

KraftHeinz

MUSCATINE, IOWA FACILITY

and



DISTRICT LOCAL UNION NO. 431

COLLECTIVE BARGAINING AGREEMENT

March 29, 2017 – March 1, 2022

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AGREEMENT

This AGREEMENT is made and entered into on **March 29, 2017** by and between The KraftHeinz Company, Muscatine, Iowa manufacturing facility (the "Company"), and District Union Local No. 431, of the United Food and Commercial Workers (the "Union").

ARTICLE I - RECOGNITION AND COVERAGE

Section A Recognition of Union. The Company recognizes the Union as the exclusive representative of its Muscatine, Iowa employees for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment. The term "employee" as used in this Contract, includes all production and maintenance employees of the Company in the Muscatine, Iowa, plant but excludes all regular supervisors, assistant supervisors, and office and clerical employees. All references to HR Manager are interpreted to mean HR Manager or designated representative.

Section B Regular Employee. The term "regular employee" as used herein is understood to mean full-time employee who is retained after serving a probationary period as hereinafter defined.

Section C Right to Union Membership. The Company recognizes and will not interfere with the right of its employees to become members of the Union. There shall be no discrimination, interference, restraint, or coercion by the Company or any of its employees because of membership in the Union. The Union agrees not to intimidate or coerce employees into membership in the Union, and the Company agrees that there shall be no discrimination against any employee because of membership in the Union.

Section D Union Agreement. The Union agrees to accept and abide by all of the terms and conditions set forth in this Agreement. During the term of this Agreement, neither the Union nor any bargaining unit employee will honor any picket line or engage in any strikes, sympathy strikes, walkouts, work stoppages, slowdowns or interruptions of work.

1. In the event of a work stoppage against an employer other than KraftHeinz that employs workers on the Muscatine Plant property, the Union shall be permitted to engage in picketing and other lawful activities directed against such employer.
2. The Union, its officers and stewards shall do everything reasonably possible to prevent, avert or terminate any actual or potential breach of this section.
3. Any employee who engages in any activity prohibited by this section will be subject to disciplinary action, up to and including discharge.

Section E No Lockouts. All employees, supervisors and other recognized representatives of the Company are bound to observe the respective covenants in this agreement of the Company and the Union. The Company agrees that during the term of the Contract it will not lock out the employees. A "lockout" is defined as the closing down by the Company of the plant or any part thereof for the purpose of forcing the employees to accept a Company position or contention in a controversy with the Union, provided, however, that a closing down by the

Company caused by the unwillingness of the employees to continue to work in a normal manner under existing conditions shall not be considered a lockout.

Section F Union Access to Plant. Designated Union Official(s) shall have access to the factory at any time during working hours for the purpose of conferring with Company Management, its representatives or Plant Representative, or to observe working conditions, or to confer with employees during lunch or rest periods in the lunchroom or in an office designated for use by the Union. In addition, such Official(s) may meet with Steward(s) during working hours to discuss Union business. If Steward(s) must leave their job for said meeting, the Official(s) will notify a Human Resources representative or the Steward(s) immediate supervisor. Union Official(s) must follow the Company's visitor's protocol and agree to follow safety and GMP procedures.

Section G Solicitation. The solicitation of employees by the Union or any other employees is prohibited during working time. However, the Union is permitted to address all new hires at orientation at a time and place mutually agreed to by the parties.

Section H Successor Clause. It is the intent of the parties that this Agreement shall remain in effect for the full term thereof, and shall be binding upon the Company herein or its successors and assigns, regardless of any change of any kind in management, ownership or location, provided the change in location is within the jurisdiction of UFCW local 431. Furthermore, it is the intent of the parties that no provision of the Agreement shall be nullified or affected in any manner as a result of the consolidation, sale or transfer of the business or of the facility covered by this Agreement. The Company will give written notice of the existence of this Agreement to any purchaser, transferee, lessee or assignee of the enterprise covered by this Agreement, and will provide the Union with a copy of said notice. The Company will also give written notice to the Union of its intention to sell, transfer, lease or assign the enterprise covered by this Agreement at least seventy-two (72) hours in advance to the effective date of the intended action.

Section I Bulletin Boards. The Company agrees to maintain bulletin boards, on which the Union may post notices of the time and place of meetings, social affairs, elections, the names of officers or accredited representatives and such other notices as may be approved by the Company. The Union shall deliver one copy of each such notice to the Human Resource Manager one-half (1/2) hour prior to posting. The number and location of such bulletin boards shall be mutually agreed upon by the Company and the Union.

Section J Union Dues.

1. The Company agrees to deduct Union dues and other deductions from the wages of employees in accordance with a formula submitted to the Company by the Union from time to time and to remit such collections to a designated representative of the Union within ten (10) days after collection, provided that the Company has received from each employee on whose account such deductions are to be made a written assignment authorizing the deduction. The Company also agrees to deduct initial membership dues for new members when authorized to do so. Such deductions may be made in installments if requested.

2. In addition to the above deductions, the Company agrees to make deductions for District Local 431 Credit Union dues, COPE and Voluntary Death Benefit upon receipt of written authorization. The Union agrees that the Company shall be saved harmless for deductions made in conformity with any such written assignment.

Section K Contingent Agent Shop and Fair Share. If federal or Iowa state laws make it legally permissible, the following provision shall become operative: "All regular employees who are not then members of the Union and new employees shall be required as a condition of employment, to pay to the Union each month a service charge as payment for representation by the Union in matters of wages, hours and working conditions. The service charge shall be in the amount equal to the uniform weekly dues required by the Union of its members and shall include initial membership dues if applicable."

Section L Non-Discrimination. The provisions of this Agreement shall be applied to all employees without regard to race, color, sex, sexual orientation, gender identity, national origin, religion, age, citizenship status, marital status, disability, disabled veterans, Vietnam Era veterans or any other protected condition or characteristic in conformance with federal, state, and local laws and regulations. Neither the Company nor the Union will discriminate against employees or applicants for employment because of legitimate Union activities or membership in the Union.

Section M Disabled. The parties recognize the Company's right to make such job changes that are reasonably necessary and to take such other actions that may be required to insure that the Company continues to be in compliance with the Iowa Civil Rights Act (IOWA CODE §§ 216.1 *et seq.*), the American with Disabilities Act (ADA), and the regulations issued there under. Whenever necessary to resolve an accommodation via committee, a committee of two (2) Company and two (2) Union representatives shall be established. The Company will agree to meet with the Union and discuss the impact of any requested ADA accommodations in order to determine whether they can be granted without violating other employee's seniority rights.

Section N Void if Invalid. If any provision of this Agreement shall be held invalid or in conflict with any state or federal law, it shall be immediately void. The remainder of the Agreement shall not be affected thereby. In the above eventuality:

1. The Company and the Union shall immediately meet to resolve any issues created.
2. If resolution is not reached within thirty (30) days, the matter shall be submitted to an expedited arbitration process.
3. After resolution by either a. or b. above, neither party shall initiate or be party to a legal proceeding regarding the legality of the resolution.

ARTICLE II – HOURS OF WORK

Section A Schedule of Working Hours. Except for employees assigned to alternative work schedules, the normal schedule of working hours shall be eight (8) hours per shift and forty (40) hours per week. The Company recognizes the importance and desirability of steady employment and will continue its efforts to furnish employees with as steady work as possible.

Section B Work Week. The established work week for the purpose of determining weekly overtime under the terms of this contract and under the provisions of the Fair Labor Standards Act of 1938 shall begin at 12:01 a.m. Monday and end at midnight the following Sunday. Daily time cards will be dated as of the date a shift starts and full number of hours worked on a shift will be considered to have been worked in the day and in the work week in which the shift started.

Section C Payment for Overtime. Time and one-half (1 ½) shall be paid for time worked in excess of eight (8) hours paid at straight time in any one shift or in excess of forty (40) hours paid at straight time in any one week; provided, however, that there will be no pyramiding of overtime or premium rates. This section will not apply to employees assigned to work alternative work schedules under Appendix I.

Section D Overtime Payment Exceptions. Time and one-half (1 ½) the straight-time rates shall be paid for time worked on Saturdays and double the straight-time rates shall be paid for work performed on Sundays except:

1. An employee who takes time off during Monday to Friday inclusive, without having been so instructed by the Company shall be paid time and one-half (1 ½) for work performed on Saturdays only after they have worked forty (40) hours at straight-time pay in that work week and shall be paid double time for work performed on Sundays only after they have worked forty (40) hours at straight-time pay and eight (8) hours at time and one-half (1 ½) pay on Saturday and/or Sunday in that work week.
2. For the purpose of applying the provisions of this section when an employee reports for work but works less than eight (8) hours, such time not worked shall not deprive an employee of Saturday and Sunday overtime pay.

Section E Back-to-Back Shifts. Employees will not normally be scheduled to work back-to-back shifts. Under normal circumstances, an employee will not be required to work more than twelve (12) hours.

Section F Shaping Up and Unscheduled Overtime. When work beyond eight (8) hours on any one shift is required, preference for such work will be given to the employee or employees working on the particular job during the straight-time hours of that shift.

OT PREFERENCE FOR DAILY UNSCHEDULED

1. Assign employees to work out-of-classification in a higher-rated job (shaping up) by seniority and ability with same start time, at the beginning of the shift. Lateral moves are not considered shaping up.
2. Shape up by seniority and ability within 1 hour of the start time, at the beginning of the shift. Lateral moves are not considered shaping up.
3. Recall qualified employees from layoff by seniority and ability.
4. Hold over employees working in the job on the prior shift.
5. If the employee on the job declines the overtime opportunity, the overtime will be offered to employees on the same starting time who volunteer and have the skill and ability to perform it, in seniority order. An employee who works the overtime will be paid at the overtime rate of the job performed. If there are no volunteers, the employee on the job will be required to work the overtime.
6. Call in employees by seniority and ability, including leads, within an hour of the starting time and home department.
7. Allow lateral moves within the department only after obtaining a replacement for the employee to be laterally moved by following steps 3 through 6.

1. Any employees scheduled to work for twelve (12) hours will not be required to work unscheduled overtime.

2. Employees will have the opportunity to be placed on a "do not call list". This is for employees who would prefer not to be called for shaping up or overtime. The Company will attempt not to call those employees.

3. If an employee is placed on the call-in list and does not accept an overtime assignment within four (4) weeks, the employee will be removed from the call-in list and will not be placed on the call-in list for three (3) months.

Section G Daily Scheduled. Preference for scheduled overtime work beyond eight (8) hours on any one shift shall be given on a seniority basis within the department to the employees normally performing the type of work required. Once the schedule is filled, if overtime is necessary, the scheduler will look at all employees within the same pay grade and the most senior employee that is signed for overtime within the pay grade will be manually moved into the position requiring overtime as long as it does not create overtime on another position.

1. If the employee or employees who normally perform the type of work do not prefer the overtime, it will be offered to employees on the same starting time who volunteer and have the skill and ability to perform it, in seniority order. An employee who accepts the overtime will be paid at the overtime rate of the job performed.

2. If there are no such volunteers, the employee on the job will be required to work the overtime.

3. Whenever practicable, the Company will endeavor to equalize daily scheduled overtime between shifts. When it is not practicable, the daily overtime scheduled, so far as possible, so that the senior employees work the overtime.

4. The Company will agree when scheduling a single shift that may involve overtime, that it will endeavor to schedule it as an overtime shift for any or all departments involved. However, in such instances, overtime will only be paid for actual overtime hours worked.

Section H Daily Scheduled Overtime – 2nd & 3rd Shift Eligibility. Employees on both 2nd and 3rd shifts will be eligible for scheduled overtime occurring as a result of scheduling 12 hour shifts from 5:00 PM to 5:00 AM or 6:00 PM to 6:00 AM. Senior employees on either the 2nd or 3rd shift may volunteer to work the twelve (12) hour shifts and junior employees on either the 2nd or 3rd shift will be required to work the twelve (12) hour shifts if there are insufficient volunteers. The Company reserves the right to end this practice of allowing employees on both shifts to be eligible for the overtime resulting from the aforementioned twelve (12) hour shifts if it creates problems or issues with scheduling or with the efficient operation of the plant, at which time only 2nd shift employees will be eligible for the overtime resulting from the aforementioned twelve (12) hour shifts.

Section I Daily Overtime. Current departmental practices of posting for daily overtime preferences (as applied to 1 and 2 above) shall be continued. Employees must waive overtime preferences for daily overtime or be scheduled by seniority and ability.

Section J Saturday, Sunday, and Holiday Scheduled Overtime. Preference for such work shall be given on a seniority basis within the department to the employees with the ability to perform the type of work required. Current practices of posting for volunteers and assigning such volunteers when less than the full department is scheduled to work shall be continued.

1. The notice of weekend overtime work will be posted by 9:00 a.m. on Wednesday of the week preceding the weekend the overtime will be worked.

2. Employees volunteering for weekend overtime must sign the notice by 6:00 AM (six) on the Friday preceding the weekend (excluding maintenance), unless the Company posts notice of a different deadline due to a holiday, shutdown, inventory or other unavoidable circumstance with mutual agreement of the Union. Employees signing the weekend overtime posting may indicate their availability for work on a plant-wide basis and/or for work only within their home department.

3. Maintenance employees volunteering for weekend overtime must sign by 12:00 PM (Noon) on the Thursday preceding the weekend. Maintenance employees may sign for Saturday, Sunday and/or holiday overtime in their sub-area or in the Maintenance Department factory-wide. Shift preferences may be stated.

4. Employees will be assigned from the list on the basis of seniority and ability. Overtime assignments for eight (8) hour shifts will be considered before assigning employees to work twelve (12) hour shifts. It is recognized that the

maintenance employees assigned to a project that is partially completed may be required to work on the project prior to volunteers being assigned to work.

5. The Company will endeavor to post products scheduled for weekend overtime. Such overtime work will be assigned to qualified senior employees who sign to work the overtime and are available within one-half (½) hour of the overtime shift's start time.

6. In the event of an error by the Company in assigning overtime, employees who were bypassed for overtime assignments will be offered alternative overtime assignments to make up for the time missed.

Section K Saturday/Sunday/Holiday—Overtime Flow Chart for Skilled Positions.

1 st cut- Volunteer by department seniority, for those who have at least one day M-TH during the week or scheduled for Friday
2 nd cut- Volunteer non-department skilled plant wide, for those who have worked at least one day M-TH during the week or scheduled for Friday
3 rd cut- Volunteers by department seniority who did not work M-F during the week or are volunteering to come off layoff
4 th cut- Force regular employees who worked M-TH based on reverse seniority plant- wide

Section L Saturday/Sunday/Holiday- Overtime Flow Chart for Unskilled Positions.

1 st cut- Volunteer by Department seniority, for those who have worked at least one day M-TH during the week or scheduled for Friday
2 nd cut- Volunteer non-department unskilled plant wide, for those who have worked at least one day M-TH during the week or scheduled for Friday
3 rd Volunteer by plant-wide seniority who did not work M-F during the week or are volunteering to come off layoff
4 th Forced probationary employee to inspection for filling and labeling
5 th Forced probationary employee who worked at least one day on that job that week
6 th Forced regular employee who worked M-TH based on reverse seniority Plant wide

Section M Weekend Paid Time-Off. An employee who desires to avoid being required to work weekend overtime may request to use paid time-off (i.e., personal day or vacation day), provided the employee makes the request by 6:00 AM on the Friday or last work day of the week prior to a weekend or holiday. Requests will be granted by the Company based upon the operational needs of the Muscatine Plant. This provision may be used by an employee who desires to avoid being required to work overtime on the weekend preceding a scheduled full week of vacation.

Section N Pay for Lost Time. Employees, when required to remain at work, will be paid for time lost due to an interruption or cessation of work by reason of breakdown of machinery, lack of products, or for any other reason beyond the control of the employees, provided other employment cannot be found.

Section O Reporting Pay. Regular employee who are ordered to report for work and cannot be given work at the time they were told to report for work shall be paid for such waiting time at their regular rate, and such time shall be counted as hours worked in that workweek. When a regular employee reports for work as scheduled or instructed and is sent home because work is not available before he has earned a minimum of four (4) hours of pay at straight time, he is entitled to four hours of report pay at straight time. If the employee volunteers to go home early, he is not entitled to report pay. This shall not apply in the event of an interruption of work because of a labor dispute, fire, or flood.

1. An employee who is called or instructed to return to work after he has completed his scheduled shift and has left the premises of the Company shall be paid, regardless of the amount of time worked, not less than four (4) hours straight-time-pay.
2. When an employee is scheduled to work on Saturday or Sunday, he will be expected to work a minimum of four (4) hours.
3. If a manager or supervisor elects to authorize a call to an employee outside of their regular work hours to have that employee consult on a problem, that employee shall receive one hour of pay at their straight time rate of pay; however, pay will not be included as an hour of work for overtime purposes.

Section P RTW (Return to Work) Slips. Employees who are absent for more than three (3) days must present a RTW slip before returning to work. Employees submitting their return to work slips prior to 9:00 am the day prior to returning to work will be scheduled in accordance with seniority, skills and ability. Employees submitting their return to work slips between 9:00 am and 3:00 pm the day prior to returning to work will be scheduled based on skills and ability. Employees submitting the return to work slips after 3:00 pm the day prior to returning to work will be offered work if available. Failure to notify the Company of intention to return to work relieves the Company of any obligation under this Section. However, the Company will not operate short to discipline employees for not calling in for their starting times.

Section Q Tardiness & Work Assignments. Employees who are tardy up to one (1) hour will receive a work assignment in accordance with seniority and ability (i.e. same job scheduled for or an equivalent job). If more than one (1) hour late but less than two (2) hours

late, the employee will be assigned to whatever work is available. If an employee is tardy two (2) or more hours, the employee will be considered absent if sent home. The Company will not operate short to discipline employees for not arriving on time. However, this section shall not preclude the Company from applying progressive discipline for tardiness infractions.

Section R Lunch. The Company shall give all employees time off for lunch as close to the middle of the shift as possible. The schedule of work shall normally be for no more than five (5) consecutive hours without a lunch period. Time and one-half (1 1/2) shall be paid for all hours worked consecutively beyond five (5) hours without a lunch period, except when no more than six and one-half (6 1/2) hours are required to complete the day's work. This provision shall not apply to those who work on a continuous operation. Employees will be granted necessary relief during working hours.

Section S Holidays.

1. The following Holidays are recognized by the Company:

New Year's Day	Labor Day
President's Day	Thanksgiving
Good Friday	Friday after Thanksgiving
Memorial Day	Day before Christmas
Tuesday after Memorial Day	Christmas
Independence Day	

2. Production and maintenance employee who work on a recognized Holiday will receive two and one-half (2 1/2) times the regular straight time rate for the time worked on any shift which begins on a recognized Holiday. Any shift which begins between midnight preceding the Holiday and midnight following the Holiday shall be considered a Holiday shift except as provided in Sunday Start, Appendix D.

3. Regular employees who do not work a Holiday shift will be paid a "holiday allowance" consisting of eight (8) hours pay at the straight-time hourly rate at which such employee last worked preceding the Holiday, subject to the following rules:

- a. Recognized Holidays falling on Saturday will be observed by the Company on the preceding Friday and those falling on Sunday will be observed on the following Monday. The day on which the Holiday is observed will be considered the Holiday for all purposes under this Article.

- b. Such employee must have worked his full scheduled shift on the days immediately preceding and immediately following the recognized Holiday. Employees who do not work on the days immediately preceding and immediately following the recognized Holiday due to Vacation, Short-Term Disability, Bereavement Pay or Jury Duty will not be disqualified from receiving Holiday pay. If the employee is laid off for lack of work on the days directly preceding or following the Holiday, the employee must work either within eight (8) calendar days preceding or following the Holiday.

c. Such employee must not have failed to report for work on the Holiday after having been instructed to so report.

d. Such employee who works less than eight (8) hours on a Holiday shift because he is so instructed by the Company will be paid a Holiday allowance equal to the straight time-rate for the difference between the time actually worked and eight (8) hours.

ARTICLE III- PERSONAL DAYS

Section A Eligibility. Except as provided below, a regular employee, following completion of one (1) year of continuous service, may designate four (4) scheduled workdays each calendar year as Personal Days off with pay.

1. New employees will be eligible for two (2) personal days after completion of the probationary period.

2. In the year in which an employee completes one (1) year of service, employees hired before July 1 will receive two (2) Personal Days following completion of one (1) year of continuous service. Employees hired on or after July 1 will receive one (1) Personal Day after completion of one (1) year of continuous service in the year in which the employee completes one (1) year of service.

Section B Scheduling. Personal Days must be requested at least twenty-four (24) hours prior to the start of the shift. Employees may utilize two (2) Personal Days per calendar year as Emergency Personal Days. Emergency Personal Days may be used for illness, inclement weather or other legitimate reasons by providing not less than one-half (1/2) hour notice prior to the start of the shift.

Section C Pay. Pay for personal days off will consist of eight (8) hours pay as computed for the employee's vacation pay for the year, exclusive of a vacation bonus under Article IV.

1. Employees will receive eight (8) hours of credit for personal days taken Monday through Friday for the purpose of computing weekly overtime; however, personal days taken on the day preceding or following a holiday shall not qualify the employee for the holiday pay.

2. Personal days must be taken in the calendar year due or will be paid for on the first pay period in January, as identified in the chart below. Any unused personal days remaining at the time of retirement will be paid to the retiree and any days remaining at the time of death will be paid to the employee's beneficiary.

Personal Day Payout Schedule
1/5/2018
1/11/2019
1/10/2020
1/8/2021
1/7/2022

Section D Split Vacations. The Company and Union have agreed that in only those holiday weeks that the Company permits split vacations – (Memorial Day and July 4th weeks, and Thanksgiving and Christmas weeks), the Company will endeavor to grant personal days to allow the employee not to be scheduled for work at all that week, and such employee will not be disqualified from holiday allowance. It is understood and agreed that the personal day(s) and/or permission day(s) will be allowed only to “round out” (not to be scheduled) the vacation week during the July 4th or Christmas Day week. They will not be used to extend the vacation period into the week preceding or following a holiday period. It is further agreed that the employee must request permission to take the personal days at least forty-eight (48) hours in advance of the day and receive permission from the Company. If all requests for such days cannot be granted, the least senior qualified employees will be scheduled to work. Failure to work as scheduled will result in denial of holiday allowance. All other holiday and vacation conditions and requirements per the current labor agreement continue to be in effect and force.

ARTICLE IV- VACATIONS

Section A How Vacation Earned.

1. To be eligible for a vacation in any calendar year during the term of this Agreement, an employee must:

a. Have one or more years of continuous service, and

b. Have worked one hundred ninety (190) days or more in the preceding calendar year (except that in the case of an employee who completes one year of continuous service in such calendar year, his vacation eligibility period shall be the twelve (12) months immediately following the date of his employment) and provided that any employee who works less than one hundred ninety (190) days but more than one hundred forty (140) days in the preceding calendar year or in the twelve (12) months vacation eligibility period shall be eligible for one-half (1/2) the amount of vacation to which he would otherwise have been entitled.

(i) An employee absent from scheduled work due to illness or injury shall be credited as days worked for vacation purposes with up to fifty (50) days if such absence occurs during any vacation eligibility

period, provided that such employee claiming such credit files with the Company's Human Resource Department within ten (10) days after his return to work a written statement signed by his attending physician certifying to the period of such disability.

(ii) An employee who has worked or has been credited with one hundred (100) days or more worked in any vacation eligibility period shall be entitled for vacation purposes to additional credit in that vacation eligibility period for actual hours of absence due to layoff for lack of work up to fifty (50) days.

2. Continuous service shall date from:

a. The date of the first employment by the Company within the bargaining unit represented by the Union, or

b. The subsequent date of employment following a break in continuous service as presently or heretofore determined under rules existing at the time, whichever of the above two dates is later.

3. An employee, even though otherwise eligible under this Section A, forfeits the right to receive vacation benefits under this Article if he quits or is discharged prior to January 1 of the vacation year.

Section B Amount Vacation Earned. An eligible employee who has attained the years of continuous service indicated in the following table in any calendar year during the term of this agreement shall receive a vacation corresponding to such years of continuous service as shown in the following table. Employees hired on or after September 1, 2007 are ineligible for six (6) weeks of vacation.

YEARS OF SERVICE	WEEKS OF VACATION
1 but less than 3	1
3 but less than 7	2
7 but less than 15	3
15 but less than 23	4
23 but less than 32	5
32 or more	6

1. Each employee with twenty (20) or more years of continuous service, who is entitled to a vacation in that year under the provisions of Section A above, shall have the option of taking one (1) week only of pay in lieu of vacation time off. Those employees with thirty-two (32) years of service may have that option of taking two (2) weeks pay in lieu of vacation time off. An employee may cash out up to one week or two

weeks if the employee has the appropriate years of service. Such employees may cash out less than a week if that is all the vacation time that is remaining. Examples below:

- A. OVER 20 YEARS = 1 WEEK OF PAY-IN-LIEU-OF-TIME-OFF
- B. 32 YEARS OR MORE = 2 WEEKS OF PAY-IN-LIEU-OF-TIME-OFF

2. In any calendar year in which an employee reaches an anniversary date upon which he becomes entitled to additional benefits under provisions of this Section, any such additional vacation benefit will not be due payable to him until on or after such anniversary date.

Section C **How Calculated.** Vacation pay will be based on an employee's average earned rate per hour, including bonus plan earnings, during the twelve (12) month period in which such vacation was earned, plus a twenty percent (20%) vacation bonus. Employees hired on or after September 1, 2007 are ineligible for the vacation bonus.

Section D **Hours Paid.** The hours of vacation pay for each week of vacation shall not be less than forty (40) or more than forty-eight (48) and within these limits, the hours of vacation pay shall be based upon each employee's average hours worked per week during the twelve (12) month period in which such vacation was earned. Employees entitled to one-half (1/2) week of vacation shall be paid for (20) hours.

Section E **Vacation Not Used.** Vacation not used by December 31 of the calendar year will be paid out. However, the employee must make every attempt to use the vacation during the calendar year.

Section F **Company's Option to Cancel Vacation.** The Company reserves the right in an emergency to request an employee who is on vacation to return to work, but such an employee shall not be required to return. In the event a vacation is to be cancelled prior to its occurrence, as much advance notice as possible will be given. When they submit their vacation requests, employees may request that they not be scheduled to work on the weekend prior to their vacation. Such requests will not be unreasonably denied by the Company.

Section G **Required Vacation During Shutdown.** In the event the Company elects to close any or all of the departments of the plant for any purpose during the week of or the week preceding or following the Fourth of July and the week of Christmas, the Company will so notify employees on or before June 1 of the vacation year. An employee entitled to two (2) weeks or more of vacation will be required to take vacation during such shutdown period unless he has previously exhausted all vacation, or if he has vacation pre-approved based on Section I below. The Company will allow employees on A&S (Accident & Sickness/short term disability) or LTD (long term disability) not to take vacation during shutdown as long as they notify the Company two weeks in advance they do not want vacation.

1. Except as provided in the section above, such employees entitled to a vacation may designate his or her preferred vacation time and such request will be considered in employee seniority order and granted when practicable. It is agreed,

however, that efficient operations of the plant should be the first consideration when assigning vacation time and that the Company shall have the right to assign vacation time on that basis.

2. It is further agreed, however, that, in the case of employees in maintenance job classifications, the most senior employee or employees in any classification which is not required during the shutdown periods specified above, shall, with the prior consent of the regular supervisor, be scheduled for vacation during any such shutdown period.

Section H **Single Vacation Days.** Employees may utilize vacation one day at a time as follows:

YEARS OF SERVICE	VACATION ELIGIBILITY	DAY-AT-A-TIME ELIGIBILITY
One (1) year but less than three (3) years	1 week	Can be used as full week or day-at-a-time
Three (3) years but less than seven (7) years	2 weeks	Minimum of one week must be used as a full week of vacation
Seven (7) years but less than fifteen (15) years	3 weeks	Minimum of one week must be used as a full week of vacation
Fifteen (15) years but less than twenty-three (23) years	4 weeks	Minimum of two weeks must be used as full weeks of vacation
Twenty-three (23) years but less than thirty-two (32) years	5 weeks	Minimum of two weeks must be used as full weeks of vacation
Thirty-two (32) or more years	6 weeks	Minimum of three weeks must be used as full weeks of vacation

Day-at-a-time vacation must be scheduled at least twenty-four (24) hours in advance of the start of the shift and be approved by appropriate supervision.

Section I **Vacation Requests & Approvals.** Employees will be allowed to request vacation on a designated form for both full weeks and single vacation days for the period of March 1st through December 31st prior to February 1st. Vacation will be granted by February 28th based on seniority.

1. Employees will still be allowed to request vacation on a month to month basis based on seniority. However, vacation that is requested by February 1st and approved will take precedence over vacations requested after February 1st. Advanced monthly requests will be granted/denied within five (5) working days following the requested month end, per the following chart, and vacation that is approved per the following chart will take precedence over vacations requested with less than a one (1)

month notice. Approvals will be based on the Company's ability to maintain the efficient operation of the facility.

2. Requests for full weeks vacations made after February 1st and not made in accordance with the following chart must be turned in by noon on Tuesday of the week preceding the vacation. These requests will be granted based on the efficient operation of the facility and provided that it does not interfere with an employee's block of vacation which has been previously granted per the request procedures above.

Vacation wanted	Request must be in by	Company Approves/ Denies by
January 1-30	November 30 th	5th working day of December
February 1-29	December 31 st	5th working day of January
March 1-31	January 31 st	5th working day of February
April 1-30	February 28 th	5th working day of March
May 1-31	March 31 st	5th working day of April
Split week Memorial Day	March 31 st	5th working day of April
Full week July 4 th	March 31 st	5th working day of April
Split week July 4 th	March 31 st	5th working day of April
June 1-30	April 30 th	5th working day of May
July 1-31(except July 4 th)	May 30 th	5th working day of June
August 1-31	June 30 th	5th working day of July
September 1-30	July 31 st	5th working day of August
October 1-30	August 31 st	5th working day of September
November 1-30	September 30 th	5th working day of October
Split week Thanksgiving	September 30 th	5th working day of October
Full week Christmas	September 30 th	5th working day of October
Split week Christmas	September 30 th	5th working day of October
December 1-31	October 31 st	5th working day of November

ARTICLE V – WAGES

Section A Payday. Payday is on Friday. Changes in rates of pay due to change in status from probationary to full-time are effective the first day of the following pay period.

Section B Bereavement Pay. An employee who is absent from regularly scheduled work because of a death in his immediate family shall be paid for wages lost beginning on the day of the death to and including the day after the funeral or memorial service except that such payment shall not exceed three (3) days' or twenty-four (24) hours' pay.

1. An employee's "immediate family" shall include the employee's spouse, children, stepchildren (children of current spouse), parents, foster parents, stepparents, grandparents, parents-in-law, brothers, sisters, grandchildren and child for whom the employee is the legal guardian.

2. The hourly rate for such employees shall be their average straight time hourly earnings in the last payroll period completed and paid prior to the beginning of such bereavement leave.

3. Employees shall be allowed bereavement leave for brothers-in-law and sisters-in-law not to exceed one (1) day subject to the same conditions as outlined above.

4. Any approved unpaid bereavement leave will not count as an occurrence under the Attendance Policy.

Section C Jury Duty. Regular employees who serve time on jury duty that prevents them from working their regular work schedule on such days will be paid the difference between their jury pay and what they would have earned had they worked (8) hours at straight-time rates for the Company less their earnings during hours in which they worked for the Company on such days. Employees will not be required to work for the Company on days on which they are required to report for jury duty, but the Company will, when it has the work, endeavor to arrange work schedules that will permit these employees, if they so desire, to earn their regular daily wages in addition to their jury pay on such days.

Section D Overtime Lunch Allowance. An employee who works more than eleven (11) consecutive hours may, if he desires, receive a one-half (1/2) hour unpaid meal period.

Section E Attendance Bonus. Employees with perfect attendance for six (6) months (January 1-June 30 and/or July 1-December 31) will receive a Perfect Attendance Bonus of two hundred fifty dollars (\$250.00) bonus. Perfect Attendance is defined as having no absences or tardies during the applicable six (6) month period. The Company will pay the Attendance Bonus for the first six (6) month period by July 31 and the second six (6) month period by January 31st of the following calendar year.

Section F Shift Differential. Shift differentials of thirty cents (\$0.30) per hour shall be paid on all hours worked between 4:00 p.m. and 11:59 p.m. and thirty-five cents (\$0.35) per hour shall be paid on all hours worked between midnight and 6:00 a.m.

ARTICLE VI- UNIFORMS

Section A Requirements & Turn-In. The Company shall have the right to require any or all employees to wear a standard uniform provided by the company. The Company will provide four (4) pairs of pants and four (4) shirts per employee per year for those who are required to wear a uniform. Employees will be permitted to retain in their possession up to five (5) such garments and replacements thereafter will be made upon return of worn-out garments. All apparel furnished by the Company shall remain the property of the Company and each employee upon termination of employment shall turn in all apparel so furnished or be required to pay for it. Employees shall give reasonable and proper care to such apparel and shall keep it clean and in proper condition. Uniforms shall be provided to new employees solely at the discretion of the Company. All employees who receive uniforms shall be expected to wear them on a regular basis or lose the privilege of continuing to receive them. Employee hired prior to March 1, 1983 shall have the option to continue to receive uniforms; however, all employees who receive uniforms shall be expected to wear them on a regular basis or lose the privilege of continuing to receive them. Employees who were receiving uniforms prior to August 31, 2007 but were not required to wear uniforms and who were not hired prior to March 1, 1983 will be permitted to receive uniforms for one year, through September 1, 2008. Thereafter, uniforms will only be provided as specified above.

Section B Aprons/Boots. The Company will furnish plastic aprons and rubber boots to employees where necessary as mutually agreed upon by the Company and the Union.

ARTICLE VII – SENIORITY

Section A Probationary Employees. A new employee or former employee hired after a break in continuous service shall be considered a probationary employee and shall acquire no continuous service until he/she has completed one hundred twenty (120) calendar days.

1. The continuous service of an employee who has completed the one hundred twenty (120) calendar days probationary period shall date from his original hiring date within the previous twelve (12) month period.

2. A new employee, who works less than one hundred twenty (120) calendar days and is then laid off for a continuous period greater than the number of days he had worked, will start again as a new employee without any credit towards continuous service for the days of his previous employment.

Section B Departments. Seniority shall be based upon continuous service with the Company at the Muscatine plant. Seniority will be applied within recognized seniority departments. Departments recognized for the application of seniority shall be as follows.

1. Kitchen
2. Single Serve and Vol Pak
3. Ketchup, Condiments & Sauces
4. Services
5. Maintenance

Section C **Rank for Employees Hired the Same Date.** When two (2) or more employees are hired on the same calendar day, the rank number shall determine the continuous service order of the employees so involved.

Section D **Break in Continuous Service.** An employee shall cease to have continuous service and his employment with the Company shall be considered terminated for all purposes when the employee:

1. Voluntarily leaves the service of the Company or is discharged for cause.
2. Is laid off for lack of work and fails to report for work after five (5) days written notice to do so by certified mail addressed to his last address known to the Company. A copy of such notice shall be mailed to the Union. An employee who for acceptable reasons is unable to answer such call to return to work within the specified five (5) day period shall not lose continuous service provided he reports the facts to the Company as soon thereafter as it is possible for him to do so.
3. Employees who utilize answering machines but who do not return calls, employees who do not answer telephone calls and employees who are seldom home will receive five (5) day letters informing them that their failure to respond to telephone calls for return from layoff is placing their employment in jeopardy, and will result in termination if a response is not forthcoming. Those who do the calling will allow for seven (7) rings before hanging up and going on to the next person. Conversations are to be handled professionally.
4. Is laid off for lack of work for a continuous period greater than one (1) year or for a continuous period greater than the period for which he has continuous service credit with the Company at the time of layoff, whichever is less.
5. Has not worked for the Company for a period of two (2) years due to sickness or accident.
6. Has not worked for the Company due to an injury or illness covered by Workers' Compensation according to the following schedule:
 - a. Employees with less than one year of service at the time of injury/illness will be terminated one year after the date of injury/illness.
 - b. Employees with more than one year of service at the time of injury/illness will be terminated one year after the date of injury/illness plus one month for each year of continuous service. The maximum limit is 24 months
7. Is absent for three (3) consecutive workdays without notifying the Company.

Section E **Non-Bargaining Unit Jobs.** An employee who accepts a transfer to a job excluded from the bargaining unit may be returned or may return to the bargaining unit within the first year of his transfer out. He shall be returned to his home department within this one year period and his seniority shall be reinstated and accrued as if he never accepted such transfer.

Section F Reemployment from Break in Service after Layoff. An employee whose continuous service is terminated because he was laid off for lack of work for a continuous period greater than the period for which he had continuous service credit with the Company at the time of layoff as provided in Section E above who is reemployed within the same calendar year in which he was laid off shall not be required to serve a second probationary period, but shall be considered a "regular" employee immediately upon returning to work and his continuous service shall date from the date of his prior employment.

Section G Seniority Lists. Lists setting forth each employee's continuous service will be prepared and posted in the plant and shall be revised every three (3) months.

Section H Shift Preferences. Each regular employee shall be given the opportunity to express their shift preference upon completion of the trial period in a department. An employee who has expressed a desire to work on a given shift within a department will be assigned to that shift in accordance with plant continuous service and ability when practicable. It is agreed, however, that efficient operation of the plant shall be the first consideration when making work assignments to the various shifts. It is further agreed that shift preference in the Maintenance Department may only be exercised among those employees in the same grade and below who possess similar skills and ability, provided there are a sufficient number of skilled employees on each shift to maintain the efficient operation of the plant. An employee may change shift preferences up to four (4) times per calendar year. Written notice of preference must be provided to Human Resources Department or Health Services Department no later than noon on Wednesday of any calendar week. The change shall then become effective on the following Monday.

Section I Bidding, Promotions and Transfers. Vacancies other than Leads and Maintenance jobs (except Maintenance Trainees), will be filled in accordance with the following procedure. In filling job vacancies, the following factors will be considered: (a) ability to perform the work, and (b) continuous service on a plant-wide basis. Only where the ability to perform the work is relatively equal shall length of continuous service be the determining factor.

1. The Company will post notices of job vacancies for a period of five (5) working days. A description of the relevant features of the job, including the title, grade, department of the job, shift (8-hour or alternative work schedule) and number of positions, will also be posted.
2. Such notices will be posted in the Employees' Entrance or in another area agreed to by the Company and the Union.
3. Employees who are within the department of the posted job may sign to express their interest in acquiring the skill and ability to perform the posted job.
4. Employees from outside the department of the posted job may sign for any job in order to transfer into the department of the posted job.
5. Following the posting period, departmental employees who signed the posting will be ranked in seniority order, followed by employees from outside the department who signed the posting, ranked by seniority.

6. Job vacancies will first be offered among the department bidders for whom the job would be a promotion (i.e., increase in grade) or to department bidders who are normally assigned to work on the same shift as the vacancy and for whom the job would be a lateral move. Employees who refuse department transfers when available may not transfer to that department for one (1) year.

7. Once the posting period has expired, the Company will have two (2) weeks in which to post the name of the employee awarded the bid or that there were no viable candidates, excluding bids for Lead positions. The Company will endeavor to promote or transfer successful applicants within ninety (90) calendar days of acceptance of the promotion or transfer.

8. The Company will endeavor to honor bids of employees who are absent from work for no more than two (2) weeks during the posting period provided that notice is given within twenty-four (24) hours of the employees' return to work.

9. An employee transferring to a new department may sign and be considered for weekend overtime in the former department until the qualification sheet is signed in the new department. (This does not apply to weekday overtime.) The Union will be notified when a job posting is completed and will no longer be used.

10. Employees other than Maintenance Department employees may request consideration for transfer to the Maintenance Department. Such requests will be considered prior to filling the vacancy with a new hire.

a. An employee transferred to this department will not acquire continuous service in this department for a period of one year except over new employees entering this department. This one (1) year period will be considered as a probationary period and the Company may return employees to their old department.

b. During the first ten (10) working days, employees may elect to return to their old department. During the one (1) year period, employees will retain continuous service in their old department applicable only if they are laid off from their old department or are returned to the old department by the Company.

c. Management will determine an employee's qualifications to perform a given job. The Company reserves the right to implement testing procedures for job classifications in the Maintenance Department employee.

11. Employees can be awarded only one job bid in six (6) month period, unless the job is a Lead or Utility position. The Company reserves the right to waive this period based upon the needs of the business.

Section J Training and Disqualification.

1. The Company will make a good faith effort to train senior people in a timely manner with the intent of providing them improved job scheduling and work opportunities ahead of junior employees. There will be training without openings. The training will normally be provided on the person's preferred shift, and if seniority does not allow for the person's training on the preferred shift, employees may be trained on other shifts.

2. Employees in training will have a qualified employee with them during such training when possible.

3. In the event an employee has been awarded the opportunity to train and the Company has determined the employee cannot perform the essential functions of the job after ten (10) days of training, the Company reserves the right to remove the employee from training and disqualify them from training on that equipment or position.

4. Employees may request to disqualify themselves from the training opportunity within ten (10) working days, and must do so in writing and provide specific reasons for their request of disqualification. Employees who disqualify themselves will not be given the opportunity to train for a period of one (1) year in the same job.

5. Management reserves the right to deny any request for disqualification based on proven abuse or falsification of the disqualification system.

6. An employee is considered trained when the qualification sheet is completed and processed. The qualification sheet will be processed within five (5) working days of completion. A successful applicant, during the period of training, will remain on the job when it operates, unless displaced during reduction in force.

7. The training/qualification period will not exceed the recommended training period for the applicable job. Exceptions maybe granted at the discretion of the Company. An employee will obtain departmental seniority in the new department when the qualification sheet is completed and processed.

8. An employee who has been awarded a position, completed training and qualified on the position/equipment may be removed from the position/equipment if he/she has repeated violations of safety rules, performance or policies.

9. If an employee requests to be removed from a position due to medical condition, the Company may require the employee to submit medical documentation by a physician at their cost.

Section K Line Cancellation.

1. The Company will post weekly work assignment schedules by 1:00 PM the Friday before the commencement of the work week.

2. Employees are responsible to know their scheduled start time on a daily basis. In the event that scheduled start times change, affected employees will be informed (by posting) prior to the end of the previous scheduled shift. In the event of a change in the scheduled start time after the end of the previous scheduled shift, the Company will call affected employees to inform them of the change in the scheduled start time.

3. When a line is cancelled after the work assignment schedule is posted, the schedule will not be revised. In the event of a line cancellation, employees affected may be assigned to any work in the plant for which they are qualified (provided that such work is on the same shift to which the employee is normally assigned), as follows:

a. First, employees will be assigned to do continuous improvement work on the line or in the department.

b. Second, an employee would be assigned to fill in for an absent employee or an employee on paid or unpaid leave at the employee's rate of pay (or the rate of pay of the job classification which they are filling, whichever is higher), provided the employee has the requisite skill and ability.

c. Third, an employee would be assigned to another position for purposes of training in a new job skill.

d. Fourth, an employee would be assigned to fill in at an unskilled position at the same rate of pay of their current position.

e. Fifth, an employee may be permitted to take the day as a vacation day (provided employee has available vacation) or personal day.

f. Lastly, in the event that no work is available for which an affected employee is qualified, the employee may elect a voluntary lay off.

Section L **Layoff/Recall.** In the event of a layoff, the following factors will be considered: (a) ability to perform the work and (b) continuous service on a plant-wide basis. Only where the ability to perform the work is relatively equal shall length of continuous service be the determining factor.

1. Decreases or increases in the working force which are limited to a period of less than one (1) work week shall be considered temporary and shall be made in such manner as may be determined solely by the Company.

2. The Company may offer a voluntary layoff for a defined period. This will be done while considering the efficient operation of the plant. Those interested will sign a posted voluntary layoff request sheet. In the event of a recall from voluntary layoff, employees will be recalled in inverse seniority order based on skills and abilities.

a. This voluntary layoff process can be applied during plant shut down periods but shall not interfere with the ability of the company to require employees to take vacation during the July 4th and Christmas shutdown periods.

b. Employees who are on voluntary layoff are required to call in daily to check if they are scheduled to work the next day.

3. Employees will be recalled to their job consistent with ability and seniority.

4. All seniority and other records of employees used by the Company in applying the lay-off and recall provisions of this Section shall be available for inspection by a designated representative of the Union during regular business hours of the Human Resources Department where such records are maintained.

Section M Lay-Off/Recall Procedures.

1. When the working force in any department is to be decreased for a period of one week or longer, the employee or employees to be laid off will be selected in accordance with seniority and ability as defined in Section L.

2. Probationary employees will be laid off before employees with established continuous service are laid off.

3. Employees laid off may be assigned to vacancies throughout the plant for which they are qualified on the basis of seniority and ability. When an employee is assigned outside their home department, the employee will be assigned the highest job grade rate available at the time, provided he has, at the time of layoff, the ability to perform the work required on such job.

4. After an employee is laid off for more than fifteen (15) workdays they will be contacted by the company as to their return to work date. Once employees are recalled from layoff, they are again responsible to know their scheduled start time on a daily basis.

a. The Company shall use proper care in communicating notices to return to work to laid-off employees. Each employee shall provide the Company with a telephone number at which he may be reached and shall be responsible for keeping the Company advised of any change in such number.

b. A telephone call by an authorized Company representative to the employee's number listed in the Company's file shall constitute "proper care" as above required. An employee who does not answer such phone calls or fails to respond to one shall not terminate continuous service unless notice is given under Section D(3).

5. Grievances alleging a violation by the Company of this Section may be filed originally in Step Two of the Grievance Procedure. If an employee is improperly

laid off while another employee with lesser continuous service remains at work or an employee is not recalled to work while an employee with less continuous service is recalled, he/she shall be paid for such time. This will not exceed five (5) days pay.

Section N Bumping Rights. Employees laid off out of their job may be assigned to bumpable jobs outside of their home department that they have the skill and ability to perform.

1. Prior to being laid off from the plant, an employee affected by a layoff may replace the employee or employees with the least plant continuous service then working on a job which the more senior employee has the ability at the time to perform.

2. An employee displaced by a more senior employee will have the same rights as those reduced from their home department due to lack of work.

3. Bumpable and non-bumpable jobs:

a. Bumpable jobs are defined as those jobs with "A" or "B" level job knowledge and "A" level complexity as defined in the Job Evaluation Manual. More senior employees may replace employees working on these jobs in accordance with this section.

b. Non-bumpable jobs are defined as those jobs with other than "A" or "B" level job knowledge and "A" level complexity as defined in the Job Evaluation Manual. Employees working on these jobs may not normally be replaced by a more senior employee.

4. Non-bumpable jobs shall be subject to challenge under the grievance procedure.

5. When any employee having eleven (11) years of continuous service is no longer working in his own department as a result of a decrease of force in said department, the Company will maintain his regular hourly rate of pay for a period of not more than two hundred (200) working days.

Section O Suspended Skills. All employees will maintain at least two job skills. Such job skills will not be lost when the employee transfers between departments. However, the jobs skills from the old department will be suspended unless required for the efficient operation of the plant.

1. Newly hired employees may be required to have more than (2) job skills depending on departmental needs.

2. The Company, with input from the union, will identify jobs for which there are an insufficient number of trained employees. Said jobs shall be posted and if there are insufficient bidders, newly hired employees shall be assigned and trained to perform them.

Section P Temporary Workers. The Company will have the right to utilize temporary employees for up to ninety (90) working days (based on the days actually worked by the temporary employee). On or before the temporary employee completes ninety (90) working days, the Company at its discretion will either hire or release the temporary employee. Temporary employees who are released may not be brought back to work within the factory as temporary employees within twelve (12) months of their release. Note: The parties agreed to execute a Letter of Agreement annually to permit the return of interns and summer-only help who are considered temporary employees.

Section Q Leaves of Absence. Leaves of absence not to exceed thirty (30) days may be granted by the Company without affecting continuous service. Personal Leaves of Absence and permission days will be granted only after personal days and single vacation days have been exhausted. Employees who are not eligible for leave under the Family and Medical Leave Act may request three (3) unpaid days for the birth, adoption or placement of a child and such days will not constitute an occurrence under the Attendance Policy.

Section R Leave for Union Business. An employee may be granted an unpaid, temporary leave of absence, not exceeding thirty (30) days for Union business. The number of employees who may take such leave at any one time will be mutually agreed between the local Union and the Company. Any leave of absence for Union business under these provisions shall become void immediately and all reemployment and continuous service rights shall be terminated if the person on leave accepts other employment or engages in work other than Union business.

1. **Re-Employment from Union Position.** An employee who leaves the employ of the Company to accept a full-time position with the United Food and Commercial Workers Union and who makes application for re-employment within one (1) year from the beginning of such leave shall be entitled to reinstatement to his/her former job with accrued continuous service at the rate of pay for such work prevailing at the time of reinstatement provided that he/she is still able to perform such work. The above reemployment rights shall not extend to more than one person at any one time.

2. **Full-time Position with Union.** An employee who leaves the employ of the Company to accept a full-time position with Local 431 shall be granted a leave of absence without pay for the remainder of the current term of this Agreement or until one week after he/she ceases to occupy such full-time position, whichever is earlier, provided that he/she has given to the Company a written request for such leave at least ten (10) days prior to the date on which the leave commences. Such person who makes application for reemployment within thirty (30) days following the termination of his/her leave of absence shall be entitled to reinstatement to his/her former work with accrued continuous service at the rate of pay for such work prevailing at the time of reinstatement, provided he/she is still able to perform the work. The Union will immediately notify the Company when an employee on leave of absence under this provision ceases to occupy such full-time position. No more than one employee at any time shall be entitled to such leave.

3. Continuous Service for Stewards/Officers. At the request of the Union made at the time of layoff, not more than seven (7) members of the Union who shall be stewards or officers shall be given top plant continuous service during their respective terms of office for purposes of layoff and recall only. The Union shall notify the Company of the names of those covered by this provision as soon after the signing of this Contract as possible, and thereafter the Company will notify the Union of any contemplated layoff involving such employees. The Union will advise the Company in writing after receipt of such notice of those persons for whom it requests top continuous service.

Section S Preferential Hiring Rights at Other KraftHeinz Plants. An employee who: (i) has accumulated four (4) or more years of continuous service with the Company; (ii) has been laid off for lack of work and, in the opinion of the Company, is not likely to be recalled to work within one (1) year from the date of layoff, and (iii) cannot qualify for immediate retirement benefits will be given priority over other applicants for employment for job vacancies at any other KraftHeinz factory at which employees are represented by the U.F.C.W. or an affiliated U.F.C.W. local union which has agreed to such reciprocal employment rights.

1. An employee who wishes to exercise preferential hire rights must file a written request specifying the factory location or locations at which the employee would accept employment. Such application will not become effective until thirty (30) days after the date of filing. Employees who apply will be given priority in employment in accordance with length of their continuous service with the Company and ability to perform the available work.

2. An employee who accepts employment at another KraftHeinz factory will be required to serve a probationary period in accordance with Article VII, Section A of this Agreement. An employee who accepts employment at another KraftHeinz factory will continue to maintain continuous service at the employee's original factory but will also accrue continuous service at the new location beginning with the date his/her employment at the new factory begins. One year after the date of layoff from the employee's original factory location, the employee's continuous service at the original location will terminate and the employee's continuous service will apply only at the new factory location. Such employee's continuous service for the purpose of welfare benefits, vacation, holiday pay, service awards and other benefits (excluding pension benefits) will be calculated on the same basis as it was at his original factory location.

3. If an employee who has filed a written request for employment under this provision rejects a job offer or does not report for work at the new location at the mutually agreed upon time, the employee's name will be removed from the preferential hire list and the employee will not thereafter be considered for employment opportunities at any other KraftHeinz factories.

ARTICLE VIII - LEADS

Section A **Posting Vacancies.** Lead jobs will be filled by assignment by the Company.

1. Vacancies will be posted on an informational basis only to allow employees to express their interest in the job.
2. There is no obligation on the Company to fill the vacancy from those signing the posting. Employees signing the posting that are senior to the employee selected will be advised of the reason they are not selected.
3. Such selection shall not be subject to the grievance procedure.

Section B **Job Responsibilities.** The job responsibilities of lead personnel will include the following:

1. Instructing other employees.
2. Assuring that the directions of the supervisor are carried out.
3. Coordinating the activities of the department.
4. Checking work.
5. Reporting necessary information to appropriate people.
6. Performing manual duties as necessary within assigned departments.

Section C **Pay.** Employees appointed production lead workers by Management will be paid grade 13. Maintenance crew leads appointed by Management will be paid \$.50 per hour above the highest maintenance grade.

Section D **Department.** Lead workers will normally be assigned within their home departments except that the Company may assign across departmental lines according to need for lead workers on a temporary basis (three (3) months or less). Any extension beyond three (3) months will be discussed with the Union prior to continued assignment.

Section E **Overtime.** For the purpose of overtime and layoff, lead workers will assume their position on the seniority list within their home department. However, when working outside their home department on a temporary basis and that department is scheduled to work a sixth or seventh day, the lead worker on temporary assignment to that department will also be available for work as a leader.

ARTICLE IX- MANAGEMENT OF THE PLANT

Section A Right to Manage. Except to the extent that it is limited and modified by the specific terms of this Agreement, the Company reserves the exclusive right to manage the plant; to regulate the use of all its equipment and property; to determine the products to be handled, produced or manufactured; to determine the schedule, methods, processes, means and location of such production; and to assign, schedule and direct the work force in accordance with its best interests, including but not limited to the right to select and hire, promote, demote, transfer, classify, reclassify, suspend, lay off for lack of business, suspend or discharge for proper cause, and take action to maintain discipline and efficiency among its employees.

Section B Subcontracting. It is the Company's policy that production and maintenance work in the Muscatine Plant should ordinarily be performed by bargaining unit employees. However, both parties acknowledge that the Company may be required to utilize non-bargaining unit employees and/or outside contractors to perform maintenance work during the term of this Agreement based upon the needs of the business. The Company agrees that it will subcontract work only for legitimate, business-related reasons. The Company will notify the Union when it intends to use outside contractors to perform work within the Muscatine Plant. If the Union believes the project is of such a scope, size and type which members of the bargaining unit have the ability to normally perform considering the time and cost involved and the safety of all concerned, it will immediately notify the Company and meet to discuss the performance of the work.

Section C Establishment of Rules and Regulations. The Union recognizes the right of the Company to establish reasonable rules and regulations for the safe, sanitary and efficient conduct of the Company's business and reasonable penalties for the violation of such rules. The Company has established such rules, regulations and penalties; will post them in each department and agrees to apply such penalties indiscriminately to all employees. The Union has the right to object under the grievance procedure to any rule or penalty established hereunder. Changes in present rules shall not become effective until they have been posted for a period of seven (7) days and a copy given to the Union at the time of posting. The Union has the right to object under the grievance procedure to any change in present rules or the penalties established in any such change.

Section D Supervisor Limitations. It is the intent of this contract that a person acting in a supervisory capacity shall not be permitted to perform any work that is performed by employees covered by this Contract, except as follows:

1. In emergencies when employees are not available in the department.
2. In the instruction or training of new employees.
3. In the performance of necessary work when productive difficulties are encountered, which work does not deprive any employee of employment.
4. In supervisor training, which work does not deprive any employee of employment.

5. In experimental work, which work does not deprive any employee of employment.

Section E Safety Inspections. The Company will continue to make reasonable provisions for the safety and health of its employees while in the plant during working hours and will continue its safety program with regular safety meetings as heretofore. An employee to be appointed by the Union and approved by the Company will be allowed not more than two (2) hours per month without loss of pay to conduct safety inspections with the factory safety manager or his representative.

ARTICLE X - GRIEVANCE PROCEDURE

Section A Earnest Effort to Settle. Should any difference arise between the Company and the Union as to an alleged violation of the provisions of this Agreement, there shall be no suspension of work on account of such differences. But an earnest effort shall be made to settle them immediately to the mutual satisfaction of both parties.

Section B Definition. A grievance is defined to be any question or controversy between the Company and one or more employees of the Union, as to the interpretation or application of, or compliance with, the terms of this Agreement or any matter involving wages, hours or working conditions. The grievance must cite the article/section, law or policy which is believed to be in question or controversy.

Section C Procedure.

1. The aggrieved employee and or the steward and the supervisor involved shall attempt to adjust the grievance orally. If the matter cannot be adjusted within five (5) working days, the grievance shall be reduced to writing by the Union steward and deposited in the secure mailbox outside the Human Resources Department within five (5) working days.

2. The Human Resources Manager or a person designated by him/her, shall discuss the grievance with the employee, steward and the supervisor and or manager involved, conduct any further investigation needed, and reply to the grievance in writing within eight (8) working days following his/her receipt of the grievance. If the grievance is not satisfied, the Union shall then submit it within the next eight (8) working days to the Factory Manager.

3. The Plant Manager, or a person designated by him/her, will receive the grievance and discuss it with the employee and the Union's grievance committee, and shall reply in writing within ten (10) working days after the grievance was presented.

Section D Arbitration. If the parties hereto shall fail to adjust a grievance under the procedure set forth in Section C above, if the grievance relates to the determination of rights and obligations conferred or created by this Agreement, and if a written request for arbitration is made within fifteen (15) working days after the final answer is given by the Plant Manager or his/ her designate under Section C(3), such grievance shall be submitted for final decision to an arbitrator mutually agreed upon by the parties.

1. Within thirty (30) working days after providing the written request for arbitration to the Plant Manager, the Union shall request the Federal Mediation & Conciliation Service (FMCS) to supply a list of seven (7) arbitrators who shall be members of the National Academy of Arbitrators for selection purposes.

2. The parties will proceed with the procedure to select an arbitrator within fifteen (15) working days after receiving the list of arbitrators from FMCS. Following a coin flip to determine who strikes first, each party shall strike a name from the list until only one name is remaining.

3. The arbitrator shall hold hearings and render its decision in writing as quickly as practicable. The decision shall be final and binding upon both parties. The arbitrator, however, does not have the right to alter, amend or enlarge the terms of this Agreement. The costs incurred by such arbitration proceedings shall be borne equally by the parties hereto.

4. Extensions to the above time period may be made by mutual agreement at each step. Signatures and dating will be required at each step of the procedure with notation of any agreed extensions. Failure by either side to honor the time limits will result in the grievance being settled in favor of the other party on a non-precedent basis.

Section E Unions Right to Decline Process. At any step in this grievance procedure, the executive board of the local Union shall have the final authority in respect to any aggrieved employee covered by this Agreement, to decline to process a grievance, complaint, difficulty or dispute further if, in the judgment of the executive board, such grievance or dispute lacks merit or 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. Once the aggrieved employee has been notified either by their steward or by the Union business representative that their grievance is being dropped because of lack of merit, the aggrieved employee has twenty (20) calendar days to appeal that decision by sending a letter to the Union president requesting to appear before the Union executive board.

Section F Time Limit. No action or matter shall be considered the subject of a grievance unless written complaint is made within five (5) working days from its occurrence and, in the event it is decided that an employee has been unjustly discharged, he shall be reinstated to his former position without loss of seniority and full pay for all time lost.

Section G Investigation. Any investigation of the facts involved in the consideration of a grievance, which requires an inspection of any part of the Company's plant, or an inspection of any operation in the plant may be made jointly by a representative the Company and a representative of the Union. Any Company record, relied upon by the Company in answering a grievance, will be made available for inspection by the designated representative of the Union upon request.

Section H Granting Steward Permission. A Union steward shall request permission from his supervisor before stopping work to handle a grievance and shall report to the supervisor when ready to start to work. Such permission shall not be unreasonably withheld.

ARTICLE XI- SEVERANCE ALLOWANCE

Section A Severance after Layoff. When, in the sole judgment of the Company, it decides to close permanently its Muscatine plant or to discontinue permanently a substantial portion of its Muscatine plant and, as a result thereof, any employee is laid off by the Company under the provisions of Article VI, Seniority, of the Agreement and is not recalled to work for one (1) year after such layoff, such employee shall be entitled to a severance allowance as hereinafter provided. At the option of the Company, such employee may be offered a severance allowance prior to the expiration of such one (1) year period and, if he accepts such offer, all of his rights under this Contract shall immediately terminate.

Section B Eligibility. An employee, to be eligible for severance allowance, must have accumulated four (4) or more years of total service with the Company at the time of layoff, computed in accordance with Article XI, Section C, of this Agreement.

Section C Amount Earned.

1. An eligible individual shall receive severance allowance based upon total service with the Company, in accordance with the following schedule:

TOTAL SERVICE	WEEKS OF SEVERANCE ALLOWANCE
4 years but less than 6	4 Weeks
6 years but less than 8	6 Weeks
8 years but less than 10	8 Weeks
10 years or more	12 Weeks

2. Employees with more than ten (10) years of service shall receive an additional one-half (1/2) week of severance allowance for each full year of service over ten (10) years.

3. A week's severance allowance shall be determined in accordance with the provisions of calculation of vacation pay as set forth in Article IV (Vacation).

4. Payment shall be made in a lump sum.

5. A minimum of four (4) months notice shall be given in the event the Company decides to permanently close its Muscatine plant.

Section D Duplication of Severance. Severance allowance shall not be duplicated for the same severance, whether the other obligation arises by reason of contract, law or otherwise. If an individual is or shall become entitled to any discharge, liquidation, severance or dismissal allowance payment of similar kind by reason of any federal or state law, the total amount of such payment shall be deducted from the severance allowance to which the individual may be entitled under Article, or any payment made by the Company under this Article may be

offset against such payments. Statutory unemployment compensation payments shall be excluded from the non-duplication provisions of this paragraph.

Section E Retirement. Any employee who retires under the Company's "Employees' Retirement System" may be delayed in receiving retirement benefits for the period of time equivalent to that number of weeks upon which the severance allowance is based.

ARTICLE XII – PENSIONS AND RETIREMENT PLANS

Section A Pension Plan. Employees hired prior to September 1, 2004 will be eligible for benefits under the Employees' Retirement System of H.J. Heinz Company – Plan "C", as amended (the "Pension Plan"). Participants and beneficiaries will be eligible to receive benefits from the Pension Plan when they reach normal retirement age or otherwise qualify for early retirement benefits under the Pension Plan.

Section B Retirement (401K) Plan. Employees are eligible to participate in the H.J. Heinz Company Save for a Valuable Employee Retirement Plan (the "SAVER Plan") after completing ninety (90) days of service with the Company. Eligible employees may defer a percentage of their earnings up to the limit established by the IRS or otherwise permitted by law.

1. The Company will make contributions to the SAVER Plan on behalf of eligible bargaining unit employees hired on or after September 1, 2004 as follows:

AGE	COMPANY CONTRIBUTION (PERCENTAGE OF ELIGIBLE EARNINGS)
<30 Years of Age	2.0%
30-34 Years of Age	2.0%
35-39 Years of Age	2.5%
40-44 Years of Age	3.0%
45-49 Years of Age	4.0%
50-54 Years of Age	4.5%
55-59 Years of Age	5.5%
60-64 Years of Age	8.0%
>65 Years of Age	8.5%

Section C Plan Documents Govern. The Pension and SAVER Plans will be governed by the terms and conditions set forth in applicable plan documents, and such benefit programs may be modified or amended by the plan sponsor from time to time in accordance with the terms of the applicable plan documents. Any questions or disputes concerning any benefit programs will be resolved in accordance with the terms and conditions set forth in the applicable plan documents.

Section D Claims For Unpaid Benefits. The failure of the plan administrator(s) to provide any benefit under the Pension Plan or SAVER Plan will not result in any liability to the Company, nor shall such failure be considered a breach by the Company of any obligation

undertaken under this or any other Agreement. However, nothing in this Agreement will be construed to relieve the Pension Plan, the SAVER Plan, or any Plan Administrator, from any liability they may have to the Company, bargaining unit employees or beneficiaries of bargaining unit employees.

ARTICLE XIII WELFARE PLANS

Section A Status Quo. The current group medical, dental, vision, life insurance, disability and other welfare benefit plans currently in effect for bargaining unit employees covered by this Agreement will remain in effect through December 31, 2017.

Section B Group Medical Benefits. Effective January 1, 2018, bargaining unit employees who have completed ninety (90) days of continuous service will be eligible to participate in the Willis Towers Watson OneExchange medical benefit program (“Medical Plan”). Employees will be required to pay the usual and customary premiums paid for their benefits (based upon the plan and coverage tier selected by the employee) as outlined in Appendix H.

Section C Post Retirement Medical/Prescription/Vision/Dental.

1. Employees hired on or after December 31, 2019 will not be eligible for retiree medical benefits.
2. Effective January 1, 2018, qualifying retirees will be eligible for the following medical benefits:
 - a. Retirees who are under sixty-five (65) years of age will be eligible to participate in the Willis Towers Watson OneExchange medical benefit program on the same terms as active employees; *provided, however*, that retirees will not be eligible to receive wellness credits or payroll credits for higher deductible plans.
 - b. Retirees who are sixty-five (65) years of age or older will be paid an annual subsidy of \$1,093 to purchase Medicare supplemental coverage through Willis Towers Watson Medicare Exchange.

Section D Dental Benefits. Effective January 1, 2018, bargaining unit employees who have completed ninety (90) days of continuous service will be eligible to participate in the Willis Towers Watson OneExchange dental benefit program (“Dental Plan”). Employees will be required to pay the usual and customary premiums for their benefits under the any such benefit programs (based upon the plan and coverage tier selected by the employee).

Section E Vision Benefits. Effective January 1, 2018, bargaining unit employees who have completed ninety (90) days of continuous service will be eligible to participate in the Willis Towers Watson OneExchange vision benefit program (“Vision Plan”). Employees will be required to pay the usual and customary premiums for their benefits under the any such benefit programs (based upon the plan and coverage tier selected by the employee).

Section F Life Insurance Plan. Effective January 1, 2018, after completing ninety (90) days of continuous service, employees will be eligible to participate in a Company-paid group life insurance plan. The life insurance benefit will be equal to one times the employee's annual compensation calculated in accordance with the terms of the life insurance plan documents. Eligible employees shall be eligible to purchase optional additional coverage or dependent coverage at group rates.

Section G Accidental Death and Dismemberment Insurance Plan. Effective January 1, 2018, after completing ninety (90) days of continuous service, employees will be eligible to purchase an Accidental Death & Dismemberment ("AD&D") insurance plan at group rates.

Section H Disability Plans. Effective January 1, 2018, bargaining unit employees will be eligible for the following disability benefits:

1. **Short-Term Disability.** After completing ninety (90) days of continuous service, employees will be eligible for a Company-paid short-term disability ("STD") plan. The STD benefit will be equal to fifty-five percent (55%) of the employee's base weekly wage calculated in accordance with the terms of the STD insurance plan documents (no maximum benefit).

2. **Long-Term Disability.** After completing ninety (90) days of continuous service, employees will be eligible to purchase long-term disability ("LTD") benefits at group rates.

Section I Other Benefits. Effective January 1, 2018, after completion of ninety (90) days of continuous service, employees will be eligible to participate in other benefits provided by the Company including, but not limited to, a legal plan with identity theft protection, discounted automotive and homeowners insurance and pet insurance. Employees will be required to pay the usual and customary premiums paid for any such benefits (based upon the plan and coverage tier selected by the employee). These benefits will be administered in accordance with terms of the applicable insurance plan documents.

Section J Cost Containment Measures. During the term of this Agreement, the plan administrator will have the right to modify the terms and conditions of its group benefit plans, including but not limited to the Medical Plan, Dental Plan, Vision Plan, Life Insurance, AD&D Plan, STD, LTD and other benefits, in accordance with applicable plan documents and/or insurance policies. Such changes may include, but are not limited to, employee premium obligations, co-payments, covered services, providers or networks, third party administrators or insurers, preferred provider options and other plan design modifications.

Section K Plan Documents Govern. The extent of coverage under all benefit programs, including but not limited to the Medical Plan, Dental Plan, Vision Plan, Life Insurance, AD&D Plan, STD, LTD, and other benefit plans referred to in this Agreement, will be governed by the terms and conditions set forth in applicable insurance policies and/or plan documents, and such benefit programs may be modified or amended by the plan sponsor from time to time in accordance with the terms of the applicable plan documents. Any questions or

disputes concerning any benefit programs will be resolved in accordance with the terms and conditions set forth in the applicable insurance policies or plan documents.

Section L Claims For Unpaid Benefits. The failure of any insurance carrier(s) or plan administrator(s) to provide any benefit for which it has contracted or is obligated will not result in any liability to the Company, nor shall such failure be considered a breach by the Company of any obligation undertaken under this or any other Agreement. However, nothing in this Agreement will be construed to relieve any insurance carrier(s) or plan administrator(s) from any liability it may have to the Company, bargaining unit employees or beneficiaries of bargaining unit employees.

Section M Discontinuation. In the event that any of the benefit programs provided to bargaining unit employees under this Agreement are discontinued during the term of this Agreement, the Company will provide the Union with advance notice and negotiate regarding the benefits provided to bargaining unit employees.

ARTICLE XIV COMPLETE AGREEMENT

Section A Complete Agreement. No representative of either party has authority to make, and neither of the parties shall be bound by any statement, representation or agreement not set forth herein. No agreement, understanding, alteration or variation of the agreement, terms, provisions, covenants, or conditions contained herein shall bind the parties hereto unless made and executed in writing by the parties hereto.

Section B Amendments. The terms and provisions of this Agreement cannot be amended except by execution of supplemental agreement signed by authorized representatives of both the Union and the Company.

ARTICLE XV DURATION AND TERMINATION

This Agreement shall remain in effect until 12:01 a.m. March 1, 2022.

THE KRAFTHEINZ COMPANY

**UNITED FOOD AND COMMERCIAL
WORKERS, AFL-CIO & CLC
District Local Union No. 431**

APPENDIX A

RULES GOVERNING JOB CLASSIFICATION

1. **Mutual Agreement between Company and Union.** The various classifications in the factory have been named, described and assigned to job grades by mutual agreement between the Company and the Union, and such agreement shall continue in full force and effect for the duration of the current collective bargaining agreement.

2. **Rate of Pay.** Regular employees, other than Maintenance Department employees and new employees, shall be paid at the rate applicable to the job classification in which they work for all hours worked in such classification. Employees who work on more than one job during any one shift will be paid for all hours worked on that shift the appropriate job classification rate for each job performed. However, if such an employee works two (2) hours or more on a job which pays a higher rate than another job or jobs performed during such shift, that higher rate will be paid for all hours worked on the lower-paying jobs.

3. **Maintenance Job Classification.** All regular employees who have completed sixty (60) or more days worked employed in the Maintenance Department shall be assigned a regular job classification in accordance with the established job description. Each such employee shall be paid the rate applicable to the regular job classification at all times, unless permanently downgraded as provided below, even though temporarily assigned to perform work normally assigned to an employee in a higher – or lower-paid job classification. When it is necessary to fill a vacancy which exists in the Maintenance Department, employees in lower-paid classifications in that department will be considered for upgrading in accordance with the provisions of Article VII, Section I(10) of this Agreement and, if qualified to perform the work described in the appropriate job classification description, the employee will be assigned that job classification as his regular job classification and be paid at the rate applicable to the classification involved. Employees in the maintenance department, assigned to a regular job classification, may not be downgraded to a lower-paid classification except for one of the following reasons:

(A) Proven lack of qualifications.

(B) Lack of work necessitating reduction in the work force

If the downgrading becomes necessary due to lack of work, the procedure and methods to be followed shall be discussed with the Union.

4. **Job Description for New or Changed Job.** When a new job is established or an existing job is substantially changed, a complete job description for such new or changed job will be prepared and such job shall be assigned to an appropriate job grade in accordance with the following procedure.

(a) A “change” in a job as referred to herein is one, which materially affects its contents or requirements. Changes in a job description alone are not adequate to warrant regarding of an existing job.

(b) When a new job is created or an existing job changes, the Company will

prepare a complete job description and give it to the job evaluation committee. The committee's members will include the following: the Human Resources Generalist and/or other human resources representative(s), the Plant Representative, the Lead of the department of the job, the Supervisor of the department of the job, and/or ad hoc members who may include the Department General Supervisor, the Department Manager, or others as invited by the Company and/or the Union. The committee will evaluate the job, determine the grade, and make a recommendation to the Plant Manager and the Union for approval. The Company will make every effort to have the job description approved and placed in the proper job grade within ten (10) working days after the committee makes its recommendation to the Plant Manager and the Union and they approve the recommendation.

(c) If the Union believes that an existing job has changed to an extent sufficient to warrant an adjustment in job grade or that a new job has been created even though the Company has not submitted to it in the job description and job grade as provided in subparagraph (b) above, it shall notify the Company in writing of the substance of its contention as to such alleged new or changed job. Such notice, insofar as possible, shall be given to the Company within five (5) working days after the change in the job is alleged to have occurred. If the Union, after receipt from the Company of a job description and job grade as provided in subparagraph (b) above, disagrees with the Company's prepared job description or the Company's assigned job grade, it shall notify the Company in writing of the substance of its contention within ten (10) working days after the receipt of such information from the Company. Otherwise such job description and job grade shall be considered accepted by the Union.

(d) Within five working days after receipt by the Company of a Union notice as provided in subparagraph (c) above, a meeting shall be held of designated Company and Union representatives at which the questions raised shall be discussed and considered. Within ten (10) working days after such meeting, the Company shall submit to the Union, in writing, its answer to the Union's complaint. If the Union is dissatisfied with the Company's final answer, it may submit the question to arbitration by an impartial umpire to be selected by the parties by notice in writing within ten (10) working days after receipt of the Company's final answer.

5. **Description and Grading.** The description and grading will be in compliance with the following rules:

(a) The description and grading shall be of the job, not of the person performing it.

(b) Duties not assigned or approved by management shall not be considered.

(c) The grading shall be based upon average requirements to perform the job satisfactorily, rather than upon exceptions to the average. Performance by specific individuals who are above or below average will not be considered except where classified rates, as in the Maintenance Department, apply.

(d) The grading shall be based upon the performance of the fair days' work, and employees will be expected to maintain such standards.

(e) Job descriptions are to be sufficiently accurate to reveal those features of the job that determine its classification. At the same time they are not intended to provide a complete listing of every individual feature of the job. If new duties, which may be assigned at any time, become a permanent feature of the work, the job shall be considered as provided above.

6. **Notification if Changes.** In the event the Company decides to eliminate or combine any jobs, the Union will be notified prior to any changes taking effect, to the greatest extent possible.

7. **Work Teams.** The Company shall have the right to require employees to participate in at least one indirect work team as part of their job responsibilities (i.e., Safety, Community, 5S, CI teams). The Company will define the work teams needed within the Muscatine plant.

**APPENDIX B
WAGES**

1. Rate of Pay for Grades. The job grade rates shall be as follows:

Grade	Effective Date	3/1/2018	3/1/2019	3/1/2020	3/1/2021
1	\$20.40	\$21.11	\$21.79	\$22.49	\$23.09
2	\$20.68	\$21.40	\$22.09	\$22.80	\$23.41
3	\$20.97	\$21.70	\$22.39	\$23.11	\$23.72
4	\$21.24	\$21.98	\$22.69	\$23.41	\$24.03
5	\$21.50	\$22.24	\$22.96	\$23.69	\$24.31
6	\$21.80	\$22.55	\$23.27	\$24.01	\$24.64
7	\$22.07	\$22.83	\$23.56	\$24.31	\$24.94
8	\$22.37	\$23.14	\$23.87	\$24.63	\$25.27
9	\$22.61	\$23.39	\$24.13	\$24.90	\$25.54
10	\$22.91	\$23.69	\$24.45	\$25.22	\$25.87
11	\$23.18	\$23.98	\$24.74	\$25.52	\$26.18
12	\$23.57	\$24.38	\$25.15	\$25.94	\$26.61
13	\$23.96	\$24.78	\$25.56	\$26.36	\$27.04
14	\$24.35	\$25.18	\$25.97	\$26.78	\$27.47
15	\$24.93	\$25.77	\$26.58	\$27.41	\$28.11
Maintenance Job Classifications					
M1 (51)	\$23.58	\$24.39	\$25.16	\$25.95	\$26.62
M2 (52)	\$24.48	\$25.31	\$26.11	\$26.93	\$27.61
M3 (53)	\$24.75	\$25.60	\$26.40	\$27.23	\$27.92
M4 (54)	\$25.36	\$26.22	\$27.04	\$27.88	\$28.59
M5 (55)	\$27.13	\$28.04	\$28.92	\$29.81	\$30.56

*Maintenance Lead will be paid \$.50 per hour higher than the highest graded maintenance job.

In the event that this Tentative Agreement is ratified by the UFCW's membership in the first vote, the wage increases scheduled for the Effective Date will be paid retroactively to March 1, 2017.

2. **Maintenance Pay for Skills.** The criteria to achieve the maintenance skill level is as follows:

Mechanic Apprentice (51)	Apprenticeship position - must pass the basic Mechanic and/or Electrical I test. Must pass assigned Basic Test selected by the Company.
Mechanic (52)	Must pass a four part basic mechanic test. Must pass assigned Basic Test selected by the Company.
Electrician (53)	Fundamental Electrical Skills-Must pass Electrical I test. Must pass assigned Basic Test selected by the Company.
Technician I (54)	Meet Mechanical/Electrical Skills Proficiency through testing, or Meet PLC/Electrical Skills Proficiency through testing. Must pass assigned Basic Test selected by the Company.
Technician II (55)	Must pass the requirements for mechanic above. <ul style="list-style-type: none"> • And, must pass the Electrical I test -- basic circuits and VFD's. • And, must pass the Electrical II test -- electronics/PLC's.

Testing will be voluntary and limited to one time per year.

3. **Wages & Benefits for Employees hired after 9-1-04.** All current probationary employees (as of 9-1-04) and all employees hired after 9-1-04 (excluding new Maintenance department employees) will be placed in a newly established new employee category.

	Effective Date	1/1/2018	3/1/2019	3/1/2020	3/1/2021
Start Rate	\$12.81	\$14.28	\$14.77	\$15.28	\$15.73
After 6 Months	\$13.29	\$15.71	\$16.24	\$16.79	\$17.27
After 12 Months	\$13.99	\$17.28	\$17.85	\$18.44	\$18.96
After 18 Months	\$14.32	\$19.01	\$19.63	\$20.27	\$20.82
After 24 Months	\$14.90	Rate of job performed			
After 30 Months*	\$16.65				
After 36 Months					

For those employees who are currently in a wage progression on December 31, 2017, the following rules will apply:

a. For those employees in a wage progression who have more than twenty (24) months of service, effective December 31, 2017, their wage rate will be increased to the rate of the job they are currently performing.

b. For those employees with less than twenty four (24) months of service, effective December 31, 2017, their wage rate will be increased to the step rate that corresponds to their months of service. Further, such employees will continue to advance in the twenty-four (24) month wage progression based upon their attainment of additional months of service.

4. New Maintenance Employees. New Maintenance employees shall receive \$.30/hour less than the job grade for the first ninety (90) days worked.

5. Maintenance Tool Allowance. Maintenance employees will receive a tool allowance of \$500.00 to purchase tools from a vendor approved by the Company. For reimbursement, the employee will produce an itemized and detailed receipt which shows the tools that were purchased for use at work within the calendar year.

6. Wages less than Minimum Rates. Employees whose age or physical condition prevents them from performing regular production or maintenance work may be assigned rates less than the minimum rates. Such rates in each individual case are to be agreed upon by the Company, the employee and the Union, and the exception is to be used only to provide essential employment for persons who are unable to carry on regular activity.

7. Workers' Compensation. An employee who is injured while on duty and who is disabled and unable to report to work on the next working day shall receive a payment equivalent to Workers' Compensation for that and each succeeding day during which he is disabled up to and including the seventh day absent at which time he shall be paid the regular Workers Compensation Benefits. Such employee shall not receive any additional compensation for the first week of injury, which may be provided for in the applicable State Workers' Compensation Law regardless of the length of his absence for the same injury. Such employee will, upon return to work, maintain his regular hourly rate of pay for a period not to exceed one week.

8. Medical Restrictions. Medical restrictions will be considered when scheduling employees by seniority and ability. If work is available in accordance with medical evidence, employees will be scheduled. Otherwise, employees will be off on medical leave until appropriate work is available or the employees' seniority terminates.

APPENDIX C ASSURANCE

The KraftHeinz Company expects that regular employment will remain at or near the present level, exclusive of reductions resulting from capital improvements or other changes in the operation.

It is recognized by the parties that products may be transferred into and out of Muscatine but it is the Company's intent in giving this Assurance that employment will not be negatively impacted by such transfers.

It is recognized that the level of employment defined below may be reduced (1) by attrition or (2) in situations where the Company can demonstrate substantial loss of sales of products produced at the Muscatine factory which results in reduction in regular employment without triggering the Assurance.

For purposes of this Assurance, the factory employment level is defined as no more than 450 employees.

In the event that the permanent level of employment is reduced as a result of movement of products to other facilities, with no reasonable expectation of replacement - and such employment remains below the level specified above for continuous six (6) month period - resulting in establishment of a breach of this Assurance, the following provisions will go into effect:

- Employees will, from the time of the original breach, receive an additional (\$0.20) cents an hour.
- In addition, contractual severance shall be increased to one week of severance allowance per year of service.
- Lead workers will assume their normal seniority positions in the event of a permanent reduction in force.
- Employees may stay on the recall list for twenty-four (24) consecutive months and receive severance at the end of that time period. There will be no additional credit for continuous service during this period.

APPENDIX D SUNDAY START

1. Initiation.

a. It is the intent of the Company that Sunday start-up will be utilized when it plans to have fifteen (15) shifts of production to better stabilize workforce.

b. Although one of the goals of this proposal is to provide more stable hours and a greater opportunity to work, due to fluctuations in the production schedule the possibility still exists that not all employees will work forty (40) hours at straight time every week. A person's skills effort and seniority are also factors that affect an employee's work opportunities.

2. Sunday Start-Up time – Third Shift Employees

a. Employees who work this Sunday start-up shift will actually begin to work on the third shift preceding the next full production day. For example: Sunday night for normal Monday production; Monday night for Monday holiday when normal production begins on Tuesday; and Tuesday night for a Monday/Tuesday holiday when normal production begins on Wednesday.

b. The contractual provisions of Article II, Section B, covering the established work week for purposes of determining weekly overtime; Section D(1), covering the payment of double time (2X) for work performed on Sunday; and the last sentence in Section S(2) covering holiday shift starts are waived for these employees starting Sunday night third shift.

c. The earliest start time on a Sunday will be 7:00 p.m. An employee required to start earlier than 7:00 p.m. will be paid an hourly premium compensation rate of double time (2X) for all hours worked on that shift.

d. An employee who starts work from 7:00 p.m. Sunday to 7:00 p.m. Monday will be paid time and a half (1 1/2 X) for any shift started after 7:00 p.m. Friday.

e. Sunday timecards will be dated and labeled to reflect that proper day of work.

3. Scheduling

a. The normal production schedule for the first full production day will be produced as usual for the first, second and third shifts. The Company will determine what products will begin on Sunday night.

b. Sunday night shift employees will be scheduled by ability and seniority from the Monday third shift within each department's schedule.

c. Notice will be posted following the Wednesday production scheduling meeting to advise employees if the Sunday start-up will be used or if the normal Monday start will be used.

4. **Sunday Night Absenteeism**

a. People scheduled on Monday's third shift who do not make the Sunday night third shift schedule, may sign to be called in for absenteeism on Sunday's third shift.

b. People signing the list will be expected to report to work if contacted. Refusal to report will result in an absence being assessed.

i. Bumpable jobs will be filled by factory seniority and ability.

ii. Skilled jobs will be filled by departmental seniority and ability.

c. If no one is available from the sign-up list, the Monday layoff list will be used to fill the vacancies.

d. Each week the Sunday night sign-up sheet will be available from Thursday at 2:00 p.m. to Friday midnight in the Health Service Department.

5. **Friday Layoff**

a. People who are removed from Friday's computer schedule and lay-off list:

i. People who are scheduled Sunday night.

ii. People who are contacted from the voluntary sign-up list.

iii. People who are called from the Monday lay-off list and work.

b. These affected employees may sign for weekend overtime and/or may be forced to weekend overtime according to current practice.

6. **Weekend Overtime**

a. The notice of weekend overtime work will be posted by 9:00 a.m. on the Wednesday of the week preceding the week the overtime will be worked. Employees volunteering for the weekend overtime must sign in accordance with Article II, Section J.

b. Any shift of production starting 7:00 p.m. Friday will begin the weekend overtime. All employees must sign for weekend overtime in accordance with labor agreement.

c. Such overtime work will be assigned to employee who have signed to work or forced on employees according to the following procedures:

i. Qualified senior employee who sign to work the overtime and are available within ½ hour of the overtime shift's start time.

ii. Qualified junior employees will be forced from the bottom of the seniority list up.

d. Employees who sign and are scheduled will have to work with less than six (6) hours off or no time off.

e. Employees who are forced may have to work with less than six (6) hours or no time off.

7. Shift Preference Change & Vacation Request

a. In order to accommodate the fact the following Sunday's third shift and Monday's schedule must be input by the previous Wednesday afternoon, all shift preferences changes and vacation requests must be submitted to the Human Resource Department by noon on Wednesday to take effect the following Sunday night and Monday.

b. Employees in departments other than Maintenance will be given an opportunity to train on up to two (2) additional trained jobs in their current department for which they are not currently qualified.

c. In the event the Company elects to implement the "Sunday Start" a notice will be posted in the factory and a notice will be sent to the home of each person who is not working during the week preceding intended start-up informing them of this opportunity. Sign-up for this opportunity ends two (2) weeks after the notice is posted. Opportunities will be awarded by seniority and ability.

d. The Company will make a good faith effort to train senior people in a timely manner, with the intent of providing then improved job scheduling and working opportunities ahead of junior employees. Employees will be trained without openings.

e. Training will normally be provided on the person's preferred shift, and if seniority does not allow for the person's training on the preferred shift, junior employees being trained on other shifts will not have their training withheld or curtailed.

f. Effective upon ratification of this Agreement, the Company may initiate the Sunday Start-Up schedule. It shall remain in effect for a period of one continuous year. At the end of this one-year period, the membership will have the option to vote on continuing or discontinuing Sunday Start-Up. If continuation is approved, it will be in effect for the remainder of the contract. If the membership votes to discontinue Sunday Start-Up, the Company will have ten (10) days from the date of the vote to go back to regular work schedule.

**APPENDIX E
CALL-IN PROCEDURE**

Call-In Procedure. Please call any of the following numbers or log on to www.heinzmuscatine.com to get your scheduled start time or to report your absence from work. Please use the local numbers if you are calling locally.

563-263-5815
563-263-0156
563-263-0291
563-263-0295

**APPENDIX F
PHONE NUMBERS FOR UFCW LOCAL 431**

Phone Numbers for Local 431. To speak with a union representative, please phone 563-262-2295 at the plant or 563-323-3655 for the main office number.

**APPENDIX G
JOINT LABOR MANAGEMENT COMMITTEE**

A joint labor-management committee ("Committee") will be established. The purposes of the Committee will be to:

1. Discuss matters of mutual interest affecting the food manufacturing industry, the Company and the Muscatine facility.
2. Review the status of manufacturing and maintenance operations at the Muscatine facility and identify opportunities for improvement.
3. Identify strategies for improving operational, financial, quality and safety performance at the Muscatine facility.
4. Develop strategies to improve work-life balance for employees at the Muscatine facility.

The Committee shall consist of up to four (4) members from the Union and up to four (4) members from management. The Company and the Union will inform each in writing of their appointments to the Committee.

APPENDIX H
GROUP MEDICAL PLAN

Effective January 1, 2018, bargaining unit employees who have completed ninety (90) days of continuous service will be eligible to participate in the Willis Towers Watson OneExchange medical benefit program (“Medical Plan”).

Employees will be required to pay the usual and customary premiums paid for their group medical benefits (based upon the plan and coverage tier selected by the employee). During the term of the Agreement, the applicable premiums for the least expensive option in each plan will be as follows:

Plan Name	\$1,000 Ded. w/HRA	\$2,000 Ded. w/HSA Option	\$3,000 Ded. w/HSA Option	\$6,550 Ded. w/HSA Option
EE Only	\$40	(\$15)	(\$64)	(\$108)
EE & Spouse	\$40	(\$76)	(\$178)	(\$271)
EE & Children	\$40	(\$65)	(\$157)	(\$241)
EE & Family	\$40	(\$137)	(\$292)	(\$434)

During the term of the Agreement, the following amounts of “seed” money will be deposited in Health Reimbursement Accounts (HRAs) and Healthcare Reimbursement Accounts (HSAs) for participating employees (based upon plan and coverage tier selected by the employee):

Plan Name	Standard OneExchange Plans			
	\$1,000 Ded. w/HRA	\$2,000 Ded. w/HSA Option	\$3,000 Ded. w/HSA Option	\$6,550 Ded. w/HSA Option
Automatic Annual Account Seed	Single: \$400	Single: \$400	Single: \$400	Single: \$400
	Family: \$800	Family: \$800	Family: \$800	Family: \$800
Maximum Wellness Opportunity	Single: \$500	Single: \$750	Single: \$750	Single: \$250
	Family: \$1,000	Family: \$1,500	Family: \$1,500	Family: \$500

- Spousal surcharge: \$125 per month if spouse has option of employer coverage and opts to enroll in Kraft Heinz plan.
- Tobacco use surcharge: \$50 per person per month surcharge (employee and spouse/domestic partner). If employee or spouse/domestic partner completes the free tobacco cessation program through Redbrick Health, any surcharges paid for the calendar year will be refunded.

APPENDIX I
SUPPLEMENTAL AGREEMENT ON ALTERNATIVE WORK SCHEDULES

This SUPPLEMENTAL AGREEMENT ON ALTERNATE WORK SCHEDULES (“Supplemental Agreement”) is made and entered into on March 1, 2017 by and between The KraftHeinz Company, Muscatine, Iowa manufacturing facility (the “Company”), and District Union Local No. 431, of the United Food and Commercial Workers (the “Union”).

I. Overview.

A. The following guidelines were jointly developed by the Union and Company (collectively, the “Parties”) for implementation of alternative work schedules (seven (7) day work week) at the Muscatine, Iowa manufacturing facility (the “Muscatine Plant”).

B. When a department or operation is placed on an alternative work schedule, the terms and conditions set forth in this Supplemental Agreement will apply. The Parties have agreed that the following operations, in whole or in part, will transition to alternative work schedules:

1. Production.
2. Maintenance.
3. QA Technicians.
4. Overtime Clerks.

C. Any jobs assigned to work on a three (3) shift (8-hour) schedule, the appropriate terms of the CBA will apply. The Parties have agreed that the following jobs will not transition to alternative work schedules:

1. Training Coordinators.
2. Compliance Lead.
3. Continuous Improvement Lead.
4. Ingredient Coordinator.
5. Ingredient Lead.
6. 5S Lead.
7. Lead Auditor.
8. Verification Lead.
9. Compliance Lead.
10. Micro Lead.
11. Re-Work Lead.
12. Finished Goods Utility.

D. A joint labor-management committee (“Committee”) will be established to implement this Supplemental Agreement.

E. This Supplemental Agreement will be implemented sixty (60) days after the effective date of the new collective bargaining agreement (“CBA”).

II. Overall Philosophy.

A. Alternative work schedules must provide for continuous twenty-four (24) hour operation of the Muscatine Plant over fifty-two (52) weeks.

B. Alternative work schedules must emphasize fairness for all employees.

C. Alternative work schedule must protect seniority rights.

D. Alternative work schedules must maximize the opportunity for asset utilization while enabling and supporting preventative maintenance, repair, and new equipment installation.

E. Alternative work schedules must provide needed flexibility to run both seven (7) day and five (5) day schedules, based on demand, with the intention of employees remaining on one or the other schedule once established.

F. Alternative work schedules must support the team environment and initiatives, meetings, and training.

G. Alternative work schedules must enable the achievement of KPI goals.

H. Alternative work schedules must not adversely impact safety, quality, productivity, waste, sanitation, etc.

I. Alternative work schedules must not contribute to any loss of employment.

III. Process.

A. Four work crews shall be established designated by shift:

A, B, C and D shifts.

B. A and C Shifts will be designated as day shifts and B and D Shifts will be designated as night shifts.

C. Employees shall be offered assignments to these shifts in accordance with seniority and ability.

1. An employee selecting such assignment will be assigned to the highest graded job to which they are entitled on the shift selected.

2. After employees are placed on their selected job and shift, employees will be permitted to exercise bumping rights to transfer from a job working an alternative work schedule to a job working an eight (8) hour shift

schedule once during the six (6) month period after implementation of the alternative work schedule based upon their seniority and ability. Conversely, employees who select a job working an eight (8) hour shift schedule will be permitted to exercise bumping rights transfer to a job working an alternative work schedule once during the six (6) month period after implementation based upon their seniority and ability.

a) Employees who wish to exercise bumping rights must notify the Company during the first week after completing three (3) months in the job or during the last week prior to completion of six (6) months in the job.

b) Employees exercising these transfer rights will only be permitted to bump the least senior employee in a job for which they are qualified without additional training.

c) The Company will transfer employees who exercise such bumping rights as soon as practicable.

D. Employees may use the bidding process in Article VII, Section I of the CBA to bid on promotions and transfer opportunities.

E. Employees on alternative work schedules may exercise shift preferences twice per year, on or about Memorial Day and on or about Thanksgiving. Notice of the time period to exercise shift preferences will be posted as early as possible to permit the Company to reschedule employees with minimal work and cost adjustments.

F. Employees on alternative work schedules may bid on job vacancies in jobs that are on eight (8) hours shifts in accordance with Article VII, Section I of the CBA. Conversely, employees on eight (8) hours shifts may bid on job vacancies in jobs that are on alternative work schedules in accordance with Article VII, Section I of the CBA.

IV. Schedule Features.

A. Only one alternate work schedule will be utilized plant-wide.

B. Operations on the alternative work schedule will work twelve (12) hour shifts, as follows:

Week 1	Mon	Tues	Weds	Thurs	Fri	Sat	Sun
Day	A	A	C	C	C	A	A
Night	B	B	D	D	D	B	B
Week 2	Mon	Tues	Weds	Thurs	Fri	Sat	Sun
Day	C	C	A	A	A	C	C
Night	D	D	B	B	B	D	D

For alternative work schedules, the shifts will be:

1. Days: 6:00 AM to 6:00 PM
 2. Nights: 6:00 PM to 6:00 AM
- C. Shifts will be fixed (no rotating schedule).

V. Schedule Principles.

A. Employees on alternate work schedules will have no fewer hours of holiday and vacation entitlement than under current schedules/provisions.

B. A schedule calendar will be developed annually for the entire year reflecting scheduled workdays, scheduled off days, holidays, etc., and provided to those employees affected by the alternate work schedule.

C. Employees in the continuous operation shall not be displaced as a result of reductions in the force (excluding periods of one week or longer) in other areas of the plant nor shall they be considered available to displace other employees outside of their area on their scheduled days off.

1. Employees whose jobs are on alternative work schedules will not be required to work on a straight time or overtime basis on jobs that are on five (5) day (8-hour) shifts. Conversely, employees whose jobs are on five (5) day (8-hour) shifts will not be required to work on a straight time or overtime basis on jobs that are on alternative work schedules.

2. Employees whose jobs are on alternative work schedules will be permitted to volunteer to work on jobs that are on five (5) day (8-hour) shifts on a straight time or overtime basis. Conversely, Employees whose jobs are on five (5) day (8-hour) shifts will be permitted to volunteer to work on jobs that are on alternative work schedules on a straight time or overtime basis.

D. The Company will have the right to curtail operations in any operation or department based upon the needs of the business. In the event of a curtailment in any operation or department, employees affected may be assigned to any work in the plant for

which they are qualified (provided that such work is on the same shift to which the employee is normally assigned), as follows:

1. In the case of an operation or department not running on a particular day or shift, first consideration would be to do continuous improvement on the line or in the department.
2. Second, an employee would be assigned to fill in for an absent employee or an employee on paid or unpaid leave at the employee's rate of pay (or the rate of pay of the job classification which they are filling, whichever is higher), provided the employee has the requisite skill and ability.
3. Third, an employee would be assigned to fill in at an unskilled position at the same rate of pay of their current position.
4. Fourth, an employee may be permitted to take the day as a vacation day (provided employee has available vacation) or personal day.
5. Lastly, in the event that no work is available for which an affected employee is qualified, the employee may elect a voluntary lay off.

VI. Work Week.

Under the alternative work schedule, the work week will start at 6:00 AM on Monday.

VII. Meal and Break Periods.

A. Employees working alternative work schedules will receive a thirty (30) minute paid lunch; *provided, however*, that employees receiving a paid lunch will not be permitted to leave the plant during their lunch period.

B. Employees will receive three (3) paid breaks of fifteen (15) minutes in length. The Company will make reasonable efforts to distribute breaks throughout the shift. The first break will be after completion of three (3) hours of work. The second and third breaks will be after the paid meal period.

C. Article II, Section R (Lunch) in the CBA will not apply to employees assigned to work alternative work schedules.

VIII. Shift Premium.

Employees who work on a night shift (Shifts B and D) will be paid a shift premium of forty cents (\$.40) for all hours worked.

IX. Overtime.

A. In order to maintain continuous operations, employees assigned to work alternative work schedules may be required to work overtime as needed. Except for

holidays that fall on unscheduled days (as outlined in Section XII(E) below), all time for which an employee is compensated by the Company (other than short-term disability or long-term disability) will be considered as hours worked for purposes of overtime eligibility.

B. Overtime assignments will first be filled by requesting volunteers. A list of volunteers who desire to work overtime on their unscheduled workdays will be maintained in the applicable department.

1. Employees assigned to A and C shifts may only accept overtime assignments on A or C (day) shift. Employees assigned to B and D shifts may only accept overtime assignments on B and D (night) shift.

2. Accommodations for volunteers who are willing to work only six (6) hours of a twelve (12) hour shift may be made, if possible. Once such a commitment is made, the employee shall not be required to work a longer period.

3. If there are insufficient volunteers to staff any operation or department, the Company will have the right to require employees to work overtime. Overtime assignments will be filled on an inverse seniority basis.

C. Employees may be required to work unscheduled overtime for up to two (2) hours beyond their regular shift.

D. Employees will be paid one and one-half times (1.5X) their regular hourly wage rate under the following circumstances:

1. After forty (40) hours worked in any work week.
2. Any time worked on a recognized Holiday.

E. Employees will be paid two times (2X) their regular hourly wage rate under the following circumstances:

1. If the employee works six (6) days in any work week, all hours on the sixth (6th) day will be paid at double time.
2. If an employee works seven (7) consecutive days, all hours on the seventh (7th) consecutive work day will be paid at double time.

F. For employees on alternative work schedules, Saturday and Sunday are considered as regular workdays. Accordingly, the weekend premiums set forth in Article II, Section J of the CBA will not apply to employees on alternative work schedules.

X. Vacations.

A. The Vacation provisions set forth in Article IV, Section B of the CBA are amended to provide that vacation eligibility will be converted to hours for employees assigned to alternative work schedules:

YEARS OF SERVICE	HOURS OF VACATION
1 but less than 3	40 Hours
3 but less than 7	80 Hours
7 but less than 15	120 Hours
15 but less than 23	160 Hours
23 but less than 32	200 Hours
32 or more	240 Hours

B. The Vacation schedule may be adjusted to reflect the alternative work schedule. To be eligible for a vacation in any calendar year during the term of this Agreement, an employee on an alternative work schedule must:

1. Have one or more years of continuous service, and
2. Have worked one hundred thirty-three (133) days or more in the preceding calendar year (except that in the case of an employee who completes one year of continuous service in such calendar year, his vacation eligibility period shall be the twelve (12) months immediately following the date of his employment) and provided that any employee who works less than one hundred thirty-three (133) days but more than one hundred two (102) days in the preceding calendar year or in the twelve (12) months vacation eligibility period shall be eligible for one-half (1/2) the amount of vacation to which he would otherwise have been entitled.

C. Pursuant to Article IV, Section G, employees assigned to alternative work schedules will be required to use vacation during scheduled shutdowns.

D. Vacation scheduling for employees on alternative work schedules will be administered in accordance with Article IV, Section I of the CBA.

XI. Personal Days.

A. Employees assigned to alternative works schedules who are eligible for Personal Days under Article III, Section A of the CBA will be eligible for thirty-six (36) hours of personal time off (PTO).

B. PTO must be scheduled at least twenty-four (24) hours prior to the start of the shift in which PTO is to be taken.

XII. Holidays.

A. Employees assigned to alternative work schedules will be eligible for eleven (11) paid Holidays in accordance with Article II, Section S of the CBA.

B. Employees will be paid eight (8) hours at their regular straight-time hourly wage rate for recognized Holidays.

C. Employees who work on recognized Holidays will be paid one and one-half times (1.5X) their regular straight-time hourly wage rate in addition to their Holiday pay.

D. The provisions set forth in Article II, Section S pertaining to Holidays that fall on Saturdays and Sundays will not apply to employees on alternative work schedules.

E. If a recognized Holiday falls during the employee's scheduled workweek and the employee is not scheduled to work on the Holiday, then the Holiday will count as time worked for overtime purposes. If the recognized Holiday falls on an employee's scheduled day(s) off, the Holiday will not be considered as time worked for overtime purposes.

XIII. Bereavement Leave.

A. Employees assigned to alternative work schedules will be eligible for up to twenty-four (24) hours of paid bereavement leave in the event of a death in his/her immediate family beginning on the day of the death to and including the day after the funeral.

B. Bereavement leave will be paid at the employee's regular straight-time wage rate.

C. Entitlement to paid bereavement leave will be subject to the terms and conditions set forth in Article V, Section B of the CBA.

XIV. Jury Duty.

A. Employees assigned to alternative work schedules who are required to serve time on jury duty that prevents them from working their regular work schedule will be compensated for the difference between their jury pay and what they would have

earned had they worked twelve (12) hours at straight-time rates for the Company, less their earnings during hours in which they worked for the Company on such days (if any).

B. Employees assigned to work a night shift (B and D shifts) will not be required to report for work the night before jury duty, if that night would have been a regularly scheduled work day.

C. Employees assigned to day shifts (A and C shifts) will not be required to report for work on the day of jury duty if released from jury duty before 12:00 Noon that day.

XV. Shift Trades.

A. Employees assigned to work alternative work schedules may trade shifts with other employees during the same work week, provided that such shift trades are approved by the Company in advance.

B. Employees will only be permitted to trade shifts with other employees assigned to alternative work schedules. Employees assigned to day shifts (A and C shifts) will only be permitted to trade shifts with other day shift employees. Employees assigned to night shifts (B and D shifts) will only be permitted to trade shifts with other night shift employees.

C. Shift trades will not be permitted if either employee will be required to work consecutive days without a minimum of eight (8) hours rest.

D. Shift trades will not be permitted if the trade will result in the payment of overtime compensation.

XVI. Restrictions and Accommodations.

Employees with temporary and/or permanent work restrictions due to mental or physical disability will be accommodated in accordance with Article I, Section M of the CBA.

XVII. Maximum Work Hours.

A. No employee will be required to work more than fourteen (14) consecutive hours.

B. No employee will be required to work more than five (5) consecutive days.

C. If an employee volunteers to work seven (7) consecutive days, the seventh (7th) consecutive day will be compensated at two times (2X) the employee's regular straight-time hourly wage rate.

XVIII. Notices.

A. Prior to implementation of an alternative work schedule in any operation or department, the Company will notify the Union at least thirty (30) days in advance. The Committee will meet to discuss the implementation process and resolve any issues.

B. In the event that the Company elects to discontinue use of the alternative work schedule in any operation or department, the Company will notify the Union at least sixty (60) days in advance.

XIX. Conflicts.

In the event of any conflict between this Supplemental Agreement and the provisions of the CBA, the terms of this Supplemental Agreement will apply.

XX. Disputes.

In the event of any dispute regarding the interpretation or application of this Supplemental Agreement, the Grievance Procedure set forth in Article X of the CBA will apply.

THE KRAFTHEINZ COMPANY

UNITED FOOD AND COMMERCIAL
WORKERS, AFL-CIO & CLC
District Local Union No. 431

[Handwritten signature]

Lorely Nelson

Jane Hurlinger

Don Jensen

Bob Ohi

[Handwritten signature]

for Tim

Pat Hanin

Brian Quincy

Candy Palmer

[Handwritten signature]

Letter of Agreement
Work Rules

Mr. Scott Noyd
District Union Local No. 431
United Food & Commercial Workers
2411 W. Central Park Avenue
Davenport, Iowa 52804

Re: Letter of Agreement – Work Rules

Dear Scott:

This letter will confirm the substance of the agreement between The KraftHeinz Company (“KHC” or “Company”) and United Food & Commercial Workers, District Union Local No. 431 (“UFCW” or “Union”) pertaining to work rules at the Muscatine, Iowa manufacturing facility (the “Muscatine Plant”) during the term of the 2017 – 2022 collective bargaining agreement (“CBA”).

During negotiations for the 2017-2022 CBA, the Company and the Union discussed the importance of updating the existing work rules in light of recent changes in applicable law. This letter will confirm the parties’ agreement to review the work rules in the Joint Labor Management Committee (“JLMC”) outlined in Appendix G to the CBA. The Company will develop revised draft of these work rules and present them to the JLMC for discussion. The parties will negotiate in good faith to reach agreement on revised work rules in the JLMC; *provided, however*, that both parties retain their respective rights with respect to work rules as outlined in Article IX, Section C of the CBA.

The existing work rules will remain in effect until such time as the JLMC has completed its deliberations. The Company agrees to publish the revised work rules in a separate book which will be distributed to all bargaining unit employees.

Please sign this letter below to confirm the parties’ agreement with respect to this issue.

Sincerely,



Brad Kinne
Production Manager

Agreed:



Scott Noyd
District Union Local No. 431
United Food & Commercial Workers