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Title: **Conagra Foods Inc. and United Food and Commercial Workers (UFCW)
Local No. 38 (2006)**

K#: **375**

Employer Name: **Conagra Foods Inc.**

Location: **PA Milton**

Union: **United Food and Commercial Workers (UFCW)**

Local: **38**

SIC: **2032**

NAICS: **311422**

Sector: **P**

Number of Workers: **1500**

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2006, 2007, 2008, 2009

K0375

AGREEMENT

BETWEEN

CONAGRA FOODS, INC.

**AN EQUAL OPPORTUNITY
EMPLOYER**

-AND-

**LOCAL NO. 38
UNITED FOOD AND
COMMERCIAL WORKERS
UNION**

MILTON, PENNSYLVANIA

AFFIRMATIVE ACTION POLICY STATEMENT

It is the policy of ConAgra Foods, Inc. to recruit, train, hire, promote and otherwise deal with all applicants and employees without regard to race, color, religion, sex, national origin, age, physical or mental disability or status as a Vietnam-era veteran or disabled veteran, to the extent prohibited by law. Hiring and promotional decisions and opportunities for personal development will continue to reflect our commitment to further the principles of equal employment opportunity and affirmative action.

In addition, all other personnel actions including, but not limited to, benefits, compensation, transfers, layoffs, returns from layoffs, company-sponsored training, educational, social, and recreational programs will be administered in accordance with the principles outlined above.

AGREEMENT

Parties to Agreement

This agreement made as of February 10, 2006 between ConAgra Foods, Inc. or its successors or assigns, hereafter referred to as the "company" or the "employer" and the United Food and Commercial Workers Union, Local #38, herein after referred to as the "union."

Article 1 - Purpose of the Agreement

It is the intent and purpose of the parties hereto that this agreement shall promote and maintain harmonious industrial and economic relationships between the company and its employees and to set forth herein the basic agreements concerning rates of pay, hours of work, and conditions of employment to be observed by the parties hereto.

Article 2 - Union Recognition

The company recognizes the union as the sole collective bargaining agency with respect to rates of pay, wages, hours of work, and other conditions of employment for all of its production and maintenance employees, quality control section inspectors and technicians, local truck drivers employed by ConAgra Foods Inc. at its Milton, Pennsylvania plant, excluding clerical employees, and all supervisory employees with authority to hire, discharge, promote, discipline, or otherwise affect changes in the status of

employees or effectively recommend such action as defined in the National Labor Relations Act of 1947. All production work and shipping and receiving work performed at the Milton Plant and Crunch & Munch Plant will be done by bargaining unit employees exclusively. The term "employee" as used in this agreement refers only to the employees in the bargaining unit as defined above.

Article 3 - Union Membership

A. All employees covered by this agreement must join the union within sixty (60) work days after the date they begin work or be subject to discharge as provided in the Labor-Management Relations Act of 1947. All employees shall be advised in writing of the foregoing arrangement at the time of their hiring.

B. All employees who now are or hereafter become members of the union shall continue to remain members of the union in dues standing as a term and condition of employment. The company shall deduct from the wages of all such employees an amount equal to the monthly union dues, initiation fees and assessments when each individual member of the union so authorizes the company to do so on the forms provided.

C. The Union shall indemnify and save the Company harmless against any and all claims, demands, suits, or other forms of liability that shall arise out of or by reason of action taken by the

Company in conformance with Article 3 B.

ARTICLE 4 - Sole Agreement and Waiver

The parties acknowledge that during negotiations, which resulted in this Agreement, each party had the unlimited right and opportunity to make on each other demands and proposals with respect to all proper subjects of collective bargaining and that all such subjects have been discussed and negotiated upon and the provisions contained in this Agreement were arrived at after the free exercise of such rights and opportunities.

It is the intent of the parties that the provisions of this Agreement represents the parties' complete and final agreement between the parties, and shall supersede all prior agreements, practices and understandings whether oral or written, expressed or implied, between the parties. This Agreement shall govern the parties' entire relationship and shall be the sole source of all rights and claims which may be asserted in arbitration hereunder or otherwise.

The provisions of this Agreement can only be modified by written agreement executed by the parties hereto. Any grievance settlement seeking to change the intent or meaning of any clause of this Agreement will require a written statement to that effect signed by both parties.

Article 5 -

Hours of Work and Working Conditions

A. The normal schedule of working hours shall be eight (8) hours per shift and forty (40) hours per week. However, this article is not intended as a guarantee of hours of work per day or per week, but only to provide a basis for calculating overtime.

B. The established workweek shall begin at 12:01 A.M. Monday and end at 12 Midnight on the following Sunday. The full number of hours worked on a shift will be considered to have been worked in the workweek in which the shift started except as provided in Section F.

C. Time and one-half the straight-time rates shall be paid for time worked on Saturdays, and double the straight-time rates shall be paid for work performed on Sundays except:

1. Employees who take time off during Monday to Friday inclusive, without having been so instructed by the company, shall be paid time and one-half for work performed Saturday only after they have worked forty (40) hours in that workweek, and shall be paid double-time for work performed on Sundays only after they have worked forty (40) hours at straight-time pay and eight (8) hours at time and one-half pay Saturday and/or Sunday in that workweek. For the purpose of applying this provision, when an employee reports for work but works less than the full eight (8)

hours, such time worked shall count as eight (8) hours worked provided the employee's failure to work the full eight (8) hours is due to: (1) an industrial accident (day of the accident only), (2) the day an illness occurring while at work provided that the employee has worked a minimum of two (2) hours on such day (exceptions to be handled on a case-by-case basis), (3) the Company's inability to schedule a follow-up doctor's appointment during non-work hours, (4) meetings with management as a representative of the union, (5) funerals as approved by contract and (6) a subpoenaed witness that returns to work after the start of a normal work week.

2. Employees working on regularly scheduled work as hereinafter defined shall be paid the straight-time rate for work performed on Saturdays and Sundays except that such employees shall be paid time and one-half the straight-time rate for work performed on Saturdays and double the straight-time rate for work performed on Sundays if the Saturday and Sunday work is performed on the sixth and seventh day worked in the established workweek.

D. Time and one-half shall be paid for time worked in excess of eight (8) hours on any one shift, or in excess of forty (40) hours in any one week. There shall be no pyramiding of overtime.

E. Except during times of emergency or equipment breakdown, the company will notify the first shift employees of scheduled weekend production no later than 2:00 P.M. Thursday, the second shift no later than 9:00 P.M. Thursday, and the third shift no later than 2:00 A. M on Friday, and on a daily basis before seven (7) hours have been worked. When employees are to be scheduled for work on a holiday, the company will notify those personnel affected no later than 2:00 P.M. for the first shift, 9:00 P.M. second shift, and 2:00 A.M. for third shift on the work day prior to the work day immediately before the holiday on which the work is scheduled. EXAMPLE: For holiday work scheduled on a Monday, employees would be notified at the aforementioned times Thursday of the preceding week. An employee will be required to work Saturday (or Sunday) on a job they are placed on for Friday provided that they were notified of such work by the designated time on Thursday.

F. When any holiday falls on a Sunday and another day is generally observed as the holiday, that day shall be considered a holiday. When a holiday falls on a Saturday, it will normally be observed on the previous Friday, but if any other day is to be observed, notice to that effect will be posted by the company at least two weeks in advance of the holiday. There shall be twelve (12) paid holidays as follows: New Year's Day, Good Friday, Easter Monday, Memorial Day, Independence Day, Labor

Day, Thanksgiving Day, the day after Thanksgiving, the Monday following Thanksgiving Day, the day before Christmas, and Christmas Day. And one (1) Personal Holiday (to be selected by the employee in accordance with contractual guidelines). Non Probationary employees shall receive eight (8) hours pay on these twelve (12) holidays. To be eligible for holiday pay, the employee shall have worked the scheduled shift immediately prior to and immediately after the paid holiday. A vehicular accident that would prohibit the employee from reporting for work would be an exception to this rule, providing proof of such accident is furnished. If work is performed on these holidays, employee shall, in addition, receive double the straight-time rate for hours actually worked. If any employees are scheduled to work or are called for work on these holidays and fail to work, the employees shall lose their holiday pay.

When an employee is recalled or laid off during any part of the week where a paid holiday falls, that employee shall be paid the holiday pay.

Holidays shall count as time worked for purposes of overtime.

Employees who are on a bona fide sick leave, including worker's compensation, shall be paid holiday pay at their regular rate if a holiday should be observed while they are on sick leave, providing their seniority permits them to be working. However, this will be in effect only sixty (60) days from the date of the beginning of the employee's absence. The rate of holiday payment is based on the change of status in

effect on the holiday.

G. Regularly scheduled work as referred to in Sections C and F above includes plant protection and maintenance work such as that performed by power house employees, inbound material handling preparation and clean-up work preparatory to and immediately following scheduled production operations, and week-end work required for Good Manufacturing Practice or Sanitation. Maintenance and service work which is regularly scheduled but which requires less than normal crew and which therefore is divided among the regular crew is included within this definition.

H. The employer has the right, where production requirements demand or where the interests of efficiency indicate the desirability, to vary or change scheduled hours or to establish new schedules either daily or weekly, or to establish three (3) shifts instead of two (2), or to establish alternative work schedules, such as, but not limited to, four (4) ten (10) hour shifts provided that all overtime in excess of eight (8) hours per day (ten (10) hours per day if the Company establishes a four (4) ten (10) hour days) or forty (40) hours per week be paid at the rate of time and one-half. The employer will notify the union in advance of such changes, and also the reason for such changes.

I. All employees scheduled for shifts of more than five and one-half (5 ½) hours shall receive a one-half (1/2) hour unpaid lunch which begins within the first five and one-half (5 ½) worked hours of the

employee's shift. Lunch times may change due to operational requirements.

In the event operational requirements prevent an employee from taking a lunch that begins within the first five and one-half (5 ½) worked hours of the employee's shift, they shall receive a one-half (1/2) hour paid lunch at a later point in their shift. Such paid lunch periods shall be paid at time and one-half the straight time rate.

J. The management of the Company and the direction of the workforce are vested exclusively in the Company and shall not in any way be abridged except as specific restrictions are set forth in this agreement.

K. Without in any manner limiting the foregoing or the Company's right to exercise the regular and customary functions of management, the Company hereby expressly retains the sole control over all matters concerning the operations, management and administration of its business; the determination of the products to be manufactured or the services rendered; the determination to subcontract for work to any person, firm or corporation; the determination to cease all or part of its operations; the determination to sell all or part of its operations; the determination to close all or part of its operations or facilities or to transfer all or any part of the work to another facility; the direction, instruction, and control of employees including but not limited to, the determination of the qualification of employees to perform work, the determination of quality standard, the assignment of

work or overtime, the right to select, hire, lay off, reclassify, rehire or transfer employees, the right to discipline, suspend or discharge employees for just cause, the right to determine job content and to create new job descriptions, to combine and eliminate job classifications and to establish new rates of pay therefore, the right to determine the hours of work, the starting and quitting times; the right to discuss the processes, methods and procedures to be employed; the right to make and enforce such reasonable rules and regulations relating to operations as it shall deem advisable; and the right to perform all other functions inherent in the administration, management, control and or direction of business except as expressly limited by the terms of this Agreement.

L. Nothing contained in this Agreement shall be construed as a requirement for the Company to maintain or continue operations at the Milton PA facilities and in the event of the termination of all or part of its operations either during the term of the Agreement or at its expiration, any obligation of the Company with respect thereto shall be governed by applicable law or more generous provisions provided for in the contract.

M. If employees report for work on a regularly scheduled work day and have not been notified not to do so, they shall receive at least four (4) hours work or four (4) hours pay. If there is not work available for such employee at their regular job, the company has the right to offer them work they can perform at their regular rate of pay. If they refuse such work, they

shall not be entitled to the four (4) hours pay. The regular starting time in a department shall be stipulated by the company.

N. If an employee has completed an assigned shift of work and has left the plant premises but is called back to perform work and reports, such employee shall be provided no less than two (2) hours of work or, if no work is available, two (2) hours of pay at the applicable rate.

O. The company will provide a fifteen (15) minute rest period to all employees within three and one-half ($3 \frac{1}{2}$) hours of continuous work, except where overtime is worked for not more than one and one-half ($1\frac{1}{2}$) hours. The company will provide a ten (10) minute rest period in the second half of a shift. In the event operational requirements prevent an employee from taking a break they shall receive pay for such break.

P. A paid wash-up period of five (5) minutes before lunch and before the end of each shift will be allowed to all employees.

Q. The company shall make whole all lost time due to occupational illness or injury on the date of the occupational illness or injury, up to eight (8) hours, when an employee must leave the job for authorized medical treatment. The Company will make up lost time up to 8 hours at straight time, when the Company is unable to schedule follow-up medical

appointments on non-work hours.

R. Employees who serve time on jury duty that prevents them from working their regular work schedules on such days will be paid the difference between their jury pay and what they would have earned had they worked eight (8) hours for the company, less their earnings during hours in which they worked for the company on such days. Employees will not be required to work on the days on which they are required to report for jury duty after submitting their official notice of jury duty to the human resources department.

Employees who are subpoenaed to appear as a witness will be paid the difference between eight (8) hours straight pay and witness pay for one day in any twelve (12) month period during which they may be subpoenaed as a witness, provided official notification is given the company. Employees will be required to report to work after serving as a subpoenaed witness.

S. Employees will be paid eight (8) hours per day at their regular base rate for each work day (Monday thru Friday) that falls within the immediate three (3)-day period following death in the immediate family. (Immediate family is interpreted to mean husband, wife, children, grand-children, mother, father, sister, brother, half-sister or half-brother, mother-in-law or father-in-law, step-parents, step-children, and grand-parents of the employee.)

However, if the burial date should be scheduled the fourth day following death, the period will extend to the fourth day but in no case will an employee be paid for more than three (3) work days, nor will employees be paid for Saturday or Sunday unless Saturday or Sunday is a scheduled work day. Example #1: If death should occur on Wednesday evening and the burial date happens to be scheduled for Saturday of the same week, the employee in this case would be paid for Thursday and Friday. Example #2: If death should occur Thursday night and the burial date happen to be scheduled for Monday of the following week, the employee would be paid for Friday and Monday.

Employees will be paid eight (8) hours at their regular base rate for the purpose of attending the funeral of the sister-in-law, brother-in-law of the employee involved.

To be eligible for the day off with pay the employee must attend the funeral and the day of the funeral must be a regular scheduled workday. A scheduled work day could be Saturday and/or Sunday if the affected employee would otherwise be scheduled to work on one of those days:

I. When employees are absent from work because of illness or injury and notify the company they will report for work their next scheduled shift and fail to do so because of continued illness, and later notify the company that they will report for their next scheduled shift, they may do so and be assigned to

their regular job. However should they fail to report after the second notification, they shall be assigned to the labor pool when they report for work.

U. All employees shall report for and work all scheduled hours including overtime. On occasion when the company finds it necessary to schedule production on Saturday and/or Sunday, employees who are normally on the line being operated will operate the line regardless of the name of the product. If additional employees are necessary to produce the product, the company will inform the union how many employees are required and the kind of work the employees will be expected to perform. It is understood that the additional employees will be picked by the union, subject to the approval of management; however, employees should be chosen as provided in Article 7, Paragraph A.

Employees chosen to do a specific job on these occasions must be able to perform, and where specific knowledge is required, it will be necessary that they have had former experience. Example: If a closing machine operator is required, it will be necessary to furnish a closing machine operator. Anyone without previous experience would be unacceptable. Employees chosen by the union in the above manner to do a specific job will be required to perform all the duties of the assigned job or any other assigned jobs should it become necessary due to mechanical breakdowns or unforeseen events. Management has the right to reassign the employee.

In the event a line is being operated on either Saturday or Sunday that normally is not staffed by assigned employees, again the company will furnish to the union the number of employees required and the type of work it will be necessary for them to perform. The equipment that is normally operated by assigned employees will, of course, be operated by those assigned people. Other parts of the line operating that are not normally staffed by assigned employees will be selected on a plant-wide seniority basis by the union, subject to the approval of management. However, if employees do not accept the work available, they will be charged as worked as far as overtime assignment is concerned. If there are not enough voluntary employees to cover the needs, probationary employees may be used. In the event additional help is needed and there are no probationary employees available, the union will assign employees to fill the job vacancies by using the people with the least seniority provided they are qualified to perform the work.

During reduction in staffing for Saturday and/or Sunday work when more than one (1) job is "bid-in" with the same job title line, and rate of pay, the employee involved who desires to obtain a replacement will be responsible to obtain his/her replacement from the other(s) in the same "bid-in" jobs stated above before seeking other avenues of replacement.

V. Stewards whose jobs are not working daily, weekly or have been displaced by seniority will fill any open

job within their department first. If there are no open jobs they will go to the labor pool and be placed by their own seniority, provided they have seniority to work.

W. An employee who is laid off on a seniority layoff at the end of the week and is recalled after the start of the following week shall revert back to a "lack of work" status for vacation credit only.

Article 6 - Wages

A. The Company and the union have set up a joint job evaluation program for the purpose of setting rate schedules upon an agreed identification of each job subject to the provisions of Article 6 B below. The wage rates therefore, are set forth below. These rates shall remain in effect during the life of this agreement, except that where job content has significantly changed or new jobs are created, the company and the union job evaluation committee shall evaluate and put a wage price, based upon a joint determination, on the job at that time of such job changes.

HOURLY RATES		1/29/07	2/4/08	2/2/09
Grade	Rate			
1	15.50	\$15.89	\$16.28	\$16.69

2	15.95	\$16.35	\$16.76	\$17.18
3	16.74	\$17.16	\$17.59	\$18.03
4	17.11	\$17.54	\$17.98	\$18.43
5	17.43	\$17.87	\$18.31	\$18.77
6	17.72	\$18.16	\$18.62	\$19.08
7	18.00	\$18.45	\$18.91	\$19.38
8	18.38	\$18.84	\$19.31	\$19.79
9	18.91	\$19.38	\$19.87	\$20.36
10	19.41	\$19.90	\$20.39	\$20.90
11	19.90	\$20.40	\$20.91	\$21.43
12	20.33	\$20.84	\$21.36	\$21.89
13	20.81	\$21.33	\$21.86	\$22.41
14	21.29	\$21.82	\$22.37	\$22.93
15	21.71	\$22.25	\$22.81	\$23.38
16	22.16	\$22.71	\$23.28	\$23.86

B. The Company has the right to add, modify combine and change job classifications. Should the job evaluation committee be unable to agree on the appropriate job rate of the newly added, modified, combined, or changed job, the Union shall have the right to challenge the rate of pay through the grievance procedure.

C. The Job Evaluation Committee will consist of four (4) persons - two (2) representative from the union, and two (2) from the company.

D. The company agrees to pay a differential of thirty (30) cents per hour to the second shift and forty (40) cents per hour to the third shift.

E. Effective February 20th, 2006, the probationary rate for grades one (1) through ten (10) shall be set at four dollars (\$4.00) an hour below the pay rate in effect for pay grade one (1).

F. For Employees hired on or after February 20th, 2006, the post probationary pay rate shall be as follows for employees in pay grades one (1) through ten (10):

1. Following completion of the probationary period, employees shall be paid at the rate in effect for the applicable pay grade, less four dollars (\$4.00) per hour.
2. Effective the Monday following the completion of one (1) year of service, an employee shall be paid at the rate in effect for the applicable pay grade, less three dollars and fifty cents (\$3.50) per hour.
3. Effective the Monday following the completion of two (2) years of service, an employee shall be paid at the rate in effect for the applicable pay grade, less three dollars (\$3.00) per hour.
4. Effective the Monday following the completion of three (3) years of service, an

employee shall be paid at the rate in effect for the applicable pay grade, less two dollars and fifty cents (\$2.50) per hour.

5. Effective the Monday following the completion of four (4) years of service, an employee shall be paid at the rate in effect for the applicable pay grade, less two dollars (\$2.00) per hour. Such employees shall have their pay adjusted upwards as necessary to maintain a differential of two dollars (\$2.00) per hour.

Article 7 - Seniority

Seniority shall be defined as length of service from the employee's most recent date of hire. When more than one employee has the same date of hire, seniority shall be determined as follows:

For employees hired prior to February 20th 2006, a coin flip shall serve as the tie breaker at each event wherein a tie breaker is necessary.

For employees hired on or after February 20th 2006 seniority shall be determined by birth date (with the earliest birth month and day determining the most senior.

Seniority shall be applied as follows:
Due to the job requirements, skill level, effort, responsibility, and performance of job classifications,

a seniority list will be used for the purpose of upgrading, downgrading, rehiring, and other purposes of this Article. Any employee with greater seniority may claim any job:

- (1) Where a vacancy exists or
- (2) Where a job is discontinued, but must do so within seven (7) calendar days, subject to the conditions set forth here below.

A. Seniority shall govern in all cases of decreases or increases of the work force provided that the employee entitled by seniority to the work available is presently qualified to perform and does perform the work satisfactorily. If qualifications are relatively similar than seniority shall prevail. Seniority shall not govern assignment of overtime work and hours of work. Employees who are absent without justifiable cause shall not be permitted to make up lost time at the expense of employees with greater seniority. An employee shall cease to have seniority and their employment with the company shall be considered terminated for all purposes when an employee:

1. Voluntarily leaves the company.
2. Is discharged.
3. Fails to report for work after having been notified by the company.
4. Fails to report at the end of a leave of absence, or acceptance of employment elsewhere during a leave of absence.

5. Fails to return to work on the next scheduled shift after having been released to return from illness or injury.

6. Is continuously absent for any reason for a twenty-four (24) month period.

Employees who are on seniority layoff in the production unit shall have the right to bid on maintenance jobs while on layoff.

B. Regular hourly employees will retain their job for a period of not more than twelve (12) weeks when excused for the subject employee's illness. At the end of the twelve (12) week period, if the employees do not return to their bid-in job, their job will be offered for bid.

C. New employees acquire no seniority for a period of sixty (60) workdays; but, if retained after such period, their seniority is based upon their most recent date of hire.

D. When probationary employees are laid off prior to the completion of sixty (60) working days, whatever period of time worked prior to recall will be counted toward their sixty (60) workday probationary period, providing that the recall does not exceed twelve (12) calendar months from the date of last lay-off.

E. Whenever an established job is made vacant or

a new job is created and is to continue active, such job shall be posted for bid. Such jobs can be bid on by regular employees however, employees in a job grade 6 or higher may not be eligible to bid (to the same or lower grade job) for six (6) months from their most recent successful bid or bump. Employees who successfully bid or bump into a job grade 5 or below position will not be eligible to bid (to the same or lower grade job) for thirty (30) days. The joint Union/Company training committee may designate specific jobs to be added or removed from eligibility based on job grades when they determine to do so. Job bids will be recognized only if the employee bidding is available and able to perform such work at the time the job is posted for bid. In the case of an employee being absent because of accident or illness and that employee has been given permission by the medical department to return to work the Monday following the week jobs are posted, such bids will be recognized. However, if the employee is unable to return to work as scheduled, the bid will become void and be re-posted.

Jobs that are properly posted for bid and are not bid-in will be awarded to the qualified least senior union member in labor pool on that particular shift. Alternatively, the Company may award such non-bid-in positions to probationary employees. Such jobs shall be reposted for bids the following week to give union members an additional opportunity to bid. However, the posting of jobs not bid-in will be limited to two (2) postings.

Employees awarded jobs in the above manner will not be allowed to give up their jobs by serving ninety (90) calendar days in the labor pool. But they may give up their job by changing shifts without serving ninety (90) calendar days in the labor pool providing they have the seniority to do so after they hold the job for a period of one (1) week. This move may be exercised within a four (4) week period. After the four (4) week period, the employee will be treated the same as the employee that bids a job in; however, an employee giving up an awarded job by changing shifts will remain on that shift for a period of two (2) weeks unless they choose to bid.

If a maintenance job that is properly posted for bid is not bid-in, or if there are no qualified bidders the company will have the right to hire a new employee to fill the job. However, if the job is not filled in forty-five (45) days, it may be re-posted for bid.

The placing of labor pool employees on job replacements for the start of a new week would be as follows: the highest rates of pay will be recognized along with seniority, skill, ability, training, and education in filling all job categories. (Categories are interpreted to mean sick leaves, vacations, job bids, and open jobs).

Labor pool employees not bid in and filling sick leave slots will remain there until the employee returns from sick leave. Labor pool employees who are bid in but whose jobs are not scheduled may be assigned sick leave slots, but only until the start of

their bid-in job.

Labor pool employees not assigned jobs for the week will remain in the labor pool and be placed on jobs daily according to their seniority; i.e., most senior employees on premium jobs.

In the event a sick leave occurs after the start of a workweek, the most senior employee not bid in, remaining in the labor pool on that shift, will be assigned to fill the sick leave job for the remainder of the sick leave, regardless of pay grade, but not to exceed twelve (12) weeks.

When labor pool employees are assigned jobs for the beginning of a workweek and, due to a change in scheduling, the employee has to be reassigned, said employee will receive the rate of pay of the job originally assigned, or rate of job assigned to, whichever is higher, for that day.

Employees whose bid-in jobs are not scheduled for a week and then, due to a schedule change, their bid-in job starts at the beginning of a shift, said employee must return to their bid-in job.

F. Employees whose jobs are discontinued have the privilege of bumping onto another job within a seven (7)-day period after their jobs have been discontinued. Employees who successfully bump into a job grade 6 or higher positions will not be eligible to bid (to the same or lower grade job) for six (6) months. Employees who successfully bump into a job

grade 5 or below position will not be eligible to bid (to the same or lower job grade for thirty (30) days. It is further understood and agreed, however, that employees whose jobs have been discontinued cannot bump onto jobs that have been posted for bid within the seven (7) calendar day period that they are eligible to bump. In the event the employee has not bid into the job for an extended period of time or the job has been changed through a job combination, the Company may grant, at the employees request, an initial training period during which they may demonstrate their ability to perform the job. However, an employee can bump a job that is posted for bid provided there is more than one employee with the same job title, the same rate of pay, and is held by an employee with lesser seniority. The joint Union/Company training committee may designate specific jobs to be added or removed from eligibility based on job grades when they determine the need to do so.

When an employee who has bumping privileges at the same time a full line is posted for bid fails to bid on that posted line, this employee may not bump onto line after jobs on line have been awarded.

If an employee who has bumping privileges goes on vacation, holiday, or a bona fide sick leave, they will be eligible to bump upon their return to work. A Bona fide sick leave is defined as more than three (3) consecutive days.

G. Any full-time regular employee who joins or is

inducted for training and service in any branch of the United States Armed Services shall have such re-employment and other rights and privileges as are provided by federal and state law.

H. A reasonable number of seniority lists shall be made and supplied by the company as the occasion may require.

I. Bargaining Unit employees who accepted a salaried position prior to February 20th 2006 shall retain their bargaining unit seniority in effect at the time they assumed a salaried position as long as they remain continuously employed/based at the Milton complex.

Bargaining Unit employees who accept a salaried position on or after February 20th 2006 shall retain their bargaining unit seniority in effect at the time they assume a salaried position for a period of up to one (1) year.

When a former Bargaining Unit employee with retained seniority returns to the Bargaining Unit, they shall be placed into the labor pool with an adjusted seniority date accounting for all retained seniority. Such returns to the bargaining unit shall require mutual agreement between the employee and the Company.

J. Employees whose work, in the judgement of management, is essential to the operation of the business and production, or who have received

special training, or those who have exceptional ability, may be hired, retained, transferred, or returned to work notwithstanding the provisions of this article, except that such number of employees shall not exceed three (3) percent of the total number of employees.

K. The total number of employees who are official representatives of the union (members of the executive board, shop committee and stewards) shall not exceed 6.0% of the active bargaining unit headcount as of December 31st of the previous year.

If shop stewards bid/bump to jobs outside of their departments, they shall automatically surrender their stewardship.

Employees may be allowed to replace each other on straight time and overtime provided the replacement is fully qualified to perform all aspects of the job. Employees may replace during straight-time hours within the department involved when prior approval is granted by the supervisor where the replacement takes place, and where no overtime pay is involved.

L. Employees may be used, at the discretion of the company, in any classification or any occupation where no reduction in pay is involved providing it is not in contradiction of another clause of the contract.

M. No supervisor shall perform any production or maintenance work except to relieve regular

employees during relief periods, for training purposes, during times of emergency (broken water, air, or steam pipes, flood, storm, or reason of this same nature), or in case of absence of regular employees. The union will be informed on such occasions.

N. An employee selected by the Company as a Trainer will be paid at a level two grades higher than the job they are performing while they are training.

O. Permitted hours of bumping:

Employees who are eligible to bump for a job must do so by 11:00 a.m. of any workday, Monday through Friday regardless of shift. All other employees affected by the first bump who choose to bump another employee must do so no later than 11:00 a.m. or they will be placed in the labor pool for the following workday. Otherwise, they will continue to be placed in the labor pool until they chose to bump someone else or exhaust their bumping privileges. Any employee affected by the initial first bump and not notified properly is not required to change shifts.

Bumping will not be permitted on any shift on Friday for Saturday operation.

Such bumps will become effective the following Monday.

P. Temporary transfers are done on a day to day basis for a period not to exceed twelve (12) weeks and may be made without regard to seniority at

the convenience of the Company. The Company will notify the union representative of a temporary transfer as soon as practicable. The Company will make reasonable efforts to limit shift-to-shift transfers. If an employee is transferred temporarily to a higher-paid job for the entire shift, they will be paid the higher rate. If an employee is transferred for more than one (1) hour, the employee will receive the higher rate for eight (8) hours. Should an employee be transferred to a lower-paid job, the rate will not be reduced.

A person temporarily transferred on Friday has the right to retain his/her bid-in job should that job be working Saturday and or Sunday.

Q. In the application of seniority relative to temporary layoffs of production employees for lack of work for less than 15 calendar days employees will be placed on separate lists based upon the building in which their bid positions are assigned.

For purposes of job placement they may be placed into positions in the other buildings in which they are qualified to hold after available, qualified employees in that building have been exhausted. In such circumstances, employees will be placed on jobs in accordance with their overall Milton seniority date.

Employees effected by such layoff may exercise their opportunity to replace each other under Article 7 – Seniority paragraph K.

Article 8 - Vacations

A. Each employee who has been continuously in the employ of the company for the previous twelve (12) months and has worked at least 1400 hours during this time shall be entitled to one (1) week vacation with pay, provided the employee is actually on the payroll, and the vacation (or money in lieu thereof) is taken as provided in Paragraphs H, I, and J of this article.

B. Each employee who has been continuously in the employ of the company for three (3) years and has worked at least 1400 hours during the preceding calendar year shall be entitled to two (2) weeks vacation with pay, provided the employee is actually on the payroll and the vacation (or money in lieu thereof) is taken as provided in Paragraphs H, I, and J of this article.

C. Each employee who has been continuously in the employ of the company for five (5) years and has worked at least 1400 hours during the preceding calendar year shall be entitled to three (3) weeks vacation with pay, provided the employee is actually on the payroll and the vacation (or money in lieu thereof) is taken as provided in Paragraphs H, I, and J of this article.

D. Each employee who prior to April 1st, has been continuously in the employ of the company for twelve (12) years and has worked at least 1400 hours during the preceding calendar year shall be entitled to four (4) weeks vacation with pay, provided the employee

is actually on the payroll and the vacation (or money in lieu thereof) is taken as provided in Paragraphs H, I, and J of this article.

E. Employee's hired prior to February 20th 2006 who prior to April 1st., has been continuously in the employ of the company for twenty-one (21) years and have worked at least 1400 hours during the preceding calendar year shall be entitled to five (5) weeks vacation with pay, provided the employee is actually on the payroll and the vacation (or money in lieu thereof) is taken as provided in Paragraphs H, I, and J of this article.

F. Employee's hired prior to February 20th 2006 who prior to April 1st., has been continuously in the employ of the company for thirty (30) years and have worked at least 1400 hours during the preceding calendar year shall be entitled to six (6) weeks vacation with pay, provided the employee is actually on the payroll and the vacation (or money in lieu thereof) is taken as provided in Paragraphs H, I, and J of this article.

G. Employees who have completed at least 1000 hours of work but less than 1400 hours will be eligible for pro-rata vacation benefits in accordance with the table shown below.

Employees qualifying for pro-rata vacations under this Article will take their vacations as set forth in the table. Rate of pay will be calculated at the highest bid-in grade of the previous year.

Total monies for each week of vacation will be equally divided by the number of weeks of vacation. All checks of vacation will then be the same amount for each week.

Pro-Rata Vacation Benefits

Hrs. of Service Eligibility	1000 to 1099		1100 to 1199		1200 to 1299		1300 to 1399	
	Time Off	50% Pay	Time Off	60% Pay	Time Off	70% Pay	Time Off	80% Pay
1 Week	1 wk	20 hrs	1 wk	24 hrs	1 wk	28 hrs	1 wk	32 hrs
2 Weeks	1 wk	40 hrs	2 wk	48 hrs	2 wk	56 hrs	2 wk	64 hrs
3 Weeks	2 wk	60 hrs	2 wk	72 hrs	3 wk	84 hrs	3 wk	96 hrs
4 Weeks	2 wk	80 hrs	3 wk	96 hrs	3 wk	112 hrs	4 wk	128 hrs
5 Weeks	3 wk	100 hrs	3 wk	120 hrs	4 wk	140 hrs	4 wk	160 hrs
6 Weeks	3 wk	120 hrs	4 wk	144 hrs	5 wk	168 hrs	5 wk	192 hrs

H. Pay for vacation (other than pro-rata vacation) shall be calculated as follows:

1. Forty (40) hours straight-time pay for each week of vacation, calculated at the current bid-in rate of the employee.
- or
2. An amount calculated on the basis of one fifty-second (1/52) of the employee's gross earnings as shown on his/her W-2 income tax form of the preceding calendar year, or whichever is greater.

Employees shall receive a Vacation bonus of \$75 for each vacation week that an employee starts during the months of January, February, or March.

The alternate calculation in 2 will not be used in determining pro-rata vacation.

I. As far as possible, vacations will be granted at times most desired by employees, but the final decision as to vacation periods rests exclusively with the company. All vacations must be taken from the job between January 1 and December 31 of the year in which the vacation is due. All vacations will be based upon the calendar year.

J. The Company will allow a maximum of 8% of the bargaining unit employees on a shift as of December 1st of the previous year to take full weeks of vacation. The Company will allow up to 2% per day of the bargaining unit as of December 1st of the previous year to take single day vacations and Personal Holidays during any week of the year. Any weeks that are not full of Single day vacations and Personal Holidays may be open to full week vacations. Single days and Personal Holidays need to be scheduled per the Single Day Vacation Policy). After the deadline to request/gain approval for single day vacations and Personal Holidays the week will open to full vacation weeks up to a maximum of 10% total. Vacation must be applied for by Tuesday (4:00P.M.) the week prior. All changes to the vacation schedule will be on a first applied basis.

In such circumstances as the Company does not schedule two (2) weeks of common vacation in a calendar year, the parties will meet and determine proportionally adjusted caps for the purpose of accommodating the vacation liability. In the event that the first week of Deer Season is not one of the scheduled common weeks of vacation, the Company will expand the vacation caps for the first week of Deer Season to 16% for the full week, and 4% for Personal Holidays and Single Day Vacations.

K. In emergencies or periods when there is a scarcity of employees, the company may require employees eligible for vacations (including common weeks vacation) to work. Such employees shall be paid money in lieu of vacation not later than December 31 of the year in which the vacation is due. Vacations shall not accumulate from year to year.

L. By prior arrangement with the company, employees may take their vacations beginning January 1st of each year without first returning to work, providing they have met all of the qualifications entitling them to vacation as set forth in this agreement. Vacations shall be granted fifty-two (52) weeks per year.

M. If an employee has fully qualified for vacation as provided in Paragraphs A, B, C, D, and E, and is laid-off for a period of thirty (30) or more continuous days, that employee may claim payment for vacation.

N. Should employees quit or be separated and be

eligible for vacation, they shall be paid for such vacation.

O. Employees who retire and have earned vacation during the calendar year in which they retire will be granted vacation pay at the time of retirement. Should an employee die and has earned vacation within the calendar year in which the death occurs, the estate will receive such payment.

P. Employees will not be required to work the calendar day before the start of a full week (or longer vacation (unless such calendar day is a regularly scheduled work day). Employees may volunteer to work the last weekend of their full week (or longer) vacation provided they notify the Company no later than the preceding Tuesday at 4 pm.

Q. Reinstated veterans who return to employment before the end of the vacation season will be given full credit toward their qualifying hours for vacation purposes provided they report for work as provided by federal and state law.

R. At the Company's discretion up to two (2) weeks of common vacation will be scheduled by the Company by February 1st of each year. Subject to business needs tentative dates for the common vacation weeks are: 1. July 4th week 2. First week of deer season. All employees whose jobs are not working are required to take vacation during common vacation weeks.

- S. After the mass vacation selection period at the beginning of the year, if an employee initiates a job and/or shift change they must alter their vacation picks to accommodate the allotted vacation caps in their new position.

Article 9 - Leaves of Absence

A. Employees who are selected for a position in the union necessitating a leave of absence from their jobs shall be granted a leave of absence without pay, not to exceed a period of one (1) year. Such leave of absence, however, shall be extended from year to year provided the Company receives written request for such on an annual basis. In no case is the total number of employees granted such leaves of absence to exceed three (3).

Upon return from such leave of absence, employees shall return to their bid job provided they have greater seniority than the current incumbent. In such circumstances as the returning employee does not have sufficient seniority to return to their bid job, they may bump a less senior employee in another job that they are qualified to perform.

Upon written request from the union, the Company will allow union officials reasonable time off from work without pay to conduct local union business. Such

time will count as hours worked.

B. Leave of absence (without pay) beyond vacation will be given consideration by the company and may or may not be granted, as the company may determine after the reasons for the request have been considered. Where practical, the company will endeavor to grant such leaves of absence as may be requested, and if so granted, they shall not affect the employee's seniority status or re-employment at their former or similar job, provided such job is available upon their return, and provided they have not engaged in any other employment or occupation in the meantime. The employee on leave of absence will be expected to return immediately following the expiration date or sooner at the sole discretion of the Company, provided the employee has requested an early return from the leave.

C. Employees on approved FMLA leave must take any earned but unused vacation days (in single day or weekly increments) concurrently with the FMLA leave. Notwithstanding the above, employees shall have the option of preserving one (1) full week of vacation from being applied toward FMLA absences.

D. In the event of an occupational or non-occupational illness or an occupational or non-occupational injury, an employee may be granted a

medical leave up to twenty-four (24) months without interrupting their seniority. In order to claim credit for seniority covering leaves of this nature, the employee must present a written statement to the company medical department, signed by their attending physician, certifying to the period of such disability, and describing any continuing medical restrictions. Employees who need accommodations in order to perform the essential functions of their job must so advise the Company and cooperate in assessing the feasibility and reasonableness of accommodations sought.

Article 10 - Adjustment of Grievances

Should a difference arise between the Company and either the Union, or any employee covered by this collective bargaining agreement, with respect to the application or interpretation of the terms and conditions of this agreement the following procedure shall apply. This agreement must be submitted to the Company within five (5) working days of the occurrence or five (5) working days of when it should have reasonably been known to the grieving party. Any grievance shall be barred if not presented within such five (5) working day periods. In the event of a continuing grievance no adjustment shall be made before the date the grievance was first presented. In the event the Company fails to act within the prescribed time limits described below the Union may advance the grievance to the next step in the procedure. In the event the Union fails to act within the prescribed time limits described below the

grievance shall be considered withdrawn. Any mutually agreed upon extension shall be in writing and signed by authorized representatives of the parties. In an earnest effort to settle differences without delay grievances settled at the first or second step shall not establish precedent or be considered as binding interpretation of the agreement.

Step 1. When an employee believes they have a grievance under the collective bargaining agreement they shall take their grievance to their steward on employees' non-work time. Within five (5) working days from the date of the occurrence or five (5) working days of when it should reasonably been known by the employee he or she along with their steward will submit the grievance to the employees' supervisor. The Supervisor shall give his/her decision within five (5) working days following the meeting.

Step 2. If the decision of the Supervisor is unsatisfactory the grievance must be reduced to writing and presented to the Department Manager within five (5) working days. A meeting shall be scheduled and held between the Chief Steward, Department Manager and grievant within ten (10) working days after the receipt of the written grievance at a mutually agreed upon time and place. There should be an earnest effort to settle the grievance at this meeting. The Department Manager shall give his/her

decision in writing within ten (10) working days following the meeting.

Step 3. If the decision of the Department Manager is unsatisfactory the grievance must be appealed in writing to the Human Resources Manager or his representative within ten (10) working days. A meeting shall be scheduled and held between the Plant Manager, HR Manager and the union grievance committee to settle the grievance within fifteen (15) days after receipt of the appeal to discuss the grievance and attempt to arrive at a satisfactory settlement. The Plant Manager shall give his/her written decision within ten (10) working days following the meeting.

Step 4. Any differences as to the meaning and application or interpretation of this agreement which are not satisfactorily settled under the foregoing steps shall be submitted to arbitration within ten (10) working days of the time of the last discussion under Step 3. An arbitrator shall be selected by requesting a list of seven (7) arbitrators from the American Arbitration Association (non-expedited procedure). The parties shall select therefrom or from a second list of seven arbitrators if either party so requests a second list after receipt of the first list. The parties shall select one arbitrator by alternately deleting names from the list until

a last name remains, and the parties tossing a coin to determine who shall strike the first name. The expenses and salary incident to the services of such an arbitrator shall be shared equally by the company and the union.

The decision of the arbitrator under the foregoing procedure shall be final and binding.

The arbitrator shall not add to, subtract from, nor change any part of this agreement, but shall be confined entirely to interpreting the meaning of the various provisions of the agreement. When grievances are not disposed of within the prescribed time in any step, unless an extension of time has been mutually agreed upon in writing, they shall be conclusively presumed to have been abandoned. The grievance committee selected by the union shall consist of not more than six (6) individuals; five (5) employees along with the union president or designate. In order to investigate matters which constitute disputes which are in the process of being negotiated under the second or third steps of the grievance procedure outlined above, members of the grievance committee may visit a department in which such matter originated if it is other than their own department, provided they have the permission of the supervisor of the

department to be visited. The union shall advise the company in writing of the names of union representatives be they called "steward" or by any other title and shall report in writing promptly any changes in such names. No employee shall be recognized by the company as a union representative unless officially certified to the company by the union. A union steward or representative is not to leave their post to handle grievances or for any other union business until necessary relief has been provided by the supervisor of their department. No union representative or grievance committee person shall be paid for any time spent in the handling of grievances, or for other union activities, except to attend meetings which may be specifically called during working hours by the company.

The company's designated representative may be brought into the foregoing grievance procedure at any of the steps for advice and consultation with the line supervisors and plant executives.

Nothing in this agreement precludes the parties from continuing to settle grievances once they have been moved to arbitration or to engage the assistance of mutually selected mediators.

Article 11 - Terms and Conditions of This

Agreement

The union agrees to accept and abide by all of the terms and conditions of this agreement and during this term will not permit its members to engage in any walkout, sit-down, slow-down, picketing, boycott, sympathy strike or other interference with or interruption of work, and that it will not call, countenance, or otherwise encourage any walk-out or strike. The company agrees to accept and abide by all terms and conditions of this agreement and during its term will not lock out the employees.

Union members, supervisors, and other recognized and designated representatives of the company and the union are bound to observe the respective covenants in this agreement.

Article 12 – Benefits/Pension/Retirement Plan

- A. The Company will provide eligible employees with the following benefit plans: medical, prescription drug, dental, life, accidental death and dismemberment, weekly sickness and accident, pension, and a 401(K) plan with no company match. Details of the plans are described in respective Summary Plan Description (SPD) documents, copies of which will be available in the Human Resources office.

- B. The Company agrees to generally maintain the level of benefits for the life of the agreement, however the Company reserves the right to modify benefit plans or change carriers at any time. If there is a modification in a benefit plan or if there is a change in carriers, the Company will discuss the changes with the Union before implementation. In that event the Company and the Employees will share equally any increase or decrease in premiums.

- C. The Company will continue to provide eligible employees the current Geisinger "HMO" Medical Plan. For employees who hire on or after February 13, 2007, eligibility for coverage under the Geisinger "HMO" Health Plan will begin on the first of the month following the completion of their twenty-seventh (27th) month of service.

- D. The Company will provide eligible employees the new Geisinger "Solutions" Medical Plan beginning February 13, 2007 for employees who hire on or after that date. Eligibility for coverage will begin on the first of the month following the completion of the Probationary Period. Employees eligible for the Geisinger "HMO" Health Plan will no longer be eligible for coverage under the Geisinger "Solutions" Health Plan.

- E. The Company will continue to provide eligible employees the current Prescription Plan through the remainder of 2006. Effective January 1, 2007, the Company will provide eligible employees with the new Prescription Plan reviewed in negotiations. Eligibility for coverage will begin on the first of the month following the completion of the Probationary Period.

- F. The Company will continue to provide eligible employees the current Dental Plan through the remainder of 2006. Effective January 1, 2007, the Company will provide eligible employees the new Dental Plan reviewed in negotiations. For employees who hire on or after February 13, 2007, eligibility for coverage under the Dental Plan will begin on the first of the month following the completion of their twenty-seventh (27th) month of service.

- G. The Company will continue to provide eligible employees with Life Insurance. Effective January 1, 2007, the Company will improve the Accidental Death & Dismemberment component of coverage to be equal to Basic Life and the Supplemental Life benefit election level. Eligibility for coverage will begin on the first of the month following the completion of the Probationary Period.

H. Duplication of Coverage. When spouses are both employees of the Company, and both are eligible for coverage, only one will be permitted to enroll in benefit coverage (medical, prescription, and/or dental) for them self and their dependents.

I. Continuation of Coverage. In the event of a layoff, coverage will continue through the end of the month you are laid off plus the following month (i.e., layoff occurs June 15, coverage ends July 31st)

J. COBRA. At such time as a qualifying COBRA event and loss of coverage occurs, COBRA enrollment options will be limited to the same plan currently enrolled in as an active employee / dependent.

K. 2006 Contributions

Employees hired prior to February 13, 2006 who are enrolled in medical with prescription benefit plans shall continue to share in the cost of said coverage at the rate of \$93.00 per month through the final Calendar Year 2006 earnings pay period. There will be no contributions during the same period for employees enrolled in Prescription only and/or Dental benefit plans.

Employees hired on or after February 13, 2006 who become eligible and enroll in either medical

with prescription (Rx), or prescription (Rx) only benefit plans shall share in the cost of said coverage at the contribution rates reflected below through the final Calendar Year 2006.

2006		
	Medical + Rx	Rx Only
EE Only	\$35.99	\$5.63
EE + 1	\$75.16	\$11.25
EE + 2	\$99.49	\$16.88

- L. Effective with the first Calendar Year (CY) 2007 earnings pay period, eligible employees electing medical with prescription (Rx) only, and/or dental coverage shall share in the cost of said coverage at the contribution rates reflected below. Said cost share shall be deducted on a weekly basis through payroll deduction.

2007				
	> 27 months. Med. + Rx Dental		All Rx Only	< 27 months. Med. + Rx
EE Only	\$48.05	\$1.97	\$6.19	\$39.59
EE + 1	\$100.48	\$3.94	\$12.38	\$82.68
EE + 2	\$132.45	\$5.90	\$18.57	\$109.44

In the event the fixed contribution rates designated above are higher than 14% of the calendar year premium for the respective benefit, then the contribution rate will be adjusted downward accordingly. In no event will there be an increase in the above fixed rates.

- M. Effective with the first Calendar Year (CY) 2008 earning pay period, eligible employees electing medical with prescription (Rx), prescription (Rx) only, and/or dental coverage shall share in the cost of said coverage at the contribution rates reflected below. Said cost share shall be deducted on a weekly basis through payroll deduction.

2008				
	> 27 months. Med. + Rx Dental		All Rx Only	< 27 months. Med. + Rx
EE Only	\$56.63	\$2.25	\$7.30	\$46.66
EE + 1	\$118.42	\$4.51	\$14.59	\$97.44
EE + 2	\$156.10	\$6.77	\$21.89	\$128.98

In the event the fixed contribution rates designated above are higher than 15% of the calendar year premium for the respective benefit, then the contribution rate will be adjusted downward

accordingly. In no event will there be an increase in the above fixed rates.

- N. Effective with the first Calendar Year (CY) 2009 earnings pay period, eligible employees electing medical with prescription (Rx) only, and/or dental coverage shall share in the cost of said coverage at the contribution rates reflected below. Said cost share shall be deducted on a weekly basis through payroll deduction.

2009					
	> 27 months.		All Rx Only	< 27 months.	
	Med. + Rx	Dental		Med. + Rx	
EE Only	\$66.45	\$2.57	\$8.56	\$54.75	
EE + 1	\$138.94	\$5.15	\$17.12	\$114.33	
EE + 2	\$183.15	\$7.72	\$25.68	\$151.34	

In the event the fixed contribution rates designated above are higher than 16% of the calendar year premium for the respective benefit, then the contribution rate will be adjusted downward accordingly. In no event will there be an increase in the above fixed rates.

- O. Effective with the first Calendar Year (CY) 2010 earnings pay period, eligible employees electing medical with prescription (Rx) only, and/or dental coverage shall share in the cost of said coverage at the contribution rates reflected below. Said cost share shall be deducted on a weekly basis through payroll deduction.

2010				
	> 27 months.		All Rx Only	< 27 months.
	Med. + Rx	Dental		Med. + Rx
EE Only	\$66.45	\$2.57	\$8.56	\$54.75
EE + 1	\$138.94	\$5.15	\$17.12	\$114.33
EE + 2	\$183.15	\$7.72	\$25.68	\$151.34

In the event the fixed contribution rates designated above are higher than 16% of the calendar year premium for the respective benefit, then the contribution rate will be adjusted downward accordingly. In no event will there be an increase in the above fixed rates.

P. Pension / Retirement Plan

The following monthly retirement benefit rate improvements shall be made:

- 1.) \$43.00 multiplied by years service after the 25th Birthday and \$32.25 multiplied by years of service prior to the 25th Birthday for years of service after January 31, 2006.
- 2.) \$44.00 multiplied by years service after the 25th Birthday and \$33.00 multiplied by years of service prior to the 25th Birthday for years of service after January 31, 2007
- 3.) \$45.00 multiplied by years service after the 25th Birthday and \$33.75 multiplied by years of service prior to the 25th Birthday for years of service after January 31, 2008
- 4.) \$46.00 multiplied by years service after the 25th Birthday and \$34.50 multiplied by years of service prior to the 25th Birthday for years of service after January 31, 2009
- 5.) Modify the ConAgra Foods (IHF) Coordinated Bargaining Retirement Plan for the Milton, PA location to reflect the current practice of determining proof of "total and permanent disability" as follows: total and permanent disability means

bodily injury or disease which totally and permanently prevents a participant from engaging in any occupation or employment for remuneration or profit except for purposes of rehabilitation as determined by the committee and which entitles the participant to a disability benefit under the U.S. Social Security Act, as amended.

- 6.) Modify the ConAgra Foods (IHF) Coordinated Bargaining Retirement Plan for the Milton, PA location to eliminate the requirement that a surviving spouse must have been married to a deceased participant for at least one year as of the date of the participant's death in order to be eligible for a pre-retirement survivor annuity.

- 7.) Modify the ConAgra Foods (IHF) Coordinated Bargaining Retirement Plan for the Milton, PA location to eliminate the Retirement/Benefit option known as the "refund option" for employees hired on or after July 1, 2006. The refund option shall continue to be available to eligible employees who were hired prior to July 1, 2006

Article 13 - Company Rules and Regulations

Company rules and regulations as they exist at the present time shall remain in effect together with such department or plant-wide rules as may be posted on the bulletin boards from time to time, or printed and distributed among the employees; and all employees will be required to observe and comply with these rules subject to the terms of this agreement. Additions to company rules and regulations will be submitted to the union for discussion before being posted.

Article 14 - Uniforms and Work Clothing

The company shall supply, maintain, and launder uniforms and head coverings where required. Such uniforms shall remain the property of the company. Employees shall be held accountable for the reasonable use of them and shall turn in such uniforms upon leaving the employment of the company, or pay for them.

Where the nature of the work requires the use of rubber boots, rubber gloves, rubber aprons, knives, stools, uniforms, or tools (with the exception of tools for the maintenance and meat department employees), the company will furnish these items, but the employees will be responsible for the items issued to them at cost if they fail to return them to the company.

Article 15 - Bulletin Boards

Bulletin board space will be provided by the company for the posting of union notices. No notice pertaining to political candidates or issues may be posted, and all proposed notices must be submitted for approval to the company.

Article 16 - Access to Plant

The company agrees that at times it may be desirable for outside representatives of the union to enter the plant for the purpose of observing working conditions or assisting in the adjustment of grievances. When the union desires to have such representatives enter the plant, it will request such permission from the appropriate company representative, and such permission will not be unreasonably withheld. The company reserves the right to require that such union representatives may be accompanied by a company representative during their stay in the plant. Union representatives granted such access shall not interfere with production activities.

Article 17 - Safety

ConAgra Foods, Inc. believes it is important for all to be aware of our long-standing commitment to protect the health and safety of our employees, the users of our products, the public, and the environment. The company will continue to comply with the spirit as well as the letter of the national and local laws and

regulations relating to the protection of employees, the public, and the environment. ConAgra is committed to providing a safe and healthful work place for our employees. While management has particular responsibilities for creating a climate conducive to meeting these goals and objectives, their achievement depends on the contribution and commitment of all employees. It is management's responsibility to make final determination of ventilation and seating requirements of the plant in accordance with good ergonomic principles and operating practices.

Article 18 - Termination of the Agreement

A. This agreement shall be in force and effect for a period beginning the 4th day of February, 2006, and ending the 7th day of February, 2010, and thereafter from year to year unless either party hereto shall notify the other in writing at least sixty (60) days prior to the expiration of the term or any extended term of this agreement of an intention to cancel or to change any provisions of the agreement upon the expiration of the term or the current extension of the term.

B. If such written notice is to the company, it shall be addressed to ConAgra Foods, Inc. Marr Street, Milton, Pennsylvania. If such notice is to the union, it shall be addressed to:

United Food and Commercial Workers Union
Local No. 38.
143 N. Front Street
Milton, Pennsylvania, 17847

IN WITNESS WHEREOF each of the parties hereto
has caused this agreement to be executed by its duly
authorized representative this _____.

FOR THE COMPANY:
CONAGRA FOODS, INC.

FOR THE UNION: UNITED FOOD AND
COMMERCIAL WORKERS UNION LOCAL NO 38

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THE CHANGES MADE*****

CONTRACT AGREEMENT

2006, 2007, 2008, 2009

Between

CONAGRA GROCERY PRODUCTS COMPANY

and

UNITED FOOD AND COMMERCIAL WORKERS

UNION LOCAL NO. 38

Milton, Pennsylvania

In witness whereof each of the parties hereto has caused this agreement to be executed by its duly authorized representatives this 10th day of February, 2006.

FOR THE COMPANY:

CONAGRA GROCERY PRODUCTS COMPANY

Plant Manager

Director-Human Resources

V.P. of Operations

Executive V.P. of H. R.

Director-Labor Relations

FOR THE UNION:
UNITED FOOD AND COMMERCIAL
WORKERS UNION LOCAL NO. 38

Russ Baker, President

Gary W. Rute

Rick Thomas

John Sullivan

Rodney Aikey

Sandy Earnest

Barry Black

Troy Geyer

Bob Reynolds

Jody Divers

John Snyder

Ron Longenecker

Robert Sudduth

Jeff Byerly

Procedure manual
Covering the agreements made during the 2006-
2007-2008-2009 labor agreement negotiations.

During negotiations between the Company and
Union that covered the 2006-2007-2008-2009
Labor Agreement, a number of issues were
discussed that were of an important nature as far
as the function of the two parties are concerned
but were not necessarily the type of issues that
should be included in the Labor Agreement. In
view of this, it was mutually agreed by the parties
to add the procedure manual as an appendix to
the CBA.

APPENDIX

2006,2007,2008,2009

PROCEDURE MANUAL

CONAGRA FOODS, INC.

-AND-

UNITED FOOD AND COMMERCIAL WORKER
UNION LOCAL NO. 38

MILTON, PA

PROCEDURE MANUAL

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Appendix

Article I. VACATIONS

1. The Company will advise the Union prior to February 1st of each year which common vacation weeks will be observed. Any employee whose job is scheduled to work may cancel these weeks as vacation, and will be required to do so. However, Local #38 will canvas for qualified replacements for people scheduled to work this week who prefer to take vacation

Deadline to request single, personal holiday, and weekly vacation changes, addition to or removal from, is 4:00 PM Tuesday.

Additional help and replacements may be needed during the Common Vacation Week(s). Any employee required to cancel their vacation week(s) may schedule and take their vacation anytime after the Common Vacation Week(s) within the allotted vacation caps. The Company will allow up to eight (8) additional vacations per week (three (3) on 1st shift, three (3) on 2nd shift, and two (2) on third shift), above the agreed upon number for employees that cancel their vacation for the Common Vacation Week(s).

In filling jobs for the Common Vacation Week(s), employees with no earned vacation will be used first. After this group of employees is exhausted, then employees from the voluntary sign-up sheet will be used by seniority. Any remaining jobs that are still open will be filled by probationary employees.

Employees that are on layoff may take previously scheduled vacation at anytime during their layoff. Once recalled however, their vacation reverts back to the original vacation scheduling.

Employees who are hospitalized, on insurance benefits as of Monday of the Common Vacation week, occupational illness or injury, shall not be forced to take vacation during the Common Vacation week.

When an employee is scheduled for vacation and the holiday falls within that period, such employee will be eligible for holiday pay if such employee works either the preceding Friday or the following Monday of the employee's vacation, provided that the employee receives approval from the Human Resources at least 48 hours in advance of this planned absence. If the holiday falls on the Friday immediately preceding the vacation week or the Monday immediately following the vacation week and the employee has received prior approval, he will be granted the holiday pay.]

One-day scheduled vacation program – Employees with four (4) or more vacation weeks will be permitted to schedule ten (10) of these days on a single day basis in accordance with agreed upon guidelines.

When the Company sends actively employed employees home for lack of work, such as the Mustard Line, and also a line layoff, hours up to eight (8) hours per day would be credited toward vacation qualifications. Any employee refusing to accept other work on a temporary basis such as five (5) day cut-back, and where no reduction in hourly rate is involved, will not be given credit for these hours toward vacation.

Article II. JOB EVALUATION

In the event the Company creates a new job, or in the event significant changes have been made to an existing job, a committee comprised of 4 people (2 selected by the union and 2 selected by the Company) shall meet and endeavor to reach a joint recommendation to be forwarded to management for consideration in the establishment of an appropriate wage rate.

In such circumstances wherein either a joint recommendation on an appropriate wage rate could not be reached, or a joint recommendation on an appropriate wage rate is reached but not implemented by management, the union shall retain the right to arbitrate the implemented wage

rate.

ARTICLE III. SECTION I, JOB PLACEMENT

In accordance with the contract, employees will be assigned through the labor pool as follows: the highest rates of pay will be recognized along with seniority, skill, ability, training, and education in filling all jobs.

The company will not require restricted employees to work beyond their medical restrictions. The honoring of medical restrictions is not to be interpreted as an acceptance of management to find such employees work nor is it to be construed as a transitional duty program (Occupational Only). Additionally, there may be instances where no work would be available within an employee's medical restrictions.

Employees who are unable to perform their work assignments would be reassigned or sent home due to their inability to perform the essential functions with or without reasonable accommodations, of any job that their seniority would otherwise allow them to perform. In the case where there was no work available that an employee could do they would be listed as lack of work for purposes of vacation credit only.

An employee would be listed as lack of work for purposes of vacation credit only, in the case where there was no work available that an employee could do when recalled from layoff.

At the end of each workweek, unassigned employees within the labor pool will be reassigned according to their qualifications and seniority.

Employees, who are bid-in and/or assigned to third shift and work on a Sunday on third shift, will have the option of working on a Monday if they are bumped from third shift, bid from third shift, forced by the company or change shifts and go to first shift. In such cases where the employee elects not to work Monday, such absence will be considered excused and he/she will be counted as eight hours worked for premium pay purposes. Employees will be required to advise Management upon being notified that they were bumped, bid, discontinued or changed shifts if they wish to elect this option. Furthermore, should the employee not work Sunday due to schedule change and report for work on Monday, the employee displaced by their return to work will be assigned to the labor pool. Absences by employees, who do not provide proper notification, will be considered unexcused and will not receive credit for premium time.

Where employees elect to work and end/start time overlap, Management will determine job assignment. Such determination will not result in reduced compensation for the employee.

When an employee is awarded a job through the

bidding procedure and posted and then the job is canceled, the employee will remain on their existing job.

Jobs operating for fifteen (15) consecutive work days shall, under normal conditions, be automatically posted for bid. If less than fifteen (15) days, the job must be followed by a seven (7) calendar day period as a non-operational job for the cycle to start over. Bid-in employees whose jobs do not work for fifteen (15) consecutive work days shall automatically be given bumping privileges, provided their job does not start up the 16th consecutive day. However, the Common Vacation week(s) not be considered part of the above.

When placing labor pool employees on job placements for the start of a new week, the Company will start with the most senior qualified employee and continue down the list filling all jobs in all categories. (Categories are interpreted to mean sick leaves, vacations, job bids and open jobs.)

Labor pool employees not bid-in and filling sick leave or vacation slots will remain there until employee returns from sick leave or vacation. During reduction in staffing on like jobs, bid-in employees will remain on their bid-in job and employees filling sick leave or vacation slots will revert to the labor pool. When staffing increases the employee assigned to the sick leave or vacation slot, will return to the previous sick leave or vacation job assigned.

Employees returning from a sick leave of absence must notify Human Resources no later than 11:00am the normal work day before returning to work in order to return to their bid-in job.

Labor Pool employees not assigned jobs for the week will remain in the Labor Pool and be placed on jobs daily according to their seniority; i.e. most senior employee on qualified jobs.

When Labor Pool employees are assigned jobs for the beginning of a work week and due to a change in scheduling the employee has to be reassigned, said employee will then receive the rate of pay of job originally assigned or rate of job assigned to, whichever is higher, for that day.

Employees whose bid-in jobs are not scheduled for a week and then, due to a schedule change, their bid-in job starts at the beginning of a shift, said employee must then return to their bid-in job.

Vacation replacements will be filled by seniority and qualifications when there is more than one (1) job with the same job title on a particular line.

Employees who are placed on jobs improperly shall be placed on their rightful job within the shift.

The Company and the Union have agreed that unassigned employees, who are in the daily Labor Pool, will leave the Labor Pool to fill vacant jobs by individual seniority and qualifications.

Any employee whose job bid is honored and voluntarily relinquishes the job or fails to perform satisfactorily, will be denied claiming this job, or any other job, based on seniority for a period of ninety (90) days.

Probationary Employees shall not be assigned work while Qualified Union employees are on seniority lay-off. This would include full days of work or more, such as line lay-off or full department lay-off where it involves a full day, part of a week or more. One exception to this rule is overtime on weekends which is covered by our Labor Agreement under weekend work.

After the start of the work week, the parties agree that bargaining unit employees could be given lack of work status even though probationary employees are working on an alternate shift.

Where bumping, layoff, recall or shift change of Union Members with the same seniority is involved, a Union Officer shall be present at the time of the decision.

Article III, section II Training procedure

It has been mutually agreed that a joint Union/Management Training Committee consisting of two representatives of the company and two representatives of the union will be commissioned to address issues of training and temporary transfers, develop an appropriate training program for the Plant's needs and reduce the need for temporary transfers. The committee will meet as frequently as needed.

The company and union have agreed upon guidelines for such training which may be changed by the parties as needs and circumstances change.

The company shall use training sign-up sheets to ensure the availability of qualified personnel to operate the plant. Training sign-up sheets shall be posted on a quarterly basis (cycle) and employees may sign multiple training sign-up sheets indicating their order of preference. Employees who are awarded a training position in one quarterly cycle shall not be eligible to be awarded a training position in the next quarterly cycle.

The committee may determine the training requirements for jobs to facilitate the limitation of temporary transfers.

In order to facilitate the development of skills for employees, and to limit the need for temporary transfers, this committee may designate jobs in which employees may be trained. The company will determine which employees may be so trained.

This committee shall also determine which jobs should be grouped together for the establishment of a Technical Labor Pool. Employees within the Technical Labor Pool will be placed on jobs based upon qualifications and seniority to the highest pay rate jobs.

In order to ensure the availability of employees for critical job, employees bid into jobs at Grade 7 and above, (except as modified by the committee) shall not be eligible to bid on training bids except for Coordinator positions that require critical skills or for jobs grouped together by this committee for the technical labor pool. Training bids for Coordinator positions shall be filled in the same manner as permanent Coordinator openings. Employees bid-in to Grade 7 and above jobs, not included in a Technical Labor Pool grouping, may be permitted to sign-up for training positions at the discretion of the committee.

In the event that senior employees (12 years seniority as of the Monday following the ratification of this agreement) are displaced from their bid jobs and are not able to bump, such employees will be provided a training bid for jobs that they have sufficient seniority to bump. The

committee shall assist in the assignment of such training bids. Such bumps will be effective upon completion of the training.

Article IV Continuous Line Operation

The Company may designate on a selected basis certain manufacturing lines and operations to operate on a continuous uninterrupted basis for a full shift without stopping for rest periods and/or lunch and supper periods. Or

The Company may elect to provide personnel to replace the assigned line employee during rest periods and/or lunch and supper periods.

The Company will maintain the current break/lunch periods on all current manufacturing lines. However, on new installations and major modifications of existing lines the Company will determine the method of providing relief (continuous operation or relief person) The Company will discuss what method of break/lunch is to be utilized with Local #38 before said operation begins.

Article V Breaks

Payment or granting additional break period after 9 ½ hours worked:

Plant hourly employees are entitled to take or be paid an additional paid break after the completion of 9 ½ hours of work. The following

examples will illustrate the application of this provision under different conditions:

1. Employees will not be eligible for an additional break if they only work $9\frac{1}{2}$ hours and have taken all the time to which they are entitled. Example: an employee works 7:00 AM to 5:00 PM and takes his lunch and both breaks.
2. Employees will be eligible for an additional break anytime they actually work more than $9\frac{1}{2}$ hours and has taken all time to which they are entitled. Example: an employee works 7:00 AM to 5:15 PM ($9\frac{3}{4}$) hours and has taken his lunch and both breaks. At this point, this employee should be eligible for ten (10) hours pay.
3. An employee will be eligible for an additional break anytime his total paid time exceeds $9\frac{1}{2}$ hours. Example: an employee works 7:00 AM to 5:00 PM, works through his AM break and takes this lunch and PM break. At this point, this employee is paid $9\frac{3}{4}$ hours as actual paid time. Because this employee's actual paid time exceeds $9\frac{1}{2}$ hours, they will be entitled to an additional paid break and should be paid for a total of ten (10) hours.

Article VI Machine Adjustments, Lubrication and Set-Up

Production employees will be permitted to perform machine adjustments and machine lubrication with the continued reassignment of set-up duties to third shift employees. The purpose of which is to create "world class" work practices and not as a means to displace maintenance employees or reduce their hours of work.

Article VII Equipment Breakdown

During equipment breakdown at the start of the shift where more than one line of like equipment is in operation, the line with the least seniority will leave. If equipment breaks down during the shift, the personnel assigned to that particular line shall leave.

Article VIII Third Shift Touch Up Crew

Only qualified employees will be acceptable for voluntary weekend third shift work, specifically third shift touch-up crews. The applicable pay rate of this work is Grade 6. Qualified is defined as having successfully completed "touch-up crew certification.

Further, certification will be on-going for bid-in, third shift, main plant clean-up employees.

Article IX Deadline to Request Shift Change

Employees desiring to transfer from one shift to another will notify the Labor Coordinator no later

than 9:00 AM on Thursday for the following week. However, any week in which a holiday falls on Thursday or Friday, the deadline to request shift change will be Tuesday by 9:00 AM.

Employees are not allowed to request a shift change if they have been granted one within the past thirty (30) calendar days. There will be no time limit for those employees who are forced to another shift.

Article X Quality Control

Staffing of Quality Assurance will be governed by Management and include all present lines of production.

Article XI General

Tools-The Company will furnish necessary tools for Machine Operators. These tools will also be replaced by the Company when worn out or broken.

Employees who desire to bump other employees will notify their immediate supervisor who will inform the supervisor of the employee being bumped. This supervisor will, in turn, notify the employee being bumped and the bumped employee's union steward. All issues surrounding the bumping process will be addressed through the grievance procedure.

Article XII Work Clothing

Three (3) sets of coveralls will be issued to Building & Grounds employees whose jobs are a Permanent assignment of the garbage detail. However, the Company will continue to furnish rubber aprons and light-weight stretch boots to this same personnel but will no longer allow this particular personnel to use white aprons or coats or other clothing that is used throughout the Plant. It was agreed that coveralls would be furnished to employees when unloading meat. The Company agrees to provide coveralls to Building & Grounds bid-in Sweeper Operators.

Insulated coveralls shall be provided to Local #38 "shuttle" truck drivers.

Work clothing (pants) and laundry of same shall be provided for third floor spice room, liquid spice room, mustard grinding and milling employees, second floor kitchen, third floor kitchen, and cooker operators and assistants.

Article XIII Military Service Bonus

Company policy covering military service bonus—

Employees with eight (8) months or more of continuous service with our Company who go on leave to enter the Military Service will be granted a bonus equal to the following:

8 months' service but less than 9 months' service -3 Days

9 months' service but less than 10 months'
service -6 Days

10 months' service but less than 11 months'
service -9 Days

11 months' service but less than 12 months'
service -12 Days

12 months' service or more----- 15 Days

Note: All employees who enter the Military Service under the six (6) months active training enlistment will receive only half of the Military Service Bonus that normal enlistment's carry.

Article XIV Safety & Health

In order to better provide and maintain high standards of safety, the company and union have agreed on the following items:

1. Appropriate management members and Local #38 designated Safety Committee Representatives and Chief Committee Persons of their respective shifts (Joint Safety Committee) will meet periodically, no less than monthly, to review safety problems and accidents, inspect new installations to include ventilation, and to discuss/develop solutions to safety issues. When serious accidents occur resulting in lost-time days, hospital treatment, and reoccurring or near miss accidents, they will be investigated

promptly by both company and union representatives of the Safety Committee.

2. Newly installed or major modified production lines will be inspected both by company and Local #38 designated Safety Committee Representatives and Chief Committee Persons of all shifts prior to start-up.
3. Appropriate management members and Local #38 designated Safety Committee Representatives and Chief Committee Persons of all shifts will conduct a tour on a monthly basis.
4. New installations will be promptly evaluated by the joint Safety Committee to determine reasonable ventilation. A committee consisting of (3) people, two (2) representatives (one from each of first and second shifts) from the union and one (1) representative from the company, will complete a survey by January 31 of each year in all departments to determine fan requirements.
5. Employees with First Aid Training/EMT who agree to assist management in first aid will be provided EMT refresher training.

Article XV CDL License Renewal

The company will reimburse bid-in Tractor Trailer Drivers –Local for CDL license renewals. Any CDL license holder that agrees to be temporarily transferred when needed may have his CDL renewal paid for by the Company. Also, upon request, CDL physicals will be given by the company doctor at no cost to the bid-in employee or employee who agree to be temporarily transferred.

Article XVI Messages-Second And Third Shifts

In case of an emergency, messages will be delivered immediately upon receipt. Whenever the boiler house employee or waste water employee are working alone, they shall call Security at the main gate every half (1/2) hour.

Article XVII Locks And Lockers

It was agreed that the Company would furnish locks for employees' personal lockers. These locks would be a type that a master key would control the opening of the locks. Each employee would be issued a lock, but in the event their lock was missing or destroyed, at the time of replacement, the employee would be charged for the lock.

Article XVIII Personnel/Payroll

The Company will continue with NU Community Credit Union deductions and add political check off on pay checks. These deductions are

handled in the same manner in which we deduct Christmas Club.

The Company agreed "all vacation checks shall be paid separately".

The Company shall provide one glass enclosed bulletin board with locks for the use of the Union for posting notices and bulletins pertaining to Union matters. It is understood that all notices posted on this board will continue to be approved by the Human Resources Department.

Pay shortages or Grievances – If an employee is short in their pay or their pay needs to be adjusted they will be reimbursed in their regularly weekly check, in a timely manner after approval of the adjustment. Each item will be listed separately on the employee's check and each item will be taxed separately at the effective rate.

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Procedure Manual-Maintenance

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**Overtime and Equalizing Of Maintenance
Overtime**

It is mutually agreed that it is desirable to keep Maintenance Department employees' overtime as equal as possible. Every effort will be made to keep overtime as equal as possible, including an equitable division between first, second, and third shifts. Discussions between Company and Union for obtaining better ways to equalize overtime will continue in the future. Overtime assignment and/or problems covering same to be handled for the union by the maintenance coordinator. Replacements shall be filled from the employee with the lowest overtime from any one shift for Maintenance. Maintenance will be replaced from their group on their respective shifts first. By Tuesday morning, 7 AM, hours of the previous week's overtime will be posted and in effect. The Maintenance work schedule and personnel assignments for weekend work will be posted by 2 PM Thursday (Wednesday, if Friday is a holiday) of each week.

The work schedule and assignments will be reviewed by both Company and Union at the Thursday Planning Meeting.

It is the intent of this procedure to eliminate any errors in work assignments. Every effort will be made by Company and Union to review and correct any errors by the close of business on Friday (Thursday).

Notwithstanding the foregoing provisions, the Company shall determine the day(s), shift(s), and hour(s) during which any required maintenance work shall be performed.

Contract Work

1. The Company shall determine the number of maintenance employees in each maintenance craft.
2. The Company has the right to determine when it is appropriate to use outside contractors.
3. The Engineering Maintenance Department will be eliminated in the near future and the Engineering Maintenance employees will be handled in accordance with the labor agreement and the Effects Bargaining Closing Agreement.
4. It is not the company's intention to subcontract routine maintenance work such as maintenance work that support our daily core business activities associated with the manufacturing of our products.
5. The new equipment installation will be performed by outside contractors.
6. There shall be no production maintenance employees on temporary lay off while sub contractors are performing routine maintenance work.
7. Management recognizes the need to

communicate with the Union the utilization of outside contractors and will make every effort to provide timely notification regarding start of contract jobs. Contractor working hours will conform to Union hours of work whenever practical unless project requirements dictate otherwise in Management's view.

8. There shall be no penalty pay except if number 4 & 6 above are violated.

Temporary Transfer Production Maintenance

Company has the right to temporarily transfer qualified non-area Maintenance employees from one shift to another daily or weekly as deemed necessary by Management.

Maintenance-New Equipment Installation

A need is recognized for assigning Maintenance employees to new equipment during test and shakedown periods. Purpose being for Maintenance employees to better familiarize themselves with equipment while Company's representative is available during start-up period. On new installation projects, the maintenance employee, first, second or third shift, may be scheduled in the final installation and start-up.

Lunch Periods

The Maintenance department will continue to schedule maintenance employees lunch and break periods to continue to provide structure for lunches and breaks. When Maintenance personnel are required to work through lunch and break periods, and they are not able to take said lunch and break within the contractual guidelines they shall receive the same consideration as production employees.

Maintenance Areas

First and second shifts to be bid in by area.

Overtime schedule and partial production schedule of personnel to continue as currently operated:

1. Maintenance-Full or Partial Production-
First person to be scheduled in any area will be bid-in employee in the specific area. If additional employees are required, qualified low overtime Maintenance employee will be scheduled to work. However, on partial production days, bid-in area Maintenance employee working can work up to a maximum of three (3) hours in a non-production area without the Maintenance bid-in area employee being in.

2. Maintenance – No Production-
First Maintenance employee to be scheduled

in will be the bid-in employee in a specific area if the work to be performed exceeds three (3) hours. When Maintenance employees are scheduled to work Saturday and/or Sunday, the Company will notify the employees by the end of their shift Thursday where they will be working, unless changes and/or circumstances preclude the Company from making the proper notification. Every effort will be made to notify employees at the earliest possible date or time in event of overtime. The lowest total average overtime shift and area selected shall be the shift scheduled to perform the preventive maintenance work. The shift selected shall be determined by averaging the overtime hours of the area employees from the areas in which the work is to be performed. The shift which had the lowest average hours shall be selected to perform the work. The first employee scheduled in to cover a partial production day shall be the area employee to cover production. On scheduled preventive maintenance work, the first employee scheduled in shall be the area employee in which the work is to be performed. If additional help is required, the low overtime employee from the shift selected, with the qualifications required, shall be selected. In order to more fully distribute the overtime between first, second, and third shifts, the following scheduling procedure shall be adopted: We will continue to recognize the overtime level of each shift. Third shift shall be scheduled when the shift as such has the

lowest overtime and adequate qualified personnel to handle the jobs required. The Company may agree to assign Class "A" Maintenance personnel in cooker room on third shift in addition to the already assigned labeling area. These assigned areas will be considered for overtime purposes the same as existing bid-in areas on first and second shifts. If more than one (1) Production Maintenance person is working in an area and the Floater classification is being used as replacement for one of the regular area Production Maintenance people and additional help is needed in another area, the Floater classification person will be utilized for this work. The bid-in person will remain in their area. In any partial production period, it is permissible to schedule one (1) area Maintenance employee to cover more than their basic area if such a need is recognized. This will be determined by amount and complexity of equipment operating. Employee scheduled to work will be selected from area operating with preference given to area with maximum scheduled production. Floating Maintenance employee (if qualified) is to be used for replacement of bid-in area first. All Maintenance Department employees will submit their request for weekend replacement in writing prior to 9 a.m. Friday, in conjunction with holidays, (or the day the weekend work list is posted), utilizing the Weekend Off Slip. It is agreed, that an employee who has submitted a request for a weekend work replacement and is replaced

be a qualified employee, that request will be considered the same as having been granted a weekend off slip. A form will be available to any employee granted the weekend off or on vacation who would be willing to work the holiday on a low overtime basis. The form is to be completed and turned in by the end of the shift on Tuesday preceding the holiday. If the holiday falls on Thursday, the form to be completed and turned in by the end of the shift on Tuesday preceding the holiday. When an employee has been scheduled for weekend overtime and calls or reports off sick, and returns to work the first scheduled work day of the following week, the employee shall be charged for having the weekend off. When all employees are utilized on their respective shifts, then replacements will be taken from the low overtime employee from the other two shifts. Replacements must be qualified.

Notwithstanding the foregoing provisions, the Company shall determine the day(s), shift(s), and hour(s) during which any required maintenance work shall be performed.

Probationary Employees

Probationary employees may work overtime during the week on their own job, or on the job they may be assigned for that specific day. This will include lunch periods, breakdowns, etc.

However, on scheduled overtime, no probationary employees, except Power Plant Fire persons, may work without the knowledge of Union representatives until after all Production and Maintenance employees have first been given the opportunity to work. Probationary employees rated as Class "A" Production Maintenance with electronics experience shall be allowed to work weekends, when production is running in their area while other Union members are not working. Overtime for probationary employees in Maintenance Section will be added to overtime record sheet at the end of 45-day probationary period at high overtime hours of employee in their category. Present method of posting overtime hours for Engineering work worked will be continued in accordance with letter dated February 4, 1995.

Re-Posting Jobs

Regular hourly employees will retain their job for a period of not more than twelve (12) weeks when off on medical leave when excused for the subject employee's illness. At the end of the twelve (12) week period, if the employees do not return to their bid-in job, their job will be offered for bid. When it is known that Maintenance employees are going to separate themselves from the Company their job may be posted, the first bidding period after the last day worked. The Union Steward will be notified of job bid

replacements and requests for leaves of absence.

Maintenance Job Qualifications

It is recognized that when an employee bumps or bids on an existing or a new Maintenance job, it is necessary for the employee to show reasonable qualifications. The proof of a person's ability and experience relative to the specific job available as defined in the job description rests entirely in the employee's hand. The present method of reviewing an employee's ability and experience may be continued; however, should a serious question arise as to their having or not having qualifications for a specific job. It is agreed that an examination may be given to evaluate if the candidate has the qualifications/ability to perform the job by a third or outside party who is qualified to give such an examination; this includes all crafts. The decision will rest upon the results as reported by this party or agency. Any organization chosen for testing will be mutually agreed upon by the Union and Management.

The test is tailored to the job evaluation and description currently part of the job evaluation system at Milton. The minimum passing grade for any testing required is 60%.

Cost of all testing to be paid by the

Company.

The Company will review test results and other qualifications of employee and make final decision covering qualifications in meeting job in question. The Union will be notified of the results. On all job bids in, Maintenance employee shall be required to read job description before interview. Testing results will be communicated directly from testing center to both Union and Human Resources: testing will cease when 60% is not attainable in any test section.

A maximum of ten (10) days to be taken by Local Union #38 and/or Company to assemble qualifications of employee bidding. At the end of this period, if employee has reasonable job qualifications and experience leading to "test," test to be given with return of results as soon as possible; however, no longer than three (3) weeks. "If receipt of the test results goes beyond a three (3) week period and the employee has successfully passed the test, that employee is entitled to be paid the difference between their rate and the rate of the higher rated job, retroactive to the date three (3) weeks from the initial bid award if test is required." Tests to be prepared by mutually agreed upon school.

Maintenance Training

When Maintenance employees are scheduled for training programs, the

replacement personnel used during the training period will be scheduled for any weekend work in their respective areas, with the following clarifications:

- a. If the replacement person scheduled for weekend work is off on vacation or requested and was granted Saturday and/or Sunday off, the area person in training will be eligible for this weekend work.
- b. If the replacement person's area needs additional help on weekend work, the first person used shall be the Maintenance employee who volunteered for training.

Training Program

Union and Management recognizes the need for a training program necessary to provide future skilled tradespeople and increase skills of existing employees. It is also recognized that under current social and economic conditions it is necessary to proceed with such a program as soon as possible. Therefore, it was agreed that Union and Management will work together to develop an Apprenticeship Program.

Vacations

A maximum of 8% of the Maintenance Bargaining Unit as of December 1st, of the previous year will be authorized to take full

weeks of vacation. The Company will allow 2% (minimum of 2 employees) of the Maintenance Bargaining Unit as of December 1st, of the previous year to take single day vacation during any week of the year. Any week(s) that are not full of single day vacation may be open to full week vacations. Full weeks that have been scheduled or if an employee requests their vacation week to be rescheduled, must request the change by Tuesday (4:00 p.m.) the week before. All vacation rescheduled will be on a first applied basis. Any deviation the 8%|2% vacation rule will be based upon business needs and at the sole discretion of management.

Vacation weeks not scheduled or changes in scheduled weeks will require five (5) calendar day's notice. Emergency vacations may be granted with proper verification.

Any Maintenance employee scheduled for vacation will notify the Company and Union by Wednesday at end of their shift if they desire to work the weekend prior to their scheduled vacation. If a Plant holiday occurs on Thursday of that week, the employee will notify the Company by Tuesday.

**Weekend Off
Schedule B**

Maintenance schedule of weekend time off:

Procedure-

1. Employees requesting weekend off will fill out and turn in to Supervisor no later than end of their shift on Monday a "Request for Weekend Off." This will be done prior to weekend being considered.
2. "Weekend" is defined as Saturday and Sunday except where vacation schedule in any individual trade is filled, then "Weekend" is defined as Sunday only. In either case, employee will be charged with a weekend if they have applied for weekend off and are granted off.
3. Employee will be given weekend off on a seniority basis within craft. Any employee using weekend off privilege will not be able to use it again until all employees within the group have been given the opportunity to exercise their turn. If employee elects not to use their turn or submits a request for weekend off, other employee within group will be awarded same on a seniority basis.
4. An employee has had a week's vacation, they will not be recognized for weekend off until each of the other employees in that group or craft have been off or given the opportunity to be off.
5. When manufacturing is scheduled Saturday or Sunday, employees directly connected with same will be scheduled to work as required. Maintenance

employees will be considered for weekend off even if their area is operating and a qualified Maintenance employee not scheduled to work is available.

6. Weekends off will be awarded on a rotating basis.

Maintenance weekend work schedule list will normally be posted by 2 pm Thursday except when Thursday or Friday is a holiday. In such cases, the list will be posted or employee notified on Wednesday by end of first shift.

Tooling

It is understood that appropriate tools are necessary for Maintenance employees to perform their job successfully. Therefore, each new Maintenance employee, will be provided with the tools normally associated with working in the ConAgra Grocery Products Company – Maintenance department. Upon the completion of one year of service in the Maintenance department, Maintenance employees will be given \$200.00 every January 1st for the purchase and the upgrade of their existing tools.

All tools purchased by Maintenance employees are to be replaced at the Company's expense when broken or worn

out. If employee's tools are stolen with evidence of forced entry into tool crib or tool box, and no negligence by employee in handling of tools or equipment is evident, replacement will be considered on the following basis:

- a. 50% of replacement cost paid by the Company.
- b. 50% of replacement cost paid by the employee.
- c. Employees who retire have an option of keeping hand built tool cabinets, if materials have been purchased by employee, and employee has worked in the department a minimum of two (2) years.
- d. Separate tool cabinets to be provided for each bid-in area Production Maintenance employee and Production Maintenance Floater.
- e. If the present English system is changed to the Metric system, the Company will provide replacements for Maintenance employees' tools necessary for the job.

Schedule C

Sample-Basic Tool List For Maintenance Employees

1. Screw drivers – 6", 1/4" shank, Williams plastic #6 8", 3/8 " shank, Williams plastic #8 12", 3/8 11 shank, Williams plastic # 12
2. Adjustable Wrenches – 6" thin #6,

- Williams regular chrome plated, 8" thin #8, Williams regular chrome plated, 10" thick #10, Williams regular chrome plated, 12" thick #12, Williams regular chrome plated
3. Channellock pliers - 8, #420
 4. Side cutting pliers - 8" Utica #525.
 5. Diagonal pliers - 6", Utica #241, Needle point pliers - 6", Crescent #654
 6. Socket wrenches - -3/8" - X 1/8" to 1 1/4"
 7. Open end or box wrenches -3/8", x 1/8", Williamsset #1025BR
 8. Pin Punches - Williams, 3/32"- #P3
Williams, 1/2"-#P-4
Williams, 5/32"-#P-5
Williams, 3/16"-#P-6
Williams, 1/4"-#P-8
Williams, 5/16"-#P-10
 9. Metal chisels-1/4" Williams catalog #C-8
3/8" Williams catalog #C-12
1/2" Williams catalog #C-16
 10. Allen wrench-rigid straight
 11. Pipe wrenches - 8" rigid straight
10" rigid straight
12" rigid straight
 12. Sheet metal shears - 12" Crescent snips #S412
 13. Sheet metal shears -10" Crescent snips #S410
 14. Vise grip pliers - 8", #291 pronto lever wrench pilers

15. Hack Saw – Crescent #104916
16. Flashlight
17. Steel tapes – 6'-0", McMaster – Carr #196A611
10'-0", McMaster –Carr #196613C
18. 6'-0" folding rule-McMaster-Carr #C19951
19. Hammer –special (Carpenters and Masons only)
20. Tri-square – 12", McMaster-Carr #C2007
21. Metal square – 2'0", McMaster-Carr #B20062
22. Machinist level – 12", McMaster-Carr #2144AJ 1
23. Levels – 4'-0", McMaster-Carr #213A92
2'-0", McMaster-Carr #2IA372
24. Mason's trowel
25. Carpenter's saw
26. Tubing cutter and flange cutter, ridgid #10, capacity 1/8" to 1" flaring tool, ridgid #457 -45
27. Wood chisels – 1/4" Utica #641
3/8" Utica #642
1/2" Utica #643
5/8" Utica #644
3/4" Utica #645
7/8" Utica #646
1" Utica #647
28. 50'-0" tape – McMaster-Carr #C19592

Safety Hazards

All safety hazards should be addressed by the joint Safety Committee.

Uniform Laundry Service

Engineering employees' uniform laundry to be picked up and delivered daily, Monday through Saturday. Additionally, in order to maintain current quality of uniform service, the Company will meet with Union representatives prior to program changes or garment substitutions by the supplier. Bid-in employees and probationary employees' uniforms to be provided as soon as possible when employee becomes eligible to receive same. The Company agrees to provide, during the scheduled workweek, normal pick up and delivery of Maintenance employees' uniforms at the Crunch' n Munch plant for all Maintenance employees regularly working at the Crunch' n Munch plant.

Eight (8) sets rain gear

Coveralls will be authorized for checkout for outside work during cold weather and extremely dirty jobs.

Safety Glasses

New Prescriptions Safety Glasses-when reordering new prescription safety glasses for Maintenance employees, employee will retain his old glasses until he receives the new prescription glasses. At this time, the employee will turn in old glasses to the Human Resources Department. *The Company's practice of providing spring frames will continue.* Plastic lenses, if prescribed,

will be provided. Also, photogray lenses, if prescribed, will be allowed. However, the expense of photogray lenses will be the responsibility of the employee. The cost for tints will continue to be the responsibility of the employee. ConAgra Grocery Products Company will supply prescription or non-prescription safety glasses with side shields to all Maintenance employees. Under the Company policy of agreeing to bear the cost of prescription lenses and frames for Maintenance employees (with lenses and frames selected from models and suppliers designated by the Company), the Company will allow for the full cost of the type of ground or "one piece" bifocal lenses if prescribed by an eye doctor. Eye examinations, if required, to be employee's expense. It will be the responsibility of each employee to wear these glasses while at work. ConAgra Grocery Products Company will replace lenses or frames as required when broken, scratched, or damaged while at work. No replacement will be made to employee's personal glasses. Company supplied glasses will be done through the Medical Department. Glasses to be approved designs and colors. If employee leaves the department, they have the option of purchasing glasses or turning same in to the Human Resources Department. Safety glasses of employees retiring to remain their personal property.

Quality Of Work Life

The Company agrees to hold, on a monthly

basis, meetings with The Maintenance Committee and when necessary, with specific craft groups, to discuss plans on installations, changes, or modifications to be made in the plant. An agenda on the topics to be covered in Maintenance Department QWL meetings will be established by Maintenance Management and Local 38 Officials at least one week prior to the set meeting date. The purpose of this agenda is to allow for sufficient time for preparation and investigation of items to be addressed. These sessions will allow for a free exchange of information pertaining to the subject matter being discussed. The sessions will be of a "positive" nature in areas of mutual benefit and welfare of both the Company and the Union and under no circumstances will grievances be discussed or registered in the sessions.

If an employee has completed an assigned shift of work and has left the plant premises but is called back to perform work and reports, such employee will be provided no less than four (4) hours of work or, if no work is available, four (4) hours of pay at the applicable rate.