

COLLECTIVE BARGAINING AGREEMENT

Between

**United Food and Commercial Workers
District Local 431
Davenport, Iowa**

And

**Van Hessen USA Operations LLC.
Beardstown, IL**

Effective: July 27, 2020

Expires: July 31, 2024

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EDS

AGREEMENT

THIS AGREEMENT is made and entered into between Van Hessen USA Operations LLC, hereinafter referred to as the "Company," for its Beardstown, Illinois operation and the UNITED FOOD AND COMMERCIAL WORKERS DISTRICT LOCAL 431, hereinafter referred to as the "Union".

ARTICLE I
RECOGNITION

Section 1: The Company recognizes the United Food and Commercial Workers District Local 431 as the sole and exclusive collective bargaining agency for all employees in the bargaining unit which includes all production employees of International Casings Group, Inc. at the plant in Beardstown, Illinois, excluding office clerical employees, quality assurance inspectors, electronic technicians, over the road truck drivers, computer control console operators, maintenance, professional employees, supervisors and guards as defined in the Act.

ARTICLE II
PURPOSE OF THE AGREEMENT

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

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

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

ARTICLE III
POLICY

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

ARTICLE IV
MANAGEMENT RIGHTS

Section 1: The management of the plant and the direction of the working force, including the right to hire, suspend, discipline or discharge for cause, to assign jobs, to determine the qualifications and the ability of the employees to transfer, promote or demote employees, to increase and decrease the working force, to determine production standards, to determine products to be handled, produced or manufactured, the schedules of production and the methods, processes, and means of production handling, are vested exclusively in the company; provided this will not be used for the purpose of discrimination against any employee or to avoid any of the provisions of the Agreement.

EWS

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

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

ARTICLE V
COMPANY AND UNION RESPONSIBILITIES

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

Section 2: The Company shall have the right to determine the discipline given an employee or employees for breach of this Article, and such discipline will not be subject to the grievance procedure. The question of fact as to whether or not any particular employee has engaged in or participated in any such violation may be subject to the grievance procedure in the Agreement including arbitration; finding a violation on the part of any employee, the arbitrator must also find that a violation of the Agreement has occurred.

Section 3: The Company agrees to allow, during new employee orientation, a union representative the opportunity to discuss the union's role at the Beardstown operation.

ARTICLE VI
CHECKOFF

Section 1: All production employees hired before and after the effective date of this Agreement shall be, and remain members of the Union in good standing after forty-five (45) working days following the beginning of their employment as a condition of continuing employment.

For the purpose of this Agreement date of hire, beginning of their employment, or any similar reference shall mean the employee's starting workday.

Section 2: Each week the Company will deduct from the pay of members of the Union their Union dues and assessments. Union dues will be computed based on the hourly rate in effect at the time and in accordance with the formula submitted to the Company by the Union from time to time.

The initiation fee of employees shall be deducted from the employee's paycheck in four equal weekly deductions following the date of joining the Union. The deduction of Union dues shall start with the week in which the employee joins the Union. No deduction of Union dues or initiation fees or assessments shall be made by the Company without the employee's confirmation in writing to the Company through the Union of such employee's membership in the Union and acceptance of the check-off provisions. Such duly executed

authorization shall continue in effect throughout the employee's period of service with the Company.

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

Section 4: Upon written request by the employee, on a proper form, the Company shall deduct each week employee's authorized Credit Union deductions and remit same promptly to said Credit Union. The Company and the Union shall agree on which Credit Union will be recognized for deduction purposes.

Section 5: Upon written request by the employee, on a proper form, the Company shall deduct each week an employee's authorized COPE deduction and remit same promptly to the Union.

Section 6: The Company agrees to payroll deductions for meat market purchases. This is subject to Company determination that the procedures necessary to implement and maintain this program are not burdensome to Company management and/or staff.

ARTICLE VII HOURS OF WORK

Section 1: The work week for payroll purposes shall start at 12:01 a.m. on Sunday and end on midnight Saturday evening.

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

A list of volunteers from the 2nd shift will be maintained for call-in when the first shift is short staffed.

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

A. When practical, the Company will give 24 hours notice prior to a change in shift starting time.

B. Notice of the length of each working day will be posted prior to the lunch period.

C. Notice of Saturday work will be posted on the preceding Thursday. (This notice will be the Excel plant notice).

D. Notice of change in shift will be given one week prior to the effective date of the change.

Section 3: Employees who work the hours as directed during the first five workdays shall be paid time and one-half (1 1/2) for all hours worked on the sixth workday. Holidays do count as a day worked for the purpose of computing overtime. Unscheduled days are defined as absence because the

plant is unable to operate because of fire, explosion, power failure, storm, strike, or boycott by a labor union or other similar group.

Section 4: Time and one-half (1-1/2) will be paid for all hours worked in excess of forty (40) in any one week or eight (8) in one day.

Section 5: Regular full-time employees working on holidays shall receive their regular holiday pay and shall be paid at twice their regular rate for work actually performed on such holiday.

Section 6: Employees working on Sundays shall be compensated at twice their regular hourly rate for work performed on Sunday.

Section 7: For the purpose of computing pay for hours worked on Sunday or paid holidays, a shift cutting across two (2) calendar days shall be treated as work on the day which the shift begins.

Section 8: Overtime work in a work unit shall be divided as fairly and equally as possible among qualified employees in the work unit. It is understood and agreed that such equalization cannot be affected on a daily or weekly basis, but efforts will be made to change any such imbalance over reasonable periods of time.

Section 9: Premium pay due under this article will not be pyramided.

Section 10: Gang time for Casings: Time will be computed from the time employees commence their work until the time work is stopped at their position. An employee working gang time shall be compensated to the minute. The company will install and maintain a clock to accurately determine gang time.

ARTICLE VIII MEAL PERIODS AND REST PERIODS

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

Section 2: No employee will be required to work in excess of five and one half (5 1/2) hours without a thirty (30) minute unpaid meal period, unless completing the shift, in which case work will not exceed six (6) hours.

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

ARTICLE IX
GUARANTEE

Section 1: Unless notified of a layoff on or before Saturday of the prior week, all regular full-time employees will receive a weekly guarantee of thirty-six (36) hours pay, Monday through Friday at their straight time rate provided, however, the company may change the weekly guarantee to thirty-two (32) hours not more than six (6) times in the first year of this agreement, not more than eight (8) times in the second year of this Agreement and not more than Twelve (12) times per contract year thereafter, provided the Company gives notice of intent to reduce the guarantee by Friday of the preceding week. This language only applies if JBS reduces the kill floor to 32 hours.

The guarantee shall be reduced by time absent for any reason and by seven and two tenths (7.2) hours each full day in which the plant is unable to operate because of fire, explosion, power failure, storm, **act of God**, strike or boycott by a labor union, or other similar group, **or other unusual emergency**. Holiday pay including holidays that fall on Saturday, will be considered part of the 36-hour guaranteed pay.

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

Section 3: Employees called to work will be provided with a minimum of four (4) hours work or pay in lieu of work.

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

ARTICLE X
HOLIDAYS

Section 1: The following paid holidays are observed: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, the scheduled day before or the scheduled day after Christmas as the company may decide, and the one floating holiday. The floating holiday can be taken on a mutually agreed day anytime during the year. The floating holiday must be scheduled not less than one week in advance with company approval, with seniority considered in cases of conflicts where trades cannot be arranged. Employee may or may not be required to work on the floating holiday but pay in lieu may be granted by company consent. A floating holiday worked shall be paid straight time plus eight hours.

It shall be the employee's option to take the floating holiday or receive pay in lieu of time off.

Section 2: All full-time employees who have completed forty-five (45) working days with the company shall receive eight (8) hours straight time pay for each of the above holidays not worked. Those who have not completed forty-five (45) working days, may be granted the holiday off without pay, except for the floating holiday.

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

- A. Excused by supervision
 - B. On Funeral Leave
 - C. Disability due to sickness, or accident. Company may require proof of sickness or disability and in all cases under A, B and C, the employee must have performed compensatory work in either the calendar week or before, or after the week in which the holiday occurs.
- The eight (8) hours paid for holidays shall count as hours worked in computing overtime.

Sunday holidays are observed on the following Monday.

ARTICLE XI VACATION

Section 1: Employees who complete one (1) full year of service with the Company will be granted one (1) week of paid vacation, which may be taken at any time, with management approval, during the second year of service. After The first year all employees will be granted vacation on Jan 1st each year. Employees who complete three (3) full years of service will be granted two (2) weeks of paid vacation. Employees who complete ten (10) full years of service will be granted four (4) weeks paid vacation. Employees who complete twenty-five (25) full years of service will be granted five (5) weeks of paid vacation. One (1) week of paid vacation is interpreted as forty (40) hours of pay at the employee's straight time hourly rate or 1/52 of the employee's prior annual earnings as indicated by the previously issued W-2, whichever is greater. Employees who have previous continual service with ICG/Van Hessen predecessors will be allowed to count those previous years of service towards years of service for vacation purposes. This is limited to the three (3) week level. An Employee will still need ~~ten~~ (10) years of service with ICG/Van Hessen to qualify for four (4) weeks of vacation.

Incentive bonus will not be considered in the computation of the 1/52 of the employee's prior annual earnings for vacation pay purposes.

Section 2: To qualify for paid vacation, the employee must have passed his anniversary date, and have worked (with the exception of leave for union business, jury duty and vacations) at least forty (40) weeks during the preceding anniversary year. For the purpose of this section only, a week in which the employee works at least one (1) day will be counted as a week "worked". Employees who work less than forty (40) weeks in the anniversary year because of sickness or injury, will be entitled to a pro-rata vacation based on the percentage of weeks worked.

Effective upon ratification, employees with two (2) or more years of seniority may take a maximum of one (1) week of their vacation in single days. Effective the beginning of the third year of the contract, employees with three (3) or more years of seniority may take a maximum of two (2) weeks of their vacation in single days. Single vacation days must be approved by management seven (7) days in advance.

In the event of the death of an employee or an employee who retires through Social Security, that employee or his legal heirs will receive pro-rata vacation providing the employee has three (3) or more years of continuous service.

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

Section 4: Vacations will be scheduled each year during the entire month of January on a seniority basis. After January 31st vacations will be scheduled on a first come first served basis. It is recognized, however, that the Company must approve the vacation schedule in order to insure regular and efficient production. Employees will be given their preference of vacation based on work unit seniority provided the choice is made prior to January 31st. After January 31st, a senior employee may not change his choice if it interferes with another employee's choice.

Section 5: Vacation may be carried over into the first three (3) months of the next vacation year.

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

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

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

Section 9: Pay in lieu of vacation may be granted by mutual consent only.

Section 10: Employees will be allowed to use vacation time that is already scheduled when an emergency occurs. An emergency is defined as a death or serious illness in the family that can be verified

ARTICLE XII LEAVE OF ABSENCE

Section 1: Employees will be granted up to 3 unpaid personal days per year starting January 1 each year. The personal day must be scheduled at least one week in advance with company approval.

Section 2: The Company may grant leaves of absence without pay up to thirty (30) days to employees who request same for emergency or personal reasons. Such leaves will not be granted for the purpose of allowing an employee to take another position temporarily, try out new work, or venture into business for himself.

Section 3: Employees chosen by the Union to attend to Union business outside the plant shall, with the permission of the Company's management, be granted leaves of absence without pay for a period not exceeding thirty (30) days, provided that when feasible, such employees give the Company at least five (5) days notice in advance of the date such leave is desired.

Section 4: An employee, who is elected or appointed to a full-time position with the Union, upon proper notice, shall be granted leave of absence without pay not to exceed the life of this Agreement, and upon one (1) week's notice of their desire to again return to work for the Company, shall be placed upon

his/her job previously held without loss of seniority right, provided his/her return within thirty (30) calendar days of the date his/her full-time position with the Union terminates.

Section 5: Military Service -- Right to Re-employment. An employee who leaves or has left a position in the employ of the Company to enter active service in the Armed Forces of the United States has the right to be re-employed by the Company when such employee has completed his military obligation, with full seniority and rights as provided for under Section 9 of the Universal Military Training and Service Act.

Section 6: Military and Summer Encampment. Regular full-time employees on the active payroll will be granted a leave of absence, upon request, where they are required to participate in summer encampment training as a member of the National Guard and/or United States Military Reserve, as provided in Section 270, Title 10, Code of United States, and Section 502, Title 32, Code of United States.

Such regular full-time employees will receive the difference between forty (40) hours of pay per week at their regular hourly rate and what they receive from the government. Such paid leave shall not exceed two (2) consecutive weeks. Employees will be required to verify each day of leave prior to receiving the above payment.

Section 7: Funeral Leave -- In the event of a death in the immediate family of a regular full-time employee, the employee will be given not more than three days leave with pay, one of which must be the day of the funeral, as needed, to attend the funeral or to make funeral arrangements.

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

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

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

D. The employee must be regular full-time and must notify the company not later than the first day of absence.

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

Funeral leave pay shall be the straight time hourly rate times eight (8).

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

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G. Employees who have to travel to distant locations to attend funerals of immediate family members, as defined by A & B above, will receive an excused absence of reasonable time without pay to travel to and from the funeral location in addition to the days paid. If the employee is not able to attend the immediate family funeral, one day of paid funeral leave will be granted to attend a memorial service subject to verification as outlined in 6E.

Section 8: Employees legally required for jury duty shall be paid the difference between jury pay and wages for the scheduled hours that would have been worked up to a maximum of eight (8) hours for each full day of jury service when that service falls on a scheduled work day, provided the employee presents the summons requiring such duty to his supervisor prior to reporting for jury duty. To a maximum pay of ten (10) days per year.

An employee who is absent due to lay-off, vacation, sickness, injury or other excused leave of absence shall not be entitled to any difference in payments; except that an employee on lay-off who is recalled to work at a time when also required to report for jury service or serve as a juror, shall be entitled to the difference in payments if eligible starting with the day of recall. An employee called to serve on a jury panel will not be required to report for work on that day, or days he is required to report for jury duty. The employee must work the hours scheduled on any day during which he is not required to serve the jury duty.

The employee must furnish a certified statement from the court setting forth the date of jury service and remuneration received from such service.

If the employee is dismissed from jury duty during his or her normal scheduled hours, he or she will be expected to notify their supervisor as to their availability for work.

Section 9: An employee promoted to a company position outside of the bargaining unit covered by this agreement, shall retain all of his previous bargaining unit seniority. If he subsequently returns to the bargaining unit at a later date, provided there has been no break in continuous service with International Casings Group, Inc., time spent in the company position will not count toward the accumulation of bargaining unit seniority.

Section 10: The Company agrees to comply with the Family Medical Leave Act.

Section 11: Subject to all applicable laws, the company agrees to provide time off to employees who must travel to the appropriate Immigration and Naturalization Service (INS) office to attend appointments and/or secure necessary documents to maintain their work authorization or citizenship.

Subject to all applicable laws, in the event an employee is terminated as a result of an expired work authorization, the employee will be given a reasonable amount of time (generally 60 days, but may be extended if the employee is diligent in their attempt to obtain work authorization to present an updated work authorization and be considered for reinstatement with full seniority and benefits.

ARTICLE XIII
SENIORITY

Section 1:

A. Seniority shall be established based on continuous service with the Company and shall accumulate from the latest date of hire. An employee,

after forty-five (45) working days shall be a regular employee and shall have seniority. However, the Union shall extend this period to sixty (60) working days if the Company requests in writing such within the employee's first forty-five (45) working days of employment.

The probation period will be extended by the time spent on light or alternate duty.

Prior to attaining seniority, an employee is known as a probationary employee. The Company may, at its sole discretion, discipline or terminate a probationary employee and no grievance shall be filed or processed in his behalf.

B. Seniority shall be applied on the following basis within the plant. Layoff, recall and promotion will be based on the length of service within department provided the qualifications, ability to perform the work and physical fitness are equal among employees eligible for consideration.

Section 2:

A. When department reductions are necessary, employees with the least amount of Department seniority in the department shall be laid off.

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

Section 3: - Job Bidding

A. Permanent vacancies (Grade 2 or above) shall be posted for a period of two (2) workdays and employees within the department may bid according to their choice. A job filled by a bidder within the Department shall be awarded to the senior bidder within the department. Base labor vacancies shall not be required to be posted. The job position shall carry the rate of the job, the job title, and the name of the department.

B. Job bidders may strike their name from the job posting up to the time they are notified they have won the posting by notifying the company in writing. At the time, a job bidder is notified he/she has won the job posting, he must accept or reject it in writing. The bidder accepting the job posting shall make a sincere effort to learn the job; however, in the event he/she cannot, in the judgment of the company, perform the work in a satisfactory manner, he/she shall be permitted to return to his/her former job and will not be allowed to bid for three (3) months. The employee may have a reasonable time to learn the job. A reasonable time will be determined to be two (2) weeks; however, according to circumstances, the trial period may be less than two (2) weeks, or in some cases, more than two (2) weeks. A job bidder who voluntarily forfeits the job before they become qualified will be allowed to return to their former job but will not be allowed to bid for six (6) months.

C. An employee will be permitted to bid upward after the probationary period has ended and laterally or downward six (6) months from the date of hire. An employee who bids laterally may not bid again for six (6) months. An employee who bids downward may not bid again for twelve (12) months. Temporary vacancies caused by sickness, leave of absence, vacation, etc. will not be offered for bid if from the onset they are determined to be less than three (3) months in length. The company will allow employees to fill temporary vacancies by seniority, provided that employees who request that they fill such a vacancy can perform the job and can readily be

replaced. If no senior qualified employee requests to fill such a vacancy, the least senior qualified employee may be required to fill the vacancy.

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

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

F. An employee shall be paid the full rate of the job as soon as he is qualified to perform the job. However, successful bidders who are not moved to such job within twenty-one (21) calendar days of the successful bid to a job, shall be paid the rate of such job until moved into it, if it is a higher-rated job.

G. Seniority will determine the shift of choice by the employee. Employees may not bid from one shift to another shift until at least nine (9) months after his/her full-time hire date.

Section 4: Employees on authorized leave of absence as set forth in Article XII shall retain and accumulate seniority during such leave.

Section 5: Seniority lists for department and plant seniority shall be maintained in the office or appropriate place and shall be republished at least quarterly and made available upon request.

Section 6: An employee shall lose his seniority for the following reasons:

- A. Voluntary quitting.
- B. Discharge for proper cause.
- C. Absence for two (2) consecutive days without notification to the employer.
- D. Overstaying a leave of absence without justifiable cause.
- E. Absent from work for any reason for a period of twelve (12) months.

F. Failure to report for work when recalled from a layoff within forty-eight (48) hours after the employee has received a recall letter or notice of attempted delivery. In cases where the Company has been unable to reach the employee by phone, the Company will deposit in the United States Mail, postage prepaid, a certified letter directed to such employee at this last known address as shown by the records of the Company. It shall be the responsibility of the employee to keep his address and phone number current by advising the supervisor or office of any changes. The employee will have forty-eight (48) hours, exclusive of Saturday, Sunday, or holidays, to report for work unless excused by the supervisor or office.

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ARTICLE XIV
ADJUSTMENT OF GRIEVANCES

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

First: The aggrieved employee or employees, with or without the department steward, shall within five (5) working days of the knowledge of the incident, discuss the matter with the department supervisor for the purpose of resolving the grievance, or the matter will be considered closed. The company's answer shall be given within five (5) workdays. Failing to reach a settlement, the grievance shall be submitted in writing to the Production Manager in the second step within ten (10) working days from receipt of the Company's answer or be considered closed.

Second: The steward and the local union representative (or his designated representative) shall meet and discuss the matter with the Production Manager for the purpose of attempting to resolve the grievance.

The Company's written answer shall be given within ten (10) workdays from the date of the above meeting. Failing to reach a settlement in this, the Union may submit the grievance to the Third Step.

Third: The Union Representative (or his designated representative) shall meet and discuss the matter with the Vice President of the Company for the purpose of attempting to resolve the grievance.

The Company's written answer shall be given within five (5) workdays from the date of the above meeting. Failing to reach a settlement in this, the Union may submit the grievance to the Fourth Step.

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

Fourth: If the matter is not settled at the Third Step, either party shall request a list of seven (7) names from the Federal Mediation and Conciliation Service and strike names to determine which one shall sit in arbitration.

The Arbitrator's decision shall be final and binding on the parties.

The Arbitrator shall have no right to add to, modify, or amend the terms of the agreement.

The compensation and necessary expenses of the arbitration shall be borne equally by the Company and the Union.

At any step of the grievance procedure, the Executive Board of the Local Union shall have the final authority, in respect to any aggrieved employee covered in the agreement, to decline to process a grievance, complaint, difficulty, or dispute further if in the judgment of the Executive Board such grievance lacks justification under the terms of this agreement, or has been adjusted or justified under the terms of this agreement to the satisfaction of the Executive Board.

The presentation and any investigation of the grievance is to be made on the Union Representative and on the aggrieved employee's own time at all steps of the procedure.

A settlement arrived at in any step of the grievance procedure will be reduced to writing and signed by the Production Manager of the Company and a Union Representative. Such settlement will be final and binding upon both parties. The time for perfecting any step of the grievance procedure may be extended by mutual agreement of the Company and Union; such agreement to be in writing, signed by the Vice President of the Company and a Union Representative.

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

Section 3: Unresolved grievances not resolved at the Third Step, shall be submitted to arbitration within sixty (60) workdays of the third step written answer.

ARTICLE XV
EQUIPMENT FURNISHED
BY THE COMPANY

The Company will furnish, where required, the following equipment:

A. Cotton gloves, boots, hair nets, beard nets, and safety equipment required by the company. New employees will be issued a pair of rubber boots at the company's expense. If the employee quits or is terminated prior to 90 days, the employee will be required to reimburse the company for the entire cost of the boots. If the employee quits or is terminated after 90 days or prior to 180 days, the employee will be required to reimburse the company for one-half the company's cost for the boots. Van Hessen agrees to make uniforms available to employees who wish to rent them.

B. Company will furnish gut gloves and frocks to each employee requiring same.

C. Company will provide Van Hessen shirts, free of charge, to those employees who are required to wear them on the Kill Floor.

D. All laundry on gloves shall be furnished by the Company free of charge to the employee.

E. The employee shall be responsible for the safe and efficient use of all equipment furnished by the Company and replacement(s) will be made for worn equipment only if returned to the Company. Equipment that is lost, stolen or maliciously destroyed may be charged to the employee and deducted from his wages. Such deductions will be made on a reasonable schedule to lessen the impact on the employee but shall not exceed four equal deductions.

F. Company will furnish aprons for Casings. The company agrees to supply employees with long-sleeved blue frocks as needed at the company's expense.

G. In the pay period following the ratification of the labor agreement, all employees on the payroll as of 1/13/2003, with at least one (1) year of service, shall receive a twenty \$20.00 clothing allowance. Each subsequent year of the labor agreement all employees on the payroll with at least one (1) year of service will receive an additional twenty (\$20.00) clothing allowance on the pay period following the effective date of the negotiated pay increase. If Van Hessen elects to provide career clothing, the \$20.00 referred to in the above paragraph, shall not be paid.

ARTICLE XVI
INSURANCE BENEFITS

Section 1: Newly hired employees will receive insurance coverage on the first day of the month following 60 calendar days of employment. The insurance benefits are outlined in a separate brochure.

Each August the rate will be adjusted to reflect the employee contribution to be 20% of the premium. However, the employee contribution may not increase by more than 10% of the previous year's contribution.

The amount of the weekly payment for sickness and accident (short term disability) shall be \$425.

ARTICLE XVII
SAFETY

Section 1: Safety in the workplace and the protection of all employees (both at and away from work) are of primary importance. Safety is a shared responsibility and the input of all employees is needed in the maintenance and improvement of safe work practices and conditions. Plant safety programs and efforts will be coordinated through the involvement of people from all levels of the organization.

Section 2: A Safety Committee consisting of one (1) production employee appointed by the Union and an equal number appointed by the Company, shall be established. Such Committee shall meet monthly, on Company time, not to exceed one (1) hour, and discuss their findings with the Supervisor or his designee. In the event that special circumstances require a meeting in excess of one (1) hour, the Committee shall request additional time from the Supervisor.

Section 3: The responsibilities of the Committee shall include, but not be limited to, inspection of employees at work, plant conditions, the investigation of accidents and causes of work-related illnesses and review of safety code book, for the purpose of insuring and promoting safety at and away from work. The Committee recommendations shall be investigated by Management and the Committee will be advised of Company action on them within one (1) week.

Section 4: The meeting of the Committee will be scheduled by the Supervisor. Employees serving on the Safety Committee will prepare themselves by completing assigned Safety course work.

Section 5: No chain of command is recognized in matters of safety. Employees who genuinely believe that a serious hazard exists are to call that to the attention of their supervisor. Failure to resolve the issue at this level does not preclude the employee from seeking remedy at higher levels; the employee may review his concern with progressively higher levels of management up to and including the Vice President of the Company.

Section 6: The Union agrees to render all possible assistance in encouraging the employees to obey all safety rules and regulations. The Company agrees to render all possible assistance in eliminating all safety hazards reported by the Safety Committee.

ARTICLE XVIII
BULLETIN BOARDS

Job postings and union notices will be posted on the window of the office or another appropriate place.

ARTICLE XIX
PENSION

The company shall pay into the United Food and Commercial Workers Union and Industry Pension fund, the following contribution per month \$58.32 for all employees with six months service and an age of twenty and one half (20 1/2) years old. The benefit level is \$25.00. Contributions are to be forwarded by the 10th of the month.

Effective November 1, 2012, the company shall pay into the United Food and Commercial Workers Union and Industry Pension fund a contribution of \$25.00 per month for all Part-Time employees with six months service and an age of twenty and one half (20 1/2) years old

In addition to the pension described above, the employees at the Beardstown operation will be allowed to participate in the International Casings Group, Inc., 401k plan on a voluntary basis.

ARTICLE XX
WAGES

Section 1: Base Labor Rate \$18.00 per hour (Effective first Monday following ratification)

Casings Worker \$18.00 per hour (Effective first Monday following ratification)

Section 2: All 1st shift employees who work between the hours of 6:00 p.m. and 6:00 a.m. will be paid ten cents (\$.10) per hour over their regular rate. All second shift employees will be paid fifty cents (\$.50) per hour over their regular rate for the full shift provided that there are no chargeable absences for the entire week. Otherwise the premium is eight (\$.08) cents.

Section 3: All new employees shall be considered apprentices regardless of experience and shall be paid as follows:

1st 60 days of continuous employment, not less than \$1.00 below base rate.

Job pay grade differential shall be paid to employees who are qualified on their respective jobs.

Section 4: Should new jobs be created by the Company; the Company and the Union will agree on the wage rates for such new jobs. In the event the Company and the Union cannot agree on a wage rate, such issue shall be submitted to Arbitration as provided for in the grievance procedure.

Section 5: Lead person - the company agrees to post lead person job openings for informational purposes only. Interested employees may apply for such openings, but the company is under no obligation to place such applicants into lead person jobs. Wage rate for leadman \$1.00 per hour over base.

Section 6:

Wage increases:

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

- Based on CPI Urban Wage Index
 - Less than 0: No Increase
 - 0.-1.99%: \$0.25 Increase
 - 2% or greater: \$.050 Increase

Increase Dates:

- July 5, 2021
- July 4, 2022
- July 3, 2023

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

The Union recognizes that Van Hessen provides a Bonus/Incentive Program and that the terms and conditions of the program are set by Van Hessen.

ARTICLE XXI
WAIVER, ENTIRE AGREEMENT
AND SAVINGS CLAUSE

Section 1: Entire Agreement. This is the complete Agreement providing all benefits to which any employee may be entitled, and it is expressly understood and agreed that the Company has no obligation to any employee or employees other than those provided herein.

Section 2: Waiver. The parties acknowledge that, during the negotiation which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understanding and agreements arrived at by the parties after the exercise of that right and the opportunity are set forth in this Agreement. Therefore, the Company and the Union, for the term of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to or covered in this Agreement.

Section 3: Amendments. Any modification or supplement to this Agreement to be effective must be reduced to writing and executed by the Business Manager of the Local Union or his designated representative and the President of the Company or his designated representative.

ENS

Section 4: Savings Clause. Should any portion of this contract be in violation of any State or Federal law, such portion of the contract will be invalid. The invalidation of such parts or portions of this Agreement shall not invalidate the remaining portions thereof, and they shall remain in full force and effect during the life of such Agreement. Both parties agree to meet as soon as possible to renegotiate that portion found invalid to comply with the law.

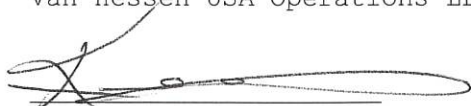
ARTICLE XXII
TERM OF AGREEMENT

This agreement shall become effective and remain in full force and effect from the first Monday following ratification until midnight July 31, 2024. Either party may, on or before sixty (60) days prior to July 31, 2024, give notice to other party of the desire of the party giving such notice to terminate the Agreement. If such notice is not given, the Agreement shall renew itself for successive one (1) year periods until such notice is given

FOR THE COMPANY



Eric Svendsen
Vice President - Casings
Van Hessen USA Operations LLC.



Kevin Greenstreet
Beardstown Casings Manager
Van Hessen USA Operations LLC.

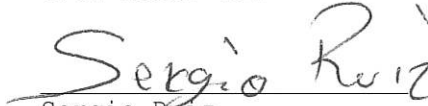
FOR THE UNION



Bob Waters
Union Representative *President*
UFCW Local 431



Brian Chapman
Plant Representative
UFCW Local 431



Sergio Ruiz
Chief Steward
UFCW Local 431



A Shift Steward
UFCW Local 431



Union Representative
UFCW Local 431

UFCW DISTRICT LOCAL UNION 431

BOB WATERS
PRESIDENT

SCOTT NOYD
SECRETARY-TREASURER

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(563) 323-3655
1-800-292-7293

You can contact your local union
On the Internet

Our Website address is:

www.ufcw431.com

Please attend your union meetings