

# AGREEMENT

*between the*



Boot and Shoe Workers  
Union Local 527

*and the*



Red Wing Shoe Company, Inc.

From 11/15/24  
To: 11/15/27

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1  
2 AGREEMENT

3  
4 This AGREEMENT made and entered into this fifteenth day of November, **2024**, by and  
5 between the RED WING SHOE COMPANY of Red Wing, Minnesota, hereinafter referred to  
6 as the Employer, and the BOOT AND SHOE WORKERS LOCAL NO. 527, UNITED FOOD  
7 AND COMMERCIAL WORKERS UNION, affiliated with the, Southeast Labor Council  
8 AFL-CIO, Red Wing, Minnesota, and the UNITED FOOD AND COMMERCIAL  
9 WORKERS UNION, 1775 K Street, N.W., Washington, D.C., 20006, hereinafter referred to  
10 as the Union.

11  
12 WITNESSETH:

13  
14 That for the purpose of facilitating the peaceful adjustment of differences that may arise from  
15 time to time and to promote harmony and efficiency to the end that the parties hereto, may  
16 mutually benefit. The parties hereto contract and agree with each other as follow, to wit:

17  
18 If printed in Spanish, the English version of the contract is the binding version.

19  
20 ARTICLE I

21 Recognition & Coverage

22  
23 This Agreement shall cover all employees of the Downtown Red Wing and Burnside plants of  
24 the Employer, except managers with the authority to hire and discharge employees, office  
25 workers, truck drivers, shipping room employees, warehouse employees and sales personnel.  
26 However, we will recognize through this Agreement any groups of employees not now  
27 covered in this Agreement but only as such groups properly request the Employer to be  
28 represented through the Union and under the present contract.

29  
30 The Union is hereby recognized as the sole bargaining agent for all employees of the  
31 Employer covered by this Agreement.

32  
33 It shall be a condition of employment that all employees of the Employer covered by this  
34 agreement who are members of the Union in good standing on the effective date of this  
35 agreement shall remain in good standing and those who are not members on the effective date  
36 of this agreement shall within sixty (60) calendar days following the effective date of this  
37 agreement become and remain members in good standing in the Union. It shall also be a  
38 condition of employment that all employees covered by this agreement and hired on or after  
39 its effective date shall on the sixtieth (60<sup>th</sup>) day following the beginning of such employment  
40 become and remain members in good standing in the Union.

41  
42 A new employee shall work under the provisions of this Agreement but shall be employed  
43 only on a ninety calendar day (90) probationary period, during which period the employee  
44 may be discharged without further recourse. After ninety (90) calendar days, the employee  
45 shall be placed on the regular seniority list.

46  
47 If the Employer decides to move out of CFM and return to Piece Work, all employees will  
48 return to their original department with full rights and time to adjust. Employees will retain

all posted job rights they had prior to going to CFM and return to original 1992 contract with all negotiated increases.

## Interpretation

*The above paragraph "return to Piece Work" refers to the individual piece work system.*

Employer and Union agree not to discriminate against any Red Wing Shoe Company employee on the basis of race, creed, color, sex, national origin, age, disability, sexual orientation, gender identity, Union membership or other classification protected under federal or state law or local ordinance.

## ARTICLE II

### Seniority

The Employer agrees to and recognizes the seniority rights of all employees covered by this Agreement by department and position and production line. Seniority rights shall prevail in all matters of promotion, demotion, layoffs, and re-hiring.

All seniority lists shall be compiled by the Employer quarterly by department and posted in conspicuous places in the plant, and a copy shall be sent to the Union. Department seniority will be based on an employees Company hire date. Employees who feel that they are not placed in the proper seniority standing on said list must make a written complaint to the Union. The Union as the employee's representative shall attempt to adjust the complaint with the Employer and if the Employer and the Union are unable to reach an agreement, the difference shall be settled by arbitration as provided in the grievance procedures of this Agreement.

If more than one person is hired on the same date, the senior person will be determined by the month first and then the day of birth. (i.e. – an employee born on April 2 would have more seniority than an employee born on May 6)

A new employee of the Employer shall be considered a probationary employee until the employee has had ninety (90) calendar days continuous service in the active employ of the Employer. Probationary employees who are called to jury duty or incur a death in the family may be granted a leave of absence that corresponds with the terms of the agreement covering jury duty and bereavement. After completing the probationary period, the employee will be paid for the time missed while a probationary employee. Unless expressly outlined in the articles of this Agreement, probationary employees are not covered by the terms of this agreement and thus are not eligible for any other benefits.

After this probationary period the employee's name shall be added to the seniority list with seniority dating from the beginning of said probationary period.

The Employer may discharge or terminate the employment of probationary employees without limitations by the terms of this Agreement, and the discharge or termination of employment of probationary employees shall not be subjected to the grievance procedure of this Agreement.

ARTICLE III

Movement Language – Postings, Bumping, Recall

Section 1. Definition of full time opening

For positions with applied standards, a full time opening occurs when a position has been staffed for at least twenty consecutive working days and established standards indicate the position needs to be staffed going forward (90% or more of std time), unless by mutual agreement between the Employer and the Union.

For positions without applied standards, a full time opening occurs when a position has been staffed for at least twenty consecutive working days and there is a need to staff the position going forward, unless by mutual agreement between the Employer and the Union. The Employer shall determine when standards will be applied to an operation.

A production line is defined as a set of processes necessary to manufacture a grouping of products based on its construction type. Capacity and demand levels may require multiple (similar but separate) production lines for a given construction type.

In the event the Employer attaches all of the fitting department or all of the cutting department or all of the sole department to existing last to pack lines, then employees (from the departments listed above) will have a one-time opportunity to replace a junior employee in a like position on a different production line, if posted to that position. There will be no trial period and the decisions will be final. If this does occur, a one-week window of time will be identified to allow this process to take place.

Section 2. Full-Time Openings/Postings

For positions staffed with new hire employees who are not hired into a specific position (i.e., hired in advance of a specific full-time opening that is considered appropriate in which to place the new hire employee) the new hire employee will be considered a pool employee and not a part of a specific department, line or shift. **New hire employees will be trained on a minimum of two (2) positions within their first six (6) months of employment.** The Employer will assign a new hire employee to a specific position by the date on which the employee completes six (6) months of employment. Once assigned to a position by the Employer, the employee will be required to stay in that position until completion of six (6) months of employment, after which they may bid into any other open position. The employee must remain in their new position for a minimum of six (6) months except that the employee may bid into a higher classification or different shift up to the maximum number of moves permitted per six (6) months or calendar year.

If a new hire employee bids into a position after their probationary period and before six (6) months, the employee will be required to stay in that position for six (6) months following the date the employee qualified in the position, except that the employee may bid into a higher classification or different shift up to the maximum number of moves permitted per six (6) months or calendar year.

The Employer agrees to post full-time openings. Postings will reflect the operation(s) the employee will be expected to perform on a regular basis.

The Employer shall determine when operations shall be combined to create a position. Selections will be based on seniority except for production leads and one factory seconds position, which will be based on qualifications and then seniority.

An “A” posting shall be posted for a period of one working day in the department same shift. Reallocation posting shall be posted for a period of one (1) working day and is available to opposite shifts in the department. Company-wide posting shall be posted for a period of two (2) working days and is available to eligible employees. All eligible employees interested in the position should apply within that period.

If the senior employee withdraws their name from the posting prior to the trial period, is disqualified, or gives up the position during the trial period, the next senior employee on the posting would be given the opportunity to try the position. Copies of signed postings will be provided to the union.

All movement postings shall carry a trial period of up to twenty (20) days or up to one-hundred sixty (160) working hours. By mutual agreement between the Employer and Union, trial period extensions may be granted. At the end of this period, the employee must either remain on the new position or return to their old position. After forty (40) working hours, if said employee is not making progress toward qualification, the employee may be removed from the position and shall not be allowed to post for that position for a period of one year. The opportunity shall be offered to the next eligible employee.

Employees moving to a position that they are already qualified on (per the qualification data base) do not need to be re-qualified if:

- A qualification study has been done in the last 12 months and the employee qualified at 86% or above.
- An employee is qualified and has been performing the same operation on a regular basis.

Red Wing Shoe Company agrees to provide a copy of the qualification database to the Union upon request.

Once an employee has been given written notice of being qualified for the position, said employee must accept or reject the opening within one (1) working day of qualification notice if there is no shift change involved or within one (1) week of qualification notice if there is a shift change involved.

The next time the position is posted, if the position is significantly changed through the application of automation and/or technology, an employee removed from or denied the position due to an inability to qualify, may re-post to that position.

Upon acceptance, the supervisor and department / line steward shall sign and date the posting. Copies of the signed posting shall be provided to the union.

### Section 3. Timeframe to Move

The employee will be put on the newly signed position within twenty (20) working days unless by mutual agreement between the employee, Steward, Shop Chairperson and Employer.

The posted employee will keep company seniority. During a trial period, there shall be no opportunity for posted employees to sign for a posting in original department during period gone from original department.

The senior employee identified by a posting will be contacted, briefed by the Supervisor and Steward on the posting and arrangements made to start in the new position.

In the event, the senior employee identified by a posting is known to be unavailable, or incapable of performing the **essential functions of the** posted opening because of medical restrictions within thirty (30) calendar days of the posting date, said employee shall be ineligible for the given posting and the opportunity shall be offered to the next eligible employee.

No employee may hold trial rights on more than one posting at any time.

#### Section 4. Moving Personnel / A Posting

When there is a need to move personnel, but not add personnel to a department same shift, the "A" posting will apply:

- After completing no less than one (1) "A" posting, the junior employee in the overstaffed position within the department same shift will be bumped to the remaining opening.

#### Section 5. Reallocate Personnel / Reallocation Posting

When there is a need to reallocate personnel between shifts within the department, the Reallocation posting will apply:

1. The Reallocation posting shall provide the opportunity for an employee on another shift within the department to fill the opening.
- If no one signs, bumping language will apply.

#### Section 6. Add Personnel / Company-Wide Posting

When there is a need to add personnel to a department, the following Company-wide process will apply:

1. The Company-wide posting will be used to fill the opening. The Company will notify an employee(s) with recall rights of the opening. (Any employee wishing to exercise their recall rights must sign the posting and indicate their recall eligibility. Employees with recall rights shall be given priority.) Any employee may sign a Company-wide posting.
2. No more than one Company-wide posting will be used when adding a line/department. Multiple Company-wide postings will be used for replacement staffing.

#### Section 7. Moving to a Higher Classification

All employees may bid for a higher classification position or a different shift anytime up to the maximum number of moves per year.

#### Section 8. Allowed Moves

An employee may exercise two (2) physical moves within a rolling twelve (12) month period on any postings. (Not to exceed one (1) move in a six (6) month period, unless moving to a higher **classification** or a shift change).

*Interpretation:*

- *If the employee physically moves to try a position and turns it down, it will be considered one of their two physical moves.*
- *one time per year an employee may sign-off of a position without trying it and it will not count as one of their 2 (two) physical moves. All subsequent will count.*
- *If the employee moves to the exact same position as their current position on another shift, it will not be considered one of their 2 (two) physical moves.*

Section 9. Expiration of Postings

**Postings will be valid until someone has accepted and qualified for it, is assigned and qualified for it, or the Company voids the posting. Postings will be visible in a location such as a bulletin board or monitor and in a common area for as long as they are active. New postings in the bidding window will be clearly identified.**

Section 10. Flexibility

Employees will be responsible for performing additional operations within their shift to keep work flowing. An employee may be transferred by the Employer to another position within their shift during regular and overtime hours. **Upon the written request of an employee who has been consistently assigned by the Employer to work in a position other than the Employee's posted position for three (3) or more straight work weeks, a meeting of the following individuals will be held within seven (7) calendar days after receipt of the Employee's request:**

- **The Employee**
- **The union president or designee**
- **The Employee's immediate supervisor or designee**
- **The Sr. Value Stream manager or designee**

**The purpose of the meeting will be to review the facts and circumstances leading to the assignment in question and options for returning the employee to his/her posted position.**

Due to unforeseen circumstances, transfers to other departments during overtime hours will be allowed if the other department is working.

*Interpretation:*

*The following items will be taken into consideration when moving employees to other operations by Supervisors:*

- *Availability of Production Leads / Floaters*
- *Skill*
- *Seniority*
- *Minimum Process Disruption*
- *Willingness to move*

Section 11. Trial Period for Supervisor **Leadership Training** Positions

A trial period of **six (6) months** is granted to any employee moving to a **Manufacturing Supervisory** position within RWSC but outside of the UFCW Local 527. **During this training period trainees will not perform production work unless such work is integral to the training or the training of others. A one-month trial period is granted to**

**employees moving into non-leadership positions within the Company.** Any employee accepting a promotion but not qualifying or declining the promotion has the right to return to their former position without loss of seniority and wages.

## Section 12. Bumped Out / Recall Language:

- Bumped off position within a department same shift – When an employee is not needed on their position, the junior employee on that position will be bumped to their last position, if seniority allows. An employee will only have bump back rights to their most recent posting signed within the department since 11/15/02. Positions held on 11/15/02 shall not be deemed a bump back position. If the employee has not signed a posting since 11/15/02, the employee bumps to the opening identified by the “A” posting process.
- Recall to position within department same shift – An employee must return to original position when an opening occurs.
- Bumped off shift same department – When an employee is not needed, the junior employee will be bumped out based on Company Seniority (follows the Reallocation posting) unless there is a senior employee that would volunteer to leave.
- Recall to shift same department – An employee shall be given the opportunity to return to their original shift same department when an opening occurs. (The Company will notify an employee(s) with recall rights of the opening and employees will have the opportunity to sign the posting and indicate their recall eligibility. Recall shall not be considered as a move in the posting process.)
- Bumped out of department –
  - When the Employer is laying off and an employee is not needed in a department, the junior employee will be bumped out based on Company seniority and replace the junior employee covered by this contract.
  - If not laying off, the junior employee will be bumped out based on Company seniority and be bumped to an opening identified by the Company-wide posting.
- Recall to department – An employee shall be given one opportunity to return to their original department when an opening occurs. If the employee elects not to return, they forfeit all recall rights.
- Employees will receive a two-week notice when bumped to another shift.
- When an employee signs Company-wide posting or Reallocation posting, the employee will forfeit all rights to any previous position or recall.

## Section 13. Moving Machines, Processes or Production

When there is movement of machines, processes or production from one department to another department or from shift to shift **within Plant 2:**

1. Employees posted to the position or who have acquired the position per the labor agreement shall be asked to move based on seniority.
2. If the employee in Step 1 declines the move, then the remaining employees in the department will be asked to move based on seniority.
3. If no one volunteers, the bumping process will apply. Employees who voluntarily move from shift to shift will receive a two-week notice.

Qualified employees will have trial period of up to forty (40) working hours. Other employees will have a trial period of up to one-hundred-sixty (160) working hours. Once an employee has been given notice of being qualified for the position, said employee must accept or reject the opening within one (1) working day of qualification notice. The Union Executive Board and Employer will decide when this clause applies.

Employees affected by such a transfer shall have the opportunity within a period of one year from date of transfer to return to their original department before an opening is filled with a Company-wide posting.

#### Section 14. Combining Departments

In the event of a physical combining of departments, seniority will be merged together.

#### Section 15. Reduce Production (Shared Work, Layoff, etc.)

The Employer may use the following options or any means open to them in order to reduce production:

- Pre-approved Excused Time Off (This will not negatively impact employees under the Attendance Policy).
- Voluntary Layoff
- Mandatory Layoff
- Short Work Weeks – Hours will only be reduced by a maximum of **ten (10)** hours each week. Temporary and part-time employees shall not work within 30 calendar days of using the Shared Work Program.
  - If the Shared Work Program is not utilized or is not available, short work weeks are allowed, but:
    - The Company is limited to two non-Shared Work weeks per calendar year, with only one non-Shared Work week per pay period.
    - Such work weeks will be counted as part of the 26 Shared Work weeks available as detailed below.
  - If the Shared Work program is utilized, short work weeks are allowed:
    - No more than a total of 26 **involuntary** short work weeks in a rolling 12-month period under the Shared Work Program.
    - **Voluntary short work weeks can be utilized to a maximum of 20 hours per week with no limit to the number of weeks.**
    - Vacation will be made whole.
    - Locked-in vacation may be unlocked during a short work week.
    - If unused vacation payout occurs during a shared work week timeframe, distribution of such vacation pay will be distributed so as not to negatively impact employees.
    - If less than the entire line/department works, the work will be offered to the senior qualified employees and required of junior employees in that line/department.

#### *Interpretation*

- *These options are not intended to be sequential*

When utilizing temporary voluntary layoffs or pre-approved excused time off, the Employer reserves the right to limit the opportunity based on a predetermined number of positions. Positions will be broken down by shift / department.

For voluntary layoffs, opportunities will be offered by seniority to employees in overstaffed positions and the Employer retains the right to modify the benefits offered based on the current economic conditions.

## Section 16. Temporary Employees

To the extent that Red Wing Shoe Company utilizes temporary employees throughout the year to meet production demands, temporary employees:

- Shall not exceed three (3) per production line or department per shift unless more are needed to avoid moving full-time employees from their positions. The total number of Temporary and Part-time employees working shall not exceed 5% of the total bargaining unit employees. By mutual agreement between the Employer and Union, said percentage may be increased.
- Are persons hired by the Employer to work for a period not to exceed ninety (90) calendar days in each calendar year. During this ninety (90) day (or longer if mutually agreed upon) period, said employees will not be required to join the union. However, if employee is hired on full-time, the union shall collect union dues retroactively to the sixtieth (60<sup>th</sup>) day.
- May be placed on any shift and any opening according to the needs of the Employer, provided there are no full-time employees with recall rights on layoff.
- Will not be provided with any RWSC benefits (Health and Dental, Life, AD&D or S&A).
- Will not be eligible for jury duty, bereavement pay, military pay, vacation, holidays, pension plan, or leaves of absences.
- Shall not be eligible for overtime scheduled Monday through Thursday if a senior qualified operator on that shift has come forward during the sign-up process. During overtime scheduled on Fridays, temporary employees will not be allowed to work overtime, if a qualified replacement from either shift has come forward in the overtime replacement process. In the event of an unforeseen circumstance, temporary employees may be required to work.
- May be discharged or terminated without limitation.
- Shall not have rights to sign a posting.
- Shall not have any rights under the layoff or recall provisions.
- Shall not acquire seniority. However, should a temporary employee become a permanent employee, the seniority date will be the same as the original date of hire if the position is in the same area. Temporary employees offered permanent employment and who are being transferred to a different position can have their probationary period extended. If the employee has worked more than sixty calendar days at the time of transfer to the new position, the probationary period can be extended to provide a 20 working day trial period on the new position. If the employee is not able to qualify, employee may be terminated and said termination shall not be subject to the grievance procedure.
- Shall not have rights to the grievance procedure.
- The Company will provide payroll records each pay period for temporary employees working in production areas.

If temporary employees are hired for work between Memorial Day and Labor Day, bargaining unit employees shall have an opportunity to have relatives apply for work and be given preferential consideration.

Temporary employees shall be notified of their status at the time of hiring, and shall sign an agreement acknowledging the same. This agreement shall be provided by the Employer and a signed copy shall be sent to the Local Union.

It is recognized that, with the use of temporary employees, there will be positions staffed for more than twenty (20) consecutive days, which are not full time openings.

#### Section 17. Part Time Employees

To the extent that Red Wing Shoe Company utilizes part-time employees throughout the year to meet production demands, part time employees:

- Shall not exceed three (3) per production line or department per shift unless more are needed to avoid moving full-time employees from their positions. The total number of Temporary and Part-time employees working shall not exceed 5% of the total bargaining unit employees. By mutual agreement between the Employer and Union, said percentage may be increased.
- Shall not be eligible for overtime.
- Shall not be employed while regular employees are on layoff.
- Are persons hired by the Employer who will work no more than forty (40) hours per pay period. Interested employees and retirees may apply and will be given preferential consideration.
- May be placed on any shift and any opening according to the needs of the Employer.
- Will not be provided with any benefits (Health and Dental, Life, AD&D or S&A).
- Will not be eligible for jury duty, bereavement pay, military pay, vacation, holidays, pension plan, or leaves of absences.
- May be discharged or terminated without limitation.
- Shall not have rights to sign a Company-wide posting.
- Shall not have any rights under the layoff or recall provisions.
- Part-time employees shall not acquire seniority.
- Shall not have rights to the grievance procedure.
- Shall not receive shift premiums or incentives.
- The Company will provide payroll records each pay period for part-time employees working in production areas.

Part-time employees shall be notified of their status at the time of hiring, and shall sign an agreement acknowledging the same. This agreement shall be provided by the Employer and a signed copy shall be sent to the Local Union.

#### Section 18. Production Leads

This is a position with the responsibilities defined per RWSC job description. The Employer may employ a maximum of fourteen (14) production leads selected based on qualifications and then seniority..

Production leads will retain seniority within their department, but may be moved by the Employer to any position on their shift. It is also agreed that production leads will be able to work overtime, as outlined in the hours of work, if their qualification and seniority allows.

For vacation purposes only, Production leads will be considered a department by shift and shall schedule vacation using the processes outlined in the vacation articles of this agreement.

#### ARTICLE IV

##### Layoffs

###### Section 1. Process

When layoffs occur, the last employee hired shall be the first employee laid off. Re-hiring shall be in the reverse order.

Laid-off employees shall be recalled by letter sent by certified mail directed to their last known address, and they must, in order to retain seniority rights, report for work within seven (7) calendar days following the mailing of the letter unless prevented by illness or by reason approved and accepted by both the Employer and the Union. If an employee is recalled after a period of six months or longer, said employee will be required to complete drug and alcohol tests for employment. Any employee not called back to work at the end of two (2) years after being laid off shall lose their seniority rights and their name shall be removed from the seniority roster.

Qualification: Recalled employees have up to one-hundred-sixty (160) working hours to qualify on the opening recalled in accordance with engineering standards and acceptable quality levels. If after eighty (80) working hours, said employee is not making progress toward qualification, the employee may be terminated. By mutual agreement between the employer and Union, trial period extensions may be granted. If the recalled employee does not qualify, he or she will be terminated.

An employee has a one (1) time opportunity to decline the recall based on the skills or physical requirements of the opening. However, the employee must decline the recall prior to starting work; otherwise, the employee will be deemed to have started work and be subject to the qualification period. If he or she declines the recall, the employee will remain on the recall list for total period of twenty-four (24) months. If the employee is recalled another time to an opening within the twenty-four (24) month period and he or she declines, he or she will be terminated and removed from the seniority list. Note: The 24 months begins at the time of the initial layoff.

Holidays: Recalled employees will be eligible for holiday pay upon recall.

Vacation: employee(s) will be eligible for vacation on a pro-rated basis based upon months worked in the vacation year.

The following vacation year, the employee will receive the number of days outlined in the Vacation article of this agreement. However, the earnings percentage will be paid out based on the previous year's earnings for employees hired on or before 11/15/15 and at the employee's regular hourly wage rate for employees hired after 11/15/15.

If a recalled employee quits prior to sixty (60) calendar days of work, he or she shall not receive a vacation payout. However, if such employee quits after sixty (60) calendar days of work, he or she will be eligible for a vacation payout.

Recalled employees shall be subject to the disciplinary and attendance articles of this agreement. The period of layoff shall not be considered when defining the timeframes within these articles.

Health Care – employee(s) are eligible for health care effective the first of the month following their return to work from layoff

## Section 2. Maintaining Production in Red Wing

The Employer will make reasonable effort to maintain the production now being made at Red Wing and use imported uppers as an addition to current production.

If an employee is adversely affected during the life of this contract, as a direct result of imported uppers, the Union Executive Board and Employer could make available:

- early retirement options.
- health insurance provided at the active employee contribution rate.
- outplacement program through the local technical college.
- voluntary layoffs.
- job sharing.

The Union Executive Board and the Employer will decide when this provision applies, and what options would be appropriate.

## Section 3. Notification

Employer agrees to notify Department / Line Steward in the department / line before any employee is laid off or discharged.

## Section 4. Seniority

All seniority rights of any employee shall be terminated upon discharge for cause or upon voluntarily terminating their employment.

# ARTICLE V

## Injured Employee

### Section 1. Posting

The injured employee may select a posting that was posted while the employee was off work provided that the position is one that the Company still needs to fill and that the employee advises the Company of their posting selection within five (5) working days of the employee's return to work.

During the life of this contract an employee injured while at work and unable to return to their regular position for three months due to medical restrictions authorized by the treating physician, would have the right to post to another position, or use Company-wide posting to get to another department without giving up current department rights and their rate. Anyone exercising this right must return to their original position upon release by their physician.

An employee exercising one or more of these options while retaining their original job rights, would not forfeit worker's compensation benefits.

The Employer will notify the Union when an injured employee has been off their regular signed job due to medical restrictions for two months.

## Section 2. Pay

Whenever an employee shall be required to leave the factory to receive medical treatment because of an injury on the job, the employee shall be paid for the time spent receiving such treatment until the doctor releases the employee for duty, at which time the employee is expected to return to their job. Should the injury occur at such time of the day that it would be impossible for the employee to return before the regular quitting time, the employee will qualify for payment of time lost by reporting for work the following day. If injury results in a Worker's Compensation claim, there shall be no duplicating of pay for time lost.

## ARTICLE VI

### Maintenance Department

The following provisions shall apply to Maintenance Department employees. All other terms, conditions and agreements detailed in this labor agreement, which do not conflict with such provisions, shall apply to Maintenance Department employees.

### Section 1. Classifications for Staffing

Effective 11/15/2007, the Maintenance Department shall include the following classifications:

- Equipment Technicians
- Facilities Technicians
- Janitors
- Material Handlers (delivering supplies to lines)

Maintenance Leads – The Employer may select maintenance leads. The responsibilities and qualifications are defined in a RWSC job description. **Maintenance leads are considered part of the maintenance department for vacation scheduling.**

### Section 2. Department Seniority

Current Maintenance employees shall utilize their date of hire into the department as their Department Seniority. Their date of hire into the department was determined by signed postings or signed transfer slip and/or pay slips documenting position changes.

Anyone posting into Maintenance from outside the department will establish department seniority rights based on the date of the posting that brought them into the Maintenance department.

Department seniority shall be utilized for postings within the maintenance department.

### Section 3. Company Seniority

Company Seniority provides Maintenance employees the opportunity to sign to Company-wide postings.

Section 4. Classification Seniority.

Classification seniority shall be utilized in the application of overtime.

Section 5. Maintenance Qualifications.

Equipment technicians and facilities technicians, who wish to obtain the skills required to qualify for advancement within the technician classifications, are encouraged to work with qualified employees, when business circumstances permit, to obtain the desired skills. If desired skills require formal training (i.e. vo-tech degree / certificate), it shall be the employee's responsibility to obtain such training.

Maintenance postings for janitors shall carry a trial period of up to twenty (20) working days, the length of which is dependent on the individual's prior experience and the requirements of the position. Maintenance postings for equipment or facilities technicians shall carry a trial period of up to one-hundred eighty (180) calendar days, the length of which is dependent on the individual's prior experience and the requirements of the position. By mutual agreement between the Employer and Union, trial period extensions may be granted. At the end of this period, the employee must either remain on the new position or return to their old position. After five (5) working days for janitors, if said employee is not making progress toward qualification, the employee may be removed from the position and shall not be allowed to post for that position for a period of one year. After ninety (90) calendar days for equipment or facilities technicians, if said employee is not making progress toward qualification (demonstrate the ability to perform 50% of the position requirements of Tech Level 1), the employee may be removed from the position and shall not be allowed to post for that position for a period of one year. Said employee will have the remainder of their trial period to demonstrate the ability to perform 100% of the position requirements of Tech Level 1.

New Hires: Applicants into the equipment tech position will be required to pass a **technical exam** and will be placed at the appropriate equipment tech wage scale level as determined by the Company. The Company agrees that incumbent equipment techs will be given the opportunity to move up the equipment tech scale. New employees, with the exception of Janitors, shall be considered a probationary employee until the employee has had ninety (90) calendar days continuous service in the Maintenance Department. After this probationary period, the qualified employee's name shall be added to the seniority list with seniority dating from the beginning of said probationary period. The Employer may discharge or terminate the employment of probationary employees without limitations by the terms of this Agreement, and the discharge or termination of employment of probationary employees shall not be subjected to the grievance procedure of this Agreement.

Prior to trying an opening within the Equipment Technician classification, the posted employee will be required to pass **an on-site technical exam**. A Minimum score of 85% will be considered a passing score. Employees who **do not score at least 85%** will be allowed to take the test at the next posting. Those employees who pass the test will not need to test for future postings.

Section 6. Adding Maintenance Staff

- a. When there is a need to add staff to the Maintenance Department (except Equipment Technicians), the following process will apply:
  1. Opportunity for movement will be provided to employees within the Maintenance Department.

2. If no one signs within the department, the opening shall be offered to employees outside the Maintenance department using the Company-wide posting.
  3. If qualified employees are not available internally, the Employer shall hire individuals qualified to fill the opening.
- b. For Equipment Technicians, the following process will apply:
1. Prior to an opening, interested employees will be identified through a Posting of Interest and will be given the opportunity to pass the **on-site technical** test.
  2. Employees who pass this test will be eligible to join the Maintenance Pool. No more than two (2) employees shall be in the pool at one time (If more than two employees qualify for the pool, the employee(s) with highest passing scores will be placed into the pool).
  3. The Maintenance Pool shall carry a twenty (20) working day trial period (working days will not necessarily be consecutive and are not considered part of the 180 calendar day trial period for a posted Equipment Technician opening). An internal/external training plan shall be developed for each Maintenance Pool employee.
  4. After ten (10) working days, if said employee is not demonstrating an aptitude to learn or showing improvement, the employee may be removed from the pool.
  5. When an opening occurs for an Equipment Technician, the maintenance pool employee qualified in the area needed shall be given the opportunity to sign the posting. If there is more than one qualified employee in the pool, the most senior employee will be given the opportunity to sign the posting. However, if the maintenance pool is empty or if a pool employee has not completed their twenty day trial period, the Employer may hire individuals qualified to fill the opening.

#### Section 7. Reallocation within Maintenance

When there is a need to reallocate personnel within the Maintenance Department, the following process will apply:

1. Openings shall be offered to employees within the classification.
2. If no one volunteers, junior employees in the overstaffed classifications shall be bumped to the opening and paid at the appropriate pay level.

#### Section 8. Reduction of personnel within the Maintenance Department

When there is a need to reduce the staffing level within the Maintenance Department, the following process will apply:

1. The Employer shall establish the staffing needs by classification.
2. The junior employee in the overstaffed classification shall be bumped out of the department based on classification seniority and shall replace the junior employee covered by this contract unless an opening is available. (Said employee must return to their tech level/classification when an opening occurs.)
3. Openings that need to be filled as a result of a bump will be filled through the Reallocation process.
4. In the event a layoff reduces the Facilities Technician classification, the Employer has the right to retain one (1) Facilities Technician (boiler certified) for a period of six (6) months.
5. Maintenance employees classified as Equipment Technicians are subject to layoff only in the event the Equipment Technician staffing level is reduced.

Section 9. Bumping

Production employees shall be allowed to bump into maintenance only into the Janitor or Facilities Technician classifications as a result of a company wide layoff.

Section 10. Maintenance Flexibility.

Employees will be responsible for performing additional operations within the department as well as production operations to keep work flowing through the plant. An employee may be transferred by the Employer to another position within the plant or shift during regular and overtime hours.

- Due to unforeseen circumstances, transfers to other departments during overtime hours will be allowed if the other department is working.

Section 11. Maintenance Hours of Work

For the Maintenance Department, the hours of work shall be as follows:

Day Shift:

- **Ten (10) hours Monday through Thursday, or ten (10) hours Tuesday through Friday or such other off-shift schedule as determined by the Employer to ensure coverage (scheduled 10-1/2 hours per shift, including a 30 minute unpaid meal period).**
- Normal hours for this shift are between 5:00 a.m. and 4:00 p.m.
- Mandatory overtime will be worked on the same schedule as the production line(s) or other departments the employee is assigned to works. **The Employer will notify employees who work a Tuesday through Friday schedule of Monday overtime prior to the end of the day shift on the preceding Friday.**

Second Shift:

- 10 hours Monday through Thursday
- Normal hours for this shift are between 3:30 p.m. and 3:00 a.m.
- Mandatory overtime will be worked on the same scheduled as the production line(s) or other departments the employee is assigned to works.

1<sup>st</sup> 8 hour shift:

- 8 hours Monday through Friday
- Normal hours for this shift are from 5:45 a.m. to 1:45 p.m.
- Mandatory overtime will be worked on the same schedule as the production line(s) or other departments the employee is assigned to works.

2<sup>nd</sup> 8 hour shift:

- 8 hours Monday through Friday
- Normal hours for this shift are from 1:45 p.m. to 9:45 p.m.
- Mandatory overtime on the same schedule as the production line(s) or other departments the employee is assigned to works.

3<sup>rd</sup> 8 hour shift:

- 8 hours Sunday through Thursday
- Normal hours for this shift are from 9:45 p.m. to 5:45 a.m.

- Mandatory overtime will be worked on the same schedule as the production line(s) or other departments the employee is assigned to works.

#### Weekend shift (Preventative Maintenance)

- 12 hours Thursday through Saturday
- Normal hours for this shift are from 5:00 AM to 5:30 PM on Thursday, Friday and Saturday.
- Employees on this shift work 36-hours and are eligible for 40-hours of regular pay. If any time is missed on any work day, the extra four hours of pay will be reduced by that day's portion (one hour and 20 minutes) unless hours not worked are due to vacation, holiday, jury duty, court appearance by subpoena, bereavement, company excused due to business conditions or union business absences of less than a full shift.
- For the weekend shift, one (1) ten minute break, two (2) fifteen minute breaks and a 30-minute unpaid lunch shall be provided.
  - Mandatory overtime will be worked prior to the start of the Friday and Saturday shift not to exceed two (2) hours per day.
  - During holiday weeks, employees on this shift shall receive eight hours of pay for each holiday and shall be expected to make up four hours per holiday within the pay period. The schedule for each holiday week shall be determined by mutual agreement between the employees and supervisor.

#### Weekend shift (Support Weekend Production Shift)

- 12 hours Friday through Sunday
- Normal hours for this shift are either from 12:00 p.m. on Friday to 12:30 a.m. on Saturday; and from 10:00 a.m. to 10:30 p.m. on Saturday and Sunday or, 5:00 a.m. to 5:30 p.m. Friday, Saturday and Sunday at the Company's discretion.
  - Employees on this shift work 36-hours and are eligible for 40-hours of regular pay. If any time is missed on any work day, the extra four hours of pay will be reduced by that day's portion (one hour and 20 minutes) unless hours not worked are due to vacation, holiday, jury duty, court appearance by subpoena, bereavement, company excused due to business conditions or union business absences of less than a full shift.
  - For the weekend shift, one (1) ten minute break, two (2) fifteen minute breaks and a 30-minute unpaid lunch shall be provided.
  - Mandatory overtime will be worked prior to the start of the Saturday and Sunday shift not to exceed two (2) hours per day.
  - During holiday weeks, employees on this shift shall receive eight hours of pay for each holiday and shall be expected to make up four hours per holiday within the pay period. The schedule for each holiday week shall be determined by mutual agreement between the employees and supervisor.

#### Section 11. Alternative Work Schedules - Maintenance

Work schedules that need to be different will be worked out between the Union and Employer. Such work schedules will be deemed the employee's normal hours.

#### Section 12. Voluntary Overtime

Voluntary Overtime will be offered to the senior qualified operator within a job classification, shift and plant. (Classification posting date will take precedent)

### Section 13. Emergency Overtime

In the event of an emergency, the Employer shall determine when an emergency occurs and which classifications are needed to address the emergency. The Employer shall contact employees needed to report for Emergency Overtime and pay the employee time and one-half for the emergency overtime hours worked. When an employee is expected to report for work and so reports, the employee shall receive a minimum of four (4) hours work or pay.

### Section 14. On-Call Requirements

Positions that have “on-call” requirements must report when called. When an on-call employee is expected to report for work and so reports, the employee shall receive pay for time at work plus travel time.

### Section 15. Maintenance Wages

The following wage scales incorporate all positions within the Maintenance Department. Each Maintenance Employee’s base pay shall be determined by their Tech level within the classification.

For classifications with multiple tech levels, tech levels within a classification are determined by the employee’s ability to satisfy the following requirements:

Equipment Technician tech levels are based on the Maintenance Key Process Listing and evaluation by the Maintenance Manager, Area Production Supervisor(s), hourly maintenance trainer and a second hourly maintenance employee with knowledge of the area/equipment being evaluated. Performance is documented on the Performance Equipment Evaluation Form.

- All other classifications are based on their ability to perform the Essential Functions outlined by classification on the job description.

Employees within the Equipment Technician classification will be allowed to advance to higher Tech Levels as time and training allows.

Employees in the Maintenance Department will participate in the productivity system with the Manufacturing Employees.

Equipment Technician Wage Scale (Plus the applicable 5% shift premium)

| Equipment Technician | 11/15/24*          | 11/15/25*      | 11/15/26*      | Area 1 | Area 2 | Area 3 |
|----------------------|--------------------|----------------|----------------|--------|--------|--------|
| Increase             | <b>\$.90</b>       | <b>\$.80</b>   | <b>\$.70</b>   |        |        |        |
| New Hire/Bid         | <b>\$26.46</b>     | <b>\$27.26</b> | <b>\$27.96</b> |        |        |        |
| Tech 1               | <b>\$27.06</b>     | <b>\$27.86</b> | <b>\$28.56</b> | Major  |        |        |
| Tech 2               | <b>\$29.07 **</b>  | <b>\$29.87</b> | <b>\$30.57</b> | Major  | Major  |        |
| Tech 3               | <b>\$30.35 ***</b> | <b>\$31.15</b> | <b>\$31.85</b> | Major  | Major  | Major  |
| Lead=+\$1.00         |                    |                |                |        |        |        |

\*\* Reflects Year 1 market adjustment of \$.50/hour

\*\*\* Reflects Year 1 market adjustment of \$1.00/hour

**In addition, a Tech 1 or Tech 2 employee may submit a request for additional cross-training opportunities that would enable the employee to advance to Tech 2 or Tech 3,**

identifying the specific training the employee is seeking. Upon receipt of such a request, the Employer will take the steps necessary to provide additional cross-training opportunities to the employee over the course of the following twelve (12) months. It is understood that the Employer may not be able to grant the specific area of training identified by the employee and may instead prioritize areas of greatest need.

Maintenance Leads must be a minimum of a Tech 3 And shall receive \$1.00 / hour in addition to rates listed above so long as employee maintains a Maintenance lead position.

For Equipment Technicians/Tool Crib Technicians paid at Tech level whose skills do not meet the qualifications of the Tech Level, said employees shall not receive future base pay or scale increase until such time as they meet the qualifications of their Tech level. Qualification is generally good for a period of one year and must be maintained in order to receive future pay increases.

| Facilities Technician | 11/15/2024* | 11/15/2025* | 11/15/2026* | Skill 1 | Skill 2 | Skill 3 |
|-----------------------|-------------|-------------|-------------|---------|---------|---------|
| Increase              | \$.90       | \$.80       | \$.70       |         |         |         |
| New Hire / Bid        | \$25.00     | \$25.80     | \$26.50     | 100%    |         |         |
| Tech 1                | \$25.85     | \$26.65     | \$27.35     | 100%    | 50%     |         |
| Tech 2                | \$26.70     | \$27.50     | \$28.20     | 100%    | 75%     | 50%     |
| Tech 3                | \$27.40     | \$28.20     | \$28.90     | 100%    | 100%    | 100%    |

| Janitor (Prod "C" Scale) | 11/15/2024* | 11/15/2025* | 11/15/2026* |
|--------------------------|-------------|-------------|-------------|
| Increase                 | \$.90       | \$.80       | \$.80       |
| Wage Rate                | \$23.80     | \$24.60     | \$24.60     |

| Mat Handler (Prod "A" Scale) | 11/15/2024* | 11/15/2025* | 11/15/2026* |
|------------------------------|-------------|-------------|-------------|
| Increase                     | \$.90       | \$.80       | \$.70       |
| New Hire                     | \$23.80     | \$24.60     | \$25.30     |
| Upon Qualification "A" Rate  | \$25.05     | \$25.85     | \$26.55     |

| Effective Date | 11/15/2024* | 11/15/2025* | 11/15/2026* |
|----------------|-------------|-------------|-------------|
| Increase       | \$.90       | \$.80       | \$.70       |

\*Effective 1st full pay period **that includes** 11/15.

As of 11/23/02, the Recycling and Transportation positions will no longer be part of the Boot & Shoe bargaining unit.

## ARTICLE VII

### Disciplinary Process

A. Discharge or suspension: The Employer shall not discharge nor suspend any employee without just cause. In implementing discipline, the following steps will be followed:

- Step One: Verbal Warning shall be given in the presence of the Department / Line Steward and recorded as to time and reason.
- Step Two: Written Warning (1) – Recommend employee make an appointment with EAP Coordinator and identify extenuating circumstances that may be contributing to problems.
- Step Three: Written Warning (2) - Recommend employee make an appointment with EAP Coordinator and identify extenuating circumstances that may be contributing to problems.

Step Four: Suspension and / or Discharge.

B. Discipline: The following are examples of Company work rules for which discipline may be imposed. The following are examples only; the list is not all-inclusive:

1. Poor performance based on a “reasonable person” standard. Management will take into account standards, performance of other employees on the same job and the like.
2. Creating unsanitary or unsafe conditions.
3. Proven neglect or carelessness resulting in damage to property.
4. Smoking in prohibited areas.
5. Failure to report all cases of injury within five (5) working days of occurrence.
6. Failure to use safety equipment where supplied or installed.
7. Unauthorized posting or tampering with posted materials.
8. Horseplay, fooling, running, throwing material, **intentionally provoking** other employees by action or word.
9. Dishonesty other than theft or falsification of records.
10. Unauthorized picture taking or recording

Copies of all warning notices will be given to the employee and the union steward and a copy will be retained by the Employer. No discipline issued under the provisions of this Section B shall remain for a period of more than (12) months from the date of the incident giving rise to the discipline.

C. Discipline for Cardinal Rule Violations: The following constitute Cardinal Rules for which the Employer may elect to, but is not required to, impose immediate termination:

- A. Dishonesty by theft or falsification of time records.
- B. Recklessness that results in or which is reasonably likely to result in serious accident while on duty.
- C. Proven and willful destruction of property on the premises.
- D. Refusal to follow an order of supervision in the presence of a steward or Union representative.
- E. Any violation of the “Workplace Violence” policy.
- F. Sleeping during scheduled work time
- G. Violation of safety rules that result in or have the potential to result in death, serious injury or significant property damage (e.g., lock-out/tag-out, fall protection, by-passing safety switches).
- H. Violations of the Harassment, Discrimination and Retaliation Prevention policy.
- I. The use, possession, distribution, or sale of alcohol or illegal drugs anywhere at work, as well as reporting for work or engaging in work under the influence of alcohol or illegal drugs (i.e., violations of the “Drug / Alcohol” policy)
- J. Violation of the “Code of Conduct”
- K. Violation of the “Communication Device” policy

No discipline under the provisions of this Section C shall remain in effect for a period of more than eighteen (18) months from the date of the incident giving rise to the discipline.

D. Investigatory Process:

The Company will normally complete investigations leading to discipline/potential discipline within two (2) weeks from the date that Plant 2 Human Resources is notified of the incident

being investigated. If the Company is unable to complete the investigation within two (2) weeks, it will notify the union of the need to extend the timeline and for what additional period, not to exceed an additional two (2) weeks. Any discipline will normally be issued within one (1) week of the conclusion of the investigation.

If the discharged employee feels unjustly discharged, the employee must take the matter up with the Department / Line Steward within forty-eight (48) hours after discharge and an effort to adjust the matter will be made by the Department / Line Steward and the Business Agent. If no prompt adjustment is made between the Department / Line Steward and the Employer, a grievance claiming unjustified discharge must be filed in writing by the Union with the Employer within seven (7) calendar days of the effective date of the discharge. In the event such written notice is not filed within the specified seven (7) calendar days, the grievance will be deemed to have been waived and it will not be entitled to further consideration and cannot be submitted to arbitration. Any grievance properly filed will be settled according to the procedure established in the grievance procedures of this Agreement.

Any employee found to have been unjustly discharged shall be reinstated without loss of seniority and may be paid for any wage loss suffered by the employee.

An employee's failure to notify his/her supervisor and to clock out prior to leaving the property during work hours (other than lunch, which requires clocking out only) **shall result in a Written 2 Warning provided that the employee has no active discipline at the Written 1 Warning or higher at that time. If the employee does have an active discipline of a Written 1 Warning or higher on record, or if the employee commits the same violation again after receiving the Written 2 Warning, the employee will be deemed to have voluntarily resigned.** If the employee's Supervisor is unavailable, the employee is required to report to another Supervisor or member of management. **Sending a text message to the employee's supervisor is considered proper notification.**

## ARTICLE VIII

### Employee Attendance Policy

Effective 01/01/06, a "no-fault" absence program recognizes the inevitability of occasional absence, and avoids the dilemma of judging which absences are excused and which are unexcused. The no-fault concept disposes of the problem of unequal treatment of employees, supervising inconsistencies, and favoritism.

This attendance policy uses an easy to understand point system. It is designed to insure uniform and equitable treatment based on objective standards. It will provide every employee with clear guidelines to know where he/she stands with regard to attendance at any given time, and to assist in correcting any absentee problem. This is how it works:

1. NEW EMPLOYEES – New employees will start at zero (0) points upon hire.
2. TIME PERIOD - The attendance program is based upon a rolling twelve-month period.
3. POINTS - The following absences will not result in any points being assessed:
  - Vacation
  - Reserve Duty
  - Court Appearance by Subpoena
  - Holidays

- 993 • Absences Excused by Law
- 994 • Contractual Time off
- 995 • Jury Duty
- 996 • Industrial Injury (work comp)
- 997 • Approved leave of absence
- 998 • Company Excused due to lack of work (BC)
- 999

1000 (It is the responsibility of the employee to provide documented proof of any “point-free”  
 1001 absences. Such documentation must be presented to the Human Resources Department or  
 1002 to the supervisor. All other absences not listed will result in one point being assessed for  
 1003 each day missed.)  
 1004

1005 A. ABSENCES WITHOUT PROPER NOTIFICATION - All absences must be reported  
 1006 by the employee no later than one hour after the start of their scheduled work time. If  
 1007 not reported within the first hour, one-half (1/2) point will be assessed. Failure to  
 1008 report an absence any time during their scheduled work time will result in the  
 1009 assessment of two (2) points, one (1) for the absence and one (1) for not properly  
 1010 reporting in.  
 1011

1012 B. ABSENCES, TARDIES AND LEAVING EARLY - Missing work will be assessed  
 1013 points as follows:

- |                                                                |                              |
|----------------------------------------------------------------|------------------------------|
| 1014 • Missing up to one hour                                  | = One-half (1/2) point       |
| 1015 • Missing more than one hour, but less than the whole day | = Three-quarters (3/4) point |
| 1016 • Missing the whole day                                   | = One point (1)              |

1017  
 1018 C. REPORTING TO WORK - Anyone who is absent for more than one (1) day, and/or  
 1019 did not report more than one (1) day of absence must call in every day to report their  
 1020 absences. If the person notifies us the exact time he/she will be off, subsequent calls  
 1021 are not necessary. After a person is on an approved leave of absence, he/she need not  
 1022 call daily.  
 1023

#### 1024 4. CORRECTIVE ACTION / ATTENDANCE RELATED WARNINGS

- 1025 1) An employee who reaches five (5) points in any rolling twelve-month period will  
 1026 receive a Verbal Warning and the attendance policy will be reviewed with him/her.
- 1027 2) Six (6) points in any rolling twelve-month period will result in a Written Warning.
- 1028 3) Seven (7) points in any rolling twelve-month period will receive a 2<sup>nd</sup> Written  
 1029 Warning.
- 1030 4) Eight (8) or more points in any rolling twelve-month period will result in automatic  
 1031 termination.  
 1032

1033 \* Any employee who fails to call in and is absent for 3 consecutive days, will be considered  
 1034 an automatic quit.  
 1035

#### 1036 CALL IN PROCEDURE

1037  
 1038 The employee is responsible and accountable to leave a message or speak with their  
 1039 supervisor if they are going to be late or absent from work.  
 1040

Employees shall call prior to their start time or within one hour after the start of their shift. Failure to call in during the window of time as stated above will result in points assessed per Article VIII 3.A., it will be considered failure to report.

## ARTICLE IX

### Leave of Absence

#### Section 1. Agreement

All leaves of absence must be agreed to by the Employer and the Executive Board of the Union. The Employer may grant a leave of absence WITHOUT pay for up to ninety (90) calendar days provided such original leave and extensions are approved by the Union and the Employer. Should such leaves be granted, the Union and the employee shall be notified in writing by the Employer.

#### Section 2. Military

Leave of absence for an employee who is drafted or enlists in the Armed Forces shall comply with Federal Law. Within thirty (30) days after reinstatement following the military leave, the employee may sign for any position that was open during their leave and the employee's total seniority would entitle them to sign. It will be the joint responsibility of the Department Supervisor and the Department / Line Steward to fully acquaint the returning veteran of the available positions.

#### Section 3. Other Employment

Employees on sick leave who accept employment elsewhere, must present a Doctor's statement to both the Employer and the Union every ninety (90) days, stating they are unable to perform their regular position. Failure to comply with this clause will result in loss of seniority.

#### Section 4. Earned Sick and Safe Time

**Effective January 1, 2025, employees will accrue Earned Sick and Safe Time (ESST) hours at the rate of one hour for every thirty (30) hours worked to a maximum of forty-eight (48) hours per year. ESST hours will be available to employees and administered in accordance with Minnesota law and the Employer's policies, including carryover provisions and maximum accruals.**

- All ESST hours are paid at the employee's then-current regular hourly rate.
- ESST hours do not count as hours worked for purposes of calculating overtime.

**[To assist in the conversion of employees from vacation/personal holiday/no pay options for current ESST utilization to a separate bank of ESST accrued at 1 hour for every 30 hours worked effective January 1, 2025:**

- **From January 1, 2025, through May 31, 2025, for employees on the payroll as of December 31, 2024, the employer will continue to apply its ESST policy as it has since June 1, 2024. For such employees, vacation and personal holidays may not be used for any ESST-qualifying event as of June 1, 2025. Such employees may not use unpaid time for ESST-qualifying events after December 31, 2024.**
- **Beginning February 1, 2025, employees on the payroll as of December 31, 2024, will accrue ESST time at the rate of 1 hour for every 30 hours worked. Such hours will be available for ESST-qualifying events beginning June 1, 2025.**

- **Employees hired on or after January 1, 2025, will accrue ESST at the rate of 1 hour for every 30 hours worked which may be used consistent with the Minnesota ESST statute and may not use any other accrued, paid time for any ESST-qualifying event.]**

## **Section 5. Minnesota Paid Family and Medical Leave**

**The Employer will provide eligible employees with any leave required by federal, state, and local law, including, but not limited to, the Minnesota Pregnancy and Parental Leave Act, parental school leave, military leave, and unpaid medical leave, Employee Sick and Safe Time (ESST) leave, paid family and medical leave. Any leaves will run concurrently to the greatest extent permissible under law.**

**Minnesota Paid Family and Medical Leave (Effective January 1, 2026, or such later date as may be determined by law):**

- a. **Wherever applicable, leaves of absence under the contract which also qualify for time off under the Minnesota Paid Family and Medical Leave Act (MN-PFMLA) will run concurrently with the MN-PFMLA. Employees may not be required to first exhaust accumulated sick, vacation or other forms of paid time off before or while utilizing the Minnesota Paid Family Medical Leave under Minnesota Statute Chapter 268B. The Employer will comply with all mandatory provisions of the MN-PFMLA as amended. Employees eligible for leave under the MN-PFMLA shall be required to follow the Employer's policies and procedures in applying for and taking leave under the Act.**
- b. **Effective January 1, 2026 (or as soon thereafter as the law goes into effect) the Employer will pay fifty percent (50%) of the premiums required by Minnesota Statute § 268B.14, and employees will pay fifty percent (50%) of the premiums through payroll deduction from their wages.**

**The Employer agrees to meet with the union to review and discuss prior to implementing any Employer policy drafted to address processes and procedures to comply with the statute.**

## **ARTICLE X**

### **Hours of Work / Overtime**

**The Company will schedule overtime primarily by department or production line unless it determines the overtime needs to be scheduled by job.**

**Normal working hours:**

**Day Shift: - 10 hours Monday through Thursday, (scheduled 10-1/2 hours per shift, including a 30 minute unpaid meal period)**

- Normal hours for this shift are to be scheduled between 5:00 a.m. and 4:00 p.m.

Mandatory overtime will be worked as follows. Daily for 30 minutes following the shift Monday through Thursday with notification by the end of the previous shift. On Friday morning with a minimum of 4 hours and a maximum of 10 hours. Employees working a Friday overtime shift of eight (8) or more hours will be permitted an unpaid meal period of thirty (30) minutes. Weekly overtime will not exceed twelve (12) hours in total. Overtime shall be paid at time and one-half the employee's regular rate of pay for hours worked in excess of their regular scheduled hours. The Employer will notify employees of Friday overtime prior to the end of day shift on the preceding Wednesday.

- Second Shift:
- 10 hours Monday through Thursday
  - Normal hours for this shift are between 3:30 p.m. and 3:00 a.m.
  - Mandatory overtime will be worked as follows.
    - Daily for one hour prior to and / or one hour following the shift or two hours following the shift Monday through Thursday with notification by the end of the previous scheduled shift. By production line unless needed by department, on Friday afternoon **for four (4) hours** immediately following the completion of the Day Shift overtime schedule with notification by the start of the shift on Wednesday. Upon mutual agreement between the union and employer, the **four (4) hours** referenced above may be scheduled as **eight (8) hours** with a maximum of **52 hours** for the week.

#### Friday Mandatory Overtime:

When a Friday mandatory overtime notice is posted, an employee not wanting to work the scheduled overtime shall have the opportunity to utilize the Overtime Replacement Request process to identify a qualified replacement. Priority will be given to the senior posted qualified employee and then to the senior qualified employee.

Posted employees are defined as employees who have signed a posting for a given position or who have acquired the position per the labor agreement and will be identified as such in the Qualification Database.

(A listing of Qualified Employees by operation is maintained in the Qualification Database. Qualifications are generally good for a period of one year. Annually, employees shall receive a copy of their qualifications and may request copies from the payroll office during the year. Discrepancies on the database may be reviewed on a case-by-case basis.)

- 1<sup>st</sup> 8 hour shift:
- 8 hours Monday through Friday
  - Normal hours for this shift are from 6:00 a.m. to 2:00 p.m.
  - Mandatory overtime will be worked on Saturday. With a minimum of 4 hours and a maximum of 8 hours to be scheduled immediately after the 3rd shift overtime.
- 2<sup>nd</sup> 8 hour shift:
- 8 hours Monday through Friday
  - Normal hours for this shift are from 2:00 p.m. to 10:00 p.m.

- 1185 - Mandatory overtime on Saturday immediately following previous shift,
- 1186 with a minimum of 4 hours and a maximum of 8 hours.
- 1187
- 1188 3<sup>rd</sup> 8 hour shift: - 8 hours Sunday through Thursday
- 1189 - Normal hours for this shift are from 10:00 p.m. to 6:00 a.m.
- 1190 - Mandatory overtime will be worked from 10:00 p.m. on Friday with a
- 1191 minimum of 4 hours and a maximum of 8 hours.
- 1192
- 1193 Weekend shift: - 12 hours Friday through Sunday
- 1194 - Normal hours for this shift are from either 12:00 p.m. on Friday to
- 1195 12:30 a.m. on Saturday; and from 10:00 a.m. to 10:30 p.m. on
- 1196 Saturday and Sunday or, for the cutting department only, 5:00 a.m. to
- 1197 5:30 p.m. Friday, Saturday and Sunday at the Company's discretion.
- 1198
- 1199 - Employees on this shift work 36-hours and are eligible for 40-hours of
- 1200 regular pay. If any time is missed on any work day, the extra four
- 1201 hours of pay will be reduced by that day's portion (one hour and 20
- 1202 minutes) unless hours not worked are due to vacation, holiday, jury
- 1203 duty, court appearance by subpoena, bereavement, company excused
- 1204 due to business conditions or union business absences of less than a full
- 1205 shift.
- 1206 - For the weekend shift, one (1) ten minute break, two (2) fifteen minute
- 1207 breaks and a 30-minute unpaid lunch shall be provided.
- 1208 - Mandatory overtime will be worked prior to the start of the Saturday
- 1209 and Sunday shift not to exceed two (2) hours per day.
- 1210 - During holiday weeks, employees on this shift shall receive eight hours
- 1211 of pay for each holiday and shall be expected to make up four hours per
- 1212 holiday within the pay period. The schedule for each holiday week
- 1213 shall be determined by mutual agreement between the employees and
- 1214 supervisor.
- 1215
- 1216 On Fridays in the cutting department, when there is overlap between incoming day and
- 1217 weekend shifts starting at 5:00 a.m., the Employer agrees that in assigning employees to work
- 1218 areas outside of the department, it will first seek volunteers based on seniority, most to least.
- 1219 If there are an insufficient number of volunteers to fill the positions, then the employer will
- 1220 assign work starting with the least senior. Provided, however, that exceptions to this
- 1221 procedure may be made in order to ensure that production needs are met.
- 1222
- 1223 Scheduled mandatory overtime may be canceled with notification no later than the end of the
- 1224 previous shift or at any time due to an unexpected business interruption.
- 1225
- 1226 Management will make every effort where reasonable to balance the overtime worked
- 1227 between shifts, with the following exceptions: During weeks containing a holiday and during
- 1228 the first 60 calendar days of a new line/department.
- 1229
- 1230 During mandatory Friday overtime, employees on 1<sup>st</sup> shift will be notified by 10:00 a.m. if
- 1231 they are required to cover an absence that was known by the Employer at the start of the 1<sup>st</sup>
- 1232 shift for that day. During mandatory Friday overtime, employees on 2<sup>nd</sup> shift will be notified

by 8:00 p.m. if they are required to cover an absence that was known by the Employer at the start of the 2<sup>nd</sup> shift for that day.

During mandatory daily overtime, for an employee designated to a production line but transferred to another line under Article III, Section 10; said employee shall return to their designated production line for daily mandatory overtime.

For an employee transferred to a production line scheduled to work mandatory overtime; said employee shall not be required to work daily overtime in said production line. In this case, daily mandatory overtime shall be offered to the senior qualified employee in the department and, if no one senior volunteers, the junior qualified employee must work.

Mandatory overtime scheduled as outlined above will be paid at a rate of time and one half for hours worked in excess of the regularly scheduled number of hours for the week. Shift differential will be considered part of the employee's rate when calculating overtime. The following are deemed part of regularly scheduled hours:

- Vacations / Holidays
- Job related illness or injury
- Funeral leave per contract
- Union Business by contract
- Approved S&A (Short Term Disability)
- BC (Business Conditions)

The RWSC Qualification databases shall be utilized to determine qualified employees for overtime purposes. Employees are encouraged to periodically review their qualification records and may request a verification of their qualification status to add an operation to their record.

When mandatory overtime is scheduled in a production line and an employee is absent or unexpectedly absent, if the employee is replaced, the most senior qualified employee in the department / shift who is not scheduled to work overtime shall be offered the overtime. If no one volunteers, junior qualified employee(s) in the department / shift not scheduled must work.

#### Voluntary Overtime:

Voluntary overtime will be so designated and will be paid at a rate of time and one half for hours worked in excess of the employee's regularly scheduled number of hours for that day.

When less than the entire department is needed for voluntary overtime and it is an extension of the shift, the senior qualified operator within the shift/department shall be asked to perform the work.

When voluntary overtime is for the purpose of running a line the following procedures shall apply when recruiting employees:

1. Currently on that line/shift
2. Department/shift
3. Same shift outside the department
4. Other shifts by line
5. Other shift by department

6. Other shifts

When recruiting for voluntary overtime, a sign-up sheet will be utilized to identify qualified employees. When an employee has agreed to work voluntary overtime, the attendance policy applies.

When an employee is required to work on the seventh consecutive day or a holiday, such work shall be compensated at the rate of double time.

Work schedules that need to be different will be worked out between the Union and Employer. Such work schedules will be deemed the employee's normal hours.

Holiday Weeks:

Starting times for Holiday weeks may be up to one hour earlier for all departments/lines.

For weeks with two holidays, the work schedule can be modified to two 12-hour days if agreed upon between the Employer and Union Executive Board.

With safety in mind, employees will not be allowed to work more than sixteen (16) hours within a 24-hour period.

Employees shall not be permitted to work during their lunch period without being paid time and one-half.

When requested by the Union, the Employer shall furnish a listing of all overtime worked and by whom.

The Employer will not schedule overtime, so as to interfere with the regularly scheduled monthly Union meetings more than two times per year not to exceed three in two calendar years and not to be used in consecutive months, unless mutually agreed upon by the Union and the Employer.

When an employee is expected to work and so reports, the employee shall receive a minimum of four (4) hours work at current pay. This, however, does not apply if the failure to provide work is occasioned by reason over which the Employer has no control.

Breaks and Lunch Schedules

Break times for the ten (10) hour shift shall be two (2) ten-minute breaks before lunch and one (1) fifteen-minute break after lunch.

Break times for all twelve-hour shifts shall be one (1) ten-minute break and one (1) fifteen-minute break before lunch and one (1) fifteen-minute break after lunch.

Lunch for the above shifts consist of thirty (30) minutes.

Break times for all eight (8) hour shifts shall be three (3) ten-minute breaks with no lunch scheduled.

When overtime is worked on Friday or Saturday, one (1) ten-minute break shall be provided for every two (2) hours worked.

When overtime is worked Monday through Thursday, in excess of one hour per day, the break schedule shall be adjusted as follows:

- For the dayshift, two ten-minute breaks and one fifteen minute break
- For the nightshift, one ten-minute break and two fifteen minute breaks

All break schedules will be defined by the Employer.

## ARTICLE XI

### Grievance Procedure

Conditions of work can be discussed with Supervisor at any time during work hours.

Any controversies arising out of the interpretation, or adherence to the Articles of this Agreement, shall be settled in the following manner, unless mutually agreed to by both the Union and Employer, **including mutual agreement to extend timelines.**

**Once a grievance has been referred to arbitration, the parties agree to use reasonable efforts to, within forty-five (45) calendar days thereafter, select an arbitrator and agree to a date for the hearing. (Nothing in this section requires that the hearing itself be held within the forty-five (45) calendar date period noted above.)**

Within thirty (30) calendar days after the occurrence of an alleged grievance or dispute the employee or employees involved shall submit the matter in writing, referencing the specific contractual provision(s), policies, past practices or procedures violated, and the Union shall present the written grievance to the Employer or the grievance is deemed waived. If the grievance involves a matter of earnings, then the thirty (30) calendar day period shall begin at the date on which the pay check for the period covering the disputed matter was received. Provided, however, verified paycheck errors related solely to an employee's hourly rate of pay are subject to correction for the twelve (12) month period prior to the date the error is identified.

If the grievance involves a matter of Summary Plan description or like documentation for negotiated insurance plans, then the thirty (30) calendar day period shall begin at the date on which the documentation was received by the Union Executive Board.

If the parties have not met in the time allotted in the following Steps, the grievance will move on to the next step.

Step 1. Grievances should be discussed between the grievant, the steward and the department supervisor within five (5) days. Any agreements arising out of this step will be forwarded to the Union president or designee for sign-off and then the Plant Manager or designee for sign-off before becoming valid. In the event either party does not sign within five (5) days the grievance will proceed to Step 2.

- Step 2. Between representative(s) of the Union and the representative(s) of the Employer within five (5) working days from Step 1. The Employer shall respond in writing within five (5) working days of the Step 2 meeting.
- Step 3. If no settlement is reached, either party could petition for Mediation if mutually agreed upon by both parties within ten (10) working days of the Step 2 written response. If either party does not agree to Mediation, either party could file for Arbitration within five (5) working days following the next regularly scheduled Union Executive Board Meeting. The Union will notify the Employer within five (5) working days of previously referenced Board meeting as to whether they will be filing or dropping the grievance. If Mediation fails to resolve the grievance, either party could petition for Arbitration within ten (10) working days of the Mediation decision.
- Step 4.
- a. If no settlement is reached in the above procedure, the grievance may be referred by either party to arbitration. Upon referral to arbitration, a list of seven (7) arbitrators will be requested from the FMCS.
  - b. The Employer-designated representative(s) and the Union-designated representative(s) shall each have the right, alternately, to strike names from the list until only one name remains thereupon. The party bringing the action shall strike first.
  - c. The Employer and the Union shall each bear the costs of their own representative, witnesses and services. The compensation and expense of the arbitrator shall be borne equally by the Employer and the Union.
  - d. If arbitration is not requested within ten (10) scheduled working days as outlined in Step 3, the grievance shall be considered dropped. The Arbitrator shall not change the substance of this agreement.

## ARTICLE XII

### Miscellaneous

#### Section 1. Union Activity

The Employer agrees to grant the necessary time off without pay to any employee designated by the Union to attend a Labor convention or serve in any capacity on official Union business. Not over one (1) person per one hundred (100) of Union membership shall be granted time off at any one time. The Employer also agrees to consider granting additional employee(s) time off without pay upon request from the Union.

Employees off on official union business shall provide a minimum of forty-eight (48) hours notice to the Employer prior to time off which will provide adequate time to accordingly plan staffing levels. The Business Agent, President and Shop Chairs shall provide reasonable notice to the Employer.

#### Section 2. Individual Bargaining / Bulletin Boards

The Employer agrees not to enter into any contract, written or verbal, with employees individually or collectively, which in any way conflicts with the terms of this Agreement.

The Union shall be granted the use of a minimum of three plant bulletin boards in mutually agreed upon locations.

### Section 3. Shop Committee

The Employer agrees to recognize the Shop Committee selected by employees from their membership. No more than three (3) employees from each department shall be members of the Committee, if the grievance affects only one department. If the grievance affects the plant generally, then there shall be no more than one (1) employee from each department.

### Section 4. Working Conditions

No clause in this Agreement may be understood to imply a lowering of working conditions heretofore existing in the plant.

### Section 5. Lockout / Strike

It is understood and agreed that there shall be no lockouts or strikes by the Employer or the Union during the term of this agreement.

### Section 6. Work Safe

The employees agree to work in a safe and careful manner and try to the best of their ability to avoid accidents.

### Section 7. Union Dues & Activity

Employee's dues may be collected by payroll deductions, provided the Employer receives written authorization to make such deductions from the employee. No Union activities will be carried on during working hours.

### Section 8. Standards

The Employer has the right to establish and implement productivity standards taking into account such things as production and technology efficiencies, yield, staffing and continuous quality improvement. Upon request, the Employer will furnish the Union with copies of pertinent facts about standards on new or changed operations and waste factors. Upon this notification, if the Union disagrees with these standards, the Union and Employer will each designate an individual to conduct a joint standard audit which must be completed within twenty (20) working days of the Union's notification to the Employer of the desire to conduct such audit. If the Union and the Employer do not agree with the results of the joint audit, the Union has the right to file a grievance under Article XI – Grievance Procedure which may proceed up to and including mediation. The new productivity standards as determined by the Employer shall be implemented but will be modified as agreed upon through the mediation process.

### Section 9. Starting Wage

The Employer will pay a starting rate that exceeds the Federal or State government mandated minimum wage.

### Section 10. Funeral Leave

If a death occurs in the employee's family, the following is applicable: (The employee shall be paid for that benefit so long as the deceased is related through a court recognized relationship – IE Loco Parentis)

1477

1478 Step 1. For a death in the immediate family, (Wife, Husband, Son, Daughter, Stepson,  
1479 Stepdaughter, Father, Mother, Brother, Sister, Grandchildren, Father-in-Law,  
1480 Mother-in-Law), shall receive twenty-four (24) hours lost time pay at current  
1481 pay.

1482

1483 Step 2. For others of the family, (Son-in-Law, Daughter-in-Law) up to twenty-four (24)  
1484 hours at current pay and (Stepfather, Stepmother, Grandparents, Great  
1485 Grandparents) up to sixteen (16) hours at current pay shall be granted for loss of  
1486 time if the employee is scheduled to work on any of the days from the day of death  
1487 through the day after the funeral is held.

1488

1489 Step 3. For the death of a brother-in-law or sister-in-law, Spouse's Grandparents, lost  
1490 time will be paid at current pay for the day of the funeral.

1491

#### 1492 Section 11. Jury Duty

1493 An employee being absent on jury duty shall be paid the difference of jury pay and current  
1494 pay lost. It is understood that the employee will report for work at all times if not required to  
1495 be in court.

1496

1497 Night shift employees will be compensated when required to serve jury duty. Actual hours  
1498 served plus travel time can be applied toward actual time missed on shift before and shift  
1499 after. Night shift employees required to report for jury duty shall be excused from work no  
1500 earlier than 10 PM during the shift immediately preceding jury duty. Period of service cannot  
1501 be carried over to the following week.

1502

1503 All employees on jury duty are required to return a completed Jury Duty Log Document to be  
1504 compensated. Jury Duty Log Documents are available in the payroll office.

1505

#### 1506 Section 12. Working Supervisors

1507 Supervisors shall only perform production work to train or assist employees, adjust machines  
1508 or for such things as allowing employees to receive emergency phone calls or attend  
1509 meetings. If a supervisor is working at any other time, the Union Executive Board and the  
1510 Employer shall decide if this was appropriate.

1511

1512 Maintenance Supervisors or Engineering employees will be allowed to work with  
1513 maintenance personnel if needed so long as the maintenance personnel requires help and is  
1514 with the Supervisor or Engineering employee.

#### 1515 Section 13. Political Activity

1516 Political activity provision. Upon request, leaves of absence will be granted without pay for a  
1517 period up to two (2) months to employees who are seeking political office for the campaign  
1518 (before election) with full protection of seniority. Successful candidates (those who are  
1519 actually elected to office) will be allowed up to two (2) years protection of seniority to begin  
1520 on the day of taking office. After this period, the employee will be dropped as an employee  
1521 as a voluntary quit.

1522

#### 1523 Section 14. New Hire Orientation

The Employer agrees to include a Union Representative in the “New Hire Orientation” or provide time thereafter to meet new employees and answer questions whenever a manufacturing employee is involved.

### ARTICLE XIII

#### Vacations

1. There shall be a vacation with pay for all eligible and qualified employees coming under the scope of this Agreement.
2. All employees on the seniority list shall accrue vacation according to the vacation schedule below and receive vacation pay as part of the payroll in which the vacation occurs. New hire employees shall accrue pro-rated vacation based on full months worked during the vacation calendar year (i.e., June 1 – May 31) in which they were hired and shall be eligible to utilize such vacation per the contractual scheduling process upon completion of their sixtieth (60th) day of employment. **Use of Vacation time is based on the employee's scheduled hours; example 8.5-hour schedule uses 8.5 hours of vacation, 10-hour schedule uses 10 hours of vacation.**
3. Employees hired on or before 11/15/15 will have their vacation pay calculated by taking the total previous year's earnings from June 1<sup>st</sup> to June 1<sup>st</sup> multiplied by the percentage above and then divided by the employee's number of vacation hours.

| More than                                                   | Less than | Vacation | *Computed as % of Total Earnings | Dayshift and 8 hour shifts | Second Shift (10 hour) | Weekend Shift (12 hour) |
|-------------------------------------------------------------|-----------|----------|----------------------------------|----------------------------|------------------------|-------------------------|
| New Hire Year of Hire pro-rated based on full months worked | 7 years   | 2 weeks  | 4%                               | 10 days (80 hours)         | 8 days (80 hours)      | 6 days (80 hours)       |
| 7 years                                                     | 15 years  | 3 weeks  | 6%                               | 15 days (120 hours)        | 12 days (120 hours)    | 9 days (120 hours)      |
| 15 years                                                    | 24 years  | 4 weeks  | 8%                               | 20 days (160 hours)        | 16 days (160 hours)    | 12 days (160 hours)     |
| 24 years                                                    | 32 years  | 4 weeks  | 10%                              | 20 days (160 hours)        | 16 days (160 hours)    | 12 days (160 hours)     |
| 32 years                                                    |           | 5 weeks  | 11%                              | 25 days (200 hours)        | 20 days (200 hours)    | 15 days (200 hours)     |

4. Employees hired after 11/15/15 will receive vacation pay at their regular hourly wage rate for all vacation hours.

Effective 06/01/03, any unpaid vacation will be paid after the completion of the vacation year and as part of a normal payroll during June.

The Employer will also pay the employee for unpaid vacation at the time an employee leaves the company. Employees who are laid off may request all unused vacation pay at the time of layoff. If vacation pay is taken at the time of layoff, no vacation days shall be available should the employee be recalled during the vacation year. If vacation pay is not requested at the time of layoff, and the employee is not recalled within the vacation year, the employee will be paid for unpaid vacation after the completion of the vacation year as part of a normal payroll during June. For those employees who retire during the year and to beneficiaries of an employee who dies during that year, an additional payment will be made. That payment will

be calculated by dividing the total amount of vacation pay for the current year by 12 and multiplying by the number of full and partial months worked in the current vacation year. Employees may request Holidays be counted as vacation and receive vacation pay using forms available outside the payroll office.

**5. Annual Vacation Scheduling Process.** During the month of February, employees shall, in seniority order (unless an employee voluntarily defers their selection to a later position in seniority order) and by production line/shift (if employee is designated to a production line) or by department/shift (if employee is not designated to a production line), have the opportunity to lock in one week of vacation for the upcoming vacation year that runs from June 1 to May 31. If an employee is unprepared to select in seniority order, said employee shall be deemed as deferring their selection and should notify their supervisor when they are prepared to make a selection based on the weeks available at the time of selection. No more than 8% (rounded up) of the production line/shift or department/shift, as defined above, shall be allowed to lock in for any given week. Any locked in vacation days shall be recorded and paid as such.

When locking in vacation for a week containing a holiday, employees shall be allowed to lock in the number of work days scheduled during the holiday week. (For example, on a 4-day work schedule with 1 holiday, employees shall be allowed to lock in three days.)

**6. Monthly Vacation Scheduling Process.** During the first full week of each month, based on seniority, the percentage remaining from the Annual Vacation Scheduling up to a total of 8% (rounded up) of the production line / shift (if employee is designated to a production line) or by dept/shift (if the employee is not designated to a production line) may lock in weekly blocks of vacation to be taken during the next four months. Any locked in vacation days shall be recorded and paid as such.

When locking in vacation for a week containing a holiday, employees shall be allowed to lock in the number of work days scheduled during the holiday week. (For example, on a 4-day work schedule with 1 holiday, employees shall be allowed to lock in three days.)

The remaining percentage (up to 8% total (rounded up) unless business circumstances allow more) will be allocated by seniority by production line / shift (if employee is designated to a production line) or by department / shift (if employee is not designated to a production line) provided the employee gives the Employer at least fourteen (14) calendar day's notice. Employees may use vacation in hourly increments **up to and including an entire shift** provided said employee gives a minimum notice of 24 hours and falls within the 8% total.

#### *Interpretation*

- *One week of vacation is dependent on the shift the Employee works. For dayshift and 8-hour shift employees, one week equals 5 days of vacation. For second shift employees, one week equals 4 days of vacation and for weekend shift employees, one week equals three days of vacation, so long as the lock-in period does not exceed two calendar weeks.*
- *Any vacation locked in (approved) will take precedence, regardless of seniority.*
- *If employee is locked in for any vacation prior to mandatory overtime being scheduled – the employee will be excused provided they do not cancel the vacation.*
- *IE weekly block could be Tuesday through Monday.*

## ARTICLE XIV

### Paid Holidays

Each regular employee who has been in the continuous service of the Employer for sixty (60) days preceding a paid holiday shall be paid for each of the following designated holidays as part of a scheduled payroll: Day before Christmas, Christmas Day, New Year's Day, Good Friday, Memorial Day, July 4th, Labor Day, Thanksgiving Day, Day after Thanksgiving, Floating Holiday (a day to be selected by the Employer in agreement with the Union), and Personal Holiday (to be the eleventh paid holiday) to be selected by eligible employees between January 1st and December 31st by seniority with one week (1) notice in writing to be the eleventh paid holiday during the year a sum equal to an eight hour day at current pay.

Previously mentioned holidays will be paid, provided:

- (a) The employee was scheduled to work and would have worked on that day had it not been observed as a holiday.
- (b) No employee shall be paid holiday pay if they miss either the scheduled day preceding or the scheduled day following the observed designated holiday, unless out on S&A or other approved leave.
- (c) In the event a paid holiday falls on a Saturday, or a regularly scheduled day off, the Employer will select the work day preceding or following such holiday, or the holiday itself to be observed as a holiday, thereby qualifying for holiday pay according to other provisions of this contract.
- (d) No holiday pay shall be paid to employees in the armed services or drawing wages under Worker's Compensation Insurance.

Anyone not using the personal holiday will be paid for such on last payroll of each year. All holidays will be counted as eight (8) hour days and be paid as such. **Employees working 4-10 hour shifts will be permitted to use two (2) hours of paid vacation time or unpaid time for the remaining two (2) hours on each holiday.**

## ARTICLE XV

### Termination of Agreement

#### Section 1. End of Agreement

This AGREEMENT shall commence and become effective from the date, hereof, and shall remain in force and effective to November 15, **2027** and from year to year thereafter, unless either party desires to change, amend or abrogate the same. In such case, either party shall give the other sixty (60) days written notice before the expiration of the contract year, of their intention to so change, amend or abrogate during which time both parties shall attempt to arrive at an amicable settlement on proposed changes.

#### Section 2. Signed

IN WITNESS WHEREOF THE EMPLOYER has caused this instrument to be signed and sealed by its proper officers, hereunto duly authorized and the Union has caused this instrument to be signed and sealed by its proper officers, hereunto authorized, the day and year first above written.

## ARTICLE XVI

### Wages

Rates for Production Employees

| 2024 effective 1st full pay period that includes 11/15/24                                                 | B       | A       | AA      |
|-----------------------------------------------------------------------------------------------------------|---------|---------|---------|
| Notes:<br>\$.90/hr increase over 2023 category rates<br>\$.90/hr increase for all "Red Circled" employees | \$23.80 | \$25.05 | \$26.30 |

| 2025 effective 1st full pay period that includes 11/15/25                                                 | B       | A       | AA      |
|-----------------------------------------------------------------------------------------------------------|---------|---------|---------|
| Notes:<br>\$.80/hr increase over 2024 category rates<br>\$.80/hr increase for all "Red Circled" employees | \$24.60 | \$25.85 | \$27.10 |

| 2026 effective 1st full pay period that includes 11/15/26                                                 | B       | A       | AA      |
|-----------------------------------------------------------------------------------------------------------|---------|---------|---------|
| Notes:<br>\$.70/hr increase over 2025 category rates<br>\$.70/hr increase for all "Red Circled" employees | \$25.30 | \$26.55 | \$27.80 |

Notes:

- Employees move to the pay rate associated with their job classification based on qualification. As soon as an employee qualifies to move to A or AA, they are moved to the associated pay rate, regardless of time on job.
- **Employees** receive highest pay rate associated with positions in which they performed work during their shift
- Employees who have accepted a lower classification and the associated rate who later post to a higher classification will retain either their current rate or the rate associated with that higher classification, whichever is higher
- The Company will work with the union to develop a position evaluation tool to validate job classifications.
- The Company will consider union input when making the final determination of job classifications for new or modified positions reasonably using the position evaluation tool.
- Post open positions by line/department and classification with operations listed and key operations highlighted
- New Hires may bid for a higher classification position or a different shift any time up to the maximum number of moves per year.
- Employees who have established a Skill Based Pay rate will maintain that rate or the new "AA" classification rate if the job is also considered a "AA" class position (whichever is higher) as long as they perform that job. In the event the employee voluntarily moves out of the grandfathered Skill Based Pay position, their rate will be adjusted.
- Red circled employees (i.e., employees at a wage rate over the current scale for their job) are eligible for the "AA" \$1.25/hr premium.
- Red circled employees that accept a bid to a class "AA" job may return to the same classification or higher classification job than they had previous to the class "AA" job and be reduced by the "AA" \$1.25/hr premium only.
- Red circled employees that accept a bid into a higher classification job than the classification of the job into which they were originally placed on 11/15/13, may return to the same classification or higher classification job and not incur any reduction in wage rate. If moving to a lower classification job, a wage reduction will apply (1 class lower = \$1.00/hr, 2 classes lower = \$2.00/hr.)
- Non-red circled employees will be paid a the rate of the class in which they are placed based on service.

Part-time and Temporary Employees shall be paid a minimum of

|           |         |
|-----------|---------|
| Part-time | \$12.00 |
| Temporary | \$9.00  |

Night Shift Premium shall be 5%.

**Employees in a lead position will be paid \$1.00 above A pay unless they are AA qualified, in which case they will receive 1.00 over the AA pay rate as long as they maintain their lead position. Red circled leads will receive an additional \$1.25 above their lead rate if they are AA qualified.**

*Interpretation*

- *References to current pay include, employee's base rate plus applicable night shift premium, bi-weekly incentive and lead premium.*

**ARTICLE XVII**

**Incentive Plans**

**Section 1. Purpose**

The purpose of this wage and performance share system is to improve the ability of RWSC to competitively manufacture quality products and deliver products on-time to our customers while providing opportunity for its hourly employees to share the benefits of improved performance.

**First Pass Yield: First full pay period following ratification.**

| <b>First Pass Yield</b> | <b>\$ / Hr</b> |
|-------------------------|----------------|
| <b>Below 95%</b>        | <b>\$0.00</b>  |
| <b>95%</b>              | <b>\$0.068</b> |
| <b>96%</b>              | <b>\$0.136</b> |
| <b>97%</b>              | <b>\$0.204</b> |
| <b>98% or greater</b>   | <b>\$0.272</b> |

1729 **Shoe Return Incentive replaced with new Efficiency Incentive effective first full pay**  
1730 **period following ratification:**  
1731

| 3rd Pay Period post ratification - Nov 15, 2025 |       | Payout \$ |
|-------------------------------------------------|-------|-----------|
|                                                 | 62.0% | 0.0625    |
|                                                 | 65.3% | 0.125     |
|                                                 | 68.7% | 0.25      |
|                                                 | 72.0% | 0.5       |
| Nov 16, 2025 - Nov 15, 2026                     |       | Payout \$ |
|                                                 | 63.0% | 0.0625    |
|                                                 | 66.3% | 0.125     |
|                                                 | 69.7% | 0.25      |
|                                                 | 73.0% | 0.5       |
| Nov 16, 2026 - Nov 15, 2027                     |       | Payout \$ |
|                                                 | 64.0% | 0.0625    |
|                                                 | 67.3% | 0.125     |
|                                                 | 70.7% | 0.25      |
|                                                 | 74.0% | 0.5       |

1732  
1733

**TABLE 1 – Labor Efficiency Hourly Payout by Year**

The union will be eligible to be paid for the efficiency incentive starting the third full pay period following contract ratification, using the prior two full pay periods for incentive calculation.

To be eligible to receive an incentive, a minimum average First Pass Yield (FPY) of 94% must be achieved. If the minimum average FPY is achieved, the average efficiency over 4 weeks or two pay periods will be compared against Table 1.

If the average efficiency exceeds the values shown in Rows 1 - 4 (specific to the proper calendar window), the payout \$ will be added to the normal hourly rate for the subsequent two pay periods.

Any average calculated for the 4 week or two pay period grouping less than the stated percentage for year 1 of 62%, year 2 of 63%, and year 4 of 64% will result in a payout of \$0.00.

Any average calculated for the 4 week or two pay period grouping greater than the stated percentage for year 1 of 72%, year 2 of 73%, and year 3 of 74% will result in a payout capped at \$.50 towards the hourly wage for the following two pay periods.

1734  
1735 Section 2. Annual Incentive Plan

1736  
1737 The Employer shall offer eligible employees an Annual Incentive Plan designed to focus  
1738 efforts on the achievement of objectives that are critical to the success of Red Wing Shoe

Company. The plan year runs from December 1 through November 30. Any Annual Incentive Plan payments shall be paid in January or February following the close of the fiscal year.

Calculation - The Base Incentive Plan compensation amount per employee for the plan year will be based on the scale below. The final Annual Incentive Plan payment shall be calculated at the close of the fiscal year using the following formula:

$\$350.00 \times \text{Corporate Rating} = \text{Annual Incentive Plan.}$  **Increase current \$350 to \$400 beginning next Annual Incentive Plan year December 1, 2024, through November 30, 2025; \$450 for Annual Incentive Plan 12/1/25 through 11/30/26; \$500 for Incentive Plan 12/1/26 through 11/30/27.**

Eligibility - Eligible employees are those members of the bargaining unit employed at year-end. Employees that leave the Employer (voluntarily or involuntarily, except through retirement) before the end of the plan year will not be eligible for any Annual Incentive Plan payments.

New hires will receive a pro-rated Annual Incentive Plan payment based on the number of full months worked during the plan year. Employees hired after September 1 will not be eligible for the Annual Incentive Plan until the following Plan year.

Annual Incentive Plan payments for employees who retire during the fiscal year will be pro-rated based on the number of months worked during the plan year.

Rating Calculations - The Annual Incentive Plan is based on the Corporate Rating.

At the end of the year, a Corporate Rating is determined by the President of RWSC and approved by its Board of Directors. The Corporate Performance Rating has a range of 0 to 1.5. A rating of 0 results in no Annual Incentive Plan payment.

ARTICLE XVIII

Benefits

Benefits as outlined in this section shall become effective on January 1, 2019 and will remain in effect through the expiration date of this agreement or as otherwise agreed upon by the Company and the union. Benefits as outlined in this section in the previous contract dated November 15, **2021** through November 15, **2024** shall remain in effect through December 31, **2027**.

Section 1. Life Insurance Premium.

The Employer agrees to pay 1/3 of the cost for the employee Life Insurance Premium. Employee Life and Accidental Death and Dismemberment coverage is \$25,000. Employees will be eligible to participate on the first (1<sup>st</sup>) of the month following their sixtieth (60<sup>th</sup>) day of employment. Employee (EE) and Employer (ER) monthly costs are as follows which will be administered through payroll deduction:

| Per Month               |
|-------------------------|
| EE/ER                   |
| 67%/33% of renewal rate |

The employee is 100% responsible for the cost of dependent Life Insurance Premium as well as Accidental Death and Dismemberment which is billed and paid directly through the UFCW Health and Welfare plan.

## Section 2. Weekly Income Insurance (S&A)

The Weekly Income Insurance (S&A) premium will be shared equally by the Employer and the employee. Weekly Income Insurance will be paid at 2/3 of an employee's weekly earnings with a maximum of \$450.00 per week for the duration of this agreement. This will be paid for regularly scheduled working days only. Employees will be eligible to participate on the first (1<sup>st</sup>) of the month following their sixtieth (60<sup>th</sup>) day of employment. Employee (EE) and Employer (ER) monthly costs are as follows which will be administered through payroll deduction:

|                                |
|--------------------------------|
| <b>Per Month</b>               |
| <b>EE/ER</b>                   |
| <b>50%/50% of renewal rate</b> |

## Section 3. Dental Insurance Plan

Local 527 members will have Delta Dental PPO Plus Premier as provided through the UFCW Health and Welfare plan. Employees will be eligible to participate on the first (1<sup>st</sup>) of the month following their sixtieth (60<sup>th</sup>) day of employment. Employee (EE) and Employer (ER) monthly costs are as follows which will be administered through payroll deduction:

|                                |
|--------------------------------|
| <b>Per Month</b>               |
| <b>EE/ER</b>                   |
| <b>18%/82% of renewal rate</b> |
| <b>18%/82% of renewal rate</b> |

## Section 4. Health Plan.

Local 527 members will have a Medical PPO Plan as provided through the UFCW Health and Welfare plan (refer to Summary Plan Description – SPD for plan details). For Plan year **2025**, the Employer and Employee contribution rates will be as reflected below. For Plan years **2026 and 2027**, Employer and Employee contributions may each increase up to 5%. Employees enrolled in Single plan will contribute 12% of total premium costs. Employees enrolled in the Family plan will contribute 13% of total premium costs. Any unused portion of these annual percentage premium increases may be rolled over and applied to premium percentage increases for **2026 and 2027**. Employee and Employer premiums will both increase at same rate as overall increase but to no more than the monthly rates reflected below. Any premium increases required beyond these contribution amounts as determined by the Plan Administrator, shall require that the Union and Plan Administrator determine the appropriate means to address the excess costs through either benefit plan design, administrative efficiency, Employee premium increases or a combination thereof. The Union will advise the Employer no less than thirty days prior to Open Enrollment of any changes in plan design and/or Employee premiums. Employees will be eligible to participate on the first (1<sup>st</sup>) of the month following their sixtieth (60<sup>th</sup>) day of employment. Employee (EE) and Employer (ER) months costs are as follows which will be administered through payroll deduction:

|                   | 2025 Per Month      | 2026 Per Month              | 2027 Per Month              |
|-------------------|---------------------|-----------------------------|-----------------------------|
| Coverage Category | EE/ER               | EE/ER                       | EE/ER                       |
| Single            | \$106.96/\$784.44   | TBD based upon renewal rate | TBD based upon renewal rate |
| Family            | \$276.90/\$1,853.00 | TBD based upon renewal rate | TBD based upon renewal rate |

**Section 5. 401(k) Match**

Effective the first full pay period following ratification, the Employer will match fifty percent (50%) of the first four percent (4%) of deferrals on eligible employee 401(k) plan compensation with an annual cap on matching contributions in the amount of \$1,400.00. Subject to the terms of the Red Wing Shoe Company, Inc. 401(k) Profit Sharing Plan.

Employee Contributions will be matched each pay period however they are subject to a 3 year Vesting schedule. Prior Years of Service and current are recognized for purposes of Vesting (1 Vesting Year is reached after 1,000 Hours of Service in a W-2 Calendar Year).

**Section 6. 401(k) Non-elective Employer Contribution**

Effective February 1, 2025, the 2021-24 Section 5 (401k Match) and 2021-24 Section 6 (401k Non-elective Employer Contribution) are replaced with the following:

**401K:**  
On behalf of all Eligible 401(k) Participants, a Non-elective Employer Contribution equal to 2% of eligible annual 401(k) plan compensation will be deposited to your 401(k) account on or before the end of the first calendar quarter of the following year for the previous year and each year thereafter, subject to the allocation conditions below. Employer Non-elective Contributions are subject to 3-year Vesting.

**Allocation conditions:** If you are employed on the last day of the calendar year and completed 1,000 Hours of Service or you will share in the contribution for the year regardless of the amount of service you completed during the calendar year in the year of your death, disability or 401(k) retirement.

In addition, Employer will provide a matching contribution equal to 100% of the first 1% followed by an additional 50% of the next 5% of eligible employee contributions for a total maximum match of 3.5%. Subject to Red Wing Shoe Company, Inc. 401K Profit Sharing plan.

**Employer Matching Contributions are subject to 2-year Vesting.**

**As an example:**  
The employee contributes 6%, the company matches 100% of the first 1% and 50% of the next 5% on top of the annual employer contribution of 2%.

|                                        |              |
|----------------------------------------|--------------|
| Employee                               | 6%           |
| Employer 100% match first 1%           | 1%           |
| Employer 50% match next 5%             | 2 ½%         |
| <u>Employer annual contribution 2%</u> | <u>2%</u>    |
| <b>Total</b>                           | <b>11 ½%</b> |

1875 The following matters are agreed upon between the Union and the Employer outside the contract.

1876

1877 **PAY SCALES:**

1878 Complete set of time work pay scales have been drawn up and agreed to on a separate form.

1879 **NEW EMPLOYEES:**

1880

1881 List of new hires, quits and if re-employed will be furnished monthly by the Employer.

1882

1883 **MISCELLANEOUS:**

1884

1885 Employees will be able to purchase damaged or regular shoes on payroll deduction for themselves or  
1886 members of their immediate family.

1887

1888 The Union stamp will be in all Red Wing shoes manufactured by Union members.

1889

1890 The Employer will work with the Union and/or its representatives to get bids from other insurance  
1891 companies in order to provide the best possible benefits plan for our employees. We will share  
1892 information necessary to get these bids.

1893

1894 The Employer will provide the Union with annual/quarterly employee earnings report each year.

1895

1896 Should any provision of this Agreement be declared illegal by any court of competent jurisdiction,  
1897 such provision shall immediately become null and void, leaving the remainder of the Agreement in  
1898 full force and effect, and the parties shall thereupon seek a substitute provision which is in conformity  
1899 with applicable law.

1900

1901

1902

1903

1904

1905 **DESIGNATED SIGNATURES:**

1906

Signed by:

*Blair Rogahn*

EB1E83B8C4A448E

1909 BLAIR ROGAHN

1910 Sr. HRBP Manager

1911 Red Wing Shoe Company, Inc.

DocuSigned by:

*Ryan Schwoch*

307C894A8D274BA...

1915 RYAN SCHWOCH

1916 Sr Dir Domestic Manufacturing

1917 Red Wing Shoe Company, Inc.

Signed by:

*Joe Kearns*

ABDC63203E1640F...

JOE KEARNS

President, Local 527

United Food and Commerical Workers Union

Signed by:

*Cole Fox*

E2093B8D559644B...

COLE FOX

Secretary-Treasurer, Local 527

United Food and Commerical Workers Union