

Articles of Agreement

between the



**SB Foot Leather Tannery
Union Local 1189**

and the



Red Wing Shoe Company, Inc.

April 1, 2025 – March 31, 2028

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AGREEMENT

THIS AGREEMENT, made as of 4/1/2025 by and between the S. B. FOOT TANNING COMPANY, a Minnesota corporation, having its principal place of business at Red Wing, Minnesota, hereinafter referred to as the "Employer" or "Company", and UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1189 of St. Paul, Minnesota and vicinity, chartered by the United Food and Commercial Workers International Union, AFL-CIO-CLC, hereinafter referred to as the "Union".

WITNESSETH:

Section I - Parties and Purposes

1. It is the intent and purpose of the parties hereto that this Agreement shall promote industrial and economic relations between the Company and its employees and set forth the basic agreement covering rates of pay, hours of work and other conditions of employment to be observed between the parties hereto, and to facilitate the peaceful adjustment of differences that may arise from time to time between the parties and to promote harmony and efficiency, to the end that the Employer, the employee, the Union, the investor and the general public may be mutually benefited.

2. The word "Company" as used herein, shall mean and include the S. B. FOOT TANNING COMPANY, having the management and operation of its tannery in Red Wing, Minnesota, and the word "Employer", as used herein, shall have the same signification.

3. The word "Union", as used herein, shall mean and include, UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1189, of St. Paul, Minnesota and vicinity, chartered by the United Food and Commercial Workers International Union, AFL-CIO-CLC.

4. The word "Employee", as used herein, shall mean and include all employees in the employ of the Company, except office employees, salesmen, technical assistants, supervisors, superintendents, watchmen and guards, and executives.

5. The word "wage" or "wages", as used herein, shall mean and include all compensation of every kind and description paid or agreed to be paid to employees for their labor.

Section II - Recognition and Security

1. The Company recognizes the Union as the sole collective bargaining agency for all its employees covered by the Agreement and will continue such recognition during the life of this contract.

2. The Company agrees that it will retain in its employment only those employees who are and remain members in good standing with the Union, and that it will require all new employees as a condition of employment to become members of the Union within thirty (30) calendar days after hiring date. Employees who tender to the Union initiation fees and dues uniformly required by the Constitution and By-laws of the Union as a condition of acquiring or obtaining membership shall be deemed to have complied with the obligation imposed by this Section.

3. Nothing in this contract shall be construed as taking away the unquestionable and exclusive duty and right of the Employer to manage, develop, and direct its working forces, including the rights to determine qualifications of employees, regulate the method of production and kinds of machinery and apparatus or equipment to be used. The Employer's decisions on all such matters shall be final, provided, however, that the Employer shall at no time engage in practices or adopt rules or regulations that will conflict with this Agreement.

4. The Employer agrees, upon written authorization from such of its employees as are members of the Union, to deduct from each employee's pay, twice in each month, the prescribed dues of the Union and to remit immediately upon demand to the duly designated office of the Union. A maximum of two (2) months' dues will be withheld in the event no withholding was made during the preceding month.

5. Employer and Union agree not to discriminate against any 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. No employee shall be discriminated against because of Union activities, nor shall a member of the Union be discharged for Union activities. No Union activities shall be carried on in the plant on Company time.

6. The Employer agrees to provide adequate, designated bulletin board space for use by the Union for notices of meetings, union events and similar communications with its members. It is not the intent of the parties that the bulletin board be used to post material detrimental to the labor-management relationship or for advancing partisan political positions.

Section III - Wages

1. It is agreed that the schedule of wage rates appearing in Appendix A shall be the rates paid to all non-probationary and fully qualified employees. For all jobs, the training rate for non-probationary employees, shall be 85% of the regular rate until qualified at which time the employee will be paid at 100% of the rate. Employees will remain at current rate of pay until qualified on new position. For all jobs, the training rate for new hire probationary employees shall be the Pool rate for the entire duration of the probationary period. New hire employees shall be paid at 100% of the rate for the job for which they are qualified but not less than the Pool rate. For all jobs, the training rate for new hire probationary employees shall be the Pool rate for the entire duration of the probationary period. New hire probationary employees shall be paid at 100% of the rate for the job for which they are assigned and qualified after the probationary period but not less than the Pool rate.

2. All workers employed on the second (2nd) and third (3rd) shift shall receive shift premium of seventy-five (75) cents per hour in addition to their regular hourly rate. For purposes of payment of shift premium, employees working on shifts with regular starting times of 5:00 a.m., or later, shall be first shift, regular starting times of 1:00 p.m. or later, shall be second shift, and regular starting times of 8:30 p.m. or later, shall be third shift.

3. Assigned rate shall be paid for time spent in meetings called by the Company for information purposes not related to Union business and for work on the Company's annual inventory.

4. The principle of equal pay for equal work shall prevail. Compliance with job descriptions and standards shall determine the equality of work.

94 5. Any employee assigned to a job who may be transferred to other work for reasons of benefit to the
95 Company shall receive his assigned rate, or his earnings on the job to which he is transferred, whichever is
96 greater. In addition, such employee is to be paid any shift premium lost because of the transfer.

97

98 6. Any employee who sustains an injury while working which requires professional medical attention shall
99 receive his assigned rate for his normal work hours lost in order to obtain medical attention on the day of the
100 injury. If the doctor gives the employee a written statement telling the employee not to return to work that
101 day, the employee will be paid his assigned rate for the remainder of his shift.

102

103 7. Any employee working on a job or position that is permanently discontinued, or any employee displaced
104 because the person whose job or position was permanently discontinued exercised seniority rights, shall
105 receive the rate for the job he moves into. If such rate is less than his former earnings, the employee whose
106 job or position was permanently discontinued shall receive the rate of the job eliminated for up to three (3)
107 months, and any employee displaced because the person whose job or position was permanently discontinued
108 exercised seniority rights, shall receive the rate of the job bumped from for up to one (1) month.

109

110 8. Effective June 30, 2022, and thereafter, all employees upon their eighth (8th) year working anniversary
111 shall be move to the tier one (1) wage scale in Appendix A. This shall be effective the first full pay period
112 following their eighth (8th) year anniversary.

113

114 9. The following increases shall be added to the wage scales in Appendices A and B.

115

116 Yr. 1: \$.90 effective first full pay period that includes 4/1/2025

117 Yr. 2: \$.80 effective first full pay period following 4/1/2026

118 Yr. 3: \$.70 effective first full pay period following 4/1/2027

119

120 10. In addition to the above increases, on the first full pay period following ratification of this 2022 through
121 2025 agreement, the Color Mill Operator classification will be increased \$.50 per hour over the current Class
122 VII rate. On the first full pay period following March 31, 2025, the Color Mill Operator classification will
123 be increased another \$.50 per hour.

124

125 **Section IV - Hours and Overtime**

126

127 1. The workweek shall not exceed forty (40) hours per week, consisting of five (5) days of eight (8) hours
128 each. It is agreed that the regular workweek shall begin on Monday.

129

130 2. The Company may decide to work a schedule of four days, or less, per week. The Company has the right
131 to work two four-day weeks, as a minimum, annually. In addition, for each year that the Company does not
132 work any such four-day weeks, two such weeks shall be carried forward to the next year, or years. No more
133 than four such weeks may be carried forward in total and, therefore, such schedule shall not exceed six weeks
134 in any calendar year. This shall not be construed as a guarantee of forty hours per week, nor shall it be
135 construed as limiting the Company's exclusive right to decide to discontinue work for a full week or longer.
136 This further recognizes that the nature of the process is such that a discontinuance of work for a full week or
137 longer does not mean that each department can be closed during a calendar week or weeks, but rather that
138 work shall not be stopped for less than five consecutive days.

139

140 3. Except as otherwise provided herein, all times worked in excess of eight (8) hours per day or forty (40)
141 hours in any one (1) week shall be paid for at one and one half (1-1/2) times the regular hourly rate. No
142 employees shall receive hourly overtime and weekly overtime for the same overtime hours.

- 143
144 4. One and one half (1-1/2) times the regular hourly rate shall be paid for all hours worked on any Saturday
145 shift as defined in paragraph 6 of this Section.
146
- 147 5. Except as herein otherwise provided, work done on any Sunday shift as defined in paragraph 6 of this
148 Section, shall be paid for at two (2) times the regular rate.
149
- 150 6. It is agreed that all work regularly beginning between 8:00 p.m. Friday and 7:59 p.m. Saturday shall be
151 considered Saturday work. It is agreed that all work regularly beginning between 8:00 p.m. Saturday and
152 7:59 p.m. Sunday shall be considered Sunday work. All third shift work regularly beginning 8:00 p.m., and
153 after, on a Sunday, is to be considered Monday work and the same pattern will follow for each day of the
154 week. Overtime, as has been the case, does not change an employee's regular beginning time. For the purpose
155 of this section, legal holidays shall be considered the same as Sundays.
156
- 157 7. No employee shall at any time punch any card other than their own.
158
- 159 8. No employee may clock-in more than fifteen (15) minutes before their scheduled starting time, or clock-
160 out later than twenty (20) minutes after end of scheduled shift.
161
- 162 9. Employees must be at their place of work when starting time commences, both at the beginning of the
163 day's work and after lunch periods. In the same manner, employees shall remain at their place of work until
164 lunch periods begin, or until they have completed their day's work.
165
- 166 10. Employees shall not refuse to work overtime in their department, provided the Company gives notice of
167 its desire for overtime work the day previous.
168
- 169 A. Provided further, that in no case shall employees be required to work more than forty-eight (48) hours
170 in any week with the exception noted in subparagraph D below. In the event the Company has failed to give
171 notice the previous day of its desire for overtime work, a refusal on the part of any employee to work overtime
172 shall be no cause for discipline or for discharge.
173
- 174 B. The Company will try to notify employees by the end of the first shift on Wednesday if work is to be
175 required on the following Saturday. If the Company gives an employee proper notice of Saturday overtime
176 work, and if that overtime would result in the employee working more than forty-eight (48) hours in that
177 week, the employee must work the overtime unless he notifies his supervisor by the end of the work shift on
178 Thursday of his desire to work no more than forty-eight (48) hours during the work week. Third shift
179 employees must make their intentions known by the end of the work shift on Friday.
180
- 181 C. If the Company gives an employee proper notice of overtime work, and if that overtime would result
182 in the employee working more than forty-eight (48) hours before Saturday, the employee must notify their
183 supervisor by the end of the work shift on Wednesday of their desire to work more than forty-eight (48) hours
184 during the work week.
185
- 186 D. Employees, by department, may be required to work an accelerated work week of over forty-eight (48)
187 hours and up to fifty-two (52) hours in a week for up to thirteen (13) weeks per calendar year. This will be
188 tracked by department, not by employee. Accordingly, if an individual employee has transferred to another
189 department during a calendar year, it is possible that employee may be required to work more than forty-
190 eight (48) hours, not to exceed fifty-two (52) hours, in more than thirteen (13) weeks during a calendar year.
191 When the Company chooses to schedule an accelerated work week, all required work hours will be scheduled

192 Monday through Friday during such week. Voluntary overtime may still be worked on a Saturday or Sunday
193 during such week. If all overtime in a department during any week is voluntary, this does not qualify as
194 having used one of the thirteen (13) accelerated weeks. The Company agrees that once a week is officially
195 declared an accelerated week, it shall remain so and be used as one of the thirteen (13) accelerated weeks.
196

197 11. When there is daily overtime on a job including to cover for the unplanned absence of an employee
198 scheduled to work required overtime on that job or voluntary overtime:
199

200 A. Employees who have accepted a new bid job but who are not yet qualified (i.e., still training) shall be
201 scheduled for overtime based upon the bid job that they last held for a maximum of six (6) weeks from the
202 date the job was accepted.
203

204 B. The employees that are assigned to that job shall be asked first to work the overtime in accordance with
205 their plant seniority. As the Vacation Reliever replaces a vacationer, he assumes the position and seniority
206 of the employee he is replacing, as of the time the vacationer leaves, for purposes of daily or weekly overtime
207 schedules on that job.
208

209 C. Then the rest of the qualified employees assigned to a job in the department where the overtime occurs
210 shall be asked to work the overtime in accordance with their plant seniority. Vacation Relievers shall be
211 considered assigned to the department that the vacationer they are scheduled to replace is assigned to. If a
212 vacation reliever is not replacing anyone, he shall have overtime rights ahead of Floor hands in the
213 department in which they are working for the day, if they have more plant seniority.
214

215 D. Then any unassigned qualified employees working in the department where the overtime occurs shall
216 be asked to work the overtime in accordance with their plant seniority.
217

218 E. Then any other unassigned qualified employees will be asked to work the overtime in accordance with
219 their plant seniority.
220

221 F. If not able to fill the required overtime using A-D, the least senior qualified employee that will not
222 exceed forty-eight (48) hours in a regular work week or fifty-two (52) hours in an accelerated work week as
223 a result of working the overtime will be forced to work the overtime.
224

225 G. If an employee is off work due to illness and would like to work overtime the next day, the employee
226 must let his supervisor know at least one (1) hour before the end of his scheduled workday that he wants to
227 be asked to work next day overtime.
228

229 12. A. If overtime is worked at the end of the second shift on a Friday, the work shall be considered
230 Saturday overtime if the overtime extends for four (4) hours or more. Anything less will be considered daily
231 overtime and will be administered that way. The same system would be used if overtime occurred at the end
232 of the second shift on a Saturday.
233

234 B. If overtime is worked before the beginning of the third shift on a Sunday evening, the work shall be
235 considered Sunday overtime if the overtime extends for four (4) hours or more. Anything less will be
236 considered daily overtime and will be administered that way.
237

238 13. When there is Saturday or Sunday overtime follow the provisions of Paragraphs 10(A), 10(B), and 10(D)
239 of Section IV of this agreement first. Whenever Saturday or Sunday overtime occurs under the provisions
240 of 10D of Section IV, the Company will post a list of jobs (known at that time and which are available for

241 work) by the end of the first shift on Thursday. Employees must sign and accept the work to be eligible.
242 Other work which becomes known to the Company on the Friday or Saturday will be filled with employees
243 according to the contractual provisions.
244

245 General clean up and general work shall be considered as belonging to the employees of the department
246 where the work occurs. Paragraph 10(B) and 10(D) shall be followed for that type of work. If shift work is
247 involved, and there is no work for the employee on their regular shift, the assigned employee is entitled to
248 work overtime on a different shift. In order to do so, the employee must have more seniority and must replace
249 the least senior employee on a shift that the employee is available for. (In the process of exercising for work,
250 there may be cases where a more senior employee does not get the overtime due to an employee being
251 unavailable to work a particular shift.)
252

253 In the event an employee reports for work on any workday and they have not been notified the previous
254 workday not to report for work, the Company shall have the following two choices:
255

- 256 a) send the employee home and pay the employee for four (4) hours at the employee's prevailing base rate
257 or,
258 b) guarantee such employee eight (8) hours reasonable work in some department of the plant at the rate of
259 pay for the type of employment provided. If such employee volunteers to go home any time before having
260 worked all of their guaranteed eight (8) hours reasonable work, the time not worked will be unpaid. For
261 purposes of this paragraph, an employee must accept reasonable work.
262

263 There is no requirement to provide pay or work, as detailed above, if no work is available due to a major
264 utility breakdown or other events or circumstances beyond the control of the company (e.g., natural disasters,
265 outbreak of hostilities, cyber attacks). If feasible, the Company will make an attempt to contact employees
266 to notify them that no work is available. In addition, the Company shall not be required to provide pay or
267 work for such employees laid off or disciplined. For purposes of this paragraph, an employee must accept
268 reasonable work.
269

270 14. Maintenance Engineers called in for short repair or emergency jobs shall receive a minimum of three
271 (3) hours pay at their base rate. For Maintenance Engineers who have worked at least eight (8) hours on the
272 day they are called in, or if called in on a Saturday, Sunday or holiday, the minimum referred to above shall
273 be paid at appropriate overtime rates of pay as outlined in Section IV of this agreement.
274

275 **Section V - Paid Holidays**

276

277 1. A. All employees covered by this Agreement who have been employees for longer than thirty (30) calendar
278 days shall be paid for the following eleven (11) holidays not worked, regardless of the day of the week on
279 which said holidays fall; basis of payment shall be eight (8) hours pay at the employees' assigned rate: New
280 Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Friday after
281 Thanksgiving, December 24, Christmas, December 31 and one floating holiday. Miscellaneous pool
282 employees shall be paid the rate of the job they spent the majority of their time on the day before the holiday.
283 If their time the day before the holiday was divided equally between two or more jobs, they will receive the
284 rate of the highest paying job. The date for the following year's floating holiday shall be determined not later
285 than October 15 of each year by mutual agreement between the Company and Union. If no agreement is
286 reached, the Company will present three alternative dates, from which the Union will choose the date for the
287 floating holiday. In the event the Company's operational shut down falls within the week of the Union's
288 selected floating holiday, the Union has the option of selecting a different floating holiday provided the Union

289 makes the selection within seven calendar days of notification. Hours worked on any of the holidays named
290 above shall be paid at two (2) times the employer's regular rate of pay.

291

292 B. If a paid holiday falls on Saturday, it will be celebrated on the preceding Friday. If a paid holiday falls
293 on Sunday, it will be celebrated on the following Monday. If paid holidays fall on a consecutive Friday and
294 Saturday, the Saturday holiday will be celebrated on the preceding Thursday. If paid holidays fall on a
295 consecutive Sunday and Monday, the Sunday holiday will be celebrated on the following Tuesday. Employer
296 and Local 1189 shall have the authority to change dates of celebration of paid holidays upon mutual
297 agreement. Employer and Local 1189 shall also have the authority to change vacation shutdown days, upon
298 mutual agreement, in order to coordinate with holidays.

299

300 C. The July 4th holiday shall be scheduled as follows: The Company will give a day off for the 4th of
301 July holiday at a different time. All employees working in departments which come before the Drying
302 Department in the process will celebrate their holiday on the Friday before vacation shutdown. In the event
303 a Maintenance Engineer works on a scheduled holiday during a plant shutdown, he/she will have the option
304 to receive the applicable holiday pay for the day in addition to hours worked or schedule an alternative day
305 off in lieu of receiving holiday pay to be scheduled in the same manner as one day at a time vacation
306 (alternative day cannot be carried over or paid out).

307

308 All employees working in the Drying Department or after in the process will celebrate their holiday on
309 the Monday following vacation shutdown. All employees will be paid for the holiday on the same pay period
310 which may be prior to observance of the holiday for some departments. Those employees who are working
311 during the vacation shutdown will get time off for the 4th of July holiday in the same manner as employees
312 do for other holidays. If there is no vacation shutdown, all employees will get time off for the 4th of July
313 holiday in the same manner as employees do for other holidays.

314

315 D. Effective 1/1/01, in the event a paid holiday falls within an employee's chosen week of vacation, an
316 employee will only be required to use vacation hours to total 40 hours. i.e., 16 hours holiday and 24 hours
317 vacation. Thanksgiving week is different; employees will be paid for the holidays and be required to use 40
318 hours vacation.

319

320 2. Holiday hours paid but not worked shall not be used for the computation of overtime.

321

322 3. Any employee, covered by this Agreement, who does not work every hour of both the regularly scheduled
323 work-day immediately preceding the holiday and the regularly scheduled work-day immediately following
324 the holiday, shall not be paid for such holiday unless excused by the Plant Manager for good reasons. In case
325 of lay-off, holiday pay will be paid if the lay-off occurs within four (4) weeks prior to the holiday. In cases
326 of non-compensable injury or illness, holiday pay will be paid by the Short-Term Disability program for any
327 holidays while off for a qualifying Short Term Disability event. In case of leave of absence, no holiday pay
328 will be paid.

329

330 4. All monies due the employees for paid holidays shall be paid on the next full payroll following the holiday.

331

332 **Section VI - Seniority**

333

334 1. With the exceptions herein provided for, plant seniority shall be followed for all employees, subject to
335 ability, fitness and qualifications as determined by the Company. Plant seniority shall be defined as total
336 continuous service with the Company.

337

338 2. Any employee, except Maintenance Engineers, who has completed ninety (90) calendar days of service
339 with the Company, shall be considered a regular employee. Maintenance Engineers who have completed one
340 hundred and eighty (180) calendar days of service with the Company shall be considered a regular employee.
341 During said probationary period of ninety (90) or one hundred and eighty (180) calendar days, respectively,
342 the services of such employee can be discontinued by the Company without consideration of seniority and
343 without the Company's action in respect to such employee being the subject of a grievance. In the event a
344 lay-off is imminent, the Company shall first lay off all employees who have not accumulated ninety (90)
345 days of service with the Company. All benefits, except health and dental insurance, shall become effective
346 on the sixtieth (60th) day of employment. Health and dental insurance benefits shall become effective on the
347 first day of the month following the sixtieth (60th) day of employment.

348

349 3. An employee shall become an assigned employee when he has been selected and qualified for a job under
350 the provisions for job posting in paragraph 13. He shall revert to an unassigned status if he chooses to refrain
351 from exercising his seniority rights when eligible to do so, signs off from a job, or is removed from a job. As
352 between unassigned employees, the employer will engage in reasonable efforts to recognize length of service
353 when doing so will not impact production, training or operations.

354

355 4. An assigned employee may exercise his seniority as follows; however, nothing in this paragraph shall
356 prevent the employer from exercising its right to direct its working forces per Section II of this CBA including
357 but not limited to transferring an employee to another position on their shift during regular hours, based on
358 department seniority, if that employee is determined to be qualified. If no one in the department is qualified,
359 then plant seniority shall be used to determine who will be transferred to the other position if there are no
360 volunteers.

361

362 A. If he is without work on his regular job within four (4) hours of the start of his regular shift, he may
363 exercise his plant seniority to claim any job in his department on the same shift that he is qualified to perform.

364

365 B. If an assigned employee is notified before the start of his normal shift that there will be no work on his
366 regular job, the employee must exercise for work in his own department if there is a less senior employee
367 working on a job which the exercising employee is qualified to do. The employee may exercise his plant
368 seniority to claim any job in his department that he is qualified to perform by replacing the employee with
369 the least plant seniority in that job. If exercising for more than the remainder of the shift, the following day
370 the employee must go to the shift with the least senior employee on a job to be determined through the above
371 stated procedure.

372

373 C. If displaced from his department, an assigned employee may exercise his plant seniority to claim any
374 job that he is qualified to perform by replacing the employee with the least plant seniority in that job.

375

376 D. An employee, who exercises his plant seniority to claim a job under the provision of paragraphs 4 (A),
377 4 (B), 4 (C) or 5, shall return to his assigned job when it reopens, or to any other job which he subsequently
378 claimed which reopens. A job shall be considered as having reopened if a vacancy occurs for any reason
379 during the twelve (12) month period from the date the employee exercised to claim a job.

380

381 E. Employees may not exercise onto Posting of Interest jobs, except under the provisions of paragraph 5
382 of this section.

383

384 5. A. When an employee is being temporarily laid off (90 calendar days or less) and there are other employees
385 with less plant seniority still at work, the employee to be laid off shall have the right to replace the employee
386 with the least plant seniority, and shall be given a reasonable opportunity to try out on the job to prove his

387 qualifications. An employee may replace another employee who is assigned to the following jobs only if
388 fully qualified without need for further training: Color Mill Operator, Finish Mixer, Pre-Mixer, Semi-Truck
389 Driver, Dye Weigher, Whole Side Shaver Operator, Posting of Interest jobs, or any other jobs with similar
390 training periods that are established after the effective date of this paragraph.

391
392 B. In the event of an actual lay-off that is anticipated to exceed 90 calendar days, the Employee will notify
393 the Union as soon as practicable. Upon request of the Union the parties will discuss the implementation or
394 effect of any layoffs. When an employee is being laid-off and there are other employees with less plant
395 seniority still at work, the employee to be laid-off shall have the right to replace the employee with the
396 least plant seniority and shall be given a reasonable opportunity to try out on the job to prove his
397 qualifications. An employee may replace another employee who is assigned to the following jobs only if
398 fully qualified without the need for further training: All Posting of Interest jobs.

399
400 C. As an alternative to a reduction of hours or layoff, the Employer may first offer the opportunity to
401 voluntarily take furlough without pay for up to ninety (90) calendar days. Any employee who takes a
402 furlough shall be able to take such leave and the Employer will continue to pay the Employer's portion of
403 all benefits. The Employer will not permanently fill the volunteer's position. The voluntary furlough will
404 be offered by seniority within the affected job classification by asking the most senior employee first.

405
406 6. An assigned employee who runs out of work on his job after the start of his shift may replace an unassigned
407 employee or assigned Floor hand within the same department for the balance of the shift, provided that he
408 has more plant seniority than the unassigned employee or assigned Floor hand.

409
410 7. A. All employees either eliminated or exercised on in accordance with paragraph 7 shall be notified in
411 writing of the effective date.

412 B. When the Company determines that a job, a position, or an entire operation, has been permanently
413 discontinued, the assigned employee who is displaced, and any other employee who is displaced as the result,
414 may exercise his plant seniority for any job (bump least senior employee in that job on any shift) with the
415 exception that follows, and that job shall become his permanent job. The employee shall be given up to ten
416 (10) working days to prove his qualifications to the satisfaction of the Company. An employee, who has
417 previously tried a job within the past year and has been disqualified by management, shall be considered as
418 already having had a chance to "prove his qualifications." As a result, such employee shall not be allowed to
419 exercise his plant seniority for that particular job. That employee will be allowed five (5) working days to
420 exercise his plant seniority to obtain a permanent job before being placed in the pool. If the employee chooses
421 to refrain from exercising his plant seniority to obtain a permanent job, he will be placed in the pool.

422
423 8. A. In the event a job which was permanently discontinued should reopen for any reason within twelve (12)
424 months of being discontinued, the employee who was displaced from the discontinued job shall have the
425 option to return to it. If the employee decides to return to the reopened job, then all affected employees that
426 had been exercised upon shall have the option to return to their jobs. All employees must advise the Company
427 of their decision immediately, and the job they vacate shall be filled by posting.

428
429 B. In the event the employee signs and accepts a job posting within the 12-month period, that employee
430 will not have the right to return to the discontinued job if it should reopen.

431
432 9. If an employee chooses to exercise their seniority to obtain a job, they must do so upon becoming eligible
433 and must be qualified, as determined by the Company (with simple verbal instructions) to perform the job at
434 the time they exercise their seniority.

436 10. It is specifically understood that all work in process in the Splitting, Coloring and Drying Departments
437 shall be completed by the regular employees on the jobs in such departments in the event of a discontinuance
438 of work.

439

440 11. An employee shall lose seniority for the following reasons:

441 A. Voluntary quit.

442 B. Discharge for proper cause.

443 C. Failure to report for work within five working days after being recalled from lay-off.

444

445 A certified recall letter to the employee's last known address appearing in the Company records which is
446 returned undeliverable shall be determined a voluntary quit. When laying off an employee, the Company
447 shall stress the importance of an employee keeping the Company informed of the employee's correct address
448 and telephone number. At least twice per year the Company shall post a notice, for a period of one week,
449 stressing the importance of making prompt address and telephone changes. The Company agrees to give
450 special consideration to those with extenuating circumstances, beyond the employee's control, which made
451 it impossible for the employee to report for work or contact the Company.

452 D. Overstaying a leave of absence without permission of the Company.

453 E. Being off work because of lay-off for 12 consecutive months.

454 F. Absence from work for 3 consecutive days without reporting in.

455 G. Being off work for any reason for 24 consecutive months.

456

457 12. The Company may grant a leave of absence to any employee, and such leave shall be evidenced in
458 writing and signed by the Company, a copy of such leave shall be furnished to the Union. In no case shall
459 such leave be granted for more than ninety (90) calendar days at one time. Group insurance coverage shall
460 continue in effect during leave of absence. However, the employee will be responsible for premium sharing
461 of insurance benefits during a leave of absence.

462

463 13. A. Any employee may apply for job openings which shall be posted by a notice on the plant bulletin
464 boards for a period of 5 working days, with a copy provided to the Local Union, except in cases of new
465 equipment where the job is filled by seniority from those performing the same operation. Employees
466 previously disqualified from a job may rebid for such job after three (3) years if they have no active discipline.
467 Subject to ability, fitness, and qualifications, the Company shall fill the vacancy by selecting the employee
468 from the list of applicants who has the greatest plant seniority. Employees shall have a five (5) consecutive
469 working day trial period. If there is any question as to whether or not an employee is qualified, then such
470 employee shall be given a reasonable opportunity to try out on the job to prove his qualifications. Once an
471 employee who is not qualified accepts a job, said employee cannot return to his vacated job. If an employee
472 is previously qualified and wants the job, the employee will have one (1) working day on the job to accept
473 the job. Once the job is accepted, the employee cannot return to his vacated job. The vacated job will be
474 posted at a minimum of five (5) working days after the employee moves to the new job.

475

476 B. A job posting to fill the vacancy created by an employee transferring to another job through the above
477 procedure shall be posted by the Company upon said transfer with the following exception. A job posting to
478 fill the job of an employee who is trying the job of Color Mill Operator, Sample Mill Operator, Spray
479 Machine Mixer, Semi-Truck Driver, Dye Weigher, Whole Side Shaver Operator, Finish Mixer, or any other
480 jobs with similar training periods that are established after the effective date of this paragraph, shall not be
481 posted by the Company until fifteen (15) days after said transfer. If he is disqualified from the job by the
482 Company within thirty (30) days of transfer, he shall return to his former job. Any employee applying for
483 job openings shall retain his overtime rights on the job he is vacating until the day his job opening is removed
484 from the bulletin board.

485

486 C. In the event an employee has gone 90 calendar days without being moved into his new job, beginning
487 on the 91st day, such employee will receive the rate of the new job, or the job he is currently performing,
488 whichever is higher. Immediately following the 91st day, the Company agrees to communicate with the
489 Union, meet, discuss, and commit to a date to move the Employee to the new job. In such instance, no
490 Employee shall be required to remain on the job they bid out of for more than 30 additional days.

491

492 D. An employee may not be the top signer on more than two (2) job postings at the same time. If an
493 employee is top signer on two (2) postings, the employee must make a decision as to which posting the
494 employee wishes to pursue after trying out one of the jobs for five (5) working days.

495

496 E. An employee is limited to five (5), the number of times in a calendar year that he may bid on a job, have
497 the greatest plant seniority, and not be assigned to that job. After the fifth time, the employee will not be
498 allowed to sign a posting until the beginning of the next calendar year. The previous two sentences shall not
499 apply to those employees whose names are signed to postings by Stewards in accordance with paragraph 14
500 of this section. Employees can only bid and be assigned to job postings three (3) times per calendar year.
501 Employees will not be eligible to sign another posting until the beginning of the next calendar year.

502

503 F. Openings for Production Leads, Vacation Relievers, Shipping Clerks, Sample Mill Operators, Sample
504 Finishing Operators, and Leather Sorters shall be posted as Posting of Interest jobs.

505

506 14. It shall be the responsibility of the departmental steward to notify absent employees of job openings and
507 the steward may, upon instructions from the absent employee, sign such employee's name to the posting.
508 The Steward shall write the word "for" before the absent employee's name and sign his initials after the absent
509 employee's name. In the event such employee is selected for the job, he must be available and capable of
510 taking the posted job within eight (8) weeks of the date that the posting is removed from the bulletin board.
511 If an absent employee is overlooked, the Union Representative has the right to add their name to the posting
512 after the posting has been removed from the board. This paragraph shall also apply to job elimination.

513

514 15. Whenever an employee is trading for another shift, he must ask the most senior employee on that shift.
515 If the most senior employee declines, then he must ask the second most senior employee on down until
516 someone accepts. Whenever trading for shifts, the employee's seniority is carried with him. Supervision
517 must be informed and approve of such change before it occurs.

518

519 16. Local 1189 members who transfer to a Company hourly or salaried position within S.B. Foot Tanning
520 Company are eligible to return to the Bargaining Unit within one (1) year and their seniority shall be restored
521 to their original date of hire. The Bargaining Unit job vacated by the employee who transfers will be posted
522 and filled as a permanent job opening. The employee may return to his former assigned Bargaining Unit job
523 within ninety (90) calendar days. After ninety (90) calendar days, the employee returning to the Bargaining
524 Unit will be assigned work in the pool. Furthermore, once an employee transfers to a Company hourly or
525 salaried position, the employee shall not be permitted to work on production jobs.

526

527 17. Employees of the Company who are officers or representatives of the Union shall be given time off
528 without pay to take care of Union business, provided that at least one (1) weeks' notice is given to the
529 Company unless the Company agrees to a shorter notice period and no more than two (2) employees are
530 involved from any one (1) department. All Union business shall be determined by the Local 1189 Union
531 President or designated UFCW Local 1189 Union Representative and total number of employees who can
532 be off on any one day for such Union business is limited to seven not to exceed two (2) times in a calendar
533 year unless pre-approved by the Company. If the Company or Union finds this arrangement unworkable at

534 any time, the arrangement will be void at the end of existing Agreement and the Company and Union will
535 resume negotiating a new arrangement.

536

537 18. The Company shall furnish the Union with a seniority list, departmental and plant-wide. Such seniority
538 list shall not be revised more than twice in any one (1) year.

539

540 **Section VII - Dismissals**

541

542 1. The Company shall have the right to discharge any employee for just cause. Should an employee contend
543 that a discipline or dismissal is not for just cause, the matter shall be adjusted under the procedure for
544 settlement of grievances.

545

546 2. No past record of any employee shall be used for disciplinary purposes provided a period of two (2) years
547 has passed since the latest item of a disciplinary nature was added to their record.

548

549 3. It is mutually understood and agreed that the concept of progressive discipline shall be recognized in
550 implementing and administering disciplinary procedures. It is further understood that potentially serious
551 violations of policy or work rules may dictate discipline outside the normal progression.

552

553 The normal progression shall be as follows:

554

555 1. Verbal Warning – Shall be documented by date in the employee’s personnel file with a notice
556 sent to the Union and Human Resources.

557 2. Written Warning I – Shall be documented by date in the employee’s personnel file with a notice
558 sent to the Union and Human Resources.

559 3. Written Warning II – Shall be documented by date in the employee’s personnel file with a notice
560 sent to the Union and Human Resources.

561 4. Discharge – Shall be documented by date in the employee’s personnel file with a notice to the
562 Union and Human Resources.

563

564 The following non-inclusive list of examples of employee misconduct is not subject to progressive discipline
565 and may warrant more severe disciplinary action, including discharge:

566

567 1. Dishonesty by theft and/or falsification of records.

568 2. Recklessness that results in or which is reasonably likely to a result in a serious accident while
569 on duty.

570 3. Proven and willful destruction of property on the premises.

571 4. Refusal to follow an order of supervision unless it’s unsafe, illegal or immoral.

572 5. Any violation of the “Workplace Violence” policy.

573 6. Sleeping during scheduled work time.

574 7. Violation of safety rules that result in or have the potential to result in death, serious injury or
575 significant property damages (e.g., lock-out/tag-out, fall protection, by-passing safety switches,
576 and recklessness).

577 8. Violations of the “Harassment, Discrimination and Retaliation Prevention” policy.

578 9. The use, possession, distribution, or sale of alcohol or illegal drugs anywhere at work (i.e.,
579 violations of the drug/alcohol policy)

580 10. Reporting to work or engaging in work under the influence of alcohol or illegal drugs (i.e.,
581 violations of the drug/alcohol policy).

582 11. Violation of the “Code of Conduct.”

583 12. Violation of the "Communication Device" policy.

584 13. Walking off the job without permission.

585
586 In signing any discipline document, the Employee is only acknowledging that they received a copy of such
587 notice. The following shall be included on Discipline documents below the signature line: "My signature
588 only acknowledges receipt of this Discipline."

590 **Section VIII - Sanitary Conditions**

591
592 1. The Company agrees to maintain sanitary conditions at the highest possible level under all the
593 circumstances existing in the plant, with the understanding that all of the employees and the Union will
594 cooperate in every respect to maintain such sanitary conditions and will obey all rules and regulations
595 covering such conditions. Repeated violations of sanitary rules will be sufficient cause for discipline or
596 discharge.

597
598 2. The Company shall continue to make reasonable provisions for the safety and health of its employees at
599 the plant during the hours of their employment. The Company further reserves the right to enforce reasonable
600 safety rules for the operation of the plant. Violations of the safety rules will be sufficient cause for discipline.

601
602 3. Employees may directly or through the Union make suggestions or recommendations to the Management
603 for promotion of safety and sanitation, health, recreation, education and welfare of the employees, and other
604 similar matters of mutual interest to employees and the Company.

605
606 4. Employees whose work requirements demand rubber boots shall be furnished three (3) free pair of boots
607 yearly, if the work so requires; other at cost. Employees whose work requirements demand rubber gloves
608 shall be furnished six (6) free pair of rubber gloves yearly; others at cost. Aprons and canvas gloves shall be
609 furnished free.

610
611 5. All used and worn-out boots, gloves and other equipment furnished by the Company shall be turned in to
612 the Company before any new equipment is issued.

613
614 6. The Company agrees to supply Maintenance Department employees with the tools and equipment
615 management deems necessary for the performance of their tasks. All Maintenance Department employees
616 who require any new tools or equipment shall return used or worn-out tools or equipment to the Company.
617 Employees are responsible for such tools and equipment. In case employment is severed for any reason, such
618 tools or equipment will be returned to the Company in a reasonably good state and condition, considering
619 the length of service during which such tools or equipment were used. In case any employee, upon severance
620 from the employment of the Company, fails to do so, deduction for the full value thereof shall be made by
621 the Company from the pay of such employee.

623 **Section IX - Military Service**

624
625 The Company agrees to conform with all laws applicable to the re-employment of employees covered herein
626 following their discharge or release from active duty with the Armed Forces, provided further that he is
627 physically able to do the work and does not have a dishonorable discharge or a bad conduct discharge.

629 **Section X - Vacations**

630
631 1. The vacation year shall be from January 1 through December 31.

632

633 2. Time off for vacations and pay for vacations shall be as follows:

634 A. Employees, except new hires as described hereafter, with less than four (4) years of continuous service
 635 with the Company on September 30 of the vacation year shall be entitled to two (2) weeks off for vacation
 636 during the vacation year. Vacation pay shall be paid at the employee's regular hourly rate. New hire
 637 employees shall be entitled to a pro-rated two (2) weeks off for vacation during the vacation year in which
 638 they were hired based on full months worked and shall be eligible to utilize such vacation per the contractual
 639 scheduling process upon completion of their sixtieth (60th) day of employment. Vacation pay shall be at the
 640 employee's regular hourly rate. New hire employees that terminate employment for any reason prior to six
 641 (6) months of continuous employment shall not be entitled to payment for any accrued and unused vacation
 642 pay.

643

644 B. Employees who will have completed five (5) years of continuous service with the Company on or
 645 before September 30 of the vacation year shall be entitled to three (3) weeks off for vacation during the
 646 vacation year. Vacation pay will be paid at the employee's regular hourly rate.

647

648 C. Employees who will have completed ten (10) years of continuous service with the Company on or
 649 before September 30 of the vacation year shall be entitled to four (4) weeks off for vacation during the
 650 vacation year. Vacation pay shall be paid at the employee's regular hourly rate.

651

652 D. Employees who will have completed fifteen (15) years of continuous service with the Company on or
 653 before September 30 of the vacation year shall be entitled to five (5) weeks off for vacation during the
 654 vacation year. Vacation pay shall be paid at the employee's regular hourly rate.

655

656 E. Employees who will have completed twenty-five (25) years of continuous service with the Company on
 657 or before September 30 of the vacation year shall be entitled to an unpaid sixth (6th) week off for vacation
 658 during the vacation year.

659

660 PROPOSED - SB FOOT UNION

661

662 Vacation Year 1/1 to 12/31

663 Service as of: 9/30 for calculation of service

664

665 Service as of 9/30

666 Years	666 Weeks	666 Hours	666 Rate
667 0	667 0	667 0	
668 0	668 2	668 80	668 Reg Hrly Rate
669 4.99	669 2	669 80	669 Reg Hrly Rate
670 5	670 3	670 120	670 Reg Hrly Rate
671 9.99	671 3	671 120	671 Reg Hrly Rate
672 10	672 4	672 160	672 Reg Hrly Rate
673 14.99	673 4	673 160	673 Reg Hrly Rate
674 15	674 5	674 200	674 Reg Hrly Rate
675 24.99	675 5	675 200	675 Reg Hrly Rate
676 25	676 6	676 240	676 Reg Hrly Rate
677 999	677 6	677 240	677 Reg Hrly Rate

678

679 3. Eligibility and rules for taking vacation one day at a time:

680

681 A. Employees who are eligible for vacation shall be entitled to take 5 days of such vacation one day at a
 682 time subject to the provisions of this Article X.

683

684 B. The Company may restrict the number of employees allowed to use one day of vacation to one employee
 685 per day from each of the following six (6) groups:

686

- 687 1. Blue Sort/Shaving Department
- 688 2. Coloring Department
- 689 3. Drying Department
- 690 4. Conditioning (Semi-Truck Drivers) Department
- 691 5. Finishing, Material Warehouseman
- 692 6. Distribution Center

693

694 Maintenance Department employees may take all of their vacation, other than vacation shutdown weeks, one
 695 day at a time. Existing limits remain in effect; no more than two employees from the Maintenance
 696 Department on any one day. One maintenance employee shall be allowed to take the entire week preceding
 697 the scheduled shutdown week(s) and one maintenance employee shall be allowed to take the entire week
 698 following the scheduled shutdown week(s). In order to be eligible to do so, maintenance department
 699 employees must take the entire week (5 days) as vacation. In doing so, those employees would not be
 700 required to work the day preceding or following the week(s) of shutdown, as well as Saturday or Sunday as
 701 outlined in Section X Paragraph 3D.

702

703 C. Any employee wanting to take a single day of vacation in January, February or March must schedule
 704 that day five working days prior to taking such vacation day. Beginning March 1st of the vacation year,
 705 employees may sign up for single vacation days for the period April 1 through December 31. Employees
 706 may claim days, in plant seniority order, through March 15th. No employee can sign up for more than three
 707 (3) consecutive days, and no more than three (3) days out of any five (5) consecutive workdays. However,
 708 an employee can sign up for all five (5) days during the sign-up period. After March 15th, employees must

709 schedule single vacation days five (5) working days prior to taking such vacation days. After March 15th,
710 employees who are signed up will be awarded those days off and cannot be displaced by more senior
711 employees. Any unused days of vacation as of December 31st, will be paid in January of the following
712 vacation calendar year.

713

714 D. Employees taking vacation one day at a time will not be required to work on a Saturday or Sunday if
715 they take the Friday before or Monday after as a single vacation day. Employees taking a full week of
716 vacation will not be required to work on a Saturday or Sunday prior to the week of vacation. An employee
717 may work the Saturday or Sunday; however, the employee must notify the supervisor that the employee
718 wants to do so. If the employee does not notify the supervisor, the supervisor is to assume that the employee
719 does not wish to work on that Saturday or Sunday.

720

721 4. Vacation pay will be given when vacations are taken. If the Company approves an employee working in
722 lieu of taking time off for vacation, that vacation time and pay will be credited back to the employee for
723 scheduling and use later in the current vacation year. If not used, it will be paid out at the regular vacation
724 pay rate.

725

726 5. A. Nothing in this Section shall be construed as taking away the right of the Company to shut down its
727 plant or any part of its plant for vacation purposes. Plant shutdown for vacation purposes shall be scheduled
728 between June 1 and July 31, and/or over the week of Thanksgiving, and the total amount of shutdown for
729 vacation purposes shall not exceed two (2) weeks. The Company shall give reasonable notice of its intention
730 to shut down for such purposes.

731

732 B. If the plant shutdown is taken over the week of Thanksgiving, all employees working in departments
733 which come before the Drying Department in the process will take vacation on the day before vacation
734 shutdown begins for all employees. All employees working in the Drying Department or after in the process
735 will take vacation on the day following vacation shutdown for all employees. If the plant shutdown is taken
736 over the week of Thanksgiving, the number of vacation days that will be taken is limited to five (5).

737

738 C. Employees who wish to work during shutdown will sign up by seniority. Employees who work during
739 shutdown and therefore do not use vacation during shutdown will be allowed to use those vacation hours at
740 another time, consistent with the provisions of this Article X. Employees will be paid the Pool rate for all
741 hours worked during shutdown.

742

743 Employees who do not work during shutdown will have the option to take shutdown unpaid if the employee
744 has only six (6) days of vacation or less remaining to use in the current vacation calendar year as of the time
745 of the shutdown.

746

747 D. Two (2) employees, from each vacation group which utilizes a Vacation Reliever, will be allowed to
748 schedule vacation each week during the months of June, July, and August.

749

750 If college or high school students are hired, they shall have a special probationary period and benefits
751 provision. The probationary period for these employees shall be 120 days. These employees shall not be
752 entitled to any health or welfare benefits. After 30 days, these employees will be paid holidays in accordance
753 with the other union employees.

754

755 6. An employee whose service with the Company is terminated because of retirement, death or voluntary quit
756 after the start of the vacation year, shall be paid any vacation pay due to him for that vacation year that has
757 not been paid to him at the time of termination. If termination of employment is due to voluntary quit, it is

758 requested that an employee give at least two (2) weeks of notice to management. In any event, an employee
759 must work the entire shift on their last day of work, unless excused by management. If the employee does
760 not work the entire shift on their last day of work, and has not been excused by management, management
761 is not required to pay the employee any unused vacation pay.

762

763 7. An employee, who has completed at least one full year of employment as of January 1 of the vacation
764 year, and who has worked at least 50 percent of the regularly scheduled hours of employment to which his
765 seniority entitled him during the calendar year preceding the vacation year, shall be eligible for vacation pay
766 per Section X – Vacations.

767

768 8. Employees eligible for one day at a time vacation shall be permitted to use such days in half day
769 increments. Employees will not be permitted to sign up for half days during the March 1st – March 15th sign
770 up period for single days of vacation. After March 15th, employees may schedule half days according to the
771 process for full days outlined in Section X Paragraph 3C of the collective bargaining agreement.

772

773 Employees eligible for one day at a time vacation shall be permitted to use such days in one-hour increments,
774 if approved by management. Partial vacation days or hours taken within a day will not count toward hours
775 worked in regard to calculating overtime in the day. i.e., work 6.16 hours and take 2 hours vacation = 8.16
776 hours, the .16 is not overtime

777

778 Employees signing up for one-day-at-a-time vacation will be allowed to select days during weeks where two
779 employees on the same assigned job are each taking a full vacation week, subject to current limitations as
780 stated in the Labor Agreement.

781

782 Employees may request one-day-at-a-time vacation for any such weeks, and whether an employee's request
783 is granted is at the discretion of Management.

784

785 **Section XI - Grievance Procedure**

786

787 1. The Union shall appoint and certify in writing to the Company an employee to act as Steward. The same
788 procedure shall be followed on any changes made by the Union in certifying a different employee to act as
789 Steward in an area.

790

791 2. The Union shall appoint and certify to the Company a Grievance Committee and a Bargaining Committee
792 of not more than five (5) members each from among its members employed by the Company. In conference
793 between the Grievance Committee and the Company, the Committee may be accompanied by the
794 representatives of its own choosing.

795

796 3. Should any employee have a grievance, or any dispute arise in any department as to the interpretation of
797 or adherence to the terms and provisions of this Agreement, there shall be an earnest effort to settle such
798 differences through the following procedure:

799

800 A. Within five (5) working days after the occurrence of the alleged grievance or dispute the employee or
801 employees involved shall submit the matter in writing and present the written grievance to the department
802 supervisor, or shift supervisor, or the grievance is deemed waived. Within three (3) working days following
803 receipt of the written grievance by the supervisor, a conference shall be held between the supervisor of the
804 department and employee, or employees involved. If employees so desire, they may be accompanied in such
805 conference by the Department Steward. If the grievance involves a matter of earnings, then the five (5) day
806 period shall begin at the date on which the paycheck for the period covering the disputed matter was received.

807 If a question of immediate lay-off with seniority considerations is involved, then the employee should consult
808 with their supervisor in an effort to clarify the matter prior to the filing of a grievance.

809

810 B. If no satisfactory adjustment is then arrived at with the supervisor, then by a conference between the
811 employee or employees involved and the Plant Manager or his representative, with such conference to be
812 held within (3) working days of the previous meeting with the supervisor on the preceding step. If employees
813 so desire, they may be accompanied in such meetings by the Department Steward and/or a member of the
814 Grievance Committee.

815

816 C. If no satisfactory adjustment is then arrived at with the Plant Manager, then by a conference between
817 the Grievance Committee and the Plant Manager or his representative at a meeting to be scheduled within
818 (5) working days of the previous meeting on the preceding step. The Company's answer at this step, accepting
819 or rejecting the grievance, will be given to the Grievance Committee in writing.

820

821 D. If no satisfactory adjustment is then arrived at with the plant Manager, then by a conference between
822 the Grievance Committee or its representatives and the General Manager of the Company or his
823 representative, such meeting to be scheduled within five (5) working days of the previous meeting on the
824 preceding step. The Company's answer at this step, accepting or rejecting the grievance, will be given to the
825 Grievance Committee and its representatives in writing. The Union's answer at this step, dropping the
826 grievance or continuing onto mediation or arbitration, will be given to the General Manager of the Company
827 or his representative in writing.

828

829 E. If the difference is not adjusted by the above procedure, within a reasonable time, thereafter, not
830 exceeding five (5) working days, it shall be referred to arbitration. The grieving party shall obtain a list of
831 seven arbitrators from the Federal Mediation and Conciliation Service from which the arbitrator will be
832 selected using the cross off method, with the party requesting the arbitration making the first strike. The
833 Employer and the Union shall each bear the costs of their own representative, witnesses and services. The
834 compensation and expense of the arbitrator shall be borne equally by the Employer and the Union. The
835 Arbitrator shall not change the substance of this agreement. The decision of the arbitrator shall be final and
836 binding upon all parties of this Agreement.

837

838 4. Unless the time limitations on the various steps of the grievance procedure are extended by mutual consent,
839 the failure to process a grievance within the time specified shall automatically invalidate the grievance for
840 further processing.

841

842 5. If expense is incurred in connection with the services of the third member of the Board, such expenses
843 shall be shared equally by the Company and the Union.

844

845 6. The parties to this Agreement mutually agree to cooperate with all reasonable diligence in the adjustment
846 and settlement of disputes and grievances, both in negotiations and in arbitration where negotiations fail.
847 There shall be no strikes, lock-outs, slow-downs, nor stoppage of work while a grievance is in process of
848 adjustment.

849

850 7. Mediation

851

852 By mutual agreement the parties may proceed to non-binding mediation of a grievance which may be
853 conducted at any time prior to arbitration.

854

855 **Section XII - Bereavement Leave**

856

857 1. The Employees covered by this Agreement shall be granted up to three (3) working days funeral leave for
858 the purpose of attending the funeral or memorial service of a member of the employee's immediate family,
859 which shall be recognized as the employee's spouse, child, father, mother, brother, sister, mother-in-law,
860 father-in-law, grandparent or grandchild. For purposes of this Section, "child" shall include adopted child,
861 foster child or child for whom the employee is the legal guardian. If an employee has stepchildren who are
862 children of the employee's current spouse, a stepchild shall be recognized as a child for purposes of this
863 paragraph. Basis of payment for such days shall be for regular scheduled hours (not to include daily overtime
864 that was not scheduled the day previous) at the employee's assigned rate. It is understood and agreed that
865 funeral leave pay will be granted only for those regular workdays which come between and including the
866 day of death and the day of the funeral, and, accordingly, may involve reimbursement for less than three (3)
867 days.

868

869 2. An employee who attends the funeral of his spouse's grandparent, their brother-in-law, sister-in-law,
870 daughter-in-law, son-in-law, or stepparent on a regular workday, shall be paid for that day so long as the
871 deceased is related through a legal relationship. Basis of payment for such day shall be for regular scheduled
872 hours (not to include daily overtime that was not scheduled the day previous) at the employee's assigned
873 rate.

874

875 3. The definition of regular workday includes scheduled, non-voluntary, overtime on a Saturday or Sunday.

876

877 **Section XIII - Jury Duty**

878

879 1. Any employee called for jury duty will be paid for time lost while on jury duty service, minus the amount
880 actually paid to him for such jury service, provided the employee made a reasonable effort to be on the job
881 when not actually performing jury duty. Basis of payment for such days shall be for regular scheduled hours
882 (not to include daily overtime that was not scheduled the day previous) at the employee's assigned job rate.
883 Pay shall not be for over forty-eight (48) hours in any one week.

884

885 2. The following will be considered as reasonable effort:

886

887 A. Any employee who reports for jury duty but who is not chosen for service shall return to work for any
888 remaining portion of his shift, if that portion exceeds four (4) hours.

889

890 B. Any first or second shift employee who reports for jury duty and who is chosen to serve will return to
891 work at the beginning of his assigned shift the day following his release from jury duty.

892

893 C. Any third shift employee who is required to report for Jury Duty, and is scheduled to work the preceding
894 night, shall be excused from work that night. If the third shift employee is not chosen to serve on a jury, he
895 shall return to work that night. If the third shift employee is chosen to serve on a jury, he shall not be required
896 to work that night.

897

898 D. Payment for time lost because of adherence to the foregoing procedures shall be on the basis set forth
 899 in Section IV. No employee shall receive more than twelve (12) hours jury pay (computed on the basis set
 900 forth in Section IV) for a single day of jury service.

901

902 **Section XIV – Paid Family and Medical Leave and Earned Sick and Safe Time**

903

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

908

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

911

912 a. Wherever applicable, leaves of absence under the contract which also qualify for time off under the
 913 Minnesota Paid Family and Medical Leave Act (MN-PFMLA) will run concurrently with the MN-
 914 PFMLA. The Employer will comply with all mandatory provisions of the MN-PFMLA as
 915 amended. Employees eligible for leave under the MN-PFMLA shall be required to follow the
 916 Employer's policies and procedures in applying for and taking leave under the Act. Provided the
 917 PFMLA leave is for an ESST-qualifying event, employees may use unused and available ESST
 918 hours to supplement any pay received under MN-PFMLA to the extent such supplementation is
 919 permitted by law.

920 b. Effective January 1, 2026 (or as soon thereafter as the law goes into effect) the Employer will pay
 921 fifty percent (50%) of the premiums required by Minnesota Statute § 268B.14, and employees will
 922 pay fifty percent (50%) of the premiums through payroll deduction from their wages.

923 The Employer agrees to meet with the union to review and discuss prior to implementing any
 924 Employer policy drafted to address processes and procedures to comply with the statute and to
 925 address any provisions of the statute or amendments that impact employees' terms and conditions
 926 of employment.

927

928 c. Earned Sick and Safe Time:

929

930 Through December 31, 2025, the Employer will continue to comply with ESST through its current
 931 policies and procedures. Effect January 2026, Employees accrue Earned Sick and Safe Time
 932 (ESST) hours at the rate of one hour for every thirty (30) hours worked to a maximum of forty-
 933 eight (48) hours per calendar year. ESST hours will be available to employees and administered in
 934 accordance with Minnesota law and the Employer's policies, including carryover provisions and
 935 maximum accruals.

936

937 **Section XV - Pension Plan**

938

939 1. Effective September 1, 2025, the 2022-25 Section XV (401k Non-elective Employer
 940 Contribution) are replaced with the following:

941

942 401K:

943 On behalf of all Eligible 401(k) Participants, a Non-elective Employer Contribution equal to 2% of
 944 eligible annual 401(k) plan compensation will be deposited to your 401(k) account on or before
 945 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>
Total	11 ½%

3. Effective 1/1/02, the pension benefit is \$30.50 times years of credited service per month.

4. If an employee retires between the ages of 62 and 65, with at least twenty (20) years of service there shall be no penalty for early retirement. Further, if an employee retires between the ages of 59.5 and 62 with at least twenty (20) years of service the penalty for early retirement shall be 5/18% per month for each month an employee retires prior to age 62. If an employee retires and does not meet the requirements detailed above, the full early retirement penalty from age 65 to the age of retirement applies.

Section XVI - Appendices

Appendices A, B, D, and E as attached hereto are hereby made a part of this Agreement.

Section XVII - No Strike/No Lockout Clause

There shall be no strikes, lockouts, slowdowns, nor stoppages of work for any reason whatsoever during the life of this Agreement.

Section XVIII - Term of Agreement

This Agreement shall remain in full force and effect until April 1, 2028 and shall thereafter be continued from year to year unless notice of desire to change or modify, in writing by Registered Mail, is given by either party at least sixty (60) calendar days before the expiration date.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized representatives.

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**UNITED FOOD AND COMMERCIAL
WORKERS UNION, LOCAL 1189, AFL-CIO-CLC**
Signed by:
James Westin 2/17/2026
52DD4AD388A5467...

Signature Date

S. B. FOOT TANNING COMPANY, INC.
Signed by:
Blair Rogahn 2/17/2026
EB1E83B8G4A448E...

Signature Date

**S.B FOOT TANNING COMPANY
APPENDIX A**

Tier 1 Production Wage Rates for Employees Hired Prior to April 1, 2015				
Position (BOLD = Posting of Interest)	Class	Effective 4-1-25	Effective 4-1-26	Effective 4-1-27*
SBF084/86 TRUCK DRIVER	VIIA	\$28.80	\$29.60	\$30.30
SBF096 COLOR MILL OPERATOR*	VII	\$29.80	\$30.60	\$31.30
SBF074 FINISHING SAMPLE OPERATOR				
SBF081 SAMPLE MILL OPERATOR				
SBF142 BLUE SORTER				
SBF083 BUFFING	VI	\$28.57	\$29.37	\$30.07
SBF067 SHAVER				
SBF088 CRUST SORTING				
SBF DC FLOORHAND	V	\$28.02	\$28.82	\$29.52
SBF087 DYE WEIGHER				
SBF094 FINAL SORTER				
SBF226 FINISHING COLOR MIXER				
SBF269 WAXER – FINISHING				
SBF304 FINISHING PREMATCHER				
SBF324 FINISHING SPRAY LINE SET-UP				
SBF105 MAINTENANCE TOOL CRIB CLERK				
SBF039 MEASURING MACHINE				
SBF081 SAMPLE MILL OPERATOR				
SBF095 SHIPPING CLERK				
SBF246 STAKING	IV	\$27.53	\$28.33	\$29.03
SBF329 BAUCE				
SBF141 BLUE SORT CARRIER				
SBF033 CURTAIN COATER				
SBF241 FACILITIES TECH				
SBF241 BALER				
SBF028 PACKING				
SBF323 SPRAY LINE CREW (MO)				
SBF036 STICK DRIVER				
SBF052 VACUUM DRYER				
SBF030 WET STOCK DRIVER	III	\$26.75	\$27.55	\$28.25
SBF278 WET TOGGLE				
SBF297 BLUE TRIMMER				
SBF053 FINISHING FORKLIFT OPER				
SBF232 FINISHING PRESSES				
SBF236 GEMATA ROLL COATER				
SBF029 ROLLUP				
SBF071 SPRAY MACHINE OPERATOR				
SBF108 TUMBLE MILL	II	\$25.75	\$26.55	\$27.25
SBF060 BLUE SORTER SERVICER				
SBF031 CRUST DISPATCHER				

SBF056 WAREHOUSE				
SBF024/27 CUSTODIAN	I	\$24.63	\$25.43	\$26.13
Depart: POOL				
Depart: MEETINGS	n/a	rate of assigned job	rate of assigned job	rate of assigned job
SBFXXX PRODUCTION LEAD	n/a	\$1.00 over Highest class rate being led using tier 1 \$2.00 over rate (2nd/3rd Shifts)	\$1.00 over Highest class rate being led using tier 1 \$2.00 over rate (2nd/3rd Shifts)	\$1.00 over Highest class rate being led using tier 1 \$2.00 over rate (2nd/3rd Shifts)

* = First full pay period following date shown

Tier 2 Production Wage Rates for Employees Hired After March 31, 2015				
Position (BOLD = Posting of Interest)	Class	Effective 4-1-25	Effective 4-1-26	Effective 4-1-27
SBF096 COLOR MILL OPERATOR*	VII	\$29.80	\$30.60	\$31.30
SBF084/86 TRUCK DRIVER	VIIA	\$28.80	\$29.60	\$30.30
SBF096 COLOR MILL OPERATOR*	VII	\$29.80	\$30.60	\$31.30
SBF074 FINISHING SAMPLE OPERATOR				
SBF081 SAMPLE MILL OPERATOR				
SBF083 BUFFING				
SBF067 SHAVER				
SBF088 CRUST SORTING				
SBF DC FLOORHAND				
SBF087 DYE WEIGHER				
SBF094 FINAL SORTER				
SBF226 FINISHING COLOR MIXER				
SBF269 WAXER – FINISHING				
SBF304 FINISHING PREMATCHER				
SBF324 FINISHING SPRAY LINE SET-UP				
SBF105 MAINTENANCE TOOL CRIB CLERK				
SBF039 MEASURING MACHINE				
SBF095 SHIPPING CLERK				
SBF246 STAKING				
SBF329 BAUCE				
SBF141 BLUE SORT CARRIER				
SBF033 CURTAIN COATER				
SBF241 FACILITIES TECH				
SBF028 PACKING				
SBF323 SPRAY LINE CREW (MO)				
SBF036 STICK DRIVER				
SBF052 VACUUM DRYER				
SBF030 WET STOCK DRIVER				
SBF278 WET TOGGLE				
SBF241 BALER				
SBF297 BLUE TRIMMER				
SBF054 FINAL SORT SERVICER				
SBF053 FINISHING FORKLIFT OPER				
SBF232 FINISHING PRESSES				
SBF236 GEMATA ROLL COATER				
SBF029 ROLLUP				
SBF071 SPRAY MACHINE OPERATOR				
SBF108 TUMBLE MILL				
SBF060 BLUE SORTER SERVICER				
SBF031 CRUST DISPATCHER				
SBF056 WAREHOUSE				

SBF024/27 CUSTODIAN	I	\$24.15	\$24.95	\$25.65
Depart: POOL				
Depart: MEETINGS	n/a	rate of assigned job	rate of assigned job	rate of assigned job
SBFXXX PRODUCTION LEAD	n/a	\$1.00 over Highest class rate being led using tier 1 \$2.00 over rate (2nd/3rd Shifts)	\$1.00 over Highest class rate being led using tier 1 \$2.00 over rate (2nd/3rd Shifts)	\$1.00 over Highest class rate being led using tier 1 \$2.00 over rate (2nd/3rd Shifts)

* = First full pay period following date shown

1009 When a new rate is established by the Company after discussion with the Union, it shall be subject to the
 1010 grievance procedure for ten (10) days. If no grievance is received within ten (10) days of the installation of
 1011 a rate, it is agreed that the rate has proven satisfactory, and it is no longer subject to the grievance procedure.
 1012 If a grievance is instituted before the expiration of the ten (10) days, it shall be processed
 1013 under the grievance procedure of this Agreement and any adjustment so determined shall be retroactive to
 1014 the original date of installation of the new rate.

1015
 1016 Employees will remain at current rate of pay until qualified on new position. For all jobs, the training rate
 1017 for new hire probationary employees shall be the Pool rate for the entire duration of the probationary period.
 1018 New hire probationary employees shall be paid at 100% of the rate for the job for which they are assigned
 1019 and qualified after the probationary period but not less than the Pool rate.

1020
 1021 1. Vacation Relievers will be paid \$1.00 above the highest pay rate relieved.

1022
 1023 A) The training rate for vacation relievers is 85% of regular rate until qualified. The maximum time period
 1024 that a vacation reliever shall receive 85% of regular rate is six (6) weeks.

1025
 1026 2. Production Leads:

1027
 1028 This is a position with the responsibilities defined per S.B. Foot Tanning Company and will be selected
 1029 based on qualifications and then seniority. Production leads will retain seniority within their department
 1030 but may be moved by the Employer to any position in their department on their shift. Production leads will
 1031 be able to work overtime and schedule vacations per the contractual provisions for such. Production Leads
 1032 will receive \$1.00 per hour more for 1st shift and \$2.00 per hour more for 2nd and 3rd shift than the highest
 1033 job class employee that they are leading based upon the wage rates for employees hired prior to April 1,
 1034 2015.

1035
 1036 **S. B. FOOT TANNING COMPANY**
 1037 **APPENDIX B**
 1038

1039 The following provisions shall apply to Maintenance Engineers represented by Local 1189 under the terms
 1040 of this Agreement:

1041
 1042 1. The S.B. Foot Tanning Company Maintenance Training
 1043 Program General shall remain in full force and effect until changed by mutual agreement.

1044
 1045 2. The classifications and corresponding wage rates for the
 1046 Maintenance Engineer jobs are as follows:

1047

Maintenance Classification and Wage Rates Effective 4-1-25				
Maintenance Engineer Ability	Stationary Engineer License			
	Special	Shift	In Charge	Chief
I	\$25.80	\$26.80	\$27.05	\$27.55
II	\$27.05	\$28.05	\$28.30	\$28.80
II	\$28.05	\$29.05	\$29.30	\$29.80
IV	\$29.05	\$30.05	\$30.30	\$30.80

Maintenance Classification and Wage Rates Effective 4-1-26*				
Maintenance Engineer Ability	Stationary Engineer License			
	Special	Shift	In Charge	Chief
I	\$26.60	\$27.60	\$27.85	\$28.35
II	\$27.85	\$28.85	\$29.10	\$29.60
II	\$28.85	\$29.85	\$30.10	\$30.60
IV	\$29.85	\$30.85	\$31.10	\$31.60

Maintenance Classification and Wage Rates Effective 4-1-27*				
Maintenance Engineer Ability	Stationary Engineer License			
	Special	Shift	In Charge	Chief
I	\$27.30	\$28.30	\$28.55	\$29.05
II	\$28.55	\$29.55	\$29.80	\$30.30
II	\$29.55	\$30.55	\$30.80	\$31.30
IV	\$30.55	\$31.55	\$31.80	\$32.30

1048 * Effective first full pay period following the date shown.

1049 3. Maintenance Department assignments will be made without regard to classification.

1050

1051 4. All Maintenance Department employees should recognize that there is a frequent need for overtime and
1052 that they may be called in for short repair or emergency jobs. Rights to overtime will be as follows:

Maintenance Engineers must carry a Minnesota Stationary Engineers License, or the equivalent from another state. Maintenance Engineer positions may be awarded via internal posting or by hiring. Postings will be general in nature unless specific qualifications are immediately needed. However, the starting pay classification for a new Maintenance Engineer may vary depending on maintenance ability and/or stationary engineer license and will be determined once the employee has provided evidence of maintenance training and/or ability and provides a copy of their stationary engineer license. Progression to higher pay classifications will then follow conditions of the training program.

In simple language, Maintenance Engineer Ability can be viewed as:

I = A person who requires extensive supervision due to lack of experience and/or training

II = A person who can perform some tasks without supervision, but requires supervision for many other tasks

III = A person who requires minimal supervision for most tasks

IV = A person who does not require supervision to perform almost all tasks

1053

1054 A. Qualified employees in the Maintenance Department will be asked to work the overtime in accordance
1055 with their plant seniority.

1056

1057 B. It should be understood that if a Maintenance Engineer is working on an assignment on any given day
1058 which requires overtime to complete of two (2) hours or less, those employees working on the assignment
1059 will be asked first to finish the assignment on overtime without regard to A above. If unforeseen
1060 circumstances cause the amount of overtime to exceed two hours, and a more senior Maintenance Engineer
1061 questions whether he should have gotten the overtime, management will give the Union Committee a written
1062 explanation of the circumstances. If management did a poor job of estimating the amount of time, the senior
1063 qualified Maintenance Engineer will be paid for the same amount of time as was worked. If management
1064 could not have foreseen that the amount of time would exceed two hours, no other employees will be paid.

1065

1066 C. If management predicts that such an assignment will take more than two (2) hours, senior qualified
1067 Maintenance Engineers will be given the opportunity to work the overtime, in accordance with A above. If
1068 it ends up taking less than two hours of overtime to complete the assignment, the employee doing the work
1069 will be given the opportunity to work overtime of two hours and fifteen minutes that day. As a result,
1070 grievances shall have no merit because the senior employee will have gotten the overtime work.

1071

5. Due to state regulations, in the event of a layoff, the senior Engineer with a Chiefs license shall not be laid off. It is recognized that this may result in a more senior employee being laid off.

6. Other provisions of the basic contract of which this is an appendix, which do not conflict with the provisions set forth in this appendix covering the Maintenance Department job classifications, shall apply to such employees so as they are pertinent.

S. B. FOOT TANNING COMPANY APPENDIX D

This appendix consists of all effective hourly group insurance programs of S. B. Foot Tanning Company. Such programs are on file in the Human Resources Department of S. B. Foot Tanning Company.

Important Group Insurance Information:

A. At the time of retirement, retirees and their dependents will be charged the full cost to provide retiree health insurance. An employee who retires between the age of 62 and 65 shall not have health insurance premiums raised during the period between retirement and age 65.

B. If the retiree has dependents that will continue to be covered after the retiree reaches age 65, the health premiums to be charged for those dependents will be the current rate charged for health benefits for retirees and dependents.

C. Effective May 1, 2025, and through April 30, 2026, the company will contribute \$778.50 per month toward Single coverage in the UFCW Plan and \$1,946.30 per month toward Family coverage in the UFCW Plan. For each year of the contract, the company will be responsible for any health care cost increases up to 4% for the plan year 5/1/2026 through 4/30/2027 ("2026-27") and up to 3% for the plan year 5/1/2027 through 4/30/2028 ("2027-28"). Any increases beyond these respective percentages as determined by the Plan Administrator, shall require that the Union and Plan Administrator to determine for each plan year the appropriate means to address the excess costs through either benefit plan design, administrative efficiency, employee contribution or premium increases or a combination thereof. The Union will advise the Employer no less than ninety (90) days or as soon as practicable prior to the effective date of any final changes to Employer premiums, subject to maximum amounts set forth above.

D. Employer paid health premium during disability stays in effect for up to 26 weeks. The employee will be responsible for premium sharing of insurance benefits during a short-term disability.

E. Beginning Plan Year 2026: All plan renewal rate notices must be shared with the employer. Renewal rates for 5-1-2026 through 4-30-2027 and 5-1-2027 through 4-30-2028 will be determined by the Plan Administrator and communicated to the Employer no less than ninety (90) days or as soon as practicable prior to the effective date of any proposed changes to renewal rates in order for the employer to determine if the premium percentage cap provisions of Section C are triggered. All eligible Local 1189 members will go into the UFCW plan other than Local 1189 members.

F. The Company shall initiate contributions for health insurance for new hires on the first day of the month following the sixtieth (60th) day of employment.

G. For the purposes of participation in the UFCW medical plan, a Covered Employee whose spouse is also employed by S. B. Foot Tanning Company, and who is eligible for and elects family coverage under an S.

1121 B. Foot Tanning Company medical plan, shall only be entitled to elect single coverage under the UFCW
1122 plan.

1123

1124 H. If Employer and Union agree to include non-Medicare retirees in the UFCW plan, separate actuarially
1125 determined rates will be required.

1126

1127 I. S. B. Foot Tanning Company will make no contribution towards retiree coverage, nor will S. B. Foot
1128 Tanning Company subsidize such coverage. The retiree will be billed for 100% of premium costs.

1129

1130 J. Life insurance benefit is \$25,000.

1131

1132 K. Major Benefits of UFCW National Health and Welfare Fund plan: See the Summary Plan Description
1133 for details.

1134

1135 L. Dental Benefits, The Company will provide access to the same dental plan as provided to RWSC salaried
1136 employees effective January 1, 2020. Employees will pay the full cost of the dental coverage level that they
1137 select. Deductions for the cost of the coverage level selected by the employee will be made through the
1138 normal payroll process

1139

1140 **S. B. FOOT TANNING COMPANY** 1141 **APPENDIX E**

1142

1143 All vending machine rebate money will be sent to the Union monthly with a statement from the vendor.

1144

1145 **PLANT RULES**

1146

of the

1147

1148 **S. B. FOOT TANNING COMPANY**

1149

1149 These plant rules shall govern the conduct of the employees of the S. B. Foot Tanning Company. The sole
1150 intent of these rules is to promote safety, plant efficiency and to improve plant working conditions. The
1151 violation of these rules makes the employee subject to disciplinary action or dismissal by the management.

1152

1153 **A. Supervisor's Responsibility**

1154

1155 Each supervisor is in complete charge of his department and is responsible for the operation thereof.

1156

1157 1. Safety for himself and his fellow workers is the primary consideration of each supervisor. Employees
1158 will be held strictly accountable for any acts that jeopardize and endanger the life or health of himself or any
1159 other employee or expose the property of any employee or of the Employer to loss by fire.

1160

1161 2. All injuries, however slight, must be reported immediately to your supervisor in order that proper attention
1162 may be given and there be no question concerning compensation. Emergency cases will be attended to
1163 immediately.

1164

1165 3. Safety suggestions or improvements are welcomed and should be made to the supervisor of the department.

1166

1167 4. Every new employee must submit to a physical examination before being employed.

1168

1169 5. Every employee who has been absent from work for any cause whatsoever, if requested, must submit to a
1170 physical medical examination, at the company's expense, before returning to work.

1171

1172 15. The Company agrees to establish and maintain a Safety Committee consistent with applicable state
1173 and federal law and regulations.

1174

1175 **B. Quality Work and Production**

1176

1177 1. Quality work is expected of all employees. Employees must not speed their work at the expense of quality.

1178

1179 **C. Housekeeping**

1180

1181 1. Lavatories, toilets, and dressing rooms must be kept neat and clean. Wastepaper such as lunch wrappings,
1182 milk cartons, used paper towels, etc., should be placed in the receptacle provided.

1183

1184 2. Every employee shall keep his individual place of employment (machine, table, floor, etc.) free from
1185 refuse.

1186

1187 3. Old clothes no longer in use shall be removed from dressing rooms.

1188

1189 **D. General Rules**

1190

1191 Company work rules that if violated, may be subject to immediate dismissal:

1192

1193 1. Dishonesty by theft and/or falsification of records.

1194 2. Recklessness that results in or which is reasonably likely to result in serious accident while on duty.

1195 3. Proven and willful destruction of property on the premises.

1196 4. Refusal to follow an order of supervision unless it's unsafe, illegal or immoral.

1197 5. Any violation of the "Workplace Violence" policy.

1198 6. Sleeping during scheduled work time.

1199 7. Violation of safety rules that result in or have the potential to result in death, serious injury or significant
1200 property damage (e.g., lock-out/tag-out, fall protection, by-passing safety switches, and recklessness).

1201 8. Violations of the "Harassment, Discrimination and Retaliation Prevention" policy.

1202 9. The use, possession, distribution, or sale of alcohol or illegal drugs anywhere at work (i.e., violations of
1203 the drug/alcohol policy).

1204 10. Reporting to work or engaging in work under the influence of alcohol or illegal drugs (i.e., violations of
1205 the drug/alcohol policy).

1206 11. Violation of the "Code of Conduct"

1207 12. Violation of the "Communication Device" policy

1208 13. Walking off the job without permission.

1209

1210 Company work rules that if violated, may be subject to progressive discipline (not intended to be all
1211 inclusive):

1212

1213 1. Poor performance based on a "reasonable person" standard. Management will take into account
1214 standards, performance of other employees on the same job and the like.

1215 2. Creating unsanitary or unsafe conditions.

1216 3. Proven neglect or carelessness resulting in damage to property.

1217 4. Smoking in prohibited areas.

- 1218 5. Failure to report all cases of injury within five (5) working days of occurrence.
- 1219 6. Failure to use safety equipment where supplied or installed.
- 1220 7. Unauthorized posting or tampering with posted materials.
- 1221 8. Horseplay, fooling, running, throwing material, and/or disturbing other employees by action or word.
- 1222 9. Dishonesty other than theft or falsification of records.
- 1223 10. Unauthorized picture taking or recording.

1224

1225 **F. Pay Periods**

1226

- 1227 1. Pay period for factory workers will be every two weeks, paydays being every other Friday.
- 1228
- 1229 2. Employees will receive their paychecks from the supervisor or acting paymaster during their work shift
- 1230 only, except by special order of the Superintendent. Morning crew workers will receive theirs at the end of
- 1231 their shift, and afternoon crews before starting work by reporting to supervisor.
- 1232
- 1233 3. If an employee quits without a three-day notice, he is not entitled to his pay until the payday on which
- 1234 it falls due.

1235

1236 **LETTERS OF UNDERSTANDING**

1237

1238 **Exhibit A**

1239 April 1, 1996

1240 **LETTER OF UNDERSTANDING - Subcontractors**

1241

1242 S.B. Foot Tanning Company (SBFTC) and Local 1189 of the United Food & Commercial Workers
1243 International Union hereby agree to the following with regards to subcontracting of work normally performed
1244 by bargaining unit employees.

1245

1246 During the regularly scheduled monthly Management/Labor meeting, the company will devote a portion of
1247 the meeting to informing the union of its plans regarding the use of subcontractors. However, from time to
1248 time the company may find it necessary to schedule subcontractors for jobs that the union has not been
1249 informed about. In the event this happens, the company will make a reasonable effort to contact the president
1250 or secretary of Local 335 and inform them of the subcontractor work.

1251

1252 **Exhibit B**

1253 April 1, 1996

1254 **LETTER OF UNDERSTANDING – Orientation of New Employees**

1255

1256 S.B. Foot Tanning Company (SBFTC) and Local 1189 of the United Food & Commercial Workers
1257 International Union hereby agree to the following with regards to orientation of new employees. One union
1258 official will be allowed to meet, for up to one-half hour, with new employees during their official “new
1259 employee orientation.”

1260

1261 The topics that the union official will discuss will be the following:

- 1262 • Introduction to Local 1189
- 1263 • Explanation of the steward system
- 1264 • Grievance procedure: emphasize that first step can be meeting between employee and supervisor for
- 1265 explanation of situation.

- 1266 • Job requirements; expectation of employees by SBFTC and Local 1189, especially with regard to
- 1267 breaks, attendance, and other requirements for keeping your job at SBFTC
- 1268 • Highlights of the Labor Agreement, such as jury duty

Exhibit C

March 31, 2006

LETTER OF UNDERSTANDING - Production Work

1273

1274 If there is no production work where an employee could be assigned and his work area and machine are

1275 cleaned, management has the discretion to allow an employee to clock out and leave work. In no way does

1276 this limit management's authority to run the business.

Exhibit D

March 31, 2006

LETTER OF UNDERSTANDING – ProAct

1281

1282 S.B. FOOT TANNING COMPANY & LOCAL 1189 have agreed to the following Letter of Understanding

1283 regarding employees working on light duty at ProAct.

1284

1285 Effective April 1, 2006, employees working temporarily at ProAct will receive their regular base rate for

1286 hours worked as long as the hours do not exceed 40 hours in one week. If employees work beyond 40 hours

1287 at ProAct, they will be eligible for overtime as per the collective bargaining agreement. Any wage loss will

1288 be made up by workers' compensation.

Exhibit E

March 31, 2012

LETTER OF UNDERSTANDING - Retirement

1293

1294 S.B. Foot Tanning Company and UFCW Local 1189, hereby agree to the following:

1295

1296 Employees who are in the pension plan and retire shall receive one hundred thirty-five dollars (\$135) for

1297 each full year of service. The last year will be divided by the months of service. This amount is subject to all

1298 applicable deductions and taxes.

1299

1300 Current employees as of 4-1-2012 not in the pension will receive one hundred thirty-five (\$135) per year of

1301 service rounded up to the next whole year in a lump sum plus five hundred dollars (\$500). This amount is

1302 subject to all applicable deductions and taxes. These employees are no longer eligible for this benefit upon

1303 their retirement.

1304

1305 Employees hired after 3/31/2012 will also never be eligible for either of the above benefits.

1306

Letter of Understanding #1 regarding Maintenance Training Program:
S. B. FOOT TANNING COMPANY MAINTENANCE TRAINING PROGRAM GENERAL
AGREEMENT

Revision Effective March 16, 2022

I. General

S. B. Foot Tanning Company intends to provide an opportunity to enter maintenance job classifications through the use of formal training programs. The Company's management will develop such training programs and employ employees in the maintenance job classifications based on business conditions and Company needs.

S. B. Foot Tanning Company and Local 1189, United Food and Commercial Workers International Union, AFL-CIO, jointly agree to the following procedures and conditions in the operation and administration of the Maintenance Training Program.

II. Qualifications and Selection of Internal Applicants

The following qualifications are required of internal applicants to be considered for the Maintenance Training Program. The applicant must:

A. Must have a minimum of a State of Minnesota Special Engineer's License. The Company will reimburse employees who are selected for a Maintenance Engineer position for the cost of the training classes (tuition, books, required supplies and test fees) required to obtain a State of Minnesota Special Engineer's License upon the employee's successful completion of the courses and upon obtaining the License from the State. Re-imbursement will be made to the employee upon submittal and approval of receipts to the Company from the educational institution indicating the cost of each class required to obtain the State of Minnesota Special Engineer's License.

B. A job posting will be posted in the factory to determine if any current employees are interested in entering the Maintenance Training Program should the Company decide to increase the number of maintenance employees or replace a maintenance employee. Applicants will be given a basic maintenance skills test and interview for the position. Management reserves the right to select from applicants considering their qualifications and work experience. If management determines that no current employees meet the qualification and work experience needed for the position, then applicants from outside S. B. Foot Tanning Company will be considered.

C. An employee who is presently working for the Company and who is selected for the Maintenance Training Program, shall have ten (10) working days to try the job in the Maintenance Department and to return to the job held immediately prior to the transfer to the Maintenance Department. An employee who remains in the Maintenance Department will be regarded as temporary for the first 180 days of service in the Maintenance Department. During these 180 days, such employee can be removed from the Maintenance department without consideration of seniority. Such employee will be returned to the labor pool with prior plant seniority.

D. The Company may classify a newly assigned employee into the Maintenance Department at any of the job classifications listed in Appendix B in the collective bargaining agreement based upon the Company's judgment of the applicant's qualifications, previous experience, and current engineer's license.

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III. Qualification and Selection of External Applicants

A. Meet S. B. Foot Tanning Company's standard employment requirements.

B. Possess Minnesota State Special Engineer (or higher) boilers license or agree to obtain within 180 days of employment.

C. An employee hired will be classified based on level of boiler engineer's license and level of maintenance skills and will be regarded as temporary for the first 180 days of continuous employment. During these 180 days, the services of such employee can be discontinued by the Company without consideration of seniority and without the Company's action being the subject of a grievance.

IV. Related Training

A. The related Training Schedule is listed in a separate document. An employee must complete the minimum classroom hours in all core areas of study to advance to Maintenance Engineer IV level. An employee may present to management documentation of other training which the employee has satisfactorily completed.

B. Persons participating in the Maintenance Training Program are expected to enroll in and satisfactorily complete school classes per the Maintenance Training Schedule (course content and minimum hours to be determined by the Company), and on-the-job training. Development needs will be evaluated and communicated by management on an individual basis. Employee training performance will be reviewed by management. If it is determined by management that a person is not satisfactorily progressing, the company may remove that employee from the Maintenance Department and the employee will be placed in the labor pool.

C. For employees in the maintenance training program, the Company will pay for tuition, books, and supplies for the required courses. Employees will be paid for attending classes as required by federal and state law. Employees are expected to study as needed on their own time.

For employees interested in entering the maintenance training program, S. B. Foot will reimburse the employees per section II. B. above.

V. Maintenance Classifications

Maintenance engineer classifications have been established for Maintenance employees based on training, experience, and various engineers' licenses. Those levels and the hourly rate of pay are listed in the current union contract. (Only one employee will have designation as Chief of Plant, but more than one may have qualifications at Chief of Plant level at Company discretion).

1398 VI. Advancement

1399

1400 Progression from job classification to job classification within the Maintenance Department shall be based
1401 upon completed training, work performance, experience, and acquisition of various engineers' licenses, and
1402 shall generally be as follows:

1403

1404 A. Maintenance Engineer II

1405

1406 An employee must have six months of experience within the Maintenance Department, sixty (60) hours of
1407 completed training, a satisfactory work performance evaluation, and have completed a formal course of study
1408 in Safety and Health, and First Aid and C.P.R. to be classified as a Maintenance Engineer II.

1409

1410 B. Maintenance Engineer III

1411

1412 An employee must have two years of experience within the Maintenance Department, two hundred (200)
1413 hours of completed training, and a satisfactory work performance evaluation to be classified as a Maintenance
1414 Engineer III.

1415

1416 C. Maintenance Engineer IV

1417

1418 An employee must have three years of experience within the Maintenance Department, three hundred (300)
1419 hours of completed training, which must include identified core courses, and a satisfactory work performance
1420 evaluation to be classified as a Maintenance Engineer IV.

1421

1422 D. Due to advancements of technology in Maintenance and Engineering, continued training of
1423 Maintenance Engineers is important. Management may require maintenance employees to take up to fifty
1424 (50) hours of training per year. Should an employee refuse training, they will be moved back one
1425 Maintenance Engineer level and be re-classified accordingly.

1426

1427 VII. Hiring New Employees for the Maintenance Department

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1429 A. Hiring Criteria

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1431 1. Must have following competencies.

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a. High Integrity

1433

b. Superior execution and drive for results

1434

c. Reliability (low absenteeism and tardiness)

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d. Strong initiative and ability to work with limited supervision

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e. Collaborative and excellent team work

1437

1438 2. Must have appropriate experience.

1439

1440 3. Must have appropriate vocational education.

1441

1442 4. Must be physically capable of performing the essential functions of the position with or without
1443 accommodations.

1444

1445 5. Candidates may, at management's discretion, be hired if they show mechanical aptitude, even though
1446 they do not meet the experience and education requirements.

1447

1448 B. Credit for Experience and Education

1449

1450 1. Credit for applicable experience will be given at the rate of ten (10) hours for each year. Whether
1451 experience is applicable will be determined by management.

1452

1453 2. Credit for applicable vocational education will be given. Unknown classroom hours will be estimated
1454 based on current area Technical College requirements for the same or similar course. Management will
1455 determine if education is appropriate.

1456

1457

1458 Letter of Understanding #2 – Pilot Program for Union Access Regarding Health Plan

1459

1460 S.B. Foot Tanning Company (“Employer”) (SBFTC) and Local 1189 of the United Food & Commercial
1461 Workers International Union (“Union”) hereby agree to the following with regard to a pilot program to
1462 provide access to a representative of the UFCW health plan (“Representative”) to meet with employees
1463 as follows:

1464

- 1465 - On a mutually agreeable date between contract ratification and April 30, 2026, Employer will allow
1466 Representative access to a non-work area to meet with employees about the health plan;
- 1467 - Employees will sign up for a meeting with the Representative for a maximum period of 15-minutes,
1468 which time shall be paid.

1469

1470 This Letter of Understanding shall automatically expire on April 30, 2026, unless extended by the parties
1471 in writing.

1472

1473 Letter of Understanding #3 – ESST Administration with Vacation

1474

1475 S.B. Foot Tanning Company (“Employer”) (SBFTC) and Local 1189 of the United Food & Commercial
1476 Workers International Union (“Union”) hereby agree to the following:

1477

- 1478 - The parties have a dispute about employee’s use of paid and unpaid time off for absences covered
1479 by Minnesota’s Earned Sick and Safe Time (“ESST”);
- 1480 - As a compromise, and in full resolution of the dispute, through December 31, 2025, employees may
1481 utilize any remaining unpaid ESST or vacation time for an absence that qualifies under MN-ESST.
- 1482 - Notwithstanding the above, on employee-specific, case by case basis, the Union may grieve
1483 attendance-related disciplines dating back to January 1, 2025, so long as the employee had unpaid
1484 ESST or unused vacation time available for the absences subject to the discipline.

1485

1486 This Letter of Understanding shall automatically expire on December 31, 2025.

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