

# Articles of Agreement

*between the*



**SB Foot Leather Tannery  
Union Local 1189**

*and the*



**Red Wing Shoe Company, Inc.**

**April 1, 2022 – March 31, 2025**



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# AGREEMENT

THIS AGREEMENT, made as of 4/1/2019 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. It is to be understood that wherever the words "he" or "his" are used, it is for ease of reading only and these words are to be interpreted as referring to either gender.

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.

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. 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 (2<sup>nd</sup>) and third (3<sup>rd</sup>) shift shall receive shift premium of fifty-five (55) 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.

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

6. Any employee who sustains an injury while working which requires professional medical attention shall receive his assigned rate for his normal work hours lost in order to obtain medical attention on the

day of the injury. If the doctor gives the employee a written statement telling the employee not to return to work that day, the employee will be paid his assigned rate for the remainder of his shift.

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

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

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

Yr. 1: \$2.25 effective first full pay period following 4/1/2022

Yr. 2: \$1.25 effective first full pay period following 4/1/2023

Yr. 3: \$.50 effective first full pay period following 4/1/2024

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

#### **Section IV - Hours and Overtime**

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

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

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

4. One and one half (1-1/2) times the regular hourly rate shall be paid for all hours worked on any Saturday shift as defined in paragraph 6 of this Section.

144 5. Except as herein otherwise provided, work done on any Sunday shift as defined in paragraph 6 of this  
145 Section, legal holidays, or days celebrated as such, shall be paid for at two (2) times the regular rate. For  
146 purposes of this Agreement, legal holidays shall be New Year's Day, Good Friday, Memorial Day,  
147 Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving, December 24, Christmas,  
148 December 31 and one floating holiday.

149

150 6. It is agreed that all work regularly beginning between 8:00 p.m. Friday and 7:59 p.m. Saturday shall  
151 be considered Saturday work. It is agreed that all work regularly beginning between 8:00 p.m. Saturday  
152 and 7:59 p.m. Sunday shall be considered Sunday work. All third shift work regularly beginning 8:00  
153 p.m., and after, on a Sunday, is to be considered Monday work and the same pattern will follow for each  
154 day of the week. Overtime, as has been the case, does not change an employee's regular beginning time.  
155 For the purpose of this section, legal holidays shall be considered the same as Sundays.

156

157 7. Employees shall not refuse to work overtime in their department, provided the Company gives notice  
158 of its desire for overtime work the day previous.

159

160 A. Provided further, that in no case shall employees be required to work more than forty-eight (48)  
161 hours in any week with the exception noted in subparagraph D below. In the event the Company has  
162 failed to give notice the previous day of its desire for overtime work, a refusal on the part of any employee  
163 to work overtime shall be no cause for discipline or for discharge.

164

165 B. The Company will try to notify employees by the end of the first shift on Thursday if work is to be  
166 required on the following Saturday. If the Company gives an employee proper notice of Saturday  
167 overtime work, and if that overtime would result in the employee working more than forty-eight (48)  
168 hours in that week, the employee must work the overtime unless he notifies his supervisor by the end of  
169 the work shift on Thursday of his desire to work no more than forty-eight (48) hours during the work  
170 week. Third shift employees must make their intentions known by the end of the work shift on Friday.

171

172 C. If the Company gives an employee proper notice of overtime work, and if that overtime would  
173 result in the employee working more than forty-eight (48) hours before Saturday, the employee must  
174 work the overtime unless he notifies his supervisor by the end of the work shift on Tuesday of his desire  
175 to work no more than forty-eight (48) hours during the work week. If the employee does not want to  
176 work more than forty-eight (48) hours during the week, and has properly followed the procedure detailed  
177 above, management will schedule the employee for the rest of the week so that the employees work hours  
178 do not exceed that limit. This may mean that a less senior employee is offered, or scheduled for, overtime  
179 ahead of a more senior employee who has notified management that he does not want to work more than  
180 forty-eight (48) hours during the week.

181

182 D. Employees, by department, may be required to work an accelerated work week of over forty-eight  
183 (48) hours and up to fifty-two (52) hours in a week for up to thirteen (13) weeks per calendar year. This  
184 will be tracked by department, not by employee. Accordingly, if an individual employee has transferred  
185 to another department during a calendar year, it is possible that employee may be required to work more  
186 than forty-eight (48) hours, not to exceed fifty-two (52) hours, in more than thirteen (13) weeks during a  
187 calendar year. When the Company chooses to schedule an accelerated work week, all required work  
188 hours will be scheduled Monday through Friday during such week. Voluntary overtime may still be  
189 worked on a Saturday or Sunday during such week. If all overtime in a department during any week is  
190 voluntary, this does not qualify as having used one of the thirteen (13) accelerated weeks. The Company  
191 agrees that once a week is officially declared an accelerated week, it shall remain so and be used as one  
192 of the thirteen (13) accelerated weeks.

193

194 8. When there is daily overtime on a job including to cover for the unplanned absence of an employee  
195 scheduled to work required overtime on that job or voluntary overtime:

196

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

200

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

205

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

211

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

214

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

217

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

221

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

225

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

230

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

234

235 10. When there is Saturday or Sunday overtime follow the provisions of Paragraphs 8(A), 8(B), and 8(D)  
236 of Section IV of this agreement first. Whenever Saturday or Sunday overtime occurs under the provisions  
237 of 8D of Section IV, the Company will post a list of jobs (known at that time and which are available for  
238 work) by the end of the first shift on Thursday. Employees must sign and accept the work to be eligible.  
239 Other work which becomes known to the Company on the Friday or Saturday will be filled with  
240 employees according to the contractual provisions.

241



General clean up and general work shall be considered as belonging to the employees of the department where the work occurs. Paragraph 8(B) and 8(D) shall be followed for that type of work. If shift work is involved, and there is no work for the employee on their regular shift, the assigned employee is entitled to work overtime on a different shift. In order to do so, the employee must have more seniority and must replace the least senior employee on a shift that the employee is available for. (In the process of exercising for work, there may be cases where a more senior employee does not get the overtime due to an employee being unavailable to work a particular shift.)

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

a) send the employee home and pay the employee for four (4) hours at the employee's prevailing base rate or,

b) guarantee such employee eight (8) hours reasonable work in some department of the plant at the rate of pay for the type of employment provided. If such employee volunteers to go home any time before having worked all of their guaranteed eight (8) hours reasonable work, the time not worked will be unpaid.

There is no requirement to provide pay or work, as detailed above, if no work is available due to a major utility breakdown or Acts of God. If feasible, the Company will make an attempt to contact employees to notify them that no work is available. In addition, the Company shall not be required to provide pay or work for such employees laid off or disciplined. For purposes of this paragraph, an employee must accept reasonable work.

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

## **Section V - Paid Holidays**

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

B. If a paid holiday falls on Saturday, it will be celebrated on the preceding Friday. If a paid holiday falls on Sunday, it will be celebrated on the following Monday. If paid holidays fall on a consecutive Friday and Saturday, the Saturday holiday will be celebrated on the preceding Thursday. If paid holidays fall on a consecutive Sunday and Monday, the Sunday holiday will be celebrated on the following Tuesday. Employer and Local 1189 shall have the authority to change dates of celebration of paid

holidays upon mutual agreement. Employer and Local 1189 shall also have the authority to change vacation shutdown days, upon mutual agreement, in order to coordinate with holidays.

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

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

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

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

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

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

## **Section VI - Seniority**

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

2. Any employee, except Maintenance Engineers, who has completed ninety (90) calendar days of service with the Company, shall be considered a regular employee. Maintenance Engineers who have completed one hundred and eighty (180) calendar days of service with the Company shall be considered a regular employee. During said probationary period of ninety (90) or one hundred and eighty (180) calendar days, respectively, the services of such employee can be discontinued by the Company without consideration of seniority and without the Company's action in respect to such employee being the subject of a grievance. In the event a lay-off is imminent, the Company shall first lay off all employees

who have not accumulated ninety (90) days of service with the Company. All benefits, except health and dental insurance, shall become effective on the sixtieth (60<sup>th</sup>) day of employment. Health and dental insurance benefits shall become effective on the first day of the month following the sixtieth (60<sup>th</sup>) day of employment.

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

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

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

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

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

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

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

5. A. When an employee is being temporarily laid off (90 calendar days or less) and there are other employees with less plant seniority still at work, the employee to be laid off shall have the right to replace the employee with the least plant seniority, and shall be given a reasonable opportunity to try out on the job to prove his qualifications. An employee may replace another employee who is assigned to the following jobs only if fully qualified without need for further training: Color Mill Operator, Finish Mixer, Pre-Mixer, Semi-Truck Driver, Dye Weigher, Whole Side Shaver Operator, Posting of

Interest jobs, or any other jobs with similar training periods that are established after the effective date of this paragraph.

B. In the event a lay-off exceeds 90 calendar days, when an employee is being laid-off and there are other employees with less plant seniority still at work, the employee to be laid-off shall have the right to replace the employee with the least plant seniority and shall be given a reasonable opportunity to try out on the job to prove his qualifications. An employee may replace another employee who is assigned to the following jobs only if fully qualified without the need for further training: All Posting of Interest jobs.

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

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

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

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

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

9. If an employee chooses to exercise his seniority to obtain a job, he must do so upon becoming eligible and must be qualified, as determined by the Company (with simple verbal instructions) to perform the job at the time he exercises his seniority. An employee shall not be considered qualified on a job if he has not performed that job within the last two (2) years.

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

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

A. Voluntary quit.

B. Discharge for proper cause.

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

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

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

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

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

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

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

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

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

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

484

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

488

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

496

497 F. Production Leads, Vacation Relievers, Shipping Clerks, and Leather Sorters shall not be eligible to  
498 sign for regularly posted job openings for a period of two (2) years after being assigned to the job.  
499 Openings for these jobs shall be posted as Posting of Interest jobs.

500

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

509

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

514

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

523

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

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

#### **Section VII - Dismissals**

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

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

#### **Section VIII - Sanitary Conditions**

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

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

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

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

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

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

**Section IX - Military Service**

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

**Section X - Vacations**

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

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

A. Employees, except new hires as described hereafter, with less than seven (7) years of continuous service with the Company on September 30 of the vacation year shall be entitled to two (2) weeks off for vacation during the vacation year. Vacation pay shall be 4% of the employee's gross earnings during the calendar year immediately preceding the vacation year. New hire employees shall be entitled to a pro-rated two (2) weeks off for vacation during the vacation year in which they were hired based on full months worked and shall be eligible to utilize such vacation per the contractual scheduling process upon completion of their sixtieth (60th) day of employment. Vacation pay shall be at the employee's regular hourly rate until the new hire employee has completed one (1) full calendar year of service after which, vacation pay will be 4% of the employee's gross earnings during the calendar year preceding the vacation year. New hire employees that terminate employment for any reason prior to six (6) months of continuous employment shall not be entitled to payment for any accrued and unused vacation pay.

B. Employees who will have completed seven (7) years of continuous service with the Company on or before September 30 of the vacation year shall be entitled to three (3) weeks off for vacation during the vacation year. Vacation pay will be 6% of the employee's gross earnings during the calendar year immediately preceding the vacation year.

C. Employees who will have completed fifteen (15) years of continuous service with the Company on or before September 30 of the vacation year shall be entitled to four (4) weeks off for vacation during the vacation year. Vacation pay shall be 8% of the employee's gross earnings during the calendar year immediately preceding the vacation year.

D. Employees who will have completed twenty-five (25) years of continuous service with the Company on or before September 30 of the vacation year shall be entitled to five (5) weeks off for vacation during the vacation year. Vacation pay shall be 10% of the employee's gross earnings during the calendar year immediately preceding the vacation year.

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

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

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

1. Blue Sort/Shaving Department
2. Coloring Department



- 3. Drying Department
- 4. Conditioning (Semi-Truck Drivers) Department
- 5. Finishing, Material Warehouseman
- 6. Distribution Center

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

C. Any employee wanting to take a single day of vacation in January, February or March must schedule that day five working days prior to taking such vacation day. Beginning March 1st of the vacation year, employees may sign up for single vacation days for the period April 1 through December 31. Employees may claim days, in plant seniority order, through March 15th. No employee can sign up for more than three (3) consecutive days, and no more than three (3) days out of any five (5) consecutive workdays. However, an employee can sign up for all five (5) days during the sign-up period. After March 15th, employees must schedule single vacation days five (5) working days prior to taking such vacation days. After March 15th, employees who are signed up will be awarded those days off and cannot be displaced by more senior employees. Any unused days of vacation as of December 31st, will be paid in January of the following vacation calendar year.

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

E. Employees taking vacation one day at a time will be able to use a vacation day when absent due to illness.

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

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

B. If the plant shutdown is taken over the week of Thanksgiving, all employees working in departments which come before the Drying Department in the process will take vacation on the day before vacation shutdown begins for all employees. All employees working in the Drying Department or after in the

680 process will take vacation on the day following vacation shutdown for all employees. If the plant  
681 shutdown is taken over the week of Thanksgiving, the number of vacation days that will be taken is  
682 limited to five (5).

683

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

688

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

692

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

695

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

700

701 6. An employee whose service with the Company is terminated because of retirement, death or voluntary  
702 quit after the start of the vacation year, shall be paid any vacation pay due to him for that vacation year  
703 that has not been paid to him at the time of termination. If termination of employment is due to voluntary  
704 quit, it is requested that an employee give at least two (2) weeks of notice to management. In any event,  
705 an employee must work the entire shift on their last day of work, unless excused by management. If the  
706 employee does not work the entire shift on their last day of work, and has not been excused by  
707 management, management is not required to pay the employee any unused vacation pay.

708

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

713

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

719

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

724

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

728

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

## **Section XI - Grievance Procedure**

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

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

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

A. Within five (5) working days after the occurrence of the alleged grievance or dispute the employee or employees involved shall submit the matter in writing and present the written grievance to the department supervisor, or shift supervisor, or the grievance is deemed waived. Within three (3) working days following receipt of the written grievance by the supervisor, a conference shall be held between the supervisor of the department and employee, or employees involved. If employees so desire, they may be accompanied in such conference by the Department Steward. If the grievance involves a matter of earnings, then the five (5) day period shall begin at the date on which the paycheck for the period covering the disputed matter was received. If a question of immediate lay-off with seniority considerations is involved, then the employee should consult with his supervisor in an effort to clarify the matter prior to the filing of a grievance.

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

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

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

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

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

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

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

## **Section XII - Bereavement Leave**

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

2. An employee who attends the funeral of his grandparent or grandchild shall be paid for up to two (2) working days. It is understood and agreed that funeral leave pay will be granted only for those regular workdays which come between and including the day of death and the day of the funeral, and accordingly, may involve reimbursement for less than two (2) days. An employee who attends the funeral of his spouse's grandparent, his brother-in-law, sister-in-law, daughter-in-law, son-in-law, or stepparent on a regular workday, shall be paid for that day so long as the deceased is related through a legal relationship. Basis of payment for such day shall be for regular scheduled hours (not to include daily overtime that was not scheduled the day previous) at the employee's assigned rate.

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

## **Section XIII - Jury Duty**

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

2. The following will be considered as reasonable effort:

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

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

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

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

#### **Section XIV - Pension Plan**

1. All employees who are participants in the pension plan have a 401(k) plan with a 50% match of the first 6% deferred.

2. All employees who are not participants in the pension plan have a 401(k) plan with a 50% match of the first 6% deferred. Effective for calendar year 2011, such employees will receive a contribution of 2% of wages earned which will be deposited in the 401(k) plan after the end of each calendar year. Such contribution is to be made prior to the end of the first calendar quarter of the new year.

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 XV - Appendices**

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

#### **Section XVI - No Strike/No Lockout Clause**

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

876

877 **Section XVII - Term of Agreement**

878

879 This Agreement shall remain in full force and effect until April 1, 2025 and shall thereafter be continued  
880 from year to year unless notice of desire to change or modify, in writing by Registered Mail, is given by  
881 either party at least sixty (60) calendar days before the expiration date.

882

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

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**UNITED FOOD AND COMMERCIAL  
WORKERS UNION, LOCAL 1189, AFL-CIO-CLC**

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Signature [Signature] Union Representative 8/20/2022  
Date  
Signature [Signature] 8-30-22  
Date  
Signature [Signature] 8-31-22  
Date  
Signature [Signature] 8-31-22  
Date  
Signature [Signature] 8-31-22  
Date  
Signature \_\_\_\_\_ Date

**S. B. FOOT TANNING COMPANY, INC.**

Signature [Signature] 09/06/22  
Date  
Signature [Signature] 9-17-22  
Date  
Signature [Signature] 9-6-22  
Date

922  
923

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

<b>Teir 1 Production Wage Rates for Employees Hired Prior to April 1, 2015</b>					
Position ( <b>BOLD</b> = Posting of Interest)	Class	Effective 4-1-22	Effective 4-1-23	Effective 4-1-24	Effective 3-31-25
SBF096 COLOR MILL OPERATOR*	VII	\$26.65	\$27.90	\$28.40	\$28.90
SBF084/86 TRUCK DRIVER	VIIA	\$26.15	\$27.40	\$27.90	
<b>SBF142 BLUE SORTER</b>	VI	\$25.92	\$27.17	\$27.67	
SBF083 BUFFING					
SBF067 SHAVER					
SBF088 CRUST SORTING	V	\$25.37	\$26.62	\$27.12	
SBF087 DYE WEIGHER					
<b>SBF094 FINAL SORTER</b>					
SBF226 FINISHING COLOR MIXER					
SBF304 FINISHING PREMATCHER					
SBF324 FINISHING SPRAY LINE SET-UP					
SBF039 MEASURING MACHINE					
SBF081 SAMPLE MILL OPERATOR					
<b>SBF095 SHIPPING CLERK</b>					
SBF246 STAKING					
SBF329 BAUCE	IV	\$24.88	\$26.13	\$26.63	
SBF141 BLUE SORT CARRIER					
SBF033 CURTAIN COATER					
SBF DC FLORHAND					
SBF028 PACKING					
SBF323 SPRAY LINE CREW (MO)					
SBF036 STICK DRYER					
SBF052 VACUUM DRYER					
SBF030 WET STOCK DRYER					
SBF278 WET TOGGLE					
SBF241 BALER	III	\$24.10	\$25.35	\$25.85	
SBF297 BLUE TRIMMER					
SBF054 FINAL SORT SERVICER					
SBF053 FINISHING FORKLIFT OPER					
SBF232 FINISHING PRESSES					
SBF029 ROLLUP					
SBF071 SPRAY MACHINE OPERATOR					
SBF108 TUMBLE MILL					
SBF269 WAXER - FINISHING	II	\$23.10	\$24.35	\$24.85	
SBF060 BLUE SORTER SERVICER					
SBF031 CRUST DISPATCHER					
SBF056 WAREHOUSE	I	\$21.98	\$23.23	\$23.73	
SBF024/27 CUSTODIAN					
Depart. POOL					
Depart. MEETINGS	n/a	rate of assigned job	rate of assigned job	rate of assigned job	
<b>SBFXXX PRODUCTION LEAD</b>	n/a	\$1.00 over highest class rate being led using teir 1 \$2.00 over rate (2nd/3rd shifts)	\$1.00 over highest class rate being led using teir 1 \$2.00 over rate (2nd/3rd shifts)	\$1.00 over highest class rate being led using teir 1 \$2.00 over rate (2nd/3rd shifts)	

\*=First pay period following ratification

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<b>Teir 2 Production Wage Rates for Employees Hired After March 31, 2015</b>					
Position ( <b>BOLD</b> = Posting of Interest)	Class	Effective 4-1-22	Effective 4-1-23	Effective 4-1-24	Effective 3-31-25
SBF096 COLOR MILL OPERATOR*	VII	\$26.65	\$27.90	\$28.40	\$28.90
SBF084/86 TRUCK DRIVER	VIIA	\$26.15	\$27.40	\$27.90	
<b>SBF142 BLUE SORTER</b>	VI	\$25.00	\$26.25	\$26.75	
SBF083 BUFFING					
SBF067 SHAVER					
SBF088 CRUST SORTING	V	\$24.50	\$25.75	\$26.25	
SBF087 DYE WEIGHER					
<b>SBF094 FINAL SORTER</b>					
SBF226 FINISHING COLOR MIXER					
SBF304 FINISHING PREMATCHER					
SBF324 FINISHING SPRAY LINE SET-UP					
SBF039 MEASURING MACHINE					
SBF081 SAMPLE MILL OPERATOR					
<b>SBF095 SHIPPING CLERK</b>					
SBF246 STAKING					
SBF329 BAUCE	IV	\$23.75	\$25.00	\$25.50	
SBF141 BLUE SORT CARRIER					
SBF033 CURTAIN COATER					
SBF DC FLORHAND					
SBF028 PACKING					
SBF323 SPRAY LINE CREW (MO)					
SBF036 STICK DRYER					
SBF052 VACUUM DRYER					
SBF030 WET STOCK DRYER					
SBF278 WET TOGGLE					
SBF241 BALER	III	\$23.00	\$24.25	\$24.75	
SBF297 BLUE TRIMMER					
SBF054 FINAL SORT SERVICER					
SBF053 FINISHING FORKLIFT OPER					
SBF232 FINISHING PRESSES					
SBF029 ROLLUP					
SBF071 SPRAY MACHINE OPERATOR					
SBF108 TUMBLE MILL					
SBF269 WAXER - FINISHING	II	\$22.25	\$23.50	\$24.00	
SBF060 BLUE SORTER SERVICER					
SBF031 CRUST DISPATCHER					
SBF056 WAREHOUSE	I	\$21.50	\$22.75	\$23.25	
SBF024/27 CUSTODIAN					
Depart. POOL	n/a	rate of assigned job	rate of assigned job	rate of assigned job	
Depart. MEETINGS					
<b>SBFXXX PRODUCTION LEAD</b>	n/a	\$1.00 over highest class rate being led using teir 1 \$2.00 over rate (2nd/3rd shifts)	\$1.00 over highest class rate being led using teir 1 \$2.00 over rate (2nd/3rd shifts)	\$1.00 over highest class rate being led using teir 1 \$2.00 over rate (2nd/3rd shifts)	

926

\*=First pay period following ratification



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

1. For all jobs, the training rate for non-probationary employees, shall be 85% of regular rate until qualified at which time the employee will be paid at 100% of the rate. Minimum training rate shall not be 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. Vacation Relievers will be paid \$1.00 above the highest pay rate relieved.

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

3. Production Leads:

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

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

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

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

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

<b>Maintenance Classification and Wage Rates Effective 4-1-22</b>				
Maintenance Engineer Ability	Stationary Engineer License			
	Special	Shift	In Charge	Chief
I	\$23.15	\$24.15	\$24.40	\$24.90
II	\$24.40	\$25.40	\$25.65	\$26.15
II	\$25.40	\$26.40	\$26.65	\$27.15
IV	\$26.40	\$27.40	\$27.65	\$28.15

<b>Maintenance Classification and Wage Rates Effective 4-1-23</b>				
Maintenance Engineer Ability	Stationary Engineer License			
	Special	Shift	In Charge	Chief
I	\$24.40	\$25.40	\$25.65	\$26.15
II	\$25.65	\$26.65	\$26.90	\$27.40
II	\$26.65	\$27.65	\$27.90	\$28.40
IV	\$27.65	\$28.65	\$28.90	\$29.40

<b>Maintenance Classification and Wage Rates Effective 4-1-24</b>				
Maintenance Engineer Ability	Stationary Engineer License			
	Special	Shift	In Charge	Chief
I	\$24.90	\$25.90	\$26.15	\$26.65
II	\$26.15	\$27.15	\$27.40	\$27.90
II	\$27.15	\$28.15	\$28.40	\$28.90
IV	\$28.15	\$29.15	\$29.40	\$29.90

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991

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

993

994 4. All Maintenance Department employees should recognize that there is a frequent need for overtime

995 and 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

996

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

999

1000 B. It should be understood that if a Maintenance Engineer is working on an assignment on any given  
1001 day which requires overtime to complete of two (2) hours or less, those employees working on the  
1002 assignment will be asked first to finish the assignment on overtime without regard to A above. If  
1003 unforeseen circumstances cause the amount of overtime to exceed two hours, and a more senior  
1004 Maintenance Engineer questions whether he should have gotten the overtime, management will give the  
1005 Union Committee a written explanation of the circumstances. If management did a poor job of estimating  
1006 the amount of time, the senior qualified Maintenance Engineer will be paid for the same amount of time  
1007 as was worked. If management could not have foreseen that the amount of time would exceed two hours,  
1008 no other employees will be paid.

1009

1010 C. If management predicts that such an assignment will take more than two (2) hours, senior qualified  
1011 Maintenance Engineers will be given the opportunity to work the overtime, in accordance with A above.  
1012 If it ends up taking less than two hours of overtime to complete the assignment, the employee doing the

work will be given the opportunity to work overtime of two hours and fifteen minutes that day. As a result, grievances shall have no merit because the senior employee will have gotten the overtime work.

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. For each year of the contract, the company will be responsible for any health care cost increases up to 4% for plan year 5/1/2023 through 4/30/2024 ("2023- 24") and up to 3% for plan year 5/1/2024 through 4/30/2025 ("2024-25"). It is further agreed that if health care costs increase by more than 4% for plan year 2023-24, the union may, at its election, apply all or a portion of the 3% assigned to the 2024-25 plan year increases. Similarly, if expenses for the 2023-24 plan expenses are less than 4%, any portion of the 4% not used may be applied to expense increases for 2024-25. In no event will the Employer's costs increase by more than a total of 7% for plan years 2023-24 and 2024-25 combined. Any increases beyond these respective percentages as determined by the Plan Administrator, shall require that the Union and Plan Administrator determine the appropriate means to address the excess costs through either benefit plan design, administrative efficiency, employee premium increases or a combination thereof. The Union will advise the Employer no less than thirty (30) days prior to the effective date of any changes in plan design and/or Employee premiums.

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. Employees who are eligible for family coverage but choose not to have health coverage under the UFCW health plan, will receive a \$200 per month stipend so long as the employee has no coverage under the UFCW health plan. This opt-out opportunity will be administered by the following provisions:

1. Employees must submit initial request for opt-out opportunity by June 1 and must be able to opt out of UFCW Health Plan between June 1 and May 31.

2. No more than 10% of the workforce will be allowed to take this opportunity.

1061 a. If more than 10% of the workforce requests to opt out of the UFCW health plan, it will be awarded by  
1062 seniority.

1063 b. If less than 10% of the workforce requests to opt out of the UFCW health plan during the initial sign  
1064 up period, other employees will be considered on an ongoing basis until the 10% limit has been met.

1065 c. Once the 10% opt-out level has been met, additional employees, even those with more seniority, must  
1066 wait until the next available opportunity.

1067 3. Employees who opt out must show proof of other health coverage on an annual basis.

1068 4. Employees can get back on the plan due to a qualifying event (losing coverage, marriage, etc.), or if  
1069 they simply choose to get back on the UFCW health plan during annual enrollment.

1070 5. Payment of the stipend will be made as soon as administratively possible once documentation of proof  
1071 of other health coverage has been received and is approved. Payment will be made no later than one  
1072 month following approval.

1073

1074 F. The Employer agrees to go with the UFCW medical plan, and the Employer will contribute \$725  
1075 per month for single coverage, and \$1,800 per month for family coverage effective 5-1-2022 through 4-  
1076 30-2023. Any plan provided to the SB Foot UFCW membership, by the UFCW parent union, shall have  
1077 the above maximum contributions to include the employer contributing to an HSA for the employee for  
1078 any portion of the plan that does not meet the maximum contribution as stated above. For example, if the  
1079 UFCW chooses an HSA High Deductible plan and the premium for the family plan is \$1,720 per month,  
1080 The employer will contribute the \$1,720 per month towards the premium and \$80 per month to the  
1081 employee's HSA account. The same principles will hold true for the employer's commitment to years  
1082 two and three of the contract. All plan costs must be shared with the employer. Renewal rates for 5-1-  
1083 2023 through 4-30-2024 and 5-1-2024 through 4-30-2025 will be determined by the Plan Administrator  
1084 and communicated to the Employer no less than thirty (30) days prior to the effective date of any changes.  
1085 All eligible Local 1189 members will go into the UFCW plan.

1086

1087 A bonus in the total sum amount of \$720 for those employees contributing to the UFCW family insurance  
1088 plan, and \$288 for those employees contributing to the UFCW single insurance plan, payable to insurance  
1089 premiums in equal monthly installments of \$60/family and \$24/single, for employees on the active  
1090 payroll at the beginning of each month starting 5-1-2024 through 4-30-2025 (This is a onetime monthly  
1091 contribution and does not carry into any premiums following 4-30-2025).

1092

1093 G. The Company shall initiate contributions for health insurance for new hires on the first day of the  
1094 month following the sixtieth (60<sup>th</sup>) day of employment.

1095

1096 H. For the purposes of participation in the UFCW medical plan, a Covered Employee whose spouse is  
1097 also employed by S. B. Foot Tanning Company, and who is eligible for and elects family coverage under  
1098 an S. B. Foot Tanning Company medical plan, shall only be entitled to elect single coverage under the  
1099 UFCW plan.

1100

1101 I. If Employer and Union agree to include non-Medicare retirees in the UFCW plan, separate actuarially  
1102 determined rates will be required.

1103

1104 J. S. B. Foot Tanning Company will make no contribution towards retiree coverage, nor will S. B. Foot  
1105 Tanning Company subsidize such coverage. The retiree will be billed for 100% of premium costs.

1106

1107 K. Life insurance benefit is \$25,000.

1108

1109 L. Major Benefits of UFCW National Health and Welfare Fund plan: See the Summary Plan Description  
1110 for details.

1111

1112 M. Dental Benefits, The Company will provide access to the same dental plan as provided to RWSC  
1113 salaried employees effective January 1, 2020. Employees will pay the full cost of the dental coverage  
1114 level that they select. Deductions for the cost of the coverage level selected by the employee will be  
1115 made through the normal payroll process.

1116

1117 **S. B. FOOT TANNING COMPANY**  
1118 **APPENDIX E**

1119

1120 All vending machine rebate money will be sent to the Union monthly with a statement from the vendor.

1121

1122 **PLANT RULES**

1123 of the

1124 **S. B. FOOT TANNING COMPANY**

1125

1126 These plant rules shall govern the conduct of the employees of the S. B. Foot Tanning Company. The  
1127 sole intent of these rules is to promote safety, plant efficiency and to improve plant working conditions.  
1128 The violation of these rules makes the employee subject to disciplinary action or dismissal by the  
1129 management.

1130

1131 **A. Supervisor's Responsibility**

1132

1133 Each supervisor is in complete charge of his department and is responsible for the operation thereof.

1134

1135 1. Safety for himself and his fellow workers is the primary consideration of each supervisor. Employees  
1136 will be held strictly accountable for any acts that jeopardize and endanger the life or health of himself or  
1137 any other employee or expose the property of any employee or of the Employer to loss by fire.

1138

1139 2. All injuries, however slight, must be reported immediately to your supervisor in order that proper  
1140 attention may be given and there be no question concerning compensation. Emergency cases will be  
1141 attended to immediately.

1142

1143 3. Safety suggestions or improvements are welcomed and should be made to the supervisor of the  
1144 department.

1145

1146 4. Every new employee must submit to a physical examination before being employed.

1147

1148 5. Every employee who has been absent from work for any cause whatsoever, if requested, must submit  
1149 to a physical medical examination, at the company's expense, before returning to work.

1150

1151 6. The Company agrees to establish and maintain a Safety Committee consistent with applicable  
1152 state and federal law and regulations.

1153

1154 **B. Quality Work and Production**

1155

1156 1. Quality work is expected of all employees. Employees must not speed their work at the expense of  
1157 quality.

1158

1159 **C. Hours of Work**

1160

1161 1. Every employee entering or leaving the plant must punch his individual timecard.

1162

1163 2. No employee shall at any time punch any card other than his own.

1164

1165 3. No employee may punch his card IN more than fifteen (15) minutes before his starting time, and an  
1166 employee shall have his card punched out not later than twenty (20) minutes after FINISHING HIS  
1167 DAY'S WORK. No erasing or defacing of timecards is permitted.

1168

1169 4. Employees must be at their place of work when starting time commences, both at the beginning of the  
1170 day's work and after lunch periods. In the same manner, employees shall remain at their place of work  
1171 until lunch periods begin, or until they have COMPLETED their day's work.

1172

1173 **D. Housekeeping**

1174

1175 1. Lavatories, toilets, and dressing rooms must be kept neat and clean. Wastepaper such as lunch  
1176 wrappings, milk cartons, used paper towels, etc., should be placed in the receptacle provided.

1177

1178 2. Every employee shall keep his individual place of employment (machine, table, floor, etc.) free from  
1179 refuse.

1180

1181 3. Old clothes no longer in use shall be removed from dressing rooms.

1182

1183 **E. General Rules**

1184

1185 Company work rules that if violated, may be subject to immediate dismissal:

1186

1187 1. Dishonesty by theft and/or falsification of records.

1188 2. Recklessness that results in or which is reasonably likely to result in serious accident while on duty.

1189 3. Proven and willful destruction of property on the premises.

1190 4. Refusal to follow an order of supervision unless it's unsafe, illegal or immoral.

1191 5. Any violation of the "Workplace Violence" policy.

1192 6. Sleeping during scheduled work time.

1193 7. Violation of safety rules that result in or have the potential to result in death, serious injury or  
1194 significant property damage (e.g., lock-out/tag-out, fall protection, by-passing safety switches, and  
1195 recklessness).

1196 8. Violations of the "Harassment, Discrimination and Retaliation Prevention" policy.

1197 9. The use, possession, distribution, or sale of alcohol or illegal drugs anywhere at work (i.e.,  
1198 violations of the drug/alcohol policy).

1199 10. Reporting to work or engaging in work under the influence of alcohol or illegal drugs (i.e.,  
1200 violations of the drug/alcohol policy).

1201 11. Violation of the "Code of Conduct"

1202 12. Violation of the "Communication Device" policy

1203 13. Walking off the job without permission.

1204

1205 Company work rules that if violated, may be subject to progressive discipline (not intended to be all  
1206 inclusive):

1207

1208 1. Poor performance based on a "reasonable person" standard. Management will take into account  
1209 standards, performance of other employees on the same job and the like.

1210 2. Creating unsanitary or unsafe conditions.

1211 3. Proven neglect or carelessness resulting in damage to property.

1212 4. Smoking in prohibited areas.

1213 5. Failure to report all cases of injury within five (5) working days of occurrence.

1214 6. Failure to use safety equipment where supplied or installed.

1215 7. Unauthorized posting or tampering with posted materials.

1216 8. Horseplay, fooling, running, throwing material, and/or disturbing other employees by action or  
1217 word.

1218 9. Dishonesty other than theft or falsification of records.

1219 10. Unauthorized picture taking or recording.

1220

1221 **F. Pay Periods**

1222

1223 1. Pay period for factory workers will be every two weeks, paydays being every other Friday.

1224

1225 2. Employees will receive their paychecks from the supervisor or acting paymaster during their work  
1226 shift only, except by special order of the Superintendent. Morning crew workers will receive theirs at the  
1227 end of their shift, and afternoon crews before starting work by reporting to supervisor.

1228

1229 3. If an employee quits without a three-day notice, he is not entitled to his pay until the payday on  
1230 which it falls due.

1231

1232

**LETTERS OF UNDERSTANDING**

1233

1234

**Exhibit A**

1235

April 1, 1996

1236

**LETTER OF UNDERSTANDING - Subcontractors**

1237

1238 S.B. Foot Tanning Company (SBFTC) and Local 335 of the United Food & Commercial Workers  
1239 International Union hereby agree to the following with regards to subcontracting of work normally  
1240 performed by bargaining unit employees.

1241

1242 During the regularly scheduled monthly Management/Labor meeting, the company will devote a  
1243 portion of the meeting to informing the union of its plans regarding the use of subcontractors. However,  
1244 from time to time the company may find it necessary to schedule subcontractors for jobs that the union  
1245 has not been informed about. In the event this happens, the company will make a reasonable effort to  
1246 contact the president or secretary of Local 335 and inform them of the subcontractor work.

1247

1248

**Exhibit B**

1249

April 1, 1996

1250

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

1251

1252 S.B. Foot Tanning Company (SBFTC) and Local 335 of the United Food & Commercial  
1253 Workers International Union hereby agree to the following with regards to orientation of new employees.  
1254 One union official will be allowed to meet, for up to one-half hour, with new employees during their  
1255 official "new employee orientation."



- 1256
- 1257 The topics that the union official will discuss will be the following:
- 1258 • Introduction to Local 335
- 1259 • Explanation of the steward system
- 1260 • Grievance procedure: emphasize that first step can be meeting between employee and supervisor
- 1261 for explanation of situation.
- 1262 • Job requirements; expectation of employees by SBFTC and Local 335, especially with regard to
- 1263 breaks, attendance, and other requirements for keeping your job at SBFTC
- 1264 • Highlights of the Labor Agreement, such as jury duty
- 1265
- 1266
- 1267

1268 **Exhibit C**

1269 March 31, 2006

1270 **LETTER OF UNDERSTANDING - Production Work**

1271

1272 If there is no production work where an employee could be assigned and his work area and machine are

1273 cleaned, management has the discretion to allow an employee to clock out and leave work. In no way

1274 does this limit management's authority to run the business.

1275

1276 **Exhibit D**

1277 March 31, 2006

1278 **LETTER OF UNDERSTANDING – ProAct**

1279

1280 S.B. FOOT TANNING COMPANY & LOCAL 335 have agreed to the following Letter of

1281 Understanding regarding employees working on light duty at ProAct.

1282

1283 Effective April 1, 2006, employees working temporarily at ProAct will receive their regular base rate for

1284 hours worked as long as the hours do not exceed 40 hours in one week. If employees work beyond 40

1285 hours at ProAct, they will be eligible for overtime as per the collective bargaining agreement. Any wage

1286 loss will be made up by workers' compensation.

1287

1288

1289

1290

1291 **Exhibit E**

1292 March 31, 2012

1293 **LETTER OF UNDERSTANDING - Retirement**

1294

1295 S.B. Foot Tanning Company and Local 335, UFCW, hereby agree to the following:

1296

1297 Employees who are in the pension plan and retire shall receive one hundred thirty-five dollars (\$135) for

1298 each full year of service. The last year will be divided by the months of service. This amount is subject

1299 to all applicable deductions and taxes.

1300

1301 Current employees as of 4-1-2012 not in the pension will receive one hundred thirty-five (\$135) per year

1302 of service rounded up to the next whole year in a lump sum plus five hundred dollars (\$500). This amount

1303 is subject to all applicable deductions and taxes. These employees are no longer eligible for this benefit

1304 upon their retirement.

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

Letter of Understanding 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.

1354

1355 D. The Company may classify a newly assigned employee into the Maintenance Department at any  
1356 of the job classifications listed in Appendix B in the collective bargaining agreement based upon the  
1357 Company's judgment of the applicant's qualifications, previous experience, and current engineer's  
1358 license.

1359

### 1360 III. Qualification and Selection of External Applicants

1361

1362 A. Meet S. B. Foot Tanning Company's standard employment requirements.

1363

1364 B. Possess Minnesota State Special Engineer (or higher) boilers license or agree to obtain within  
1365 180 days of employment.

1366

1367 C. An employee hired will be classified based on level of boiler engineer's license and level of  
1368 maintenance skills and will be regarded as temporary for the first 180 days of continuous employment.  
1369 During these 180 days, the services of such employee can be discontinued by the Company without  
1370 consideration of seniority and without the Company's action being the subject of a grievance.

1371

### 1372 IV. Related Training

1373

1374 A. The related Training Schedule is listed in a separate document. An employee must complete the  
1375 minimum classroom hours in all core areas of study to advance to Maintenance Engineer IV level.  
1376 An employee may present to management documentation of other training which the employee has  
1377 satisfactorily completed.

1378

1379 B. Persons participating in the Maintenance Training Program are expected to enroll in and  
1380 satisfactorily complete school classes per the Maintenance Training Schedule (course content and  
1381 minimum hours to be determined by the Company), and on-the-job training. Development needs will  
1382 be evaluated and communicated by management on an individual basis. Employee training  
1383 performance will be reviewed by management. If it is determined by management that a person is not  
1384 satisfactorily progressing, the company may remove that employee from the Maintenance Department  
1385 and the employee will be placed in the labor pool.

1386

1387 C. For employees in the maintenance training program, the Company will pay for tuition, books, and  
1388 supplies for the required courses. Employees will be paid for attending classes as required by federal  
1389 and state law. Employees are expected to study as needed on their own time.

1390

1391 For employees interested in entering the maintenance training program, S. B. Foot will reimburse the  
1392 employees per section II. B. above.

1393

### 1394 V. Maintenance Classifications

1395

1396 Maintenance engineer classifications have been established for Maintenance employees based on  
1397 training, experience, and various engineers' licenses. Those levels and the hourly rate of pay are listed  
1398 in the current union contract. (Only one employee will have designation as Chief of Plant, but more  
1399 than one may have qualifications at Chief of Plant level at Company discretion).

1400

### 1401 VI. Advancement

1402

1403 Progression from job classification to job classification within the Maintenance Department shall be  
1404 based upon completed training, work performance, experience, and acquisition of various engineers'  
1405 licenses, and shall generally be as follows:

1406

1407 A. Maintenance Engineer II

1408

1409 An employee must have six months of experience within the Maintenance Department, sixty (60) hours  
1410 of completed training, a satisfactory work performance evaluation, and have completed a formal course  
1411 of study in Safety and Health, and First Aid and C.P.R. to be classified as a Maintenance Engineer II.

1412

1413 B. Maintenance Engineer III

1414

1415 An employee must have two years of experience within the Maintenance Department, two hundred  
1416 (200) hours of completed training, and a satisfactory work performance evaluation to be classified as a  
1417 Maintenance Engineer III.

1418

1419

1420 C. Maintenance Engineer IV

1421

1422 An employee must have three years of experience within the Maintenance Department, three hundred  
1423 (300) hours of completed training, which must include identified core courses, and a satisfactory work  
1424 performance evaluation to be classified as a Maintenance Engineer IV.

1425

1426 D. Due to advancements of technology in Maintenance and Engineering, continued training of  
1427 Maintenance Engineers is important. Management may require maintenance employees to take up to  
1428 fifty (50) hours of training per year. Should an employee refuse training, they will be moved back one  
1429 Maintenance Engineer level and be re-classified accordingly.

1430

1431 VII. Hiring New Employees for the Maintenance Department

1432

1433 A. Hiring Criteria

1434

1435 1. Must have following competencies.

1436 a. High Integrity

1437 b. Superior execution and drive for results

1438 c. Reliability (low absenteeism and tardiness)

1439 d. Strong initiative and ability to work with limited supervision

1440 e. Collaborative and excellent team work

1441

1442 2. Must have appropriate experience.

1443

1444 3. Must have appropriate vocational education.

1445

1446 4. Must be physically capable of performing the essential functions of the position with or without  
1447 accommodations.

1448

1449 5. Candidates may, at management's discretion, be hired if they show mechanical aptitude, even  
1450 though they do not meet the experience and education requirements.

1451

1452 B. Credit for Experience and Education

1453

1454 1. Credit for applicable experience will be given at the rate of ten (10) hours for each year. Whether  
1455 experience is applicable will be determined by management.

1456

1457 2. Credit for applicable vocational education will be given. Unknown classroom hours will be  
1458 estimated based on current area Technical College requirements for the same or similar course.  
1459 Management will determine if education is appropriate.

1460

1461

1462

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