

K# 206

AGREEMENT

between

KEEBLER COMPANY
CINCINNATI, OHIO BAKERY

and

BAKERY, CONFECTIONERY, TOBACCO WORKERS'
AND GRAIN MILLERS
INTERNATIONAL UNION, AFL-CIO-CLC
LOCAL NO. 253

Effective November 1, 2002 through April 30, 2006

35 pages

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AGREEMENT

THIS AGREEMENT, entered into this 1st day of November 2002 in Mariemont, Ohio, by and between KEEBLER COMPANY, CINCINNATI, OHIO BAKERY, its successors and assignees, hereinafter referred to as "Company" or "Employer" and the BAKERY, CONFECTIONERY, TOBACCO WORKERS' AND GRAIN MILLERS INTERNATIONAL UNION, AFL-CIO-CLC, LOCAL NO. 253, hereinafter called the "Union" through and by their duly authorized representatives,

WITNESSETH:

WHEREAS, the National Labor Relations Board did on the 19th day of September 1958, designate the Union as the representative of employees covered hereunder for collective bargaining purposes.

WHEREAS, the parties to the Agreement as are mentioned above are desirous of maintaining collective bargaining between the Company and its employees, as are represented by the Union as bargaining agent, and are desirous of stabilizing employment, eliminating strikes, lockouts, curtailments of employment and the peaceful settlement of all employer and employee disputes, and of making an honest effort to improve the condition of both the Company and the employees.

WHEREAS, it is deemed desirable and necessary that definite operations and practices between the Company and the employees of the Company represented by the Union be formally set forth and described, with a desire that uniformity of working conditions exist between the aforementioned Company and employees.

NOW, THEREFORE, the Company and the Union do hereby agree to the following terms and conditions, to wit:

ARTICLE 1--RECOGNITION

All employees of the Company at its Bakery located at One Trade Street, Mariemont, Cincinnati, Ohio 45227 excluding Office and Clerical employees, Chief Clerks, Departmental Clerks, Inspectors, Sales Representatives, Fire Persons and Engineers, Delivery Drivers and Loaders in the Central Division, Garage Employees, Technical Employees, Pipefitters, Carpenters, Electricians and Mechanics in the Maintenance Department, Foreperson and Assistant Foreperson, Floor Ladies and all Guards, Professional Employees and Supervisors, as defined in the Labor

Management Relations Act of 1947, as amended, shall become members of the Union as a condition of employment and shall remain in good standing in the Union.

ARTICLE 2--MEMBERSHIP

2.1 Conditions of Employment

It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing, on the effective or execution date of this Agreement shall remain members in good standing and those who are not members on the effective or execution date of this Agreement shall on or after the thirtieth (30th) day following the effective or execution date of this Agreement become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective or execution date, shall on or after the thirtieth (30th) day following the beginning of such employment, become and remain members in good standing in the Union.

2.2 One Day a Week Employees

Any employee who reports for work no more than one (1) day a week shall not be required to hold membership in the Union. No such employee will be hired if their employment results in the layoff of any regular employee.

2.3 Members in Good Standing

Union Membership: The Company may assume that all employees covered hereunder are in good standing with the Union until the Company is in receipt of a written notice from the Union stating that any employee, after a certain definite date, will no longer be a good standing member of Union. The Company may continue such employees in service for a period of ten (10) working days after receipt of such notice and thereafter, provided the Union notifies the Company in writing that such employee is in good standing. Notice, in writing as hereby provided, shall be sent to the Company, by registered mail (return receipt requested) addressed to the Company at its place of business at One Trade Street, Cincinnati, Ohio, 45227.

2.4 Union Activity

The Company agrees not to interfere, restrain, coerce, or discriminate against any of the members of the Union because of their membership in the Union or because of their activity as members or officers of the Union. Should reasonable proof of any such interference, restraint, coercion or discrimination by any person in a supervisory capacity against a member of the Union

be shown to the Company by the Union, the Company agrees to take immediate action in connection with such complaint.

ARTICLE 3--CHECKOFF

The Company agrees, that upon receipt of an employee's written authorization and subject to the provisions of the Labor Management Relations Act of 1947 and the amendments thereto and the regulations issued thereunder, to deduct from the pay of such employee all regular monthly dues, initiation fees, P.A.C. and/or uniform assessments required to be paid by the employee to the Local Union as directed by the employee on the authorization card.

ARTICLE 4--SENIORITY

4.1 Acquiring Seniority

No employee shall acquire a seniority status until after such employee has worked for the Company for a period of thirty (30) days, but if such employee shall be retained after working for the Company for thirty (30) days, seniority shall date back to the first date of last regular employment. Such probationary employees shall not be eligible for paid benefits under Articles 5 and 6 of this Agreement. Such probationary employees shall be subject to discharge during this period without recourse to the Grievance Procedure as outlined in Article 16.

Seniority shall be plant-wide for bidding on all permanent job openings.

Seniority shall be by department for overtime purposes. See Article 8, Hours.

Seniority shall be plant-wide for all layoffs.

4.2 Promotions

Seniority With Regard to Promotions:

A. Promotions shall be governed by both seniority and fitness for the job.

B. All permanent job openings except General Help jobs shall be posted on bakery bulletin boards and will contain such information as previous training required, if any, rate of pay, and date after which no application will be considered. All sanitation department jobs will be posted by job area and department. The time limit for such applications shall be three (3) days. Employees who are absent for any reason may lay claim to any job that was posted during such absence, up to a maximum of one (1) year, within five (5) normal working days of their return to work; these claims shall be governed by seniority and fitness for the job. Within six (6) days after the closing period for applications, the Company will assign the successful bidder to the job and notify the steward of the department. Successful bidders on a job posting as indicated above, shall carry all accumulated

seniority to their new job and department. Job bids not filled by posting, due to no one bidding, or where no understudy exists, shall be filled by forcing the least senior General Help employee in the department and shift into the job on a permanent basis.

In the event no senior qualified employee bids a job opening where understudy positions exist, the least senior understudy will be assigned to the job opening. Understudies must bid on the job opening; otherwise, they will forfeit their understudy status. Three hundred and twenty (320) hours of training will be required to become qualified for job position. Should an understudy give up his/her position as an understudy, he/she will not be allowed to re-bid the position the next time it is posted.

Employees who bid and are assigned to a new job classification may, within three hundred and twenty (320) hours, voluntarily give up the new classification and return to their previous job classification and shift. If an employee has completed three hundred and twenty (320) hours on a job, or bids on and is assigned to a classification, which he/she has previously performed satisfactorily and elects to give up the job for any reason, he/she shall be assigned to General Help work provided that an opening exists. Employees who request to give up any job, either forced or bid, must give ten (10) days prior notice, with Monday notification, to their supervisor.

It is the responsibility of all employees who wish to promote themselves to sign job bids regardless of their seniority. Jobs will not be reposted due to the failure of an employee to sign the first bid. The job shall be considered filled when the successful bidder is assigned to the job.

4.3 Number of Job Bids Allowed

Each employee will be allowed one (1) lateral or downward job bid for each three (3) month period of time. The periods shall be November through January, February through April, May through July, and August through October. There shall be no limit on the number of job bids to higher classified jobs.

No employee who has not completed thirty (30) days of probationary period may be promoted unless the promotion has been refused by senior employees.

4.4 Temporary Vacancies

Temporary vacancies, the length of time, which cannot be predetermined, created by the absence of the regular operator, shall be filled by the extra employees based on their ability and seniority that volunteer in the respective department and shift where the vacancy occurs. In the event no one volunteers, the Company may force the least senior employee with the ability.

Temporary vacancies predetermined to exceed thirty (30) days, excluding vacations, shall be posted immediately and may be bid on by the senior employee in the respective department. When such temporary vacancies expire, employees assigned to such vacancies must return to their job and shift.

Temporary vacancies shall not exceed twelve (12) months from the date of the job posting.

4.5 Layoffs

Seniority in Connection With Layoff:

In the case of layoffs, the employees affected will be notified of such layoff prior to or during the first four (4) hours of their shift on the workday prior to such layoff except in case of major breakdown.

Employees given untimely notice of layoff, as set forth above, shall have the option of reporting for work the following day or accepting the layoff. If said employees report for work on the day they were to be laid off, it will be the obligation of the Company to work said employees in accordance with the terms of this Agreement. Said employees reporting out of line of seniority shall not obligate the Company to pay more senior employees laid off. All layoffs will be made in order of plant-wide seniority.

Employees laid off will be recalled and reinstated to their plant-wide seniority provided they report for work within five (5) days after receipt of such notice.

4.6 Notification to Human Resources

Failure of an employee to keep the Human Resources Department informed of his/her correct address and phone number shall relieve the Company of any obligation with respect to recalling employees from layoffs and for overtime assignments.

4.7 Displacement Due to Layoff

Employees displaced from their shift may exercise their seniority to remain within their department on the remaining shifts.

Employees displaced from their department may exercise their seniority to select an opening created by the displacement based on the employee's signed option.

When an employee is displaced which would force that employee into a department that the employee has signed an option not to work in, that employee shall be allowed to exercise his/her seniority to displace the least senior employee on the bakery seniority list working in the remaining departments for which that employee has opted.

This formula shall be applied to both layoffs and recalls.

The above procedures shall also apply to employees who disqualify themselves or are disqualified by the Company when assigned to a job as the result of a layoff or recall.

Such transferred employees shall retain their accumulated seniority in the new department.

4.8 Employees Hired on the Same Day

Seniority for employees hired on the same day shall be determined by the "lottery" method.

4.9 Loaning of Employees

When an employee is loaned to another department for any reason, the employee loaned shall be the least senior employee who has opted to work in the department that they are being loaned to. Employees within the department shall be upgraded to the open position and the employee loaned shall be placed in the opening created by the above moves.

4.10 Disabled While Working

Any employee who becomes disabled while working on any job may request transfer to another department, and if substantial proof of such disability is received by the Grievance Committee of the Company and the Union, such employee shall retain his/her accumulated seniority upon transfer. Such transfers shall be made only by mutual agreement between the Company and the Union.

4.11 Promotion Outside the Bargaining Unit

Employees who are promoted outside the bargaining unit to any position within the Company will not be able to return to the bargaining unit except during the ninety (90) day training period. Said employees will be able to return during the ninety (90) day training period provided that they voluntarily give up their new position, or if unable to qualify for the new position.

Should the Company decide to rehire any former management employee into the bargaining unit, they shall have a seniority date as of the date of rehire.

Employees who are permanently promoted outside the bargaining unit within the Company will retain their seniority accumulated in the unit up to the time of the promotion but will not continue to accumulate seniority within the bargaining unit after such promotion.

Employees who are elected to the duties of a full-time position in the Union will continue to accumulate their seniority within the bargaining unit after such election, provided that they have ten (10) years or more of in-plant seniority when taking office.

4.12 Bumping Procedures

When a production unit on a shift is eliminated, the following bumping procedure will be followed:

The youngest classified operator(s) on the shift involved will be removed from the classified job(s) being eliminated and allowed bumping privileges.

Employees who have bumping privileges may bump into higher, equal or lower classifications within their departments. Such employees must bump the least senior employee in the classification, shift and job they elect.

No employee may bump into a General Help status.

Employees, who have the right to bump, will exercise their bump as soon as administratively feasible. The Company would agree to have the person go into the new position the day after his/her bump, provided it is operationally feasible and he/she is already in the department and on the shift to which he/she has opted to bump.

ARTICLE 5--LEAVES

5.1 Sick Leave

Sick leave (absence from work due to illness, injury, or pregnancy) shall be granted by the Human Resources Department upon receipt of a statement from the employee's physician. Such leaves may be granted for not more than thirty (30) days and may be extended for additional periods of not more than thirty (30) days each upon application by the employee to the Human Resources Department for such extension and receipt of further medical documentation covering such period(s) of extension. In the event that a sick leave extends beyond one hundred eighty (180) consecutive days, such leaves may be extended for additional periods of not more than sixty (60) days upon application by the employee to the Human Resources Department for such extension and receipt of further medical documentation covering such period(s) of extension.

5.2 Leave of Absence

Leave of absence for periods of more than six (6) days may be granted to individuals for personal reasons upon application to and approval of the Human Resources Department.

5.3 Jury Pay

When an employee is called for jury service, he/she shall be compensated for time lost from his/her job at their regular hourly rate. Employees shall not be expected to report for work on their job if they are required to report for jury duty. On days when they do not report, they shall work their full shift.

5.4. Funeral Leave

New employees must be on the Company's payroll for thirty (30) calendar days in order to become eligible for funeral leave.

In the event of death in an employee's immediate family (employee's parents, spouse, children, brothers, sisters, father-in-law, mother-in-law, brother-in-law, sister-in-law, grandfather, grandmother and grandchild), the employee shall be entitled to be absent from work for a period of not more than three (3) regular working days when such absence is necessary to make arrangements for and attend the funeral. In the event of the death of an employee's son-in-law or daughter-in-law, the employee shall be entitled to be absent from work for one (1) regular workday to attend the funeral. During such absence, the employee shall be compensated at his or her straight-time hourly classification rate for such regular time lost. Such absentee compensation shall not include pay for lost overtime, vacation time or premium pay. It shall include paid holiday and night premium pay.

The Company will accept newspaper notice or coroner's statement as proof of death.

5.5 Violation of Leaves Provision

Any employee who accepts other employment while on leave for any reason shall be subject to immediate dismissal.

ARTICLE 6--HOLIDAYS

6.1 Holidays and Pay

Any employee required to work on any of the following holidays:

New Year's Day	Labor Day
President's Day	Thanksgiving Day
Easter Monday	Friday Following Thanksgiving Day
Good Friday	Last Normal Working Day Before Christmas
Memorial Day	Christmas Day
Independence Day	Last Normal Working Day Before New Year's Day

shall, in addition to the holiday pay as set forth herein, receive time and one-half pay (1½) times the straight-time rate for all hours actually worked. All employees shall be paid eight (8) hours' straight-time pay for the holidays set out above, except new employees must be on the Company payroll for thirty (30) calendar days in order to become eligible for holiday pay and need only qualify once.

In addition to the above holidays, the employee's birthday shall be a paid holiday. A qualifying employee shall be required to take the birthday off. If the birthday falls on Saturday, the

employee shall take off the preceding Friday; if the birthday falls on Sunday, the employee shall take off the following Monday; if the birthday falls on one of the other recognized holidays in the Labor Agreement, the employee will take off either the day before or the day after said holiday. If the employee's birthday falls during an employee's vacation, the employee shall receive the Friday off with pay immediately before said vacation.

6.2 Holiday Work Test

The employee must work at least one (1) full day during the week in which a paid holiday falls in order to receive pay for the holiday.

However, despite the above requirements, if an employee is absent from work during the week prior to the holiday and/or the week of the holiday due to bona fide illness or disability (for which the Company may require a doctor's certificate), which illness or disability began during the week before and/or the week of the holiday, that employee shall receive pay for such holiday or holidays.

6.3 Employees on Layoff

Employees in a layoff status occurring within forty-five (45) calendar days prior to a holiday shall receive pay for said holiday.

6.4 Pay During a Holiday Week

For the purpose of computing pay in any week containing a holiday falling on Monday through Friday, the holiday will be counted as time worked for the purpose of computing overtime. Holidays, which fall on Saturday, will be celebrated on Friday. Holidays, which fall on Sunday, will be celebrated on Monday.

A holiday for the first and second shifts shall be from 12:00 A.M. the day of the holiday to 12:00 P.M. the holiday night. A holiday for the third shift shall be from 7:00 A.M. the day of the holiday to 7:00 A.M. the day following the holiday.

6.5 Vacation During a Holiday Week

In the event that an employee takes his/her vacation during a week that contains any of the holidays mentioned above, he/she is to be paid their normal vacation pay for the week, plus pay for the holiday or holidays.

6.6 No Holiday Pay

No employee will receive holiday pay if he/she has been continuously off for thirty (30) days or more prior to the holiday unless absence is due to an industrial accident and then that employee shall be paid only for the first holiday after the accident occurs.

6.7 Terminated Employees

No employee who is separated from the Company prior to a holiday will receive holiday pay.

6.8 Holiday Overtime

All holiday overtime work shall be assigned according to department seniority.

ARTICLE 7--VACATIONS

7.1 Vacation Amounts

Employees shall receive vacations based on their length of continuous service with the Company in conformance with the following schedule:

<u>Length of Continuous Service</u>	<u>Duration of Vacation</u>
Twelve Months to Two Years	One Week
Two Years to Five Years	Two Weeks
Five Years to Twelve Years	Three Weeks
Twelve Years to Twenty Years	Four Weeks
Twenty Years to Twenty-Five Years	Five Weeks
Twenty-Five Years or More	Six Weeks

7.2 Vacations a Day at a Time

One (1) week of vacation may be split one (1) day at a time, subject to the following restrictions:

- A. One (1) week prior notice.
- B. Subject to reasonable operational requirements.
- C. Seniority shall prevail in the granting of requests.
- D. The one (1) week required notice provision shall not apply when the Company is requesting volunteers to take time off. In such events, employees may take one (1) day at a time with twenty-four (24) hours' notice on a seniority basis.
- E. No split vacation will be allowed during the prime vacation period except under the following conditions:
 - 1) Weekly vacation quota/schedule for the prime time vacation week requested has not been filled, and
 - 2) Excess employees must be available and the reasonable operational requirements of the Bakery will not be disturbed.

7.3 Vacation Qualifications

Employees in the continuous service of the Company for one (1) year shall be eligible for one (1) week of vacation with pay only if they receive twenty-six (26) regular paychecks. After passing their first employment anniversary, employees who are in the continuous service of the Company as of December 31 of each year will be eligible for a vacation with pay in the succeeding calendar year only if they received thirteen (13) regular paychecks in the calendar year preceding the year in which the vacation is taken, except that employees with ten (10) or more years of continuous service shall be eligible after five (5) days' work in the previous calendar year.

7.4 Vacation Pay

The number of hours' pay which an employee shall receive per vacation week shall be the average number of hours per week worked during the twelve (12) full weeks prior to their vacation period multiplied by their straight-time classified rate, provided that such vacation pay shall not be fewer than forty (40) hours nor more than forty-eight (48) hours per week at the employee's straight-time classified rate. Time spent on compensable accidents and Union business directly affecting the Company shall be considered time worked (at a maximum of eight (8) hours per day or forty (40) hours per week) for this purpose only.

7.5 Pro Rata Vacation

The Company agrees to pay pro rata vacation allowance to those who retire under the Union and Industry Pension Plan, for the time actually worked from January 1st of the last year worked, on the basis of one-twelfth (1/12) of the vacation pay to which they are entitled for each full month in the employ of the Company.

7.6 Vacation Scheduling

The right to determine the vacation period shall rest with the Company so as to insure the continuous and proper operation of the bakery. It is understood, however, that seniority will, if possible, govern in the granting of vacations so as not to curtail essential production.

Vacations will be spread over the calendar year from January 1 to the following January 1. The prime vacation period shall begin on the first Monday in May and end on the last Friday in September of each year and shall be arranged so as not to interfere with the required production in the Plant.

7.7 Vacation Selection

The following method will be used for the purpose of selecting vacation periods.

1. Every employee will receive a vacation period request notice by January 15th of each year.
2. The vacation period request notice must be completed by the employee and returned to the Human Resources Department before February 15. If the vacation period is not chosen before February 15, the employee's vacation will be allotted at the discretion of the Company.
3. Management will assign vacations by seniority based on the employee's request. The number of vacations per week will be limited so as to insure the continuance of essential production. Where necessary, vacations may be limited by classification.
4. The vacation schedule will be posted by May 1 of each year. Once the schedule has been posted, no changes will be made. The vacation week shall be the same as the payroll week and all vacations shall start on the first day of the payroll week.
5. When a husband and wife are both employed in the Bakery, the following procedure will be followed in scheduling of vacation:

If both wish to go on vacation at the same time, their request forms will be turned in to the Human Resources Department together (affixed to each other). Both employees should write on their vacation forms "to be scheduled with husband (Name) or wife (Name)." The spouse with the least amount of seniority will be scheduled first and the spouse with the most seniority will be scheduled for the same time period, provided that their seniority allows. (In order to protect the spouse who would like to take his/her vacation at the same time as his/her spouse, but still wants that specific time period he/she has requested, the person should not turn in the request forms together, but should turn them in separately whereby they will be scheduled in accordance with their seniority.)

ARTICLE 8--HOURS

8.1 Overtime

Time worked over forty (40) hours in any one (1) week or eight (8) hours in any one (1) day or pre-shift hours worked before the employee's regularly scheduled shift shall be paid for at the rate of time and one-half (1½). There shall be no pyramiding of overtime.

8.2 Daily Guarantee

All employees who report for work shall receive not less than eight (8) hours' work or pay in any one (1) day, except that employees who report for work on Saturday or Sunday shall receive not less than five (5) or eight (8) hours' work or pay based on their schedule for the day. If an employee is tardy or leaves his or her work voluntarily, he/she shall be paid only for the amount of time actually worked on that particular day. Any employee who worked on a holiday shall be paid for such work as prescribed in Section 6.1, Article 6 of this Agreement, except when a major breakdown occurs or for work on the Last Normal Working Day Before New Year's in which case

the employees affected by the breakdown or those who work on the Last Normal Working Day Before New Year's shall receive four (4) hours' pay or pay for actual hours worked, whichever is greater. A major breakdown is one which will require two (2) hours or more to repair, in the opinion of the Maintenance Foreperson, or inability on the part of the Company to secure either gas, power, or water for a period the supplying companies estimate will exceed two (2) hours.

8.3 Daily Overtime

Daily overtime work shall be assigned according to department shift seniority. When overtime work is necessary, the employees with the most seniority and with the ability to do the work will be requested to work on a voluntary basis. If there are not enough employees with the ability to perform the work who will volunteer, the Company may require the employees to report for overtime work who have the least seniority but the ability to do the work.

8.4 Daily Overtime of Less than Three (3) Hours

Daily overtime work of less than three (3) hours duration shall be assigned to the employees with the most seniority and ability to do the work. This overtime shall be for the purpose of performing work of less than three (3) hours duration and for calling in employees for work of more than three (3) hours duration.

8.5 Saturday and Sunday Overtime

Saturday and Sunday overtime work shall be assigned according to department seniority. The employees with the most seniority and the ability to do the work will be requested to work on a voluntary basis. If there are not enough employees with ability to perform the work who will volunteer, the Company may require the employees to report for overtime work who have the least seniority but the ability to do the work.

8.6 Overtime Rates

Employees shall be compensated at the rate of time and one-half (1½) their base hourly rate for work performed on any shift starting on Saturday. Employees shall be compensated at the rate of double (2 times) their base hourly rate for all work performed over eight (8) hours on any shift starting on Saturday or their sixth (6th) consecutive day of work in a workweek. This provision will not apply to sponge mixers or the mixer understudy who fills in for the sponge mixers who are regularly scheduled to work on Sunday or substitute sponge mixers who are assigned to mixers duties for at least one week prior to the Sunday work performed. Sponge mixers or substitute

sponge mixers, as aforementioned, shall be compensated at the rate of time and one-half (1½) their base rate for all work performed on any shift starting on Friday.

8.7 Sunday Work

No work shall be performed on Sunday unless it is absolutely essential. However, for all work performed on any shift starting on Sunday, employees shall be compensated at the rate of double (2 times) their base hourly rate. This provision will not apply to sponge mixers or the mixer understudy who fills in for the sponge mixers who are regularly scheduled to work on Sunday or substitute sponge mixers who are assigned to mixers' duties for at least one week prior to the Sunday work performed. Sponge mixers or substitute sponge mixers, as aforementioned, shall be compensated at double (2 times) their base hourly rate for all work performed on any shift starting on Saturday.

8.8 Work Subject to Overtime

It is understood and agreed by the parties that any work subject to overtime rates as set forth in this Agreement is work outside the employee's normal or regular working hours. It is agreed that the above rates are paid because of hours or days previously worked, and that overtime and/or premium rates shall not be pyramided on overtime and/or premium rates.

Sunday for the first and second shifts is from midnight Saturday (24:00 hours) to midnight Sunday (24:00 hours). Sunday for the third shift shall be from 07:00 hours Sunday to 07:00 hours Monday.

8.9 Shift Premium

All hourly employees scheduled on the second (2nd) shift shall receive a premium pay of twenty cents (20¢) per hour above their classified rate and all hourly employees scheduled on the third (3rd) shift shall receive a premium pay of Twenty Cents (20¢) per hour above their classified rate for all night work performed, provided that the hours of the second (2nd) and third (3rd) shifts' work may be established by mutual consent of the parties and changed if it is found advisable to change the hours of the second (2nd) and third (3rd) shifts. These hours of work by various classifications shall be put in writing and signed by both parties and become a part of this Agreement.

Overtime work of the regular first (1st) shift employees performed after the regular first (1st) shift hours does not entitle them to second (2nd) shift premium for such work, and overtime of

the second (2nd) shift employees performed after the regular second (2nd) shift hours does not entitle them to third (3rd) shift premium for such work.

Night or shift premium compensation provided for herein shall be included in the holiday pay and vacation pay of all employees who are eligible for night or shift premium pay.

8.10 Call-Back

Call-back time shall be interpreted to mean the time an employee is called back to work for the second (2nd) time within one (1) working day. An employee shall not be considered called back if they are recalled twelve (12) hours or more after the completion of their preceding day's work. Call-back hours are those hours occurring between the actual reporting time and the employee's regularly scheduled starting time. It shall not be considered call-back time if an employee reports within twelve (12) hours due to a promotion or voluntary change of shift. Call-back provisions as outlined in this Article do not apply to employees scheduled to work on Saturdays or Last Normal Working Day Before New Year's. The method of computing call-back pay shall be as follows: Double time (2 times the straight-time hourly rate) shall be paid for all actual call-back hours worked, or four (4) hours, whichever is greater. These call-back hours are to be computed separately and shall be disregarded when computing daily and/or weekly overtime pay as specified in Section 8.1 of this Article.

8.11 Injury on the Job

When an employee sustains a work connected injury which in the opinion of a competent authority is severe enough to cause a loss of time during the day or shift on which such injury occurs, the employee will not incur any loss of wages for the remainder of the normal workday or shift on which the employee is injured. The Company will make whole the employee's wages of eight (8) hours at the straight-time hourly classification rate for such normal workday or shift.

Payment of such wages shall not be construed as an admission of liability on the part of the Company under Workers' Compensation Laws or under any other laws.

8.12 Doctor Visits

Employees scheduled by management for any doctor visit related to a workers' compensation injury which requires the employee to leave the bakery during his/her normally scheduled workday shall not lose time during that workday for said visit.

ARTICLE 9--RELIEF PERIODS

All employees covered by this Agreement shall receive two (2) relief periods of twenty-five (25) minutes each during a regular eight (8) hour day. Such relief periods shall be scheduled by supervision. Employees will be required to ring time cards when going on and returning from relief periods.

Relief periods shall start no sooner than one-half ($\frac{1}{2}$) hour after starting time and end no later than one-half ($\frac{1}{2}$) hour before quitting time.

Each relief operator will be responsible for relieving seven (7) employees plus themselves.

Any employee not receiving a relief during the regular period may take it at another time during the day or twenty-five (25) minutes will be added to the time worked for that day.

All employees covered by this Agreement shall utilize as their lunch period one of the two relief periods to be included in their regular eight (8) hour day.

ARTICLE 10--UNIFORMS

Uniforms shall be given to all employees who have been employed for thirty (30) days or more on the following basis:

Each qualifying employee shall receive two (2) new uniforms on August 1st and February 1st of each year, provided that they have worked twenty (20) days during the period for which the uniform is to be issued.

The Company will furnish twelve (12) hairnets per year or two (2) soft caps per year where presently used.

In addition, any employee may purchase not more than four (4) additional uniforms at the Company's cost. By uniforms it is meant either dresses or pantsuits for female employees or slacks and shirts. For male employees a uniform shall consist of one (1) pair of trousers and one shirt.

ARTICLE 11--MANAGEMENT CLAUSE

The Company retains the right to manage the plant and direct the working forces, prescribe methods, types of equipment used, production standards and the right to hire, discharge, suspend and layoff employees for lack of work, or discharge any employee who is dishonest, negligent, incompetent or intoxicated while on duty or who refuses to perform any service or labor as set forth in the classifications of labor in this contract when required to do so by Company. The Union, however, is granted the right to appeal as set forth in Article 16 on suspension or discharge provided written protest is filed within five (5) days after the suspension or discharge is made.

In no case shall the exercise of the above prerogatives of Management be in violation of the terms and conditions of this Agreement.

The Union agrees that all employees covered hereunder shall work peacefully and cooperate with all other employees to the best interest of the Company and its employees, and it is understood that it is not the intention of this Agreement that the Union shall operate in such a manner as to obstruct the orderly process of Management.

ARTICLE 12--MANNING LEVEL OR WORKLOAD CHANGES

1. When the Company plans changes, including changes in machine speeds on existing production lines which affect employee workloads or manning levels, said changes shall be communicated to the local Union Business Agent or the proper local Official prior to implementing such changes sufficiently in advance (not less than two (2) calendar weeks) and in sufficient detail to allow the local Union to investigate and study the changes.

2. Should the local Union deem it necessary, the Company and the local Union will meet to attempt to resolve any disputes.

3. If the disputes are not resolved, after expiration of the time period specified in paragraph (1) above has elapsed, the Company may implement the changes for a reasonable trial period so that both the local Union and the Company may fairly evaluate the changes.

4. If after such trial period the Union contends the changes cause unfair or unreasonable employee workloads, the Company shall immediately restore the manning level, machine speeds, and/or employee workloads that were in effect prior to implementing the disputed changes until an agreement is reached between the local Union and the Company or an award is rendered by an arbitrator in accordance with the provisions of paragraph (5) below.

5. The Company may at the time of notice to the local Union submit the issue to an impartial arbitrator, by serving notice of intent to arbitrate upon the local Union. Simultaneously with the serving of such notice, the Company shall also request a panel of nine (9) arbitrators from the Federal Mediation and Conciliation Service which shall be submitted to the local Union and the Company. This panel shall be a national "Blue Ribbon Panel" consisting of nine (9) arbitrators who are experienced in work measurements and methods. The arbitrator shall be selected from said panel by mutual consent of the parties but in the event there is no such mutual consent within ten (10) days after receipt of the panel, the parties shall each alternately strike four (4) names, within one (1) week. The arbitrator whose name remains shall be designated to hear and determine the

matter. Such determination shall be binding on both parties. It is further understood by the Company and the local Union that all of the above steps taken and the scheduling of the arbitration shall be expedited.

6. It is understood that the above arbitrator selection procedure shall not apply to or change any other arbitration selection method elsewhere in this Agreement.

ARTICLE 13--NEW MACHINERY/TECHNOLOGY

When any new machinery or technology is introduced into the bakery that displaces workers from their jobs or requires changes in production practices or work methods, such workers, unless separated from employment, shall suffer no reduction in pay provided they have at least three (3) years of seniority. No fewer than sixty (60) days of advance notice of such changes shall be given. However, such employees must exercise their seniority in order to accept promotions as they occur up to and including the rate they are being paid. A refusal to accept a promotion within this range will forfeit the rate they are receiving and thereafter, they will be paid the rate of the job to which they have been assigned. This shall not require an employee to change shifts.

The employer agrees to meet in an attempt to resolve any issues resulting from the above changes.

The employer further agrees to provide reasonable and appropriate training necessary to perform bargaining unit work on new equipment, including any newly created unit jobs, or to perform other work to which they might be reassigned or transferred. The employer further agrees to discuss with the union the design and delivery of training programs.

If a new machine is introduced into the bakery which replaces an existing machine and which materially increases the workload or job responsibility of the employees working on such machine over their workload or responsibility on the machine such new machine replaces, the Union shall have the right to discuss the possibility of an increase in rate for such workers involved with the Company. If no agreement can be reached, the matter can be referred by the Union to the President of Keebler Company and the Chairman of the Keebler Company Division of the Bakery, Confectionery, Tobacco Workers' and Grain Millers International Union, AFL-CIO-CLC, for final disposition. Keebler Company does not guarantee to agree to any increase in rate.

ARTICLE 14--SEVERANCE PAY

The Company hereby sets forth its policy with respect to severance pay for employees subject to this Agreement.

Employees covered hereunder shall be subject to severance payments only in the event that the Bakery in which they are employed is permanently closed or removed from the metropolitan area in which it is now located. Employees separated from employment for the reasons indicated above shall receive severance pay, subject to the exceptions noted below, as follows:

1. One (1) week's pay (forty (40) hours' straight-time pay at their then hourly rate for each employee) for each year of continuous service from the date of last employment with the Company.
2. For purposes of determining the years of continuous service from the date of last employment, all employees who are separated from employment by reason of cessation of operations, or removal of the plant as above stated and have at least one (1) year of continuous service immediately prior to January 1 of the year in which operations cease, or such removal occurs, shall be credited with one (1) year of service for the calendar year in which such operations cease or such removal occurs. Employees on legitimate leave, as set forth in Article 5 of this Agreement, shall be considered currently employed for the purposes of this Section.
3. The above described severance pay will not be paid to:
 - (a) Any employee who is offered other reasonable employment within fifty (50) miles with the Company and either accepts or refuses.
 - (b) Any employee who voluntarily quits before he/she is separated from employment by the Company.

ARTICLE 15--WAGES AND CLASSIFICATIONS

15.1 Exhibit "A" Reference

The wages and classifications as set forth in schedule hereto attached and marked "Exhibit A" is by reference made a part hereof.

15.2 Wage Reference

Wages shall be in accordance with the wage schedule in "Exhibit A" except where such wage schedules are amended by mutual agreement between the Company and the Union.

All wage increases will become effective on the Sunday nearest the effective date, at the start of the first scheduled shift that day.

15.3 Assignment to a Lower Classified Job

Employees whose classified jobs are eliminated (or who are either forced or bumped) and are assigned to lower pay classifications, shall receive their new rate four (4) weeks after assignment.

15.4 Return to Department

Any employee forced or bumped out of their classified job and/or department shall have the option to return to the job and department or shift within the four (4) week period immediately following the effective date of such force or bump. Employees who wish to return to their former job (if it comes open during said four (4) week period) under these circumstances must make their desires known to the Company.

15.5 Assignment to a Higher Classified Job

Whenever employees (except for new hires during their one and one-half (1½) year starting rate progression period) are assigned to a job in a higher pay classification, they shall receive the maximum rate of such job at the time of assignment. When such employees are assigned to lower pay classifications, they shall receive the new rate immediately. This shall not apply to employees who are displaced because of layoff. Employees displaced shall receive Five Cents (5¢) under the classified rate or the classified rate if it is lower than the rate previously held. The displaced person shall receive the classified rate after thirty (30) days on the new job. If a displaced person previously held the classification, they shall receive the rate immediately.

When an employee (except for new hires during their one and one-half (1½) year starting rate progression period) works on a job having a higher classified rate than their regular classified job, such employee shall be paid at the higher classified rate for the length of time worked on such higher classified job unless such employee works on this higher rated job for more than four (4) hours, in which case they shall receive the higher rate for the entire day. This shall not apply in the case of an employee on a trial period qualifying to fill a vacancy or new classification.

15.6 New Classifications

The rate for any new job created during the term of this contract shall be established by negotiation between the Company and Union.

ARTICLE 16--SETTLEMENT OF GRIEVANCES-SHOP STEWARDS

16.1 Shop Stewards

The Company recognizes that for the promotion of good relations within the Bakery, the Union shall designate Stewards to represent the employees and the Union in adjusting any grievances and disputes. The Union shall certify to the Company the names of these Shop Stewards.

Employees may not engage in Union activities during working hours, except when it becomes necessary for an officer or a steward of the Union to contact an employee during working hours, they may do so provided they secure permission from their Department Supervisor and notify the Supervisor of the Department they are visiting.

16.2 Grievance Procedure

It is mutually understood and agreed that any employee having a grievance against the Company shall observe the following:

The employee may take the matter to their Supervisor or Shop Steward. If an adjustment cannot be made within five (5) working days of the time of the alleged grievance, it shall then be presented in writing within two (2) working days thereafter, by the Grievance Committee of the Union to the representative authorized by the management to handle grievances and they shall meet for the purposes of adjusting the grievance within ten (10) days. If not satisfactorily adjusted, the Local Union may elect to have the matter taken up between a representative of the Bakery, Confectionery, Tobacco Workers and Grain Millers International Union and a proper representative of the Company.

16.3 Arbitration

If an agreement cannot be reached within thirty (30) days following the date of the written grievance (unless such period is extended by mutual agreement between the parties), the matter will be submitted to arbitration. Notice to arbitrate shall be made in writing by either party to the other within five (5) working days following the date of the meeting between the proper representative of the Company and a representative of the Bakery, Confectionery, Tobacco Workers' and Grain Millers International Union, AFL-CIO-CLC.

The party requesting arbitration must have requested a panel of arbitrators be appointed or have mutually selected an arbitrator within thirty (30) working days from the written notice to arbitrate; otherwise, the grievance(s) will be considered to be dropped.

If the parties fail to agree on a mutually acceptable arbitrator, the parties shall request the Federal Mediation and Conciliation Service to submit a list of seven (7) arbitrators from which the parties shall select, by the method of alternately striking names from the list of arbitrators, an arbitrator who shall properly arbitrate the dispute.

The arbitrator shall have no power to add to, subtract from, or modify any of the terms of this Agreement.

The decision of the arbitrator shall be final and binding upon the parties hereto. The compensation of the arbitrator shall be borne equally by the Company and the Union. The parties will share expense, if any, for a hearing room but all other expenses incurred will be borne by the party incurring the expense.

No individual employee or member shall have the right to invoke arbitration without written consent of the Union. If such written consent is refused, the employee shall have no further recourse to the Company or the Union.

16.4 Grievance Against the Union

In the event the Company has a grievance against the Union, such grievance shall be presented in writing to the Business Agent by the Human Resources Manager. Such grievance shall follow the grievance procedure outlined herein.

ARTICLE 17--BULLETIN BOARDS

The Company agrees that the Union may have the use of departmental and other bulletin boards for the purpose of posting notices concerning meetings and other matters not objectionable to the Company.

Such notices, however, must be presented by properly authorized Union members (whose names will be furnished to the Company by the Union) to the Human Resources Manager or Superintendent who will arrange for the posting of the notices.

ARTICLE 18--NO SIDE AGREEMENT

It is further agreed that there shall be no written or verbal agreement made by Company with the employees that will conflict in any way with this Agreement.

ARTICLE 19--EMPLOYEES HEALTH BENEFIT PLAN

Qualified employees will be covered by a Managed Care Preferred Provider Organization (PPO) Plan. The Plan design and employee eligibility will be as agreed to at National Negotiations in March 1994 and modified at National Negotiations in April 1996, April 1998, and October 2002.

The Employer agrees to provide and maintain all current plans, health benefits, levels and cost (MOB) for all locations covered by this agreement at no additional cost or expense to the participant or their dependents. If any change is made in current administrators, proper notification will be given to the International and Local Union.

ARTICLE 20--PENSIONER'S HEALTH BENEFITS PLANS "P" AND "W-1"

It is hereby agreed to provide insurance or Health Benefits as follows:

- a) The Employer hereby agrees to be bound as a party by all the terms and provisions of the Agreement and Declaration of Trust dated May 12, 1953, as amended, establishing the Bakery and Confectionery Union and Industry International Health Benefits Fund (hereinafter called the Health Benefits Fund) and said Agreement is made part hereof by reference.
- b) Continuing with November 1, 2002, the Employer agrees to make payments to the Health Benefits Fund for each employee working in job classifications covered by a Collective Bargaining Agreement between the Employer and Union as follows:

For each day or portion hereof, which an employee works in such a job classification or receives pay in lieu of work (such as holiday, vacation, pro rata vacation and severance pay), the Employer shall make a contribution of 60¢ per hour to the Health Benefits Fund, but not more than \$96.00 per month for any one employee. (The stated maximum does not apply to pro rata vacation or severance pay.)

Commencing with November 1, 2003, the Employer agrees to make payments to the Health Benefits Fund for each employee working in job classifications covered by a Collective Bargaining Agreement between the Employer and Union as follows:

For each day or portion hereof, which an employee works in such a job classification or receives pay in lieu of work (such as holiday, vacation, pro rata vacation and severance pay), the Employer shall make a contribution of 68½¢ per hour to the Health Benefits Fund, but not more than \$109.60 per month for any one employee. (The stated maximum does not apply to pro rata vacation or severance pay.)

Commencing with November 1, 2004, the Employer agrees to make payments to the Health Benefits Fund for each employee working in job classifications covered by a Collective Bargaining Agreement between the Employer and Union as follows:

For each day or portion hereof, which an employee works in such a job classification or receives pay in lieu of work (such as holiday, vacation, pro rata vacation and severance pay), the Employer shall make a contribution of 70¢ per hour to the Health Benefits Fund, but not more than \$112.00 per month for any one employee. (The stated maximum does not apply to pro rata vacation or severance pay.)

Contributions shall be payable on behalf of employees beginning on the 1st day the employee begins working in a job classification covered by the Collective Bargaining Agreement between the Employer and the Union, (but no later than the 91st day of employment). When contributions commence after the first day of employment, the parties should review the eligibility rules of the Plan to determine when coverage for a new employee will begin.

Contributions shall be paid on behalf of all employees working in covered job classifications – there are no exceptions for employees who are not members of the Union, temporary, seasonal,

or part-time employees, for leased employees or for any other type of employee. The term "employee" does not include a self-employed person, corporate officer, owner, or partner.

- c) The payments made in accordance with (b) above shall be allocated as follows:
- 60¢ per hour to provide Health Benefits for Pensioners in accordance with Plan W-1 of said Fund.
 - 8½¢ per hour to provide Health Benefits for Pensioners in accordance with the Plan P-17 of said Fund, effective November 1, 2003.
 - 10¢ per hour to provide Health Benefits for Pensioners in accordance with the Plan P-20 of said Fund, effective November 1, 2004.
- d) If at any time during the term of this Collective Bargaining Agreement, or any renewal or amendment thereof, there should be enacted any laws or regulations requiring the Employer to secure, provide, or pay for Insurance or Health Benefits coverage not provided for in said Plan, either party hereto may, upon 30 days written notice to the other, reopen this Collective Bargaining Agreement solely for the limited purpose of making such adjustments as may be appropriate in the light of said new laws or regulations.
- e) Contributions provided for herein shall be paid monthly and shall be accompanied by a completed remittance report. Both payment and report are due on the tenth day of the month following the month covered by the report. In the event the Employer fails promptly to pay amounts owed, the Employer shall pay such collection costs, including court costs and reasonable attorneys' fees, as the Health Benefits Fund shall incur, and shall pay interest at such rates as the Trustees shall fix from time to time.
- f) Contributions provided for herein shall be paid at the rate set forth in paragraph (b) during the term of this Collective Bargaining Agreement. At any time after the initial term, the contributions shall be paid at the rate set forth by the Health Benefits Fund office for coverage beyond the term of the Agreement. The Employer agrees to provide such coverage and pay such new rate unless the Fund is notified in writing thirty days prior to the requested cessation of coverage.
- g) This clause encompasses the sole and total agreement between the Employer and the Union with respect to Health Benefits Fund coverage. If any other agreement between the Employer and the Union (including the Collective Bargaining Agreement) contains provisions inconsistent with this clause, those inconsistent provisions shall have no force and effect with respect to the obligations and agreements set forth herein.
- h) This clause is subject in all respects to the provisions of the Labor-Management Relations Act of 1947, as amended, and to any other applicable laws.

ARTICLE 21--PENSIONS

It is hereby agreed to provide pension and retirement benefits as follows:

- a) The Employer hereby agrees to be bound as a party by all the terms and provisions of the Agreement and Declaration of Trust dated September 11, 1955, as amended, establishing the Bakery and Confectionery Union and Industry International Pension Fund (hereinafter called the Pension Fund) and said Agreement is made part hereof by reference.
- b) Commencing with the effective date(s) stated in Paragraph c, the Employer agrees to make payments to the Pension Fund for each employee working in job classifications covered by a Collective Bargaining Agreement between the Employer and the Union, as follows:

For each day or portion hereof, which an employee works in such a job classification or receives pay in lieu of work (such as holiday, vacation, pro rata vacation, and severance pay), the Employer shall make a contribution as stated in Paragraph c to the Pension Fund, but not more than the stated amount in Paragraph c, per week for any one employee. (The stated maximum does not apply to pro rata vacation or severance pay.)

Contributions shall be paid from the first day the employee begins working in a job classification covered by the Collective Bargaining Agreement between the Employer and the Union, and shall be paid on behalf of all employees in covered job classifications – there are no exceptions for employees who are not members of the Union, temporary, seasonal, or part-time employees, for leased employees or for any other type of employee. The term “employee” does not include a self-employed person, corporate officer, owner, or partner, as defined in Section 1.09 of the Pension Fund Rules and Regulations.

- c) The payments made in accordance with (b) above shall be allocated as follows:

Pension Level	\$1,250.00	\$1,350.00	\$1,400.00	\$1,450.00	\$1,500.00
	Effective 10/1/02	Effective 8/01/03	Effective 8/01/04	Effective 8/01/05	Effective 11/01/05
	Rate	Rate	Rate	Rate	Rate
Plan A	\$1.705	\$1.92	\$2.03	\$2.145	\$2.26
Plan C	\$0.25	\$0.27	\$0.28	\$0.29	\$0.30
Plan G	\$0.375	\$0.405	\$0.42	\$0.435	\$0.45
Plan D-4%	\$0.50	\$0.54	\$0.56	\$0.58	\$0.60
Total Hourly	\$2.83	\$3.135	\$3.29	\$3.45	\$3.61
Maximum Weekly	\$113.20	\$125.40	\$131.60	\$138.00	\$144.40

- d) It is agreed that the Pension Plan adopted by the Trustees of the Pension Fund shall be such as will qualify for approval by the Internal Revenue Service of the United States Treasury Department, so as to enable the Employer to treat contributions to the Pension Fund as a deduction for income tax purposes.

- e) Contributions provided for herein shall be paid monthly and shall be accompanied by a completed remittance report. Both payment and report are due on the tenth day of the month following the month covered by the Report. In the event the Employer fails promptly to pay amounts owed, the Employer shall pay such collection costs, including court costs and reasonable attorneys' fees, as the Pension Fund shall incur, and shall pay interest at such rate as the Trustees shall fix from time to time.
- f) The payments so made to the Pension Fund shall be used by it to provide retirement benefits for eligible employees in accordance with the Pension Plan of said Fund, as determined by the Trustees of said Fund, to be applied to the eligible employees based on the amount of Employer contribution.
- g) This clause encompasses the sole and total agreement between the Employer and the Union with respect to pensions or retirement. If any other agreement between the Employer and the Union (including the Collective Bargaining Agreement) contains provisions inconsistent with this clause, those inconsistent provisions shall have no force and effect with respect to the obligations and agreements set forth herein.
- h) This clause is subject to in all respects to the provisions of the Labor-Management Relations Act of 1947, as amended, and to any other applicable laws.

ARTICLE 22--SAFETY PROGRAM

(a) It is the desire of the Company and the Union to maintain high standards of safety in order to eliminate, insofar as possible, industrial accidents and illnesses. The insurance carrier of the Company has established a safety program, which is now being followed by the Company. The Union shall have the right to appoint two (2) employees covered hereunder to be members of the Safety Committee operating under said Safety Program.

(b) All reports and recommendations made by said Committee or by the Insurance Company shall be made in writing, and a copy thereof shall be delivered to the Company and a copy thereof shall be delivered to the Union at its office.

(c) All reports and recommendations and a written statement of the action taken thereon shall be kept by the Safety Committee as a permanent record and the same shall, at all times, be accessible to the Safety Committee or any member thereof.

ARTICLE 23--NO STRIKE

There shall be no lockout of employees by Company, and there shall be no strike or stoppage of work or other interference with production by Union or employees covered hereunder during the period of this Agreement so long as the terms of this Agreement shall be observed and performed in good faith by the respective parties hereto.

ARTICLE 24--DISCIPLINARY ACTION

In case of disciplinary actions (layoffs or documented warnings), the chief steward and employee will be notified within forty-eight (48) hours of the infraction. The Company and Union will investigate. If necessary, the disciplinary warning or layoff will be issued within five (5) working days following proper notification to the employee and Union.

ARTICLE 25--SUPERVISORS WORKING

All supervisors, assistant supervisors and other supervisory employees shall not perform any work ordinarily performed by employees covered by this Agreement.

ARTICLE 26--PLANT VISITATION

The Company agrees that duly authorized representatives of the Union shall be granted admission to the Bakery, to discuss Union business with members of the Union, after proper notification to the Bakery Management, provided such visits do not interfere with or interrupt production.

ARTICLE 27--MILITARY SERVICE

The Company agrees to be governed by the Uniformed Services Employment and Reemployment Rights Act ("USERRA"), and any rulings and regulations issued thereunder.

ARTICLE 28--NON-DISCRIMINATION

The Company and the Union agree that there will be no discrimination against any qualified employee because of race, religion, color, age, gender, disability, national origin, or because an employee is a Veteran of the Vietnam Era, except where gender is a bona fide occupational qualification. If the masculine gender is used anywhere in this Agreement, it shall be deemed to apply to both male and female employees.

ARTICLE 29--SEPARABILITY AND SAVINGS CLAUSE

If at any time during the term of this collective bargaining agreement or any renewal or amendment thereof, there shall be enacted any Federal or State laws or regulations that make any Article, Section, (or portion thereof) of this Agreement unlawful then either party hereto may, upon written notice to the other, reopen this collective bargaining agreement for the purpose of making such changes as may be appropriate in light of said new laws or regulations. The provisions of this collective bargaining agreement are severable and if any one or more provisions become unlawful, the other shall, nevertheless remain in full force and effect.

ARTICLE 30--ATTENDANCE BONUS

30.1 Qualifications

For each qualifying period, eight (8) hours pay at the employee's average hourly earnings (including overtime hours) shall be granted as an attendance bonus for each four (4) months of perfect attendance.

Absences resulting from funeral leave, vacations, jury duty, union business, military leave and industrial accidents, whenever such absences began and/or ended during the bonus period or absences by natural emergencies resulting in government declaration prohibiting employees from reporting to work, shall not be counted against the perfect attendance bonus plan. The attendance bonus periods shall be December 1 through March 31, April 1 through July 31, and August 1 through November 30. Payment shall be made on or before the 20th of the month following the completion of each four (4) month period of perfect attendance.

30.2 Employees on Layoff

Employees who are laid off for twenty (20) working days or less during a four (4) month period as outlined above shall qualify for only eight (8) hours pay as specified in Section 30.1.

ARTICLE 31--PICKET LINE

It shall not be a violation of this Agreement or reason for discharge if an employee covered hereunder refuses to cross an authorized picket line established by a bona fide Union and recognized by the Bakery, Confectionery, Tobacco Workers' and Grain Millers International Union. This shall apply only to the local Unions within the Cincinnati Bakery.

ARTICLE 32--STEWARDS TRAINING

The Company shall pay each Shop Steward a maximum of two (2) days pay of eight (8) hours at the straight-time hourly classification rate, each year, during the term of the contract, to attend a Union Education Conference, provided that the Union gives the Company at least two (2) weeks' advance notice of the date of the conference and such absence will not disrupt business operations. The Company shall provide input to the Union regarding the agenda for the second day of the conference.

ARTICLE 33--NEW EMPLOYEE JOINT ORIENTATION

The Company and Union agree to utilize a joint orientation presentation for newly hired employees that will encompass, but not be limited to, the parties' commitment to quality, productivity, and attendance.

ARTICLE 34--401(K) PLAN

The Company will continue to administer the established 401(K) Plan for all qualified employees in accordance with applicable Company and Federal rules and regulations.

ARTICLE 35--TERM OF AGREEMENT

35.1 Term

This Agreement shall go into effect on the 1st day of November 2002, and shall continue in full force and effect until the 30th day of April 2006.

35.2 Renewal Provision

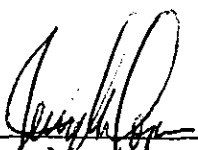
It is further understood that on the 1st day of May 2006, this Agreement shall automatically be renewed for one (1) year from such date and annually thereafter upon each anniversary of said date and without further act of either party hereto, provided that either party may terminate or request a modification of this Agreement on the 1st day of May 2006, or on any anniversary thereafter of such date by giving sixty (60) days' previous notice in writing to the other party. If either party requests a modification of this contract, such changes or modifications should accompany the above stated notice.

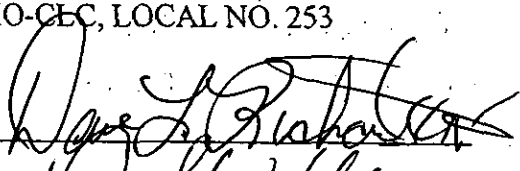
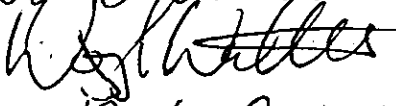
35.3 Witness

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed, in duplicate, by their respective authorized officers and agents at Cincinnati, Ohio, the day and year first above written.

KEEBLER COMPANY
CINCINNATI, OHIO BAKERY

BAKERY, CONFECTIONERY, TOBACCO
WORKERS' AND GRAIN MILLERS
INTERNATIONAL UNION
AFL-CIO-CLC, LOCAL NO. 253

By 
Jerry Morgan
Bakery Director

By 


Date Signed 12/13/02

Date Signed 12-6-02

"EXHIBIT A"
JOB CLASSIFICATIONS AND WAGES

<u>FACTORY WORK</u>	<u>Effective Date</u>			
	<u>11/1/02</u>	<u>11/1/03</u>	<u>11/1/04</u>	<u>11/1/05</u>
STARTING RATE:	\$13.70	\$14.08	\$14.50	\$14.71
After 12 months	16.63	17.10	17.61	17.87

New employees, hired after November 1, 2002, shall be paid 70% of the General Help rate as outlined above for all work performed during the first year twelve (12) months and 85% of the General Help rate for the next six (6) months.

After eighteen months of employment, the employee will be paid the classified rate of the job they are assigned.

	<u>11/1/02</u>	<u>11/1/03</u>	<u>11/1/04</u>	<u>11/1/05</u>
<u>BAKING DEPARTMENT</u>				
Machine Operator	20.20	20.75	21.35	21.65
Dough Up Mixer	20.20	20.75	21.35	21.65
Cake Mixer	20.20	20.75	21.35	21.65
Machine Relief Operator	20.20	20.75	21.35	21.65
Relief Mixer	20.20	20.75	21.35	21.65
Oven Operator	20.20	20.75	21.35	21.65
Sponge Mixer	20.20	20.75	21.35	21.65
Fire Ck. Oiler Band Greaser	20.20	20.75	21.35	21.65
Assistant Mixer	19.90	20.45	21.05	21.35
Machine Understudy	20.15	20.70	21.30	21.65
Mixer Understudy	20.15	20.70	21.30	21.65
Transporter -- Dough Puller	19.78	20.33	20.93	21.23

PACKING SERVICES DEPARTMENT

Parts Person	20.94	21.49	22.09	22.39
Trouble Shooter	20.20	20.75	21.35	21.65
Trouble Shooter Understudy	20.15	20.70	21.30	21.60
Palletizer Operator	20.04	20.59	21.19	21.49
Special Relief	20.00	20.55	21.15	21.45
Machine Oper. Redi Serve	19.90	20.45	21.05	21.35
Machine Operator	19.85	20.40	21.00	21.30
Relief Machine Operator	19.85	20.40	21.00	21.30
Stock/Utility	19.85	20.40	21.00	21.30
Utility Skid	19.78	20.33	20.93	21.23

PACKING DEPARTMENT

Sample Room	19.70	20.25	20.85	21.15
Packer	19.60	20.15	20.75	21.05

	<u>11/1/02</u>	<u>11/1/03</u>	<u>11/1/04</u>	<u>11/1/05</u>
Relief Operator	19.60	20.15	20.75	21.05
<u>RECEIVING DEPARTMENT</u>				
Bulk Receiving Operator	20.09	20.64	21.24	21.54
Receiving/Jeep Operator	20.04	20.59	21.19	21.49
Compactor/Baler	20.04	20.59	21.19	21.49
<u>SANITATION DEPARTMENT</u>				
Pest Control	19.90	20.45	21.05	21.35
Utility	19.74	20.29	20.89	21.19
Power Equipment Operator	19.73	20.28	20.88	21.18
Sanitors	19.65	20.20	20.80	21.10
<u>SHIPPING DEPARTMENT</u>				
Hi Rise Warehouse Person	20.75	21.30	21.90	22.20
Hi Rise Understudy	20.70	21.25	21.85	22.15
L.T.L. Coordinator	20.27	20.82	21.42	21.72
Jeep Operator	20.04	20.59	21.19	21.49
<u>LUBRICATION DEPARTMENT</u>				
Oiler and Greaser	20.93	21.48	22.08	22.38
Warehouse -- Stockkeeper	19.78	20.33	20.93	21.23
<u>PAINTING DEPARTMENT</u>				
Floor Finisher/Sander/Painter/Stripper	20.50	21.05	21.65	21.95
<u>GROUND MAINTENANCE DEPARTMENT</u>				
Grounds Keeper	19.81	20.36	20.96	21.26
<u>NON-CLASSIFIED JOBS</u>				
General Help - Bake Shop	19.57	20.12	20.72	21.02
- Packing Services	19.57	20.12	20.72	21.02
- Shipping	20.04	20.59	21.19	21.49
-Receiving	20.40	20.59	12.19	21.49
-Sanitation	19.65	20.20	20.80	21.10