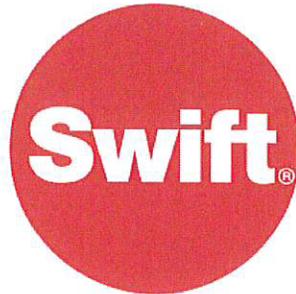


# COLLECTIVE BARGAINING AGREEMENT

Between

**SWIFT PORK COMPANY  
BEARDSTOWN, IL**



and

**UNITED FOOD AND COMMERCIAL WORKERS  
LOCAL 431**



**EFFECTIVE DATE  
July 13, 2020 thru July 7, 2024**

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## **AGREEMENT**

THIS AGREEMENT is made and entered into between SWIFT PORK COMPANY, Beardstown Division, Beardstown, Illinois, hereinafter referred to as the "Company," and the UNITED FOOD AND COMMERCIAL WORKERS DISTRICT LOCAL 431, hereinafter referred to as the "Union."

### **ARTICLE I RECOGNITION**

**Section 1.** The Company recognizes the United Food and Commercial Workers District Local 431 as the sole and exclusive collective bargaining agency for all employees in the bargaining unit which includes all production employees of SWIFT PORK COMPANY Corporation, at the plant in Beardstown, Illinois, excluding office clerical employees, quality assurance inspectors, electronic technicians, hog buyers, over the road truck drivers, computer control console operators, buying and shipping scalers, (not to include classifiers), maintenance, professional employees, supervisors and guards as defined in the Act.

### **ARTICLE II PURPOSE OF THE AGREEMENT**

**Section 1.** It is the intent and purpose of the parties hereto that this Agreement shall promote and insure harmonious relations, cooperation and understanding between the Company and its employees, set forth rates of pay and other conditions of employment to be observed between the parties hereto.

**Section 2.** It is recognized by both parties that they have a mutual interest and obligation in maintaining friendly cooperation between the Company and the Union which will permit safe, economical and efficient operation of the plant.

**Section 3.** In recognition of the mutuality of interest and desiring to provide maximum opportunity and job security for its members in this plant, the Union pledges its cooperation in promoting customer and consumer acceptance of the Company's product.

### **ARTICLE III POLICY**

The Company and the Union agree that they will not discriminate against any employee or applicant for employment because of race, sex, sexual orientation, gender identity and expression, color, creed, nationality, age, religion, veteran status, handicaps (parties will comply with the Americans with Disabilities Act), national origin.

### **ARTICLE IV MANAGEMENT RIGHTS**

**Section 1.** The management of the plant and the direction of the working force, including the right to hire, suspend, discipline or discharge for cause, to assign jobs, to determine the qualifications and the ability of the employees, to transfer, promote or demote employees, to increase and decrease the working force, to determine production standards, to determine products to be handled, produced or manufactured, the schedules of production and the methods, processes, and means of production handling, to determine the location and relocation of its facilities or operations, to create and enforce

reasonable rules of conduct and safety, are vested exclusively in the company; provided this will not be used for the purpose of discrimination against any employee or to avoid any of the provisions of the Agreement.

**Section 2.** It is mutually agreed that the Company retains all management rights and prerogatives heretofore held, except such rights as are specifically relinquished herein.

**Section 3.** Supervisors or other personnel may perform any duties that are necessary in the conduct of the business and do not result in permanent displacement of bargaining unit employees.

## **ARTICLE V COMPANY AND UNION RESPONSIBILITIES**

**Section 1.** During the term of this Agreement there shall be no strike, stoppage, deliberate withholding of production or suspension of work, sympathy strike, honoring of any picket line, on the part of the Beardstown Unit of Local Union #431 or its members or lockout on the part of the Company. The Beardstown Unit of Local Union #431 further agrees that it will in no way interfere with the business of the company by sanctioning or conducting a boycott on the handling of goods procured from a source or destined to a point where a labor controversy may exist.

**Section 2.** Should any employee(s) violate this Article, the Union shall declare publicly and by the most expeditious means possible, that such action is not authorized and promptly order its members to return to work notwithstanding the existence of a picket line. The company shall have the right to determine the discipline given an employee or employees for breach of this Article, and such discipline will not be subject to the grievance procedure. The question of fact as to whether or not any particular employee has engaged in or participated in any such violation may be subject to the grievance procedure in the Agreement including arbitration; finding a violation on the part of any employee, the arbitrator must also find that a violation of the Agreement has occurred.

## **ARTICLE VI CHECKOFF**

**Section 1.** After the thirtieth (30th) day following the effective date of this Agreement, all production employees on said effective date shall be, and remain members of the Union in good standing as a condition of continuing employment during the life of this Agreement. All production employees hired after the effective date of this Agreement shall be, and remain members of the Union in good standing after forty-five (45) working days following the beginning of their employment as a condition of continuing employment. For the purpose of this Agreement "date of hire", beginning of their employment, or any similar reference shall mean the employee's starting work day.

**Section 2.** Each week the Company will deduct from the pay of members of the Union their Union dues and assessments. Union dues will be computed on the basis of the hourly rate in effect at the time and in accordance with the formula submitted to the Company by the Union from time to time. The initiation fee of employees shall be deducted from the employee's paycheck in four equal weekly deductions following the date of joining the Union. The deduction of Union dues shall start with the week in which the employee joins the Union. No deduction of Union dues or initiation fees or assessments shall be made by the Company without the employee's confirmation in writing to the Company through the Union of such employee's membership in the Union and acceptance of the

check-off provisions. Such duly executed authorization shall continue in effect throughout the employee's period of service with the Company.

**Section 3.** All union dues and initiation fees and assessments deducted by the Company under the provisions of this Agreement shall be remitted promptly every month to the Financial Secretary Treasurer of the District Local Union, whose name and address shall be placed on file with the Company by the Union in writing.

**Section 4.** Upon written request by the employee, on a proper form, the Company shall deduct each week an employee's authorized deductions from no more than two (2) financial institutions, such as a Credit Union or bank. The Company and the Union shall agree on which Credit Union or bank will be recognized for deduction purposes.

**Section 5.** The Company will allow employees to purchase Company meat products through payroll deduction. The meat purchase deduction policy will be subject to rules as established by the Company.

**Section 6.** Upon written request by the employee, on a proper form, the Company shall deduct each week an employee's authorized ABC deduction and remit same promptly to the Union.

## **ARTICLE VII HOURS OF WORK**

**Section 1.** The work week for payroll purposes shall start at 12:01 A.M. on Monday and end on midnight Sunday evening or shall start at 12:01 A.M. on Sunday and end on midnight on Saturday evening.

**Section 2.** Hours of work shall be scheduled in line with production requirements and employees will be notified in advance of changes in shift schedules except where such change is due to circumstances beyond the control of the company.

Schedule Notice. The following notice guidelines will be used as a matter of employee convenience and not as a binding commitment on the part of the Company.

- a. Whenever practical, the Company will give 24 hours notice prior to a change in shift starting time.
- b. Notice of the length of each working day will be posted prior to the lunch period.
- c. Notice of Saturday work will be posted on the preceding Thursday. In the event the Company requires work on Saturday where no notice was posted on the preceding Thursday it shall do so in order of seniority of the employees within the affected department who are capable of performing the work.
- d. Notice of change in shift will be given one week prior to the effective date of the change.

**Section 3:** Time and one-half (1 1/2) will be paid for all hours worked in excess of forty (40) hours in any one week or eight (8) hours in one day. Employees who work the hours as directed during the first five (5) work days shall be paid time and one-half (1 1/2) for all hours worked on the sixth consecutive work day within an employee's workweek. In the event that a shipping shift with a designated Sunday is established new employees hired into shipping after the ratification of the contract who are working

such designated Sunday shift as set forth in Article 7, Section 5 shall be paid time and one half after forty (40) hours. In the event that a shipping shift with a designated Sunday is established as set forth in Article 7, Section 5, current employees hired prior to the ratification of the contract shall when working on a designated Sunday shift be paid time and one half after forty (40) hours.

**Section 4.** Regular full-time employees working on holidays shall receive their regular holiday pay, and shall be paid at twice their regular rate for work actually performed on such holiday.

**Section 5.** Employees working on Sundays, with the exception of regularly scheduled warehouse, case ready, livestock employees and night sanitation employees shall be compensated at twice their regular hourly rate. Warehouse, case ready, livestock employees and night sanitation employees shall, when working on a day designated as their Sunday in lieu of the calendar Sunday, be compensated at twice their regular hourly rate for work performed on the Sunday. New employees hired into shipping after the ratification of the contract shall, when working on a day designated as their Sunday in lieu of the calendar Sunday, be compensated at twice their regular hourly rate for work performed on the Sunday. In the event that a shipping shift with a designated Sunday is established, current employees hired prior to the ratification of the contract shall, when working on a day designated as their Sunday in lieu of the calendar Sunday, be compensated at twice their regular hourly rate for work performed on the Sunday.

**Section 6.** For the purpose of computing pay for hours worked on Sunday or paid holidays, a shift cutting across two (2) calendar days shall be treated as work on the day which the shift begins.

**Section 7.** Overtime work in a department shall be divided as fairly and equally as possible among qualified employees in the department. It is understood and agreed that such equalization cannot be effected on a daily or weekly basis, but efforts will be made to change any such imbalance over reasonable periods of time.

**Section 8.** Premium pay due under this article will not be pyramided.

**Section 9.** Run time for the kill will be figured on the work schedule assigned to the #1 Johnson lift. Run time for the cut will be figured at the carcass drop on the break up table. Time will be computed from the time employees on this position commence their work until the time work is stopped at this position. An employee working run time shall be compensated to the minute. The Company will install and maintain a clock to accurately determine run time.

**Section 10.** An employee will be counted as late to the line if he is not at his work station when his work is scheduled to begin.

## **ARTICLE VIII MEAL PERIODS AND REST PERIODS**

**Section 1.** Employees will be granted a rest period of fifteen (15) minutes within 3 hours of the beginning of the shift and a second rest period of the same duration if the days' work schedule exceeds eight (8) hours and thirty (30) minutes. Employees required to work in excess of ten and one half (10 ½) hours in any one day shall, in addition to their regular pay, receive compensation in the amount of six dollars (\$6.00) for the purpose of purchasing a meal and shall, in addition thereto, receive a fifteen (15) minute break. Additional rest periods for each work day shall be scheduled each two (2) hours and fifteen (15) minutes after the end of the third (3rd) rest period. Scheduled break and lunch periods may be advanced not more than thirty (30) minutes.

**Section 2.** No employee will be required to work in excess of five and one half (5 1/2) hours without a thirty (30) minute unpaid meal period, unless completing the shift in which case work will not exceed six (6) hours. The Company may extend the unpaid meal period with one (1) week notice to comply with regulatory guidelines and or requirements.

**Section 3.** Employees required to work in excess of 3 hours prior to the first rest period or in excess of five and one half (5 1/2) hours prior to the unpaid meal period (or six (6) hours if completing the shift) shall be compensated at one and one half times their normal rate for the length of the delay.

## **ARTICLE IX GUARANTEE**

**Section 1.** Unless notified of a layoff on or before Saturday of the prior week, all regular full-time employees will receive a weekly guarantee in the amount of thirty-six (36) hours pay, Monday through Friday, at their straight time rate provided, however, the company may change the weekly guarantee to thirty-two (32) hours not more than six (6) times in the first (1<sup>st</sup>) year of this Agreement, not more than eight (8) times in the second (2<sup>nd</sup>) year of this Agreement, and not more than twelve (12) times per contract year each year thereafter, provided the Company gives notice of intent to reduce the guarantee by Friday of the preceding week.

The guarantee shall be reduced by time absent for any reason and for eight (8) hours each full day in which the plant is unable to operate because of fire, explosion, power failure, storm, act of God, strike or boycott by a labor union or similar group, government acts or actions that prevent the Company from running, or other unusual emergency. Holiday pay including holidays that fall on Saturday will be considered part of the thirty-six (36) hours guaranteed pay.”

**Section 2.** The guaranteed work week shall apply only to regular full-time employees who commence work on the first scheduled day of the work week. Employees displaced because of operations of the seniority provisions shall receive pay for only those hours worked in the week recalled.

**Section 3.** Employees called to work will be provided with a minimum of four (4) hours work or pay in lieu of work unless the Company is unable to operate due to any reason specified in Section 1 of this Agreement and made a reasonable attempt to notify employees not to come to work prior to their start time.

**Section 4.** Employees who are called to work outside their regular work schedule after once going home for the day and not at a time when such work merges with their regular shift shall be guaranteed four (4) hours work at one and one-half (1-1/2) times their regular rate of pay in lieu thereof and the employee will be permitted to work his regularly scheduled shift. Employees called to work outside their regular shift and such work does merge with their regular shift shall be paid in accordance with the Hours of Work Article, and will be permitted to work their regular shift.

## **ARTICLE X HOLIDAYS**

**Section 1.** The following paid holidays are observed: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, the scheduled day before or the scheduled day after Christmas as the company may decide and the employee's birthday. The birthday holiday shall be

taken on a mutually agreed day within seven (7) days before or after the birthday. Birthday holiday must be scheduled. Within the timeframes listed in Article XI, Section 4, of this Agreement. Employee is not required to work on the birthday holiday, but pay in lieu may be granted by mutual consent.

**Section 2.** All full-time employees who have completed forty-five (45) working days with the company shall receive eight (8) hours straight time pay for each of the above holidays not worked. Those who have not completed forty-five (45) working days may be granted the holiday off without pay, with the exception of the birthday holiday. Regular part-time employees who have passed their probationary period and who work their last scheduled work day before the holiday and their first scheduled work day after a holiday will be paid holiday pay equal to the hours worked on their last scheduled work day prior to the holiday up to a maximum of eight (8) hours, providing that their scheduled work days are during the holiday week, the week before the holiday or the week after the holiday.

**Section 3.** Employees must have worked the hours scheduled on the days before and after the holiday to be eligible for the holiday pay, unless:

- A. Excused by the Company.
- B. On Funeral Leave.
- C. Disability due to sickness, or accident. Company may require proof of sickness or disability and in all cases under A, B and C, the employee must have performed compensatory work in either the calendar week or before, or after the week in which the holiday occurs.

The eight (8) hours paid for holidays shall count as hours worked in computing overtime. Sunday holidays are observed on the following Monday.

## **ARTICLE XI VACATION**

**Section 1.** Employees who complete one (1) full year of service with the Company will be granted one (1) week of paid vacation, which may be taken at any time, with Management approval, during the second year of service. Employees who complete three (3) full years of service will be granted two (2) weeks of paid vacation. Employees who complete ten (10) full years of service will be granted four (4) weeks of paid vacation. Employees who complete twenty-five (25) years of service will be granted five (5) weeks of vacation. One (1) week of paid vacation is interpreted as forty (40) hours of pay at the employee's straight time hourly rate or 1/52 of the employee's prior annual earnings as indicated by the previously issued W-2, whichever is greater. For regular part-time employees, one (1) week of paid vacation is interpreted as 1/52 of the employee's prior annual earnings as indicated by the previously issued W-2.

**Section 2.** To qualify for paid vacation, employees on a regular five (5) day schedule, must have passed his anniversary, and worked at least two hundred (200) days in the previous three-hundred sixty-five (365) days (with the exception of leave for union business, jury duty and vacations). For employees on a regular four (4) day schedule, they must have passed their anniversary, and worked at least one hundred sixty (160) days in the previous three-hundred sixty-five (365) days. In the event of the death of an employee or an employee who retires through Social Security, that employee or his legal heirs will receive pro-rata vacation providing the employee has three (3) or more years of continuous service.



**Section 3.** Employees who have qualified for a vacation under Section 2 at the time their employment is terminated will be paid for such vacation earned but not taken. Employees who terminate their employment will not be paid vacation during the year in which they terminate.

**Section 4.** The vacation will be scheduled as far in advance as possible at a time specified by the employee. It is recognized, however, that the Company must approve the vacation schedule in order to insure regular and efficient production. A vacation schedule shall be prepared and posted by April 15 of each year. Employees will be given their preference of vacation based on work unit seniority provided the choice is made prior to April 1. After April 1, a senior employee may not change his choice if it interferes with another employee's choice. Employees may sign up for vacation preferences by seniority from March 1 through March 31. The vacation sign up calendar will be posted or made available to employees during the March 1 to March 31 time period so that employees can determine the week(s) that are available to them by their seniority. In the event that an employee cancels an approved vacation that was scheduled during the months of June, July, August and the weeks of Memorial Day, Labor Day, Christmas and Thanksgiving such vacation opening will be offered to interested senior employees. Such notification will be for one (1) week where possible. Subsequent openings will not be offered except by Company approval. Openings that are cancelled within two (2) weeks of their scheduled start date will not be open for rescheduling.

**Section 5.** Vacation may not be carried over from one year to another.

**Section 6.** Management may elect to close the plant for a vacation period during the months of June, July or August, whereby all employees may take their vacation at one time, provided an employee will be permitted to accept layoff if he so desires. Notice of such vacation period shall be posted sixty (60) days or more in advance of the time scheduled.

**Section 7.** In the event a paid holiday falls within the employee's vacation period eight (8) hours of straight time pay will be paid in addition to vacation pay, provided the employee works the scheduled work day before and scheduled work day following his vacation unless excused.

**Section 8.** Employees who file a timely request therefore shall receive their vacation pay at the beginning of their vacation period.

**Section 9.** Employees with ten (10) or more years of seniority may take a maximum of two (2) weeks of their vacation in single days. Employees with five (5) or more years of seniority may take a maximum of one (1) week of their vacation in single days. Employees with three (3) or more years of seniority may take a maximum of one (1) week of their vacation in single days. Single vacation days must be approved by management seven (7) days in advance. When circumstances dictate as approved by management, less than seven (7) days notice may be appropriate; this sentence does not apply during holiday weeks.

## **ARTICLE XII LEAVES OF ABSENCE**

**Section 1.** The Company may grant leaves of absence without pay up to thirty (30) days to employees who request same for emergency or personal reasons. Such leaves will not be granted for the purpose of allowing an employee to take another position temporarily, try out new work, or venture into business for himself.

**Section 2.** Employees chosen by the Union to attend to Union business outside the plant shall, with the permission of the Company's management, be granted leaves of absence without pay for a period not exceeding thirty (30) days, provided that when feasible, such employees give the Company at least five (5) days notice in advance of the date such leave is desired.

**Section 3.** An employee, who is elected or appointed to a full-time position with the Union, upon proper notice, shall be granted leave of absence without pay not to exceed the life of this Agreement, and upon one (1) week's notice of their desire to again return to work for the Company shall be placed upon his/her job previously held without loss of seniority right, provided his/her return within thirty (30) calendar days of the date his/her full-time position with the Union terminates. Any employee on full-time Union leave must pay the full cost of the Company's benefits plan to remain on the Company's plan. For the purpose of this Article the full cost shall be defined as the COBRA cost of the Company's benefit plan.

**Section 4.** Military Service -- Right to Re-employment. An employee who leaves or has left a position in the employ of the Company to enter active service in the Armed Forces of the United States has the right to be re-employed by the Company when such employee has completed his military obligation, with full seniority and rights as provided for under Section 9 of the Universal Military Training and Service Act.

**Section 5.** Military and Summer Encampment. Regular full-time employees on the active payroll will be granted a leave of absence, upon request, where they are required to participate in summer encampment training as a member of the National Guard and/or United States Military Reserve, as provided in Section 270, Title 10, Code of United States, and Section 502, Title 32, Code of United States. Such regular full-time employees will receive the difference between forty (40) hours of pay per week at their regular hourly rate and what they receive from the government. Such paid leave shall not exceed two (2) consecutive weeks. Employees will be required to verify each day of leave prior to receiving the above payment.

**Section 6.** Funeral Leave - In the event of a death in the immediate family of a regular full-time employee or a regular part-time employee, the employee will be given not more than three (3) days leave with pay, one of which must be the day of the funeral, as needed to attend the funeral or to make funeral arrangements.

A. Immediate family means: Spouse, child, stepchild (including any minor child that the employee is legal guardian of), mother, stepmother, father, stepfather, sister, brother, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandchild, step grandchildren, natural grandparent of the employee.

B. One day of paid leave will be allowed if needed to attend the funeral of the brother-in-law, sister-in-law of the employee or spouse, or spouse's natural grandparents.

C. Pay shall not be given unless such time off is on a regularly scheduled work day for the employee.

D. The employee must be regular full-time and must notify the company not later than the first day of absence. If the employee is not able to attend the immediate family funeral, one day of paid funeral leave will be granted to attend a memorial service subject to verification as outlined in 6E below.

E. If requested, the employee must furnish satisfactory proof to the company of the relationship to the deceased, date of funeral and attendance of the employee at the funeral. No payment will be made for the day of absence which is later than the day of the funeral except where substantial travel time is required to attend such funeral.

F. In the event of a death in the immediate family as outlined in Article 12, Section 6A that occurs during a regular full-time employee's or a regular part-time employee's vacation period, such employee will be allowed to reschedule their vacation. Such rescheduling of vacation will not be allowed to interfere with the vacation schedule as outlined in Article 11, Section 4.

G. Employees who have to travel to distant locations to attend funerals of immediate family members, as defined by A & B above, will receive an excused absence of reasonable time without pay to travel to and from the funeral location in addition to the days paid.

Funeral leave pay shall be the straight time hourly rate times eight (8). For regular part-time employees, funeral leave shall be equal to the hours worked on the last work day prior to funeral leave up to a maximum of eight (8) hours.

**Section 7.** Employees legally required for jury duty shall be paid the difference between jury pay and wages for the scheduled hours that would have been worked up to a maximum of eight (8) hours for each full day of jury service when that service falls on a scheduled work day, provided the employee presents the summons requiring such duty to his supervisor prior to reporting for jury duty. An employee who is absent due to lay-off, vacation, sickness, injury or other excused leave of absence shall not be entitled to any difference in payments; except that an employee on lay-off who is recalled to work at a time when also required to report for jury service or serve as a juror, shall be entitled to the difference in payments if eligible starting with the day of recall. An employee called to serve on a jury panel will not be required to report for work on that day, or days he is required to report for jury duty. The employee must work the hours scheduled on any day during which he is not required to serve the jury duty. The employee must furnish a certified statement from the court setting forth the date of jury service and remuneration received from such service. If the employee is dismissed from jury duty during his or her normal scheduled hours, he or she will be expected to notify their supervisor as to their availability for work.

**Section 8.** The parties will comply with the Family and Medical Leave Act. The Company may require the use of paid time off in conjunction with approved FMLA leave.

**Section 9.** Subject to all applicable laws, the Company agrees to provide time off to employees who must travel to the appropriate Immigration and Customs Enforcement (ICE) office to attend appointments and/or secure necessary documents to maintain their work authorization or citizenship.

Subject to all applicable laws and Company policies, in the event an employee is terminated as a result of an expired work authorization, the employee will be given thirty (30) days to present an updated work authorization and be considered for reinstatement with full seniority and benefits. This period of time may be extended by an additional thirty (30) days if an employee can show they have not received their updated work authorization through no fault of their own.

## **ARTICLE XIII SENIORITY**

### **Section 1.**

A. Seniority shall be established on the basis of continuous service with the Company and shall accumulate from the latest date of hire. An employee, after forty-five (45) working days shall be a regular employee and shall have seniority. However, the Union shall extend this period to sixty (60) working days if the Company requests in writing such within the employee's first forty-five (45) working days of employment. The probationary period will be extended by time spent on light duty or alternate duty. Prior to attaining seniority, an employee is known as a probationary employee. The Company may, at its sole discretion, discipline or terminate a probationary employee and no grievance shall be filed or processed in his behalf.

B. Seniority shall be applied on the following basis within the plant:

- First - Department
- Second - Division (job bidding only)
- Third - Plant

Layoff, recall and promotion will be based on the length of service within a department or the plant provided the qualifications and ability to perform the work are equal among employees eligible for consideration.

**Section 2.** Seniority within the plant shall operate within each of the departments and divisions as defined in Section 8.

### **Section 3.**

A. Job classifications shall be reduced by plant seniority within the department. The company will attempt, where possible, to follow the principle of "senior employee may, junior employee must" in making such reductions.

B. When department reductions are necessary, employees with the least amount of plant seniority in the work unit shall be displaced. Employees so affected shall have the right to displace the most junior employee in the plant provided they have the ability to perform the work of the job.

C. A senior plant employee being laid off who does not wish to exercise displacement rights may elect to take a layoff but cannot again exercise displacement rights until recalled in seniority turn to the employee's department.

D. Upon notification of layoff, the Company shall furnish the employees who have displacement rights with sufficient information to exercise their choice in order of seniority. The employee must indicate his intent within twenty-four (24) hours of notification of layoff. Employees who are displaced from their position because their position has been eliminated shall be given preferential consideration by seniority to return to such position when the job is reactivated not to exceed ninety (90) days. If an employee declines, they lose any rights to their previously position.

E. All job changes resulting from layoff will be made as quickly as efficient operations will permit.

F. Employees on layoff will be recalled in plant seniority order, provided they can qualify to perform the job they are recalled for.

G. Employees who exercise displacement rights under this section and are recalled to their department in seniority turn but do not wish to return, may remain in the department they displaced. Such employees will lose all seniority in their previous department but will not lose their accrued plant-wide seniority. Seniority for a department is the same as plant-wide seniority.

#### **Section 4. Job Bidding**

A. Permanent vacancies in Grade 2 of higher shall be posted for a period from (Wednesday through Monday) and employees within the division or plant may bid according to their choice. A job not filled by a bidder within the division shall be awarded to the senior bidder within the plant. The job posting shall carry the rate of the job, the specific job title, and the name of the department. Vacancies will be awarded by plant seniority for employees who have fifteen (15) years of seniority regardless of departmental seniority at the time that the vacancy in question comes open.

B. The most senior employee signing their name to the job posting, who meets the minimum criteria of the position, shall be deemed the successful bidder. An employee signing their name on more than one job posting at the same time must numerically indicate their preference (e.g. "1" most preferred, "2" next most preferred, "3" next most preferred, etc...) If an employee is the successful bidder on more than one job at the same time they will be awarded the most preferred job which the employee has indicated. A successful bidder may not bid on another job until such time as they qualify on the job they have been awarded.

The successful bidder on the job posting will be required to accept the job. The bidder accepting the job posting shall make a sincere effort to learn the job; however, in the event he/she cannot, in the judgment of the company perform the work in a satisfactory manner, he/she shall be permitted to return to his/her former job. An employee may disqualify themselves within thirty (30) calendar days from the date they are moved to their awarded bid job. An employee who is disqualified by their choosing or by the Company shall not be eligible to bid on any job for a period of six (6) months from the date they are disqualified.

C. An employee who successfully bids into another department will establish seniority in the department when he/she qualifies for the job, and shall lose all seniority in his previous department. The seniority date for the department will be the same as his or her plant seniority date.

D. An employee will be permitted to bid upward after the probationary period has ended and laterally or downward six (6) months from the date of hire. An employee who bids laterally or downward shall only be allowed to do so once every six (6) months from the date they qualify on the awarded position. Temporary vacancies caused by sickness, leave of absence, vacation, etc., will not be offered for bid if from the onset they are determined to be less than three (3) months in length. For employees who have moved from nights to days via the transfer process, if they do not own a job at the end of one hundred twenty (120) days from the date of transfer, they will be returned to nights.

E. Any employee temporarily assigned to a job having a lower rate than his regular rate will receive his regular rate while performing such job; with the exception of job accommodation due to health reasons. This will not apply when employees are assigned to a lower-rated job in accordance with their seniority, as a result of a change in the department or plant operations; nor would it apply where, in

accordance with seniority, an employee is recalled after a layoff and assigned to a lower-rated job than that held prior to layoff.

F. An employee temporarily assigned to a job having a higher rate than his regular rate will receive the higher rate if performing qualified work.

G. An employee shall be paid the full rate of the job as soon as he is qualified to perform the job. However, successful bidders who are not moved to such job within thirty (30) calendar days of the successful bid to a job shall be paid the rate of such job plus \$.50 per hour until moved into it. Such payment will not be made unless and until the employee qualifies for the job. If the employee does not qualify for the job, no payment will be made.

H. An employee who is on a leave of absence or vacation, may have a Union Steward or Union Representative sign their name to posted bid. To be awarded the position said employee must be available to accept the position within two (2) weeks of it being awarded. The Company shall not be obligated to change an awarded job as the result of an employee's name being signed or not signed to a bid job on part of the Union.

I. An employee may be disqualified from their bid job and placed on an open job due to safety and/or humane handling concerns.

J. The Company shall make a base grade transfer list available for employees to sign who desire to move to a Grade 1 job. Employees may sign this list and indicate the specific Grade 1 job they wish to transfer to. The Company shall give employees, in seniority order, the option to move to their indicated job prior to hiring a new employee. No employee may have more than three (3) requests for transfer at the same time. Once an employee is transferred all other requests will be removed. Employee transferred according to this process shall not be eligible to bid on any job for a period of twelve (12) months.

K. The Company agrees to post leadpersons, trainers, livestock yard helpers, forklift, truckers, and drive hogs to restrainer job openings for informational purposes only. Qualified employees may apply for such openings. In the selection of leadpersons, if interested individuals meet qualifications, seniority will be the deciding factor. Such employees will be given a fair opportunity to demonstrate their ability to meet job requirements. The Company is the final judge of qualifications. The union has the right to dispute disqualifications through the grievance procedure.

L. Employees may not bid from one shift to another shift until at least nine (9) months after his full time hire date.

**Section 5.** Employees on authorized leave of absence as set forth in Article XII shall retain and accumulate seniority during such leave.

**Section 6.** Seniority lists for department, division, and plant seniority shall be maintained on bulletin boards and shall be republished at least quarterly.

**Section 7.** An employee shall lose his seniority for the following reasons:

- A. Voluntary quitting.
- B. Discharge for Just Cause.

- C. Absence for two (2) consecutive days without notification to the employer.
- D. Overstaying a leave of absence without justifiable cause as determined by the Company.
- E. Absent from work for any reason for a period of eighteen (18) months, unless extended by the Human Resources Manager. Whereas, an employee will be terminated following twelve (12) months, if they can show they are medically able to return to work within an additional six (6) months they will be considered for reinstatement.
- F. Failure to report for work when recalled from a layoff within forty-eight (48) hours after the employee has received a recall letter or notice of attempted delivery. In cases where the Company has been unable to reach the employee by phone, the Company will deposit in the United States Mail, postage prepaid, a certified letter directed to such employee at his last known address as shown by the records of the Company. It shall be the responsibility of the employee to keep his address and phone number current by advising the Human Resource Office of any changes. The employee will have forty-eight (48) hours, exclusive of Saturday, Sunday, or holidays, to report for work unless excused by the Human Resource Office.

**Section 8.** Seniority within the plant shall operate within each of the following departments:

- A. Kill division
  - 1. Kill floor department
  - 2. Rendering department
  - 3. Knife department
  - 4. Warehouse department
  - 5. Livestock department
- B. Cut division
  - 1. Cut floor department
  - 2. Ham boning department
  - 3. Loin boning department
  - 4. Shipping department
  - 5. Sanitation department

**Section 9.** Any employee promoted to a Company position outside of the bargaining unit covered by this Agreement shall retain all of his previous bargaining unit seniority if he subsequently returns to the bargaining unit at a later date. Time spent in the Company position will not count towards the accumulation of bargaining unit seniority.

**Section 10.** Subject to the company needing additional full-time positions, regular part-time employees may elect to become regular full-time employees by notifying the company in writing. Such employee(s) seniority date will be the first Monday following written notification. Such employees will have seniority preference over newly hired employees who start work on the same date that the former regular part-time employee becomes a regular full-time employee.

Subject to the company needing additional part-time positions and the company's ability to replace the regular full-time employee, regular full-time employees may elect to become regular part-time employees by notifying the company in writing. When additional part-time openings are needed, the company will place the most senior full-time employee desiring to become a part-time employee into the part-time position.

Regular full-time employees who become regular part-time employees may subsequently elect to again become a regular full-time employee (subject to the company needing additional full-time employees). An employee may only do this one (1) time. Such employee(s) who elect to move from regular part-time status to regular full-time status will remain on second shift. Such employee's movement after that will be subject to the job bidding procedure. Regular full-time employees who elect to become regular part-time employees will retain their full-time seniority but will not accumulate any seniority as a regular part-time employee.

**Section 11.** Subject to all applicable laws, an employee may notify the Company of a change of name or social security number. Subject to legal verification, such name change or social security number change shall be made without loss of seniority or benefits.

## **ARTICLE XIV ADJUSTMENT OF GRIEVANCES**

**Section 1.** The Local Union shall designate a reasonable number of stewards for each Department and the Company shall be advised in writing of the names of such stewards and the department each steward will represent. Only such stewards as are so named shall be recognized. Should grievances arise between the Company and the Union, or between the Company and the employees, pertaining to matters involved in this Agreement or incident to the employment relationship, the following procedure shall apply:

First: The aggrieved employee or employees, with or without the department steward, shall within five (5) working days of the knowledge of the incident, discuss the matter with the work unit/department supervisor for the purpose of resolving the grievance, or the matter will be considered closed. The Company's answer shall be given within five (5) work days. Failing to reach a settlement, the grievance shall be submitted in writing to the Department Head and Human Resource Manager in the second step within three (3) working days from receipt of the Company's answer or be considered closed.

Second: The Employee and Department Steward if the employee desires shall discuss the matter with the department head or his designated representative for the purpose of resolving the grievance. The Company's written answer shall be given within five (5) work days after the grievance is filed. Failing to reach a settlement in this step, the Employee may submit the grievance to the Third Step within seven (7) calendar days from the date of receipt of the Company's written answer or the grievance will be considered closed.

Third: The chief steward and the local union representative (or his designated representative) shall meet and discuss the matter with the General Manager and Human Resource Manager for the purpose of attempting to resolve the grievance. The Company's written answer shall be given within five (5) work days from the date of the above meeting. Failing to reach a settlement in this, the Union may submit the grievance to the Fourth Step.

By mutual agreement, a representative of the national office of the Company and the highest authority of the local may meet in a pre-arbitration meeting to see if the grievance can be resolved prior to the Fourth Step.

Fourth: If the matter is not settled at the Third Step either party shall request a list of seven (7) names from the Federal Mediation and Conciliation Service and strike names to determine which one shall sit in arbitration. The arbitrator's decision shall be final and binding on the parties. The arbitrator shall have



no right to add to, modify, or amend the terms of the agreement. The compensation and necessary expenses of the arbitration shall be born equally by the Company and the Union. At any step of the grievance procedure the Executive Board of the local union shall have the final authority, in respect to any aggrieved employee covered in the agreement, to decline to process a grievance, complaint, difficulty, or dispute further if in the judgement of the executive board such grievance lacks justification under the terms of this agreement, or has been adjusted or justified under the terms of this agreement to the satisfaction of the Executive Board.

The presentation and any investigation of the grievance is to be made on the Union Representative and on the aggrieved employee's own time at all steps of the procedure. A settlement arrived at in any step of the grievance procedure will be reduced to writing and signed by the Human Resource Manager of the Company and a Union Representative. Such settlement will be final and binding upon both parties. The time for perfecting any step of the grievance procedure may be extended by mutual agreement of the Company and Union; such agreement to be in writing, signed by the Human Resource Manager of the Company and a Union Representative.

**Section 2.** The duly authorized representatives of the Union shall have the right to visit the departments of the plant in company with the Human Resource Manager, if he so desires, or his representative for the purpose of investigation of grievances or for reviewing the operation. This right shall be exercised only at reasonable and mutually convenient times and shall not interfere with production. The duly authorized representatives of the Union shall have the right to visit welfare areas subject to approval of the Company.

## **ARTICLE XV EQUIPMENT FURNISHED BY THE COMPANY**

The Company will furnish where required, the following equipment:

- A. Steels, carborundum stones, pouches, mesh gloves, rainsuits, boots at one-half (1/2) the Company's cost unless the Company requires employees to wear steel-toed boots, knives, hairnets, beardnets, and safety equipment required by the Company. Aprons for the Chitterling Department.
- B. Company will furnish (a) cotton gloves and frocks to each employee requiring same; (b) Boots and Insulated coveralls to employees working in below 0 degrees F. wind chill, uniforms for rendering.
- C. All laundry on frocks and gloves shall be furnished by the Company free of charge to the employees.
- D. The employee shall be responsible for the safe and efficient use of all equipment furnished by the Company and replacement(s) will be made for worn equipment only if returned to the Company. Equipment that is lost, stolen or maliciously destroyed may be charged to the employee and deducted from his wages. Such deductions will be made on a reasonable schedule to lessen the impact on the employee but shall not exceed four (4) equal deductions.
- E. The company will provide an employee or employees to sharpen knives for all employees required to use knives.
- F. Insulated rain pants will be available to hog drivers on a check out basis

## ARTICLE XVI INSURANCE BENEFITS

**Section 1.** During the term of this Agreement, the Company will maintain a benefits program for all bargaining unit employees who are under the terms of this agreement. This Article will provide a general description of those benefits. The plan document, which is incorporated by reference herein and which may be amended from time to time, will provide the specific terms regarding the rights of the parties and the details of these benefits and will control in the event of a conflict or discrepancy between the general description provided below and the plan document.

Employees shall become eligible to enroll in the Company's medical plan after ninety (90) days on the active payroll.

**Section 2.** In the event, any future or further Health Care Reform legislation or regulations are enacted or adopted, representatives of the Company and Union will meet to determine the impact of such legislation or regulations on the Company's Comprehensive Healthcare plans.

**Section 3.** As in the past, the Company retains the right to select all vendors, third party administrators, service providers, provider networks, and control over all administrative matters relating to the plans, and modify the terms and conditions for each benefit plan unless otherwise stated in the Benefit Exhibits provided to the Union.

The Company may add, modify, delete or amend any of the benefit initiatives listed below. The Company will discuss any addition, modification, deletion or amendment of benefit initiatives with the Union prior to any change.

- Pregnancy Care Initiatives
- Radiology Networks & Utilization
- Referenced Based Pricing (RBP)
- Benefits Value Advisors (BVA)
- Brand Buy Up / Mandatory Generic Utilization
- Alternative Tiered Network
- High Performance Networks
- Prescription Drug Plans
- Voluntary Products

Additionally, the Company may add other benefit initiatives by mutual consent of the Company and the Union. Should the Union not agree with the initiative, the Company and Union's benefit actuaries will meet and review whether the initiative will provide a cost savings for the plan and the employees. In the event the actuaries agree that the initiative will provide a cost savings for the plan and the employees, the Company shall have the ability to implement the initiative; if the actuaries cannot agree that it will provide cost savings to the plan and employees, the matter may be referred to an arbitrator where the only matter to be decided is whether the addition, modification, or amendment of the other benefit initiative will provide cost savings for the plan and the employees. If the arbitrator rules that it will provide cost savings, the Company may enact the initiative; if the arbitrator rules that it will not provide savings, the Company may not enact the initiative. To that end it is agreed that all disputes arising under the group insurance program in so far as they relate to coverage will be determined as set forth in the group insurance plan and as allowed by ERISA and no such dispute will be subject to the grievance and arbitration provisions of this agreement.

**Section 4.** During the term of this Agreement, the Company will make available a Dental Plan for eligible employees following ninety (90) days on the active payroll. Employees will pay the full cost, claims and administrative costs of the plan.

**Section 5.** During the term of this Agreement, the Company will make available a Vision Plan for eligible employees following ninety (90) days on the active payroll. Employees will pay the full cost, claims and administrative costs of the plan.

**Section 6.** The Company will provide to eligible employees a term group life insurance policy in the amount of fifteen thousand dollars (\$15,000) fully paid by the Company. Employees may, at their option, purchase additional life insurance in accordance with the terms of the plans established by the Company. Optional life insurance premiums will be handled on a payroll deduction plan.

**Section 7.** If covered services are not available through the network, they will be processed as an in-network claim. If the services are available through the network and the services are provided outside of the network, regardless of a referral, the services will be processed as an out-of-network claim.

Benefits Plan		
Medical	In-Network	Out-of-Network
Calendar Year Deductible	\$1,600 / \$3,200	\$4,000 / \$8,000
Company Funded HRA <sup>1</sup>	\$500 / \$1,000	Same as In Network HRA
Coinsurance	80%	50%
Out-of-Pocket Maximum	\$5,000 / \$10,000	\$12,500 / \$25,000
PCP Copay	Ded. and Coin.	Ded. and Coin.
Specialist Copay	Ded. and Coin.	Ded. and Coin.
Emergency Room	Ded. and Coin.	Ded. and Coin.
Urgent Care	Ded. and Coin.	Ded. and Coin.
Preventive Care	100%	Ded. and Coin.

Without Clinic	
Tier	2020
EE Only	\$25.75
EE+S	\$51.00
EE+C	\$41.00
EE+F	\$61.75

With Clinic*	
Tier	2020
EE Only	\$24.75
EE+S	\$48.50
EE+C	\$39.25
EE+F	\$58.25

\*Subject to implementation of a clinic as defined below. Employees must enroll in the clinic option at time of enrollment to receive the discounted rates. The above rates are for 2020 only and are subject to modification as defined in this contract.

- If economically feasible, the Company will establish a medical clinic for the Beardstown facility. The Company will review the economic feasibility of the clinic annually and make a determination as to whether in its sole judgment to continue the operations of the clinic. Employees who enroll in the clinic model will be required to use this facility(s) for primary care services, in order to have any such services covered by the Plan.

- The Company will conduct an "Open Enrollment" after ratification to allow employees to reelect their coverage levels. The medical changes and the employee contributions will be effective January 1, 2020

- The above rates shall remain in effect for 2020.
- During the term of the agreement, the Company and the Union may reach mutual agreement on changes in plan design (items above) in an effort to curb increases to employee's weekly contribution while maintaining net cost.
- Employees, who enroll and engage in the primary care clinic model, if available, will have their weekly contribution reduced by at least one dollar (\$1.00) for "Employee Only" and actuarially tiered for the remaining employee contribution options.
- Spousal Surcharge - If members choose to elect spousal coverage for a spouse who is eligible for coverage under his or her employer's health plan, they will pay an additional twenty-five dollars (\$25.00) per week.
- Tobacco Surcharge - If a member or a covered dependent uses tobacco products, medical premiums will be an additional ten dollars (\$10.00) per week.
- Unused HRA funds shall rollover from one year to the next.
- Beginning on January 1, 2018 and through the expiration of this Agreement, the weekly contributions paid by employees covered by this Agreement shall not exceed twenty-five percent (25%) of the cost of the Company's medical plan. The Company shall determine the cost of its medical plan consistent with past practice (See Separate Letter of Understanding).

#### Pharmacy Plans 2020

Pharmacy	Retail (<=30 days)	Mail Order (<=90 days)
Generic Rx	\$5	\$15.00
Preferred Brand	20% (\$20 - \$50)	20% (\$60 - \$150)
Non-Preferred Brand	\$75	\$175
Specialty	35% (\$50 - \$150)	N/A – use retail

\*Rx Plans subject to change and will mirror the JBS standard pharmacy plans.

### ARTICLE XVII SICKNESS AND ACCIDENT

**Section 1.** When regular full-time employees with at least one year of seniority are absent because of disability due to sickness or accident not covered by Workers Compensation, and when such absences and their continuation are supported by acceptable medical evidence, payments shall be made in accordance with terms and conditions hereinafter set forth.

**Section 2.** Employees will be eligible for disability benefits on the eighth (8<sup>th</sup>) full day of disability or on the second (2<sup>nd</sup>) day if hospitalized. Employees shall be allowed to use vacation time for their waiting period.

**Section 3.**

- a) The amount of the weekly payment shall be \$425 for all employees up to a maximum of thirteen (13) weeks for any one (1) absence reduced by the payments made for other absences during the twelve (12) months immediately preceding the onset of the current absences.

- b) Disability benefits payable for a partial week will be based on a daily rate, twenty percent (20%) of the weekly payment, times the scheduled work days missed not to exceed 100% of the weekly benefit.

**Section 4.** It is agreed that it is the purpose of this policy to provide income for employees who qualify hereunder only when they are physically unable to work.

**Section 5.** No employee shall be eligible for benefits under this paragraph unless they notify the Company promptly when unable to report for work provided the employee is physically able to do so.

## XVIII SAFETY

**Section 1.** The Company agrees that it has the responsibility to provide a safe work place and to correct safety hazards, and that nothing in this Agreement shall imply that the Union has undertaken or assumed any portion of that responsibility.

**Section 2.** Safety and Ergonomics Teams: For the purpose of advising and assisting the Company in safety performance and to facilitate the discovery and remedy of safety hazards, joint Employee-Management Safety and Ergonomics Teams shall be established at the plant, in accordance with the following:

(a) Membership in the Safety and Ergonomics Teams shall be based on the criteria agreed upon by the Company and the Union.

(b) The Safety and Ergonomics Teams shall convene once each month and at such other times as the Team shall determine in order to carry out its functions as set forth in this Article. The duties of the Team shall include the review and investigation of safety practices and rules and health and safety issues. At least one employee member, will be permitted to accompany government inspectors on a plant inspection tour. Employee team members will be permitted to make their own monthly inspections of plant conditions (provided that this shall not be abused), subject to such controls as the Team may impose. For those hours spent performing Safety/and Ergonomics Team work, the authorized Safety/ and Ergonomics Team member will be paid by the Company the same as if employee worked with the regular work group for the day. In addition, should the Company require work outside the regular work schedule, it will be considered paid time.

(c) The Safety and Ergonomics Team shall decide all health and safety issues, with right of appeal to arbitration, as set forth in the grievance procedure.

(d) The Company shall take minutes of each Safety and/or Ergonomics Team meetings and promptly furnish copies of such minutes to the Local Union, and to the employee members of the Safety and/or Team. The Company shall provide to the local Union a copy of the OSHA 300 logs.

**Section 3.** Two (2) production employee team members selected by the union shall be permitted to attend an annual safety meeting at Company expense to include lost wages.

**Section 4.** No chain of command is recognized in matters of safety. Employees who genuinely believe that a serious hazard exists are to call that to the attention of their supervisor. Failure to resolve the issue at this level does not preclude the employee from seeking remedy at higher levels;

the employee may review his concern with progressively higher levels of management up to and including the plant manager.

**Section 5.** The Union agrees to render all possible assistance in encouraging the employees to obey all safety rules and regulations. The Company agrees to render all possible assistance in eliminating all safety hazards reported by the safety committee.

## **ARTICLE XXIX BULLETIN BOARDS**

There shall be at all times maintained in the plant three (3) glass enclosed bulletin boards for the use of the Union. Notices may be posted on such bulletin boards for such matters as Union meetings, social affairs, recreational affairs and Union elections and appointment. Other notices may be posted subject to the approval of the General Manager or his designated representative as to their contents.

## **ARTICLE XX SUBCONTRACTING**

The parties to the Agreement have discussed subcontracting of work being performed by bargaining unit employees and agree that both parties desire to minimize the effects of additional subcontracting and job security of the employees and will work to that end. When additional subcontracting of any existing operation becomes necessary or desirable, the Company will notify the Union. If the Union desires to discuss the effects on job security of the employees, the parties will meet for that purpose. The Company agrees to delay layoffs caused by subcontracting until at least two (2) weeks subsequent to its notice to the Union of its intention so that the parties have ample time to suggest methods of solving layoff problems.

## **ARTICLE XXI RETIREMENT**

### 401(k) Plan

The Company will implement a 401(k) Savings Plan for eligible employees. This Plan will include the following:

- Employee deferral at time of hire;
- Company matching contribution after twelve (12) months of Service;
- 50% on the first 4% deferred by the employee;
- Company match may be made in JBS Stock or American Depositary Receipts "ADRs."

Employee vesting in company match will continue as follows:

- 20% after 2 years
- 40% after 3 years
- 60% after 4 years
- 100% after 5 years

Participants will continue to pay all current fees and the administrative fees to process a Qualified Domestic Relations Order (QDRO)."

**ARTICLE XXII  
WAGES**

**Section 1.** The wage schedule for employees covered by this Agreement is attached hereto in the form of Exhibit I and hereby made an integral part of the Agreement. The parties agree that the time employees spend changing clothes, including the donning and doffing of safety clothing and equipment worn in their jobs, and the time they spend washing up before and after paid production work, shall be excluded from the employees' paid workdays. The parties agree, however, that employees who are required to wear certain safety clothing and equipment as defined in the agreement between Swift Pork Company and United Food and Commercial Workers Local 431 shall be paid for an amount of time as determined by joint time studies beyond paid production work to compensate them for the time they spend outside of paid production work cleaning their safety clothing and equipment. The jobs shall be placed in the following pay grades:

1 - Base Labor Rate	
2 - Base Labor Rate plus	\$0.25 per hour
3 - Base Labor Rate plus	\$0.50 per hour
4 - Base Labor Rate plus	\$1.25 per hour
5 - Base Labor Rate plus	\$2.00/hr.
6 - Base Labor Rate plus	\$2.75/hr.
7 - Base Labor Rate plus	\$3.75/hr

Wage rates set forth in this Agreement are minimums. Prior to increasing the base rate, group rate, specific job rate, or the creation, modification, or discontinuance of an incentive program, it will first meet with the Union to discuss such change.

**Section 2.** All employees who work between the hours of 6:00 P.M. and 6:00 A.M. will be paid fifty (\$.50) per hour over their regular rate except no premium will be paid on the day-shift kill if the kill starts less than forty-five (45) minutes prior to 6:00 A.M.

**Section 3.** The starting rate for new employees shall not be less than:  
\$1.00 below base labor for 1st six (6) months of continuous employment. \$.50 below base labor for 2nd six (6) months of continuous employment. Job pay grade differential shall be paid to employees who are qualified on their respective jobs.

**Section 4.** Should new jobs be created by the Company or skill level requirements of existing jobs be substantially increased during the term of the contract, the Company and the Union will agree on the wage rates for such new jobs. In the event the Company and the Union cannot agree on a wage rate, such issue shall be submitted to Arbitration as provided for in the grievance procedure.

**Section 5.** Wages increase as follows:  
1st Monday after Ratification increase base rate by one dollar and fifty-five cents (\$1.55). This increase shall be made within sixty (60) days of ratification and retroactively applied to the effective date of this Agreement. An employee must be employed by the Company, in a bargaining unit position, at the time of payment, to be eligible to receive the retroactive payment.

The base rate shall be modified on each of the below dates as follows:

Based on CPI Urban Wage Index

- Less than 0 = No increase
- 0 – 1.99% = \$0.25 increase
- 2% or greater = \$0.50 increase

Increase Dates:

- July 07, 2021
- July 04, 2022
- July 03, 2023

The above wage changes will be based on the yearly change of the CPI-U percentage. The wage change in the current year will be based on the percentage yearly change for the previous calendar year.

## **ARTICLE XXIII WAIVER, ENTIRE AGREEMENT AND SAVINGS CLAUSE**

### **Section 1. Entire Agreement**

This is the complete Agreement providing all benefits to which any employee may be entitled, and it is expressly understood and agreed that the Company has no obligation to any employee or employees other than those provided herein.

### **Section 2. Waiver**

The parties acknowledge that, during the negotiation which resulted in this Agreement, each has the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understanding and agreements arrived at by the parties after the exercise of that right and the opportunity are set forth in this Agreement. Therefore, the Company and the Union, for the term of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to or covered in this Agreement.

### **Section 3. Amendments**

Any modification or supplement to this Agreement to be effective must be reduced to writing and executed by the Business Manager of the Local Union or his designated representative and the Vice President-Human Resources of the Company or his designated representative.

### **Section 4. Savings Clause**

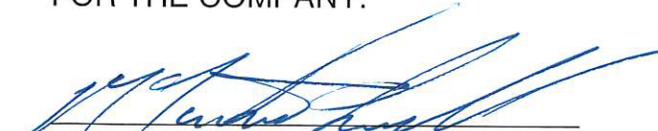
Should any portion of this contract be in violation of any State or Federal law, or be affected by a government rule or regulation issued by any of its departments, agencies or representatives affect any provision of this Agreement, the provision, or provisions of the contract will be invalid. The invalidation of such parts or portions of this Agreement shall not invalidate the remaining portions thereof, and they shall remain in full force and effect during the life of such Agreement. Both parties agree to meet as soon as possible to renegotiate that portion found invalid to comply with the law.



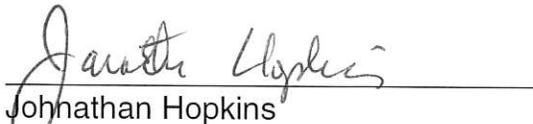
**ARTICLE XXIV  
TERM OF AGREEMENT**

THIS AGREEMENT shall become effective and remain in full force and effect from the first Monday following ratification until midnight on the 7th day of July 2024. Either party may, on or before sixty (60) days prior to July 6, 2024, give notice to the other party of the desire of the party giving such notice to terminate the Agreement. If such notice is not given, the Agreement shall renew itself for successive one (1) year periods until such notice is given.

FOR THE COMPANY:

  
\_\_\_\_\_  
Matthew Lovell

  
\_\_\_\_\_  
Mark Ward

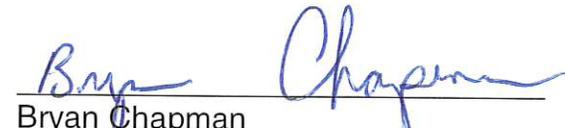
  
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Johnathan Hopkins

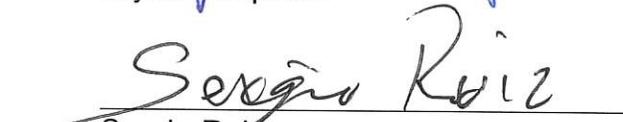
  
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Chelsea Cornelius

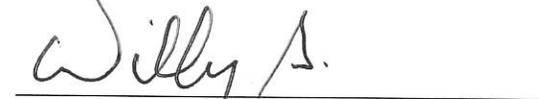
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FOR THE UNION:

  
\_\_\_\_\_  
Bart Sorrells

  
\_\_\_\_\_  
Bryan Chapman

  
\_\_\_\_\_  
Sergio Ruiz

  
\_\_\_\_\_  
Willy Bobo Mulamba

\_\_\_\_\_

**EXHIBIT I**

<u>CUT</u>	
<b><u>BREAK UP TABLE 11540/21540</u></b>	<b><u>New Grade</u></b>
PUSH HOGS	2
INSPECT CARCASS	2
REMOVE D & G	2
TRIM D&G	2
CUT OFF JOWLS	2
TRIM JOWLS	2
HAM CHOP	5
SHOULDER CHOP	5
LOIN PULLER	3
JANITOR - INEDIBLE	1
JANITOR - CLEAN	1
GENERAL OPERATOR	6
CHEMICAL HANDLER/JANITOR	3
AUTO KNIFE	5
WIPE RAILS	1
<b><u>BREAK-UP HAMS 88400/88500</u></b>	<b><u>New Grade</u></b>
CUT OUT TAIL	2
SAVE HOCKS	1
HIND FOOT CUT OFF	2
INDEX HAMS (TOBEC)	2
TRUCKERS	5
TRIM/SORT HIND FEET	2
<b><u>BREAK-UP PICNICS 88800/88900</u></b>	<b><u>New Grade</u></b>
NECKBONE LIFTERS	6
FRONT FOOT CUT OFF	2
PICNIC/BUTT DIVIDE	5
TURN SHOULDERS OUT	2
GENERAL OPERATOR	6
<b><u>BREAK-UP BUTTS 88200/88300</u></b>	<b><u>New Grade</u></b>
SKIN BUTTS	2
TRIM BUTTS	3
JANITOR - EDIBLE	1
MONITOR BUTTS AFTER SKINNER	1
<b><u>BREAK-UP LOINS 88600/88700</u></b>	<b><u>New Grade</u></b>
SADDLE LOINS	2
LOIN TRIMMER	4
GENERAL OPERATOR	6
<b><u>BREAK-UP RIBS 89000/89100</u></b>	<b><u>New Grade</u></b>
LIFT RIBS	5
TRIM RIBS	2
TURN SIDES BELLY ROLLER	2
<b><u>BREAK-UP BELLIES 88000/88100</u></b>	<b><u>New Grade</u></b>
TRIM SHOULDER LEAN	2
GENERAL OPERATOR	6

FEED FATBACK SKINNER	1
TRIM FATBACKS	2
TRUCKERS	5
<b>PICNICS VA 14520/24520</b>	<b>New Grade</b>
SAW HOCKS	2
SKIN PICNICS	3
BONE PICNICS	5
REMOVE BONE CHIPS/ SKIN PATCHES	2
ROB CUSHION	3
FINAL INSPECT/ ADD DRY ICE	2
GENERAL OPERATOR	6
LEADPERSON	6
TRUCKERS	5
<b>HAMS VA 84000/84100</b>	<b>New Grade</b>
COLLAR HAMS	2
FLANK OFF HAMS	2
<b>LOINS VA 48000/49100</b>	<b>New Grade</b>
SELECT LOINS - BONE IN MARK	1
ALIGN BONE IN LOINS/CHOP REM.	2
TRIM FAT - BONE IN LOINS	4
WHIZZARD TRIM LOINS	3
REMOVE SPINAL CORD	1
TRUCKER	5
GENERAL OPERATOR	6
<b>BUTTS VA 48200/49300</b>	<b>New Grade</b>
BONE BUTTS - CT	3
BONE BUTTS	3
STEAK READY BUTTS	3
BANDSAW BUTTS	3
GENERAL OPERATOR	6
<b>RIBS VA 24800/60600</b>	<b>New Grade</b>
RIB SAW OPERATOR	3
TRIMMERS	2
<b>CREDITS VA 83600/83700</b>	<b>New Grade</b>
SAVING LEAN TRIM	1
CUT NECKBONES (BANDSAWS)	1
SPLIT FEET	1
HAM HOCKS	1
<b>PACKOFF BUTTS - 89400/89500</b>	<b>New Grade</b>
PAPERWRAP / CRYOVAC BUTTS	2
CRYOVAC OPERATOR BUTTS	3
ASSIST CRYOVAC OPERATOR (BUTTS)	2
Bag CT BUTTS	2
PACK BUTTS	2
FEED TC INJECTOR BUTTS	1
USE BY DATE LABELER	1
PACK TENDER CHOICE BUTTS	1
BAG TC BUTTS	2
BOXER TC PRODUCT	1

MAKE BOXES CT BUTTS	1
<b>PACKOFF Spareribs - 86700/86800</b>	<b>New Grade</b>
BAG CRYOVAC SPARERIBS	2
BAG SINGLES TENDER CHOICE	2
BAG DOUBLES 2 PER PACK	2
POLY PACK RIBS	1
PACK CRYOVAC SPARERIBS	1
PACK SINGLE TENDER CHOICE SPARERIBS	1
PACK BRISKETS	1
PACK VA RIBS	1
USE BY DATE LABELER (SPARERIBS)	1
CRYOVAC OPERATOR SPARERIBS	3
ASSISTANT CRYOVAC OPERATOR	2
MULTIVAC BRISKET OPERATOR	3
PACK IN POUCHES	1
LABELER MULTIVAC	1
PACK MULTIVAC/BOX	1
FEED TENDER CHOICE INJECTOR SPARERIBS	1
<b>PACKOFF BONE IN LOINS -21800/23200</b>	<b>New Grade</b>
CRYOVAC OPERATOR	3
PRODUCT SORTER / REWORK - BONE IN LOINS	2
BAGGERS - BONE IN LOINS	2
STUFFERS - BONE IN LOINS	2
BOX BONE IN LOINS	1
<b>PACKOFF PICNIC-86300/86400</b>	<b>New Grade</b>
RETAIL PICNICS (BOX,BAG,WRAP)	2
PACK PICNIC CUSHION	2
FEED NETTED PRODUCT	1
<b>PACKOFF SHARED - 86500/86600</b>	<b>New Grade</b>
PRE-PRICE LABELING (WAL-MART)	1
REWORK PRODUCT	2
BOX REWORK	1
CRYOVAC OPERATOR MISC #2 & #5)	3
ASSISTANT CRYOVAC OPERATOR #5	2
CASE SEALER OPERATOR	5
PROSORT	1
JANITOR - INEDIBLE	1
JANITOR - EDIBLE	1
BRINE MIXER/NEEDLES	1
PUMP OPERATOR	3
GENERAL OPERATOR	6
LEADPERSON	6
<b>PACKOFF CREDITS - 86100/86200</b>	<b>New Grade</b>
PACK & SCALE NECKBONES	1
INSERT LINERS - NECKBONES	1
INSERT LINERS - FEET	1
PACK FEET / SPLIT FEET	1
GRADER (PACK & WEIGH) FEET/TAIL/HOCK	1

BOX BELLIES (SKIN ON)	1
GAS FLUSH OPERATORS -NECKBONES AND FEET	2
<b>BOX MAKE-UP 19600/21500</b>	<b>New Grade</b>
TRAYFORMER	3
TRAYFORMER LOIN BOX (CASE SEALER AREA)	3
<b>COMBO MAKEUP 53600/53700</b>	<b>New Grade</b>
COMBO MAKE-UP	2
<b>TRIM BLEND 13900/23900</b>	<b>New Grade</b>
BLEND TRIM	2
DUMP VATS TRIM	1
INSPECT TRIM (CONVEYOR)	1
TRUCKER	5
LEADPERSON	6
GENERAL OPERATOR	6
<b>BOX TRIM 83300/83400</b>	<b>New Grade</b>
BOX TRIM 1ST/BOX HAM BELLIES 2ND	1
BOX TRIM TRUCKER	5
<b>PROTOCON 85500/85600</b>	<b>New Grade</b>
INSPECT FOREIGN MATERIAL/SORT SPINAL	1
SAW CHINE BONES	3
SAW SIRLOIN BONES	3
BOX PTFT/DMM70 Operator	2
SAVE TRANSFER BONES	1
<b>PREP LOINS - 87900</b>	<b>New Grade</b>
SELECT LOINS	1
TRUCKER	5
FEED LOIN	1
REMOVE SHOULDER	2
REMOVE SIRLOINS/TURN LOINS	2
REMOVE FALSE LEAN/TURN LOINS	2
GENERAL OPERATOR	6
DEFAT CENTER CUT LOIN WITH WHIZARD	3
BAG SIRLOINS	2
BAG RIBEND 1ST/BAG BACKRIBS 2ND	2
BAG CRYOVAC LOINS/TENDERS	2
CRYOVAC OPERATOR	3
PACK BONE IN LOINS 1ST/PACK BONELESS LOINS 2ND	1
PACK RIBENDS AND TENDERS 1ST/PACK BACKRIBS 2ND	1
TRAYFORMER OPERATOR	3
PACK SIRLOINS	1
REWORK	2
<b>BELLY DERIND - 78400/78500</b>	<b>New Grade</b>
FEED BELLY SKINNER	3
SKIN PATCH BELLIES	2
FEED WATERJET	1

REMOVE TA	2
FINAL INSPECT/TRIM	2
GRADE/COMBO/REWORK	2
TRUCKER	5
JANITOR	1
WIPE CONDENSATION	1
GRADE/TRIM ON BELLIES	2
GENERAL OPERATOR	6
<b>SPO - 84900</b>	<b><u>New Grade</u></b>
PRODUCT TRUCKER	5
FILL CAVITY	1
MULTIVAC OPER.	3
BOX PACKER	1
PALLETIZE BOXES	3
REWORK AND LEAKER CHECKS	1
<b>LOIN BONING - 15000/25000</b>	<b><u>New Grade</u></b>
GENERAL OPERATOR	6
JANITOR - INEDIBLE	1
ACCUMULATION TABLE (VAT)	4
SIRLOIN SAW	3
INDEX LOINS / SPACE	2
REMOVE TENDERLOINS	4
STRIP TENDERLOINS	4
BONE SIRLOINS/TRANSFER SIRLOINS	3
TRIM SIRLOINS	3
REMOVE BLADE BONE & BLADE MEAT	4
ALIGN LOINS FOR SCRIBE SAW	1
SCRIBE BACKBONE - HYDRAULIC SAW	4
SPACE LOINS	2
REMOVE CHINE BONE - STRAIGHT KNIFE	3
TURN LOINS	1
REMOVE BACKRIB AND RIBLETT	4
PEEL BACKRIB	2
BANDSAW BACKRIBS	3
REMOVE BELLY STRIP	2
REMOVE BUTTON BONES	3
REMOVE FALSE LEAN	3
DEFAT LOIN	3
FINAL TRIM	2
LOIN BOINING AUDIT	1
LOIN BOINING LEAKER AUDIT (COSTCO)	1
DUMP BARRELS	1
#2 REJECT TABLE	2
<b>LOIN PACKOFF - 84700/84600</b>	<b><u>New Grade</u></b>
BOX,MAKE WEIGHT,PACK,SCALE BACKRIBS	2
BAG TENDERLOINS	2
PACK TENDERS	1
MULTIVAC TENDERS	3
PALLETIZE/WEIGH BOXED TENDERS	2

BAG SIRLOINS	2
BAG LOINS	2
CRYOVAC OPERATOR	3
CRYOVAC BACKRIBS	3
DRY LABEL/LOIN	1
BOX BONELESS LOINS,SIRLOIN,ETC	1
ASSISTANT CRYOVAC OPERATOR	2
FEED TC INJECTOR	1
GENERAL OPERATOR	6
BAG/PACK FALSE LEAN	1
MULTIVAC BACKRIBS OPERATOR	3
PACK IN POUCHES	1
LABELER MULTIVAC	1
PACK MULTIVAC/BOX	1
<b>EXPORT LOINS - 84700/84600</b>	<b>New Grade</b>
BRINE MIXER	3
DATE LOIN/TENDERLOINS/SIRLOINS	1
STRAP LOIN AND TENDER BOXES	1
MAKE BOXES - TENERLOINS	2
HANDOVER TC BOXES	1
<b>HAM BONING - 15502/25502</b>	<b>New Grade</b>
SKIN HAMS	3
DEFAT HAMS	3
AITCH BONERS	4
AITCH / BUTT	4
FACE (INSIDE) MUSCLE	4
CAPOFF INSIDE	4
BODY BONE/SHANK	6
REMOVE KNUCKLES	4
CUSHION/PETITE/SHANK	4
MEMBRANE INSIDE	2
MEMBRANE CUSHION	2
MEMBRANE KNUCKLE	2
MEMBRANE PETITE	2
MEMBRANE LT.BUTT	2
SERVICE LINE (TRUCKER)	5
PRIMAL TRUCKER	5
JANITOR (EDIBLE)	1
GENERAL OPERATOR	6
LEADPERSON	6
HAM HOOKERS	3
THROW OFF LOWER SHANK	1
<b>Training - 45700/46700</b>	<b>New Grade</b>
KNIFE SHARPENERS	5
TRAINERS	5
GENERAL OPERATOR (KNIFE ROOM)	6

**KILL**

<b>YARDS 10100/12300/52501</b>	<b>New Grade</b>
DRIVE HOGS - HOURLY	5
DRIVE HOGS - HOURLY TRAINING	5
WASHING PENS	1
LIVESTOCK YARD HELPERS	5
STUN TECHNICIAN	5
<b>FRONT END 10522</b>	<b>New Grade</b>
DRIVE HOGS TO RESTRAINER	4
BUTINA OPERATOR	5
BUTINA ASSISTANTS	5
SHACKLE HOGS	5
STICK HOGS	5
TEND SCALD TUBS/DEHAIR MACHINES	4
GAMBREL TABLES & TROLLEY ROOM	7
ATTEND INDEXER	2
SENSIBILITY MONITOR	5
PULL HIND FEET TOE NAILS	2
GENERAL OPERATOR	6
<b>DRESSING 10523</b>	<b>New Grade</b>
NOTCH HIND FEET	2
SHAVE SHOULDERS PULL TOE NAILS	2
SHAVE HAM PULL TOE NAILS	2
SHAVE BELLIES(SIDES)	2
STEAM VAC HAM	1
NOTCH TOES FRONT FEET	2
TRIM STICK WOUNDS	2
NECK BREAKER/DROP HEADS	5
ASSIST HEAD INSPECTION / REMOVE INEDIBLE EARS	4
SKIN SHOULDER	2
SAW BRISKETS	4
BELLY OPENER	4
PIN BELLIES	1
AUTO BUNG	4
DROP BUNGS/PULL DOWN BUNGS	1
SNATCH GUTS	7
VISCERA INSPECTION TRIM	5
RECONDITIONER QUICK CHILL	3
WORK RETAIN RAIL	6
SPLIT HOGS MANUAL/REMOVE "C" Hooks	6
RETURN BELLY PINS	1
STEAM VAC OPERATOR (AITCH)	1
REMOVE URINARY TRACT	1
TRIM NECKS	2
BONE DUST WASH TRIMMER	2
FINAL RAIL TRIMMER	7
REMOVE KIDNEY	2
PULL LEAF LARD	5
SCRAPE LARD\HEART\FAT	2



TRIM SKIRTS & AORTA	2
REMOVE SPINAL CORD	1
SORT & SPACE HOGS(PUSH HOGS IN COOLER)	2
GENERAL OPERATOR	6
TRAINING	1
JANITOR	1
LINE FEEDER / QUICK CHILL	2
FINAL CARCASS INSPECTION	2
<b>OFFAL 13000/23000</b>	<b>New Grade</b>
REMOVE HEARTS	2
CUT OFF LUNGS AND LIVERS	2
CUT OFF STOMACH	2
HEART/TONGUE WASHER	2
FEED STOMACH MACHINE(FLUSH)/CUTOFF	1
WASH STOMACH/INVERT	2
SAVE PANCREAS	2
HEART PACKER	2
TRUCKER VARIETY MEATS	5
REMOVE SPLEENS	2
BUNG CROWN CUT OFF	2
SAVE BUNG (PIPE BUNG)	2
SAVE BUNG (STRIP FAT & TRIM)	2
SAVE BUNG (PACK)	2
TRAINING	1
<b>HEADLINE 13000/23000 cont'd</b>	<b>New Grade</b>
WASH MOUTHS/VACUUM	1
HEAD CUT OFF REMOVE HEADS	1
REMOVE TONGUES	2
SPIKE HEADS / FEED BASKETS	2
TRIM TONGUES	2
TRIM BITE MARKS ON TONGUES / PACK	2
MARK SNOOTS	2
TRIM SNOOTS/SNOUT TIPS	2
ROB SNOOT LEAN	2
ROUND HEADS (SKIN HEADS)	2
SAVE EARS AND PATES	2
MARK TEMPLES	2
REMOVE TEMPLE MEAT	2
CHISEL HEADS	2
JAW PULL	1
SERVICE HEAD BENCH	1
CHEEK HEADS	2
TRIM CHEEKMEAT	2
TRIM BACK HEAD	2
RETRIM HEAD	2
PACK INEDIBLE EARS	2
BOX LOADER	2
BOX STACKER	2
BLENDER	2
GENERAL OPERATOR	6

**RENDERING**

<b>BLOOD 11300</b>	<b>New Grade</b>
PLASMA ROOM OPERATOR	5
BLOOD DRYER & SEWER PLANT	5
<b>EDIBLE 12000</b>	<b>New Grade</b>
LARD ROOM OPERATOR	5
<b>INEDIBLE 10900</b>	<b>New Grade</b>
INEDIBLE COOKER OPERATOR	5
CONDEMN ROOM OPERATOR	5
ASSIST RENDERING OPERATOR	5
GENERAL OPERATOR	6
VOTATOR OPERATOR	4
LEADPERSON	6

**SHIPPING**

<b>BOX STORAGE 51700/83200</b>	<b>New Grade</b>
BOX HANDLERS	4
LEADPERSON	6
<b>SHIPPING 32100/51600/72000/51400</b>	<b>New Grade</b>
FREEZER FORKLIFT OPERATOR - BOXES	5
FORKLIFT OPERATORS & MISC - COMBOS	5
LEADMAN	6
GENERAL OPERATOR	6
EXPORT / APPLY STICKERS/WRAP PALLETS	3
TRUCK LOADER	3
KICKER OPERATOR	3
JANITOR	1
<b>WAREHOUSE - 12700</b>	<b>New Grade</b>
WAREHOUSE FORKLIFT	5
STOREROOM CLERK	3
WAREHOUSE PERSON	3

## EXHIBIT II 7 Day Work Week

For those departments or divisions that are operating on a seven (7) day work week, the following provisions will apply. All other provisions of the collective bargaining agreement will apply unless in conflict with the provisions of Exhibit III. In such case, the provisions of Exhibit III will apply.

### 1. Hours of Work

- a. The normal work week shall be seven (7) consecutive days beginning Monday and ending on Sunday.
- b. Work schedules will be made on the following basis:
- c. (1) four (4) ten (10) hour days operating Monday through Thursday (2) three (3) ten (10) hour days operating Friday through Sunday.
- d. Overtime: for employees working the 7 day work schedule, employees shall be paid time and one-half (1 1/2) for hours worked in excess of forty (40) hours in any one work week.
- e. For employees working the 7 day work schedule, work over twelve (12) hours in any one work day shall be considered as voluntary.
- f. For employees working the 7 day work schedule, hours worked shall include hours paid for holidays falling on a normal scheduled work day, vacations, jury duty, or funeral leave.
- g. For employees working the 7 day work schedule, overtime shall be paid at time and one-half (1 1/2) for any employee on a four (4) day schedule who works on any day other than his normal work schedule, providing the employee has worked all available hours during his/her four (4) day schedule.
- h. The rate of pay on Saturday and Sunday, if that day is part of the employee's normal work schedule, shall be the same as any other day.

### 2. Guarantee

- a. For employees working a four (4) day work schedule the guarantee will be thirty six (36) hours in the four (4) day schedule. All other provisions of Article IX of the collective bargaining agreement will apply.
- b. For employees working a three (3) day work schedule, the guarantee will be thirty-six (36) hours achieved in the three (3) day work schedule. Hours worked outside of the three (3) day work schedule will not be counted toward the guarantee. All other provisions of Article IX of the collective bargaining agreement will apply.
- c. For employees working the 7 day work schedule, hours paid for vacations, holidays falling on a normal scheduled work day, jury duty, and funeral leave will count toward the guarantee. Holidays falling outside the normal scheduled work week shall not count toward the guarantee even if they are worked.

### 3. Holiday Pay

For employees working the 7 day work schedule, holidays falling on an employee's normally scheduled work day shall be paid at ten (10) hours straight time pay. Holidays not falling on a normally scheduled work day shall be paid at eight (8) hours straight time pay. Employees working the three (3) ten (10) hour day schedule shall observe all holidays on the date of the holiday.

### 4. Jury Duty Pay:

For employees working the 7 day work schedule only, Article XII, Section 7 shall be amended to read "up to a maximum of ten (10) hours." All other provisions of Article XII, Section 7 shall apply.

5. Layoff/Recall:

Traditionally, layoff activity occurs on Friday and recall to work starting on Monday. The compressed work week schedule shall be worked into the "normal layoff/recall activity as follows:

- a. Employees moving to a three (3) ten (10) hour work day schedule from either the traditional schedule or a four (4) ten (10) hour work schedule shall move at the beginning of the shift of the next scheduled work week following the work week in which the layoff occurs.
- b. Employees moving to either a traditional schedule or a four (4) ten (10) hour work day schedule from either a traditional schedule or a four (4) ten (10) hour work day schedule shall do so in the normal fashion.
- c. Employees moving to a traditional schedule or a four (4) ten (10) hour work day schedule from a three (3) ten (10) hour day schedule shall move at the beginning of the shift of the next scheduled work week following the work week in which the layoff occurs provided they have at least two (2) days rest between shift schedules.

6. The 7 day work week provisions will be applied to case ready and prep room. In the future it may apply to further processed items as per number 7. The 7-day work week schedule will not apply to Kill, Cut, Ham Bone or Loin Bone.

7. If the Company requests consideration of the 7-day work week provisions in an existing department other than noted above, the Company and the Union shall meet during the term of this Agreement to discuss the concept and application. However, the schedule may not be used unless a majority of the employees whose work schedules will be changed vote to agree to the new schedule.

**SUBJECT: Employee Orientation**

The Company agrees to allow, during new employee orientation, a Union representative the opportunity to discuss the Union's role at the Beardstown Plant.

**SUBJECT: Part-time employees**

Under normal circumstances, part-time employees will be utilized as a supplement to the full-time crew and as replacements for turnover, absenteeism and vacation relief. Under normal circumstances, part-time employees will be utilized as second shift replacements. If conditions arise concerning the utilization of part-time employees that were unforeseen during negotiations leading to this agreement, the Company and Union agree to meet to resolve such unforeseen issues.

**Multi-Cultural Fund**

Following the ratification of this Agreement the Company agrees to make \$30,000 available for use on Multi-Cultural Diversity activities. Each January 1, thereafter, the company will make an additional amount available to bring the unused available amount to \$30,000.

**SUBJECT: Work Comp Panel**

Renew the panel for the term of the agreement

## APPENDIX A BARGAINING UNIT TRAINERS

Minimum qualifications for the successful bidders shall be as follows:

1. Good attendance. An employee with either an excessive absence letter or an active suspension (less than one year) under the unexcused absence policy will not be awarded the job.
2. An employee with an active (less than one year) suspension for work performance, failure to follow instructions, etc. will not be awarded the job.
3. Good straight knife skills, plus wizzard knife skills or the ability to quickly learn wizzard knife skills. The successful bidder will have knife skills at the 1, 2, 3 and 4 grade level in the particular area and have the ability to quickly learn other jobs.
4. Good communication skills.
5. Ability to train effectively.
6. Excellent safety habits.

The Company and Union will review the record of a bidder who is passed over based on the foregoing qualifications. If interested individuals have equal qualifications, seniority will be the deciding factor.

Trainers shall be required to maintain these qualifications. In the event a trainer is unable to maintain these qualifications; the Company shall meet with that employee and a representative of the Union. The purpose of this meeting will be to attempt to address the specific areas of improvement. If an employee is still unable to maintain these qualifications the Company may disqualify the employee from their position as a trainer and place them into an open position.

## APPENDIX B BARGAINING UNIT TRAINERS

Duties and Responsibilities: Within the limits of authorized Company policies, procedures and programs he/she is responsible for the following:

### A. General

1. Organizes, trains and motivates subordinates.
2. Is responsible for the implementation and maintenance of Company Safety Policies.
3. Makes daily verbal reports to the supervisor regarding trainee performance and progress.
4. Displays at all times good common sense, drive, reliability, timeliness, and follows through.
5. Is responsible for using established tracking procedures.

### B. Operational

1. Responsible for basic knife skill, saw, packaging, cross, etc. training during the training period of all new people assigned to respective areas.
2. Insures that new employees attain acceptable level of knife handling skill, ie. (Proper and effective steeling of knife, proper steel maintenance, and safe work habits.)
3. Insures that new employees attain acceptable level of saw, packaging and material handling skills as they apply.
4. Monitors employees performance and makes recommendations as to types of jobs particular individuals are best suited for.

### C. Working Relationships with:

Training Coordinator: Monthly meetings held to outline training programs and activities.

Management Support Trainer: Works in conjunction with to effectively train new employees.

Supervisor: Receives daily instruction and reports to directly.

In the event that a trainer is unable, in the determination of the Company, perform the duties and meet the responsibilities of a trainer, the Company shall meet with that employee and a representative of the Union. The purpose of this meeting will be to attempt to address the specific areas of improvement. If an employee is still unable to perform these duties the Company may disqualify the employee from their position as a trainer and place them into an open position.

Prior to modifying and of the listed duties and responsibilities listed above, the Company shall meet with the Union to review the changes. The Company will ensure that all employees are aware of the change in responsibilities or duties.

## **APPENDIX C ORIENTATION AND TRAINING**

Following the orientation and training period, the new or reassigned employee shall be assigned to work with a skilled fellow employee, meaning someone who is presently performing the job and is proficient, and who has sufficient skills to train this individual (commonly called the "buddy system") and who will provide on-the-job training. He or she will work with this person until such time the management trainer determines the person is proficient enough to pull full count. The management trainer, before making this decision, will visit with the skilled hourly employee, hourly trainer, and the supervisor for their input in the decision.

The skilled hourly employee and the trainee at first should not be required to pull full count, but between the two of them, should be able to pull one person's count.

As the trainee becomes more skilled, the skilled hourly employee may be able to work with more than one person. For example, there may be two trainees nearly qualified, so the skilled fellow employee would be able to look after the two people.

And for example, between the three of them, they may pull two people's count, but certainly there should never be an incident where the trainer is required to pull 100% count and try to train at the same time. There will also never be an incident where the trainee is required to pull 25%, 50% or 75% and be used in the count with those percentages, but will do what his skill levels allow him to do in a safe manner.

## **APPENDIX D TRAINERS**

The Company and the Union agree that training needs continue to evolve over time.

Effective upon ratification:

- The Company will determine the number of trainers per D. Orientation and Trainers
- The Company will determine the qualifications needed per Appendix A. Additional qualifications will be added due to workforce demographics and training needs.
- All current trainers will be assessed for the qualifications by a panel comprised of the Union Safety Liaison, Training Manager and a Company designed 2<sup>nd</sup> Shift Manager.
- If interested individuals have equal qualifications, seniority will be the deciding factor.
- This committee will meet as needed to assess training concerns.
- Qualifications of trainers will be continually assessed to determine if changes are needed due to workforce demographics. This may necessitate changes being made to trainer job holders and / or shifts.



**LETTER OF UNDERSTANDING  
JOB BIDDING**

The parties have had significant discussions regarding the admiration of the bid process. In an effort to stream line the process the parties agree that the third (3<sup>rd</sup>) vacancy created by moving an employee to a bidded job shall be filled by a new employee or by the assignment of an employee who does not own a job. However, if this vacancy is in Grade 4 or higher it shall be posted in accordance with the job bidding procedures list in this Agreement.

**LETTER OF UNDERSTANDING  
JOINT LABOR/MANAGEMENT COMMITTEE**

The Company and the Union, in order to improve communications and Labor Management Relations agree to establish a Labor - Management Committee. Issues that will be discussed will include but not limited to multi-cultural workforce issues, worker's compensation and the working environment. This committee shall consist of an equal number of four (4) participants from both the Company and the Union. The Company shall have the General Manager or their designee and the Human Resources Director or their designee. The remaining Company participants shall be assigned as needed. The Union shall have the Union President or their designee and the Secretary Treasurer or their designee. The remaining Union members shall be assigned as needed. The Committee shall meet at least quarterly on a mutually agreed time and date.

**LETTER OF UNDERSTANDING  
LINE SPEED**

The Company shall make the Union aware of line speed changes in advance of making them

## LETTER OF UNDERSTANDING MEDICAL RATE CALCULATION

This Letter of Understanding is made and entered into between Swift Pork Company for its Beardstown, Illinois pork processing facility, hereinafter referred to as the "Company," and the United Food and Commercial Workers Union District Local 431 hereinafter referred to as the "Union."

The starting point for the claim cost projection is the most recent 12 months of claims data, typically June through May of a given year and including all applicable costs of administration. From this starting point, the Company projects claim costs from the experience period through December 31 of the year being rated by making a series of adjustments. First, the Company applies medical inflation or "trend." The Company determines medical trend by making actuarial assumptions based on, among other items, medical cost inflation, the Company's historical claims experience, any anticipated increases in administrative costs, and the length of time between the experience period and the rating period (e.g. projecting 18 months may require application of an annual trend figure multiplied by 1.5). Second, the Company applies the estimated impact of any changes to its benefits plan design and/or any other initiatives that might affect claim costs. Third, the projected amount of surcharges (i.e., tobacco, spousal, etc.) will be deducted from the projected claims cost resulting in the "Adjusted Projected Claims Cost". Fourth, the Adjusted Projected Claims costs are then converted to a PEPM (per employee per month) cost and allocated among a 4-tier structure based on relative cost of the 4-tiers and actual enrollment by tier.

The employees' weekly contributions by tier shall, in the aggregate, equal twenty-five percent (25%) of the projected plan costs. ("Weekly Contribution Rate").

The parties will meet in July of each year to review the calculations and actuarial assumptions used to arrive at the employee's weekly contributions. The projections may be reviewed to ensure they have been performed in accordance with the prevailing Actuarial Standards of Practice. All information including projected claims, trend calculations, plan design changes, benefit initiatives, or other relevant information used in the Company's calculations may be reviewed during this meeting.

In addition, the parties will meet on one more occasion to discuss benefits utilization, benefit initiatives, and other cost saving measures.

Beginning on January 1, 2017, the Company will make a flexible spending account (FSA) option available to employees covered by a collective bargaining agreement between the Company and the Union. Employees will be given the opportunity to elect an amount to contribute to their FSA during the regular.