manner of any written reprimand or disciplinary suspension or probation, and they may grieve through the Union any such reprimand, suspension, or probation as provided in Article IV. No written disciplinary action or warning shall take place except in the presence of a union steward or Representative. The absence of such union steward or Representative shall render the disciplinary action invalid. If a shop steward or Union Representative is not present at the plant at the time of counseling, warning, or disciplinary action, a bargaining unit employee will be brought in as a witness. Such action will not invalidate a counseling, warning, or disciplinary action as stated above. Union stewards or Representatives shall not refuse to acknowledge their presence in writing or to attend such session. Should the employee refuse to have the shop steward present at their disciplinary meeting, the employee will sign a form to be agreed upon by the parties and to be presented to the shop steward. The Company, employee and shop steward will sign off on the form and the shop steward will be excused. The disciplinary action will be considered valid subject to the Grievance and Arbitration Procedure.
- 5. No oral warnings or written reprimand over twelve (12) months old issued to an employee shall be the basis of discipline against an employee.
- 6. Any discipline as a result of surveillance cameras, the Company will provide a copy to the Union within ten (10) days from request.

ARTICLE XXIII. - UNION VISITATION

An Agent(s) of the Union, (up to three), shall have access to the Company's plant to conduct Union business. As an approved Union Representative(s), he may enter the production area of the plant after notification of their arrival has been given. The Union agrees that there shall be no organized Union meetings conducted on Company premises without Company approval and that any meetings with employees shall be during their non-working time. The Union further agrees that this privilege shall not be abused and

such visits shall not interfere with production, with the exception of Article XII, Section 3.

ARTICLE XXIV. - SAFETY AND HEALTH CLAUSE

- 1. The Company shall install and keep supplied a first aid kit in the plant in such a place convenient and accessible to the employees in the event of an accident or emergency which requires medical attention.
- 2. The Company will provide one full-time licensed practical nurse for the bargaining unit for the life of the Agreement, unless economic conditions warrant a reduction in staff.
- 3. Within 30 days from the day of this new Agreement, a Safety Committee will be formed, consisting of 8 people; 4 appointed by the Union, and 4 appointed by the Company, one being the Director of Safety and Health, who shall be the Chairman. The Committee will regularly meet every 3 months. The purpose of the Safety Committee and the regular meetings is to look for ways and means to have a healthier and safer place for its employees to work. Any suggestions or recommendations that are made shall not be binding on the Company. However, the Company does agree to seriously consider any suggestions that come from the Safety Committee. The Company shall have the sole and exclusive responsibility for health and safety at its facilities. The Union nor its members will be held responsible for any safety procedures that are enacted.

ARTICLE XXV. - CHECK-OFF

1. The Company shall deduct initiation fees, uniform assessments and Union dues from the weekly pay of the employees who are members of the Union and who individually and voluntarily authorize the Company in writing on a form set forth as Appendix "B" to this Agreement. The Company shall remit the said dues to the Financial Secretary of UNITED FOOD & COMMERCIAL WORKERS, LOCAL UNION NO. 1529. A list showing the names of all employees from whom deductions were due and the amount deducted from each and the date on which deductions were made, will accompany the remittance of money collected. These remittances shall be remitted to the Union within fifteen (15) days after the close of the Company's accounting period.

- 2. The Union agrees to hold the Company harmless and to indemnify the Company, its officers, and agents from any and all loss, expense, or liability of any nature whatsoever which may be asserted against it or arise out of the Company's deducting of dues and initiation fees from the paychecks of employees and remitting the same to the Union in compliance with the provisions of this Article.
- 3. The Company shall furnish the Union with a list of the names of all employees separated from employment every month. The list shall be submitted by the fifteenth (15th) day of the month following that one (1) months period. The Company shall furnish to the Union each month a list of all new hires, along with their date of birth, address, telephone number, social security number, and wages. The Company shall promptly send to the Union an updated seniority list each month or upon a reasonable request.
- 4. The Company will make a uniform deduction from employees according to the signed Active Ballot Club Check-Off card, and the monies collected will be forwarded to the Secretary-Treasurer of U.F.C.W., Local 1529 by a separate check.

ARTICLE XXVI. - HEALTH & WELFARE

- 1. The Company will provide the group medical and group life insurance coverage which it has been providing, with a \$200.00 deductible (\$400.00 family deductible), and a \$25.00 emergency room charge for non-emergencies. The insurance will be for full time employees who have been continuously employed without interruption for six (6) months.
- 2. The cost of employee-only/individual coverage will be shared by the Company and the employee desiring such coverage. The employee contribution rate for single coverage is four dollars (\$4.00) per week in the first year; five dollars (\$5.00) per week in the second year, and six dollars (\$6.00) per week in the third year. The cost to the employee for family coverage is thirteen dollars (\$13.00) per week in the first year; fifteen dollars (\$15.00) per week in the second year, and seventeen dollars (\$17.00) per week in the third year. The Company will pay for any and all premium increases, with the exception of Section 2 employee contributions, in order to maintain the current level of benefits for the duration of this Agreement.

- 3. The Company retains the right to choose insurance carriers at its discretion.
- 4. Should an employee who has opted to be covered by the group medical and group life insurance coverage no longer be actively employed, such as being on a leave of absence, layoff, and the like, for one month or longer, coverage will discontinue (unless continuation of coverage is required under the (FMLA) and the provisions of COBRA will apply. The employee must continue to pay his portion of the insurance premium while on leave, layoff, etc. for up to one (1) month.
- 5. During the term of this Agreement, the Union and Company may explore options for coverage, which will save the employee and Company premium costs. Any changes must be mutually agreed upon.

ARTICLE XXVII. - PENSION PLAN

- 1. The Company agrees to make a contribution of twenty-five cents $(25 \not e)$ per hour for each paid hour up to and including forty (40) hours per week for all employees in the bargaining unit after twelve (12) full months of employment to the United Food and Commercial Workers Unions and Employers Pension Fund. Paid hours shall include paid hours of vacation, holidays and hours of leave paid for by the Employer. Such contribution shall be made not later than the twentieth (20th) day of each month for the preceding calendar month.
- 2. Contributions shall be made to a jointly administered Employer-Union Trust Fund which shall be administered by an equal number of Trustees representing the Employer and an equal number of Trustees representing the Union. The Pension Trust Fund shall be established pursuant to a Pension Trust Agreement and Pension Plan to be hereafter entered into by the parties hereto for the sole purpose of providing pensions for eligible employees as defined in such Pension Plan.

ARTICLE XXVIII. - ECONOMIC RELIEF

During the term of this Agreement, should the Company experience economic difficulties in a plant, the Company may request a meeting with the Union to attempt to negotiate economic relief.

The Union agrees to work with the Company to enable it to remain viable and competitive. Any agreement reached would be subject to ratification of the Union Executive Board and the employees in the affected plants only. Such agreement will be presented to the plant's employees as soon as possible.

ARTICLE XXIX. - SUPERVISOR/ EMPLOYEE CONDUCT

- There will be no harassment of employees by the supervisor.
 Employees will be treated fairly and with respect by the supervisors.
- Employees will not show disrespect for their supervisors or other members of management. Supervisors and other members of management will not show disrespect for their employees.

ARTICLE XXX. - PLANT CLOSING

In the event Delta Pride permanently closes and completely ceases production for more than sixty (60) days, all full-time bargaining unit employees on active status, including those on layoff with remaining recall rights, will be entitled to one (1) week [forty (40) hours] severance for each full year of service measured from the most recent seniority date to a maximum of four (4) weeks. This provision will not apply to any employee offered a job by a successor within two (2) weeks of closure. Severance pay will count toward the fulfillment of WARN Act financial obligations, if any.

ARTICLE XXXI. - DURATION OF AGREEMENT

This Agreement for Indianola, Mississippi (Delta Main and Delta South) and Belzoni, Mississippi, (Delta Belzoni) shall be effective March 10, 2005, and shall continue in full force and effect until 11:59 p.m. October 31, 2007, and from year to year thereafter unless written notice is given of a desire to modify or terminate this Agreement by either party to the other party at least sixty (60) days prior to the expiration date of this Agreement or any subsequent October 31 in the event the Agreement is extended.

Neither party shall make changes in the terms and conditions of the employment as set forth in the Agreement during its life. This Agreement may be amended or revised in any of its provisions at any time during its existence, provided such amendments or revisions are mutually agreeable and are approved in writing and subscribed to by all parties to this Agreement. However, it is expressly agreed that, neither party shall be required to negotiate on any matter contained in the Contract while the Contract is in effect.

IN WITNESS WHEREOF the said parties have caused duplicate copies hereof to be executed by their duly authorized officers this 20th day of April , 2005.

FOR THE UNION: United Food & Commercial Workers, Local No. 1529	FOR THE COMPANY: Delta Pride Catfish, Inc.
By: <u>Beon E. Sheppard, Jr.</u>	By: <u>David B. Allen</u>
By: Sarah White	By:
By: Manuel Davis	
By: Rosie Dozier	
By: <u>Corinneiler Howard</u>	
By: <u>Jerry Johnson</u>	
By: Dorothy Minton	
By: Shellie Simmons	

SCHEDULE "A" JOB CLASSIFICATIONS

The following job classifications shall apply:

CLASS I	Vat Person, Strappe	r/Taper, Box Maker, Scan
	Grader Feeder, Spir	al FPI, Tray Pack Feeder,
	Utility Person, Ice I	Packer, Bagger, Dorsal Fin
	Remover, Tote Wa	sher, Bone Belt Person,
	Grounds Maintena	ance, Marinate, Chiller
	Attendant, Injector F	eeder, Tumbler Operator.

CLASS II Evis/Ripper, 184 Operator, 194 Operator, 148 Operator, Tray Pack Operator, Batter/Breader Operator, Receiving Clerk, Weigh Out Person

CLASS III

Processing Clerk, Steak Cutter, Janitorial, Plant
Sanitation, 1741 Operator, Knife Sharpener, NonCertified Q.A., Freezer/Cooler, Forklift/Power
Pallet Operator, Strip Cutter, Skinner

CLASS IV Trimmers

CLASS V

Maintenance Apprentice, Mechanical Tote Wash,
Kill Floor Offal, Bagging Machine Operator,
Injector Machine Operator, Deep Skin Machine
Operator, Pet Food Grinder Machine Operator,
Headsaw Operator

CLASS VI Hand Fillet, HACCP Certified QA, Group Leader/

CLASS VIII - Maintenance C
CLASS VIII - Maintenance B
CLASS IX - Maintenance A

CLASS XI - Maintenance Specialist

CLASS XI - Maintenance Specialist Tech

SCHEDULE "B" WAGES

CLASS I	Mar. 7, 2005	Feb. 13, 2006	Feb. 12, 2007
Start	\$5.15	\$5.15	\$5.15
After Probation	5.40	5.40	5.40
1 Year	6.05	6.20	6.35
2 Years	6.20	6.35	6.50
3 Years	6.55	6.70	6.85
4 - 6 Years	6.70	6.85	7.00
7 - 9 Years	7.05	7.20	7.35
10 - 12 Years	7.03 7.25		
10 - 12 fears 13 - 15 Years	7.25 7.45	7.40	7.55
	=	7.60	7.75
16 Years & Over	7.60	7.75	7.90
CLASS II			
Start	\$5.15	\$5.15	\$5.15
After Probation	5.40	5.40	5.40
1 Year	6.15	6.30	6.45
2 Years	6.30	6,45	6.60
3 Years	6.65	6.80	6.95
4 - 6 Years	6.80	6.95	7.10
7 - 9 Years	7.15	7.30	7.45
10 - 12 Years	7.35	7.50	7.65
13 - 15 Years	7.55	7.70	7.85
16 Years & Over	7.70	7.85	8.00
CLASS III			
Start	\$5,15	\$5.15	\$5.15
After Probation	5,45	5.45	5.45
1 Year	6.25	6.40	6.55
2 Years	6.40	6.55	6.70
3 Years	6.75	6.90	7.05
4 - 6 Years	6.90	7.05	7.20
7 - 9 Years	7.25	7.40	7.55
10 - 12 Years	7.45	7.60	7.75
13 - 15 Years	7.65	7.80	7.95
16 Years & Over	7.80	7.95	8.10

SCHEDULE "B" WAGES (CONT'D.)

CLASS IV	Mar. 7, 2005	Feb. 13, 2006	Feb. 12, 2007
Start	\$5.75	\$5.85	\$5.95
After Probation	6.00	6.15	6.30
1 Year	6.65	6.80	6.95
2 Years	7.00	7.15	7.30
3 Years	7.40	7.55	7.70
4 - 6 Years	7.55	7.70	7.85
7 - 9 Years	7.90	8.05	8.20
10 - 12 Years	8.10	8.25	8.40
13 - 15 Years	8.30	8.45	8.60
16 Years & Over	8.45	8.60	8.75
CLASS_V			
Start	\$5.75	\$5.85	\$5.95
After Probation	6.00	6.15	6.30
1 Year	6.40	6.55	6.70
2 Years	7.30	7.45	7.60
3 Years	7.60	7.75	7.90
4 - 6 Years	7.75	7.90	8.05
7 - 9 Years	8.10	8.25	8.40
10 - 12 Years	8.30	8.45	8.60
13 - 15 Years	8.50	8.65	8.80
16 Years & Over	8.65	8.80	8.95
CLASS VI			
Start	\$5.75	\$5.85	\$5.95
After Probation	6.00	6.15	6.30
1 Year	6.90	7.05	7.20
2 Years	7.35	7.50	7.65
3 Years	7.80	7.95	8.10
4 - 6 Years	7.95	8.10	8.25
7 - 9 Years	8.30	8.45	8.60
10 - 12 Years	8.50	8.65	8.80
13 - 15 Years	8.70	8.85	9.00
16 Years & Over	8.85	9.00	9.15

SCHEDULE "B" WAGES (CONT'D.)

CLASS VII	Mar. 7, 2005	Feb. 13, 2006	Feb. 12, 2007
Start	\$6.60	\$6.60	\$6.60
After Probation	7.00	7.00	7.00
1 Year	7.80	7.95	8.10
2 Years	8.60	8.75	8.90
3 Years	9.40	9.55	9.70
4 - 6 Years	9.55	9.70	9.85
7 - 9 Years	9.90	10.05	10.20
10 - 12 Years	10.10	10.25	10.40
13 - 15 Years	10.30	10.45	10.60
16 Years & Over	10.45	10.60	10.75
CLASS VIII			
Start	\$7.55	\$7.55	\$7.55
After Probation	8.00	8.00	8.00
1 Year	9.30	9.45	9.60
2 Years	9.85	10.00	10.15
3 Years	10.40	10.55	10.70
4 - 6 Years	10.55	10.70	10.85
7 - 9 Years	10.90	11.05	11.20
10 - 12 Years	11.10	11.25	11.40
13 - 15 Years	11.30	11.45	11.60
16 Years & Over	11.45	11.60	11.75
CLASS IX			
Start	\$8.55	\$8.55	\$8.55
After Probation	9.10	9.10	9.10
1 Year	10.30	10.45	10.60
2 Years	10.85	11.00	11.15
3 Years	11.40	11.55	11.70
4 - 6 Years	11.55	11.70	11.85
7 - 9 Years	11.90	12.05	12.20
10 - 12 Years	12.10	12.25	12.40
13 - 15 Years	12.30	12.45	12.60
16 Years & Over	12.45	12.60	12.75

APPENDIX "A"

SCHEDULE "B" WAGES (CONT'D.)

CLASS X	Mar. 7, 2005	Feb. 13, 2006	Feb. 12, 2007
Start	\$12.75	\$12.75	\$12.75
After Probation	12.80	12.80	12.80
1 Year	13.50	13.65	13.80
2 Years	13.55	13.70	13.85
3 Years	13.50	13.65	13.80
4 - 6 Years	13.65	13.80	13.95
7 - 9 Years	14.00	14.15	14.30
10 - 12 Years	14.20	14.35	14.50
13 - 15 Years	14.40	14.55	14.70
16 Years & Over	14.55	14.70	14.85
CLASS XI			
Start	\$14.25	\$14.25	\$14.25
After Probation	14.30	14.30	14.30
1 Year	15.00	15.15	15.30
2 Years	15.05	15.20	15.35
3 Years	15.10	15.25	15.40
4 - 6 Years	15.25	15.40	15.55
7 - 9 Years	15.60	15.75	15.90
10 - 12 Years	15.80	15.95	16.10
13 - 15 Years	16.00	16.15	16.30
16 Years & Over	16.15	16.30	16.45

All employees that work on the second shift shall receive an additional twenty cents (20ϕ) per hour. All hours paid for time not worked will be paid with the additional twenty cents (20ϕ) .

If the Federal Minimum Wage is raised during the life of this Contract to a level above any classification, the affected employees will be raised to the new minimum wage, and no other employees will be affected, unless mutually agreed. Effective March 7, 2005, the following seniority increases shall apply:

Four (4) to six (6) years

Seven (7) to nine (9) years

Ten (10) to twelve (12) years

Thirteen (13) to fifteen (15) years

Sixteen (16) or more years

- .15 cents over three year rate

- .70 cents over three year rate

- .90 cents over three year rate

- .105 cents over three year rate

PERFECT ATTENDANCE INCENTIVE:

Employees who have perfect attendance for the week and work all scheduled hours will have twenty-five cents $(25\rlap/e)$ added to their rate for that week. Employees on vacation or leave (except FMLA) during the week will not be eligible for the twenty-five cent $(25\rlap/e)$ incentive during that week. However, if employees have perfect attendance during a week in which a holiday, birthday or verifiable military leave falls or during a week in which FMLA is used, they will receive the twenty-five cents $(25\rlap/e)$ for all hours actually worked during that week. The only exception to the requirements of this attendance incentive is that each employee may miss no more than 10/100th of an hour per scheduled work week and still be eligible to receive the bonus.

An employee who takes vacation time of less than forty (40) hours during a week will not be disqualified for the attendance bonus for hours worked for that week if all other eligibility requirements are met.

RATIFICATION BONUS:

If ratified by the membership, the following bonus will be paid in a separate check:

One (1) through six (6) years - \$100.00 Seven (7) through fifteen (15) years - \$125.00 Sixteen (16) plus years - \$150.00

MAINTENANCE ADDENDUM

The United Food and Commercial Workers, Local 1529 and Delta Pride Catfish, Inc. enter into and agree with this contract addendum specifying maintenance job classifications at all Delta Pride facilities.

The following job classifications will be used for contract purposes, training and pay rates. Both parties agree that a specific job classification of an individual does not exclude any specific job classification of an individual does not exclude any individual from performing any work assigned by a supervisor to that individual. Each classification may have a pay class of A, B, C or apprentice as defined in the bargaining agreement.

PLANT MAINTENANCE:

General Maintenance Grounds Maintenance

Mechanic

Parts/Inventory Blade Sharpener Fork Lift Mechanic Refrigeration Mechanic

Electrician Welder Electronics

TRUCK SHOP:

General Utility

Thermo-King Mechanic General Mechanic Fueling/Truck Cleaning General Mechanic - Live Haul

General Mechanic - Live Haul
General Mechanic - Long Haul

Tire Repair Person

Welder

Pay classes of Specialist and Specialist Tech will apply to:

- 1. Mechanic
- 2. Refrigeration Mechanic
- 3. Electrician
- 4. Electronics

Present maintenance employees will be red circled at their current class, but will be allowed to test into a higher classification.

MAINTENANCE ADDENDUM (Cont'd.)

Maintenance classifications and rates of pay will be determined as follows:

- Class V Capable of performing minor repairs, preventive maintenance, adjustment of equipment and passing required mechanical safety test.
- Class VII Knowledge, understanding, and proficiency in three (3) of the thirteen (13) technical areas.
- Class VIII Knowledge, understanding, and proficiency in four (4) of the thirteen (13) technical areas.
- Class IX Knowledge, understanding, and proficiency in five (5) of the thirteen (13) technical areas.
- Class X Knowledge, understanding, and proficiency in seven (7) of the thirteen (13) technical areas.
- Class XI Knowledge, understanding, and proficiency in nine (9) of the thirteen (13) technical areas.

The thirteen (13) technical areas are as follows:

Maintenance Fundamentals Electrical

Refrigeration Electronics Level I
Pneumatics Electronics Level II

Hydraulics Plumbing

Boiler Control Power Transmissions
Machine Tool Practices Mechanical Skills
Welding

- 1. Existing maintenance employees will have to test at a higher level before they can advance to another classification.
- New hires will have ninety (90) days to test to the level at which they are hired.
- All maintenance employees will have to pass the mechanical safety category within thirty (30) days of hire. Existing maintenance employees must pass the mechanical safety category within ninety (90) days.
- 4. When a maintenance employee passes testing to move to a higher rate, they must prove their abilities within a sixty (60) day period to receive the pay increase.

MAINTENANCE ADDENDUM (Cont'd.)

- 5. Maintenance employees cannot test more than two (2) levels above their current level.
- 6. Maintenance employees who fail a test can not be retested for another six (6) months. If they fail again, the maintenance employee must wait at least one (1) year to be retested.

David B. Allen	4/20/05
DELTA PRIDE	DATE
Bean E. Sheppard, Jr.	4/20/05
UFCW, LOCAL 1529	DATE

ADDENDUM

The United Food & Commercial Workers Union, Local 1529, AFL-ClO, CLC, the "Union", and Delta Pride Catfish, Inc., the "Company", agree to the following Drug and Alcohol Testing Procedures:

Employees who have an alcohol or drug abuse problem are encouraged to voluntarily seek immediate treatment <u>prior</u> to a violation which may lead to disciplinary action. Any employee who voluntarily comes to his/her supervisor or to the Human Resources Department and requests an unpaid leave of absence for a substance abuse problem will be granted such leave not to exceed ninety (90) days without the threat of disciplinary action on a one-time basis.

Prior to returning to work, the employee must submit written verification of successful completion of treatment. The employee will be reinstated in his/her previous position. If the employee does not complete the program or is found to be under the influence of drugs or alcohol on Company property, the employee will be terminated. Any individual suspected of being under the influence of drugs or alcohol will be observed by a member of management (Director of Health and Safety or company nurse, if available), and a trained union steward or trained fellow employee if no steward is available. All observations will be supported with written documentation by all observers. Each party (Company and Union) will provide the other with a copy of the written observations.

After such observations are made, and the employee is suspected of being under the influence of drugs or alcohol while at work or on Company property, the employee will be required to submit to an initial alcohol test and blood screen (for alcohol) and/or a urine screen (for drugs). At the time the employee is asked to submit to a test, the trained union steward or trained fellow employee, if no steward is available, will be present.

Any employee who causes an OSHA recordable accident (being recorded on the OSHA 200 Log) while working will be required to submit to a blood screen (for alcohol) and/or a urine screen (for drugs).

ADDENDUM (Cont'd.)

A NIDA certified lab will be used for the testing and all test results will be provided within seventy two (72) hours. The current laboratory used for testing is:

Puckett Laboratory Hattiesburg, MS (800) 844-8378

At the employee's request and expense, a split sample will be provided in order to confirm sampling. The employee can also request at his/her expense a blood test for drugs, if desired.

Both requests <u>must</u> be made at the time the sampling begins.

Employees may be tested for any of the following drugs and/or alcohol and the threshold levels for determining positive results shall be:

Alcohol	.000039 .04 - or higher	Return to work Termination
Drugs	Initial Test	Confirmation Test
Amphetamine:	s 1000 Ng/M1	500
Cannabinolds	50 Ng/M1	15
Cocaine	300 Ng/M1	150
Opiates	300 Ng/M1	300
PČP	25 Ng/M1	25

A positive test will be conclusive evidence an employee was "under the influence". All confirmation testing for urine sampling will be done utilizing Gas - Chromatography - Mass Spectrometery (GS-MS). The threshold levels indicated above are those established by the Division of Applied Research of the National Institute on Drug Abuse (NIDA), U.S. Department of Health and Human Service and incorporated in the Mandatory Guidelines for Federal Workplace Drug Testing Programs. Any changes in the threshold levels promulgated by NIDA and incorporated in the Mandatory Guidelines Program will be adopted by the Company in its testing program. The parties will meet to discuss prior to the implementation of such changes.

All urine sampling will be subject to a strict collection process to insure validity of all tests.

ADDENDUM (Cont'd.)

All individuals submitting to a urine screen will sign a series of chain of custody forms.

All test results will be kept confidential and retained only in the employee's medical file and not in the personnel files. Employees may review their medical and personnel files at any time following proper procedures.

There will be no random testing. Employees will be required to submit to a drug and/or alcohol test when the Company deems there is reasonable cause to suspect that any employee is under the influence of drugs/alcohol based on the observation procedure indicated in paragraph 2 above.

An employee will be found in violation of established work rules and be subject to discipline up to and including termination for:

- Refusing to submit to an alcohol or drug test upon request, and/or
- b) Confirmation of a positive test either for alcohol or drugs.

Employees will be placed on an indefinite suspension pending test results and/or treatment.

If the test results are negative, the employee will be brought back to work and made whole.

These procedures have been formally negotiated and are agreed upon at this time.

The Company shall provide training for both Company supervisors and Union Stewards with respect to observing and detecting individual employees who may be under the influence of drugs/alcohol.

FOR THE UNION: UNITED FOOD & COMMERCIAL WORKERS, LOCAL NO. 1529 FOR THE COMPANY: DELTA PRIDE CATFISH, INC.

Beon E. Sheppard, Fr.

David B. Allen

LETTER OF UNDERSTANDING BETWEEN UFCW LOCAL 1529 AND DELTA PRIDE CATFISH, INC.

The above parties have discussed the issue of subcontracting the sanitation crew at Delta Pride Catfish, Inc. The parties have not come to an agreement whether subcontracting this department is allowed under our Collective Bargaining Agreement. The Company feels they have a right to do this and the Union feels the Company has violated Article XXI - Subcontracting.

According to Article XI - Complete Agreement, Section 3, this Agreement can be amended, supplemented, rescinded, or otherwise altered only by mutual agreement, in writing between the Company and the Union.

The Company explained their reasoning for subcontracting the sanitation department. The Union will allow this practice as long as no current sanitation employees are adversely affected. Should the employee(s) decide they want to stay with Delta Pride, the Company will accommodate the employee's wishes, with mutually agreeable department and shifts. The employees will not suffer any loss of wages or benefits and will receive the same amount of wage increase as though they were still on sanitation crew. The Company and the Union Representative will work together in placing the current sanitation employees that wish to stay at Delta Pride.

Those employees staying on the sanitation crew that are employed by Contract Services Limited will have the option of returning as a Delta Pride employee under the following conditions with no loss of pay or benefits:

- 1) Employee gives two (2) weeks notice to return to Delta Pride.
- Contract Services Limited leaves or is terminated by Delta Pride.
- 3) Employee laid off by Contract Services Limited.
- 4) Contract Services Limited not accepted in Pension Fund.

The Company will use the same practice explained above in placing any employee returning to Delta Pride from Contract Services Limited.

Should the Union feel that Delta Pride is not abiding by this Letter of Understanding, the Union will have the right to void this understanding and pursue this matter of subcontracting through the grievance and arbitration procedure. Any time limits under the grievance and arbitration procedure will be waived. In the event the Union wishes to proceed to arbitration in this matter, the Company agrees to waive the steps in the grievance procedure and to immediately pick an arbitrator.

This Letter of Understanding will become part of our Collective Bargaining Agreement.

This Letter of Understanding has been agreed to on March 16, 1998, and ratified again with this 2005 Agreement.

For the Company:

For the Union:

David B. Allen
Delta Pride Catfish, Inc.

Leon E. Sheppard, Jr. UFCW. Local 1529

LETTER OF UNDERSTANDING BETWEEN UFCW LOCAL 1529 AND DELTA PRIDE CATFISH, INC.

For the life of the Collective Bargaining Agreement expiring October 31, 2007, and any extensions thereof, the Company's attendance policy will not charge double points for absences on Monday and Friday.

At termination of this Agreement or any extension thereof, double points will be charged for absences on Monday and Friday.

This letter of Understanding has been agreed to on March 10, 2005.

For the Company: For the Union: Beon & Sheppard, Ir. UFCW, Local 1529 <u> David B. Allen</u>

Delta Pride Catfish, Inc.

IMPORTANT INFORMATION

UFCW Local 1529 Offices:

Main Office:

8205 Macon Road Cordova, Tennessee 38018 Phone: (901) 758-1529

Toll Free: 1-888-758-1529

Sub Offices:

510 Guidici Street Jackson, Mississippi 39204 Phone: (601) 353-9300 Toll Free: 1-888-353-1529

218 Second Street Indianola, Mississippi 38751 Phone: (662) 887-6271 Toll Free: 1-888-887-1529



8205 Macon Road Cordova, Tennessee 38018