

2002

A G R E E M E N T

Between

PARK 500

and

LOCAL NO. 359-T

of the

BAKERY, CONFECTIONERY,

TOBACCO WORKERS

and GRAIN MILLERS

INTERNATIONAL UNION

A.F.L.-C.I.O.-C.L.C.

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## **AGREEMENT**

This Agreement is made and entered into this 1<sup>st</sup> day of February, 2002 for PMUSA at PARK 500, 4100 Bermuda Hundred Road, Chester, Virginia 23836, hereinafter referred to as the Company, and LOCAL #359-T OF THE BAKERY, CONFECTIONERY, TOBACCO WORKERS and GRAIN MILLERS INTERNATIONAL UNION A.F.L.-C.I.O.-C.L.C., hereinafter referred to as the Union.

**ARTICLE I  
UNION SECURITY**

**SECTION 1 – RECOGNITION**

The company recognizes the Union herein as the exclusive bargaining representative on wages, hours and working conditions, according to the terms of this Agreement, for only those hourly paid production employees employed in the Company's plant located at 4100 Bermuda Hundred Road, Chester, Virginia 23836, specifically excluding, however, office and clerical employees, plant protection employees, professional employees, technicians, specialists, supervisors, salaried executives and employees of such other jobs which are covered by separate Collective Bargaining Agreements.

**SECTION 2 – CHECKOFF**

- a. For the convenience of the employees, the Company will make payroll deductions for Union membership dues for any employee covered by this Agreement, who authorizes the Company to make such deductions.
- b. Such deductions will be made as follows:
  - (1) Upon receipt of an authorization from an employee, which shall be on a form furnished by the Company, (as hereinafter set forth) signed by the employee, and witnessed, the Company shall deduct each month from the wages of said employee a sum not to exceed the regular union dues, as shall be duly fixed by the International Union from time to time, as payment of his monthly union membership dues and continue such deduction until this authorization is withdrawn, in writing, by registered mail to the Company and the Local Union, twenty (20) days prior to the employee anniversary date and no later than ten (10) days prior to the anniversary date.
  - (2) Such dues will be checked off during the third pay period of each calendar month, and the dues so deducted shall be paid to the Union no later than the thirtieth day of the same month unless the employee withdraws, in writing, by registered mail, to the Company and the local Union, the authorization prior to that date. If the employee has no earnings during the pay period, the Company will deduct his Union dues for that month in a subsequent pay period and remit those dues to the Union by the thirtieth day of the calendar month, unless the employee withdraws, in writing, by registered mail, to the Company and the local Union, the authorization prior to that date, twenty (20) days prior to the employee anniversary date and no later than ten (10) days prior to the anniversary date.
  - (3) Authorization Card

Date \_\_\_\_\_

TO: PARK 500

I \_\_\_\_\_, voluntarily request and authorize Park 500 to deduct from my wages each month, and pay to the duly authorized officer of the Local Union representing me, by the thirtieth of each such calendar month in which said deductions are made, an amount not to exceed the regular Union dues, as shall be duly fixed by the International Union from time to time, in payment of my months Union membership dues.

These deductions shall be made so long as this voluntary authorization shall not be withdrawn in writing to the Company and the Local Union by Registered Mail.

Witness \_\_\_\_\_

Signature \_\_\_\_\_

Social Security Number \_\_\_\_\_

- c. Political Action Committee Deduction
  - (1) The Company will provide a payroll deduction procedure for a legally qualified Union Political Action Committee (PAC) provided that eligible Union members submit to the Company a satisfactory written authorization.

The cost of the administration of this payroll deduction program shall be borne by the Company for all authorized deductions of fifty (50) cents per month or more.

### **SECTION 3 – COOPERATION**

In the interest of promoting a harmonious relationship, the Company agrees to provide the Local Union with a list of all newly hired employees, on a monthly basis, to enable the Union Representative to discuss Union affiliations, providing the operating efficiency of the Company is not impeded.

### **SECTION 4 - BULLETIN BOARD**

The Company will grant the Union permission to use the Company bulletin boards for posting the following types of notices:

- a. Notices of Union recreational activities and social affairs;
- b. Notices of Union elections, appointments and results of elections;
- c. Notices of Union meetings.

All notices must be approved by the Plant Manager or the Human Resources Department and must be posted by the Management on Company authorized bulletin boards. An officer of the Union is the only person who may request permission to post notices regarding Union matters.

## **ARTICLE II PURPOSE**

### **SECTION 1 – PURPOSE**

It is in the mutual interest of the Company and the Union to foster and promote a harmonious relationship which will further the safety, welfare and health of the employees, protection of life and property, cleanliness of plant and product, quality and quantity of production and economy of operation. To those ends, the parties have reached a mutual agreement concerning wages, hours and conditions of employment, which shall prevail at Park 500, 4100 Bermuda Hundred Road, Chester, Virginia 23836. It is recognized by this Agreement to be the duty of the Company and the employees to cooperate fully, individually and collectively, for the advancement of said conditions.

### **SECTION 2 – GENDER**

The use of the masculine gender in this Agreement shall be deemed to refer to persons of both sexes.

**ARTICLE III  
HOURS OF WORK AND OVERTIME**

**SECTION 1 - HOURS OF WORK**

The company's work week shall consist of seven (7) consecutive days beginning at 11:00 PM Sunday and continuing until 11:00 PM the following Sunday. An employee's work schedule shall consist normally of five (5) days of eight (8) hours within a work day as defined below:

- a. The hours of work for Fixed Crew Workers will normally be from 7:00 AM to 3:30 PM, including a one-half ( $\frac{1}{2}$ ) hour unpaid lunch period.
- b. The hours of work for Rotating Crew Workers will normally be from 11:00 PM to 7:00 AM, 7:00 AM to 3:00 PM, and 3:00 PM to 11:00 PM, including lunch on the job.

This provision shall not be construed as guaranteeing any number of hours or days of work. Employees shall be available and report for the days and hours of work as scheduled or required in their jobs. As far as practicable, the Company shall give the Union reasonable notice of any changes as listed in Section 1.

**SECTION 2 - CHANGES IN SCHEDULES**

The Company, upon reasonable notice to the Union shall retain the right to change the work schedules from time to time and to shorten the work week.

**SECTION 3 - OVERTIME**

Overtime will be paid as follows:

- a. Payment of Time and One-Half ( $1\frac{1}{2}$ )
  - (1) Work required by the Employer to be performed in excess of eight (8) straight time consecutive hours, or
  - (2) Work required by the Employer to be performed in excess of eight (8) straight time hours in a work day, or
  - (3) Work required by the Employer in excess of forty (40) straight time hours in a given work week, or
  - (4) Work performed immediately prior to the regular starting time unless Section 9 of the Article applies, or immediately after the regular stopping time of an employee's shift;
  - (5) On the sixth (6th) consecutive work day in a given work week. For the purpose of determining the sixth (6th) consecutive work day, an employee must work at least four (4) hours in each of the five (5) previous work days in a work week.

- b. Payment of Double Time

All employees shall receive two (2) times their regular hourly base rate of pay for all work performed on the seventh (7th) consecutive day worked within the Company's work week or in excess of sixteen (16) consecutive hours or on a holiday. For the purpose of determining the seventh (7th) work day in a work week, an employee must work at least four (4) hours in each of the previous (6) days. Holidays, approved Family and Medical Leave Act time, Vacation Day-At-A-Time, jury duty, and funeral leave shall be computed as time worked for the purpose of computing overtime pay.

**SECTION 4 - OVERTIME DISTRIBUTION**

All overtime opportunities shall be divided equally, as nearly as practicable, among the employees within their respective work area (see Exhibit B) and job classification. It is recognized that the distribution of overtime cannot be on an equal basis at all times. However, it is agreed that the Company shall attempt to distribute the overtime on an equal basis as such overtime work is available during the duration of this Agreement.

Employees who have worked or are scheduled to work at least 16 hours within a 24 hour period will not be allowed to work additional hours until the employee has been away from work at least 6 consecutive hours unless emergency conditions or business needs. Business needs will include, but are not limited to, Job Continuity, Meetings, Training, etc.

a. Rotating Shifts

- (1) Overtime will be charged according to the actual overtime hours asked of an employee. No employee shall be charged if he is out sick, on vacation, or cannot be personally contacted.
- (2) When overtime is to be worked, the employee in the job requiring relief will be the first entitled to work unless the employee has been otherwise scheduled.
- (3) When the employee in the job requiring relief declines the overtime opportunity, the employee(s) with the least number of overtime hours asked, within the job classification, within the work area, will be entitled to work unless the employee has been otherwise scheduled.
- (4) All eligible employees will be offered four (4) or eight (8) hours. If coverage is not available the employee on the job requiring relief will be obligated to remain for the entire eight (8) hour period.
- (5) If a sufficient number of required employees has not been obtained, the employee(s) in job(s) requiring relief will be required to work unless the employee has been otherwise scheduled. If necessary, employees on the shift in question, will be forced up in classification to meet operational requirements.

b. Fixed Crews

- (1) Overtime will be charged according to the actual overtime hours asked of an employee. No employee shall be charged if he is out sick, on vacation, or cannot be personally contacted.
- (2) When overtime is to be worked within a job classification and a work area, the employee(s) with the least number of overtime hours asked, within a job classification and work area, will be the first entitled to work.
- (3) When the Company has exhausted the overtime list of those employees within a job classification and work area, and a sufficient number of required employees has not been obtained, the employee(s) with the lowest number of hours worked will be required to work the overtime.

c. General List Overtime

Overtime from the General list will be offered for the actual hours required. The option of four (4) or eight (8) hours does not apply.

- d. An employee who accepts overtime and then declines, provided a sixteen (16) hour notice is given, shall not be charged with an absence.
- e. In the event the Company fails to distribute overtime in accordance with Paragraphs a and b above, then the employee(s) who were not given the opportunity to work the overtime will be paid for the hours he was otherwise entitled to in accordance with Section 3 of this Article. Employees paid for overtime not worked shall be charged with the overtime hours for purposes of overtime distribution.

f. Drafting of Employees

- (1) Any employee who has worked twelve (12) or more consecutive hours on one (1) occasion during the previous twenty-four (24) hours immediately prior to an opening, cannot be drafted unless there is an insufficient number of other draftable employees. Employees may be drafted no more than two (2) consecutive days. However, the employee can volunteer to work.
- (2) When the employee in the job requiring relief is not eligible to be drafted, the following will apply:
  - (a) Area Concept: Eligible employees will be drafted from the shift prior to the shift that has the requirement within the same job classification and work area by least number of hours worked (see Exhibit B).
  - (b) General Concept: Eligible employees will be drafted from shift prior to the shift that has the requirements within the same classification by least number of hours worked.
- (3) In cases of fixed crew relief, the employee(s) within the same classification with the lowest amount of hours worked who are on the preceding 11-7 shift will be drafted.
- (4) Where operation opening(s) exists that require drafting, the following guidelines will be used:
  - (a) An opening on 11-7 Shift - Drafting will be from within the same classification and from personnel on the previous 3-11 shift.

- (b) An Opening on 7-3 Shift - Drafting will be from within the same classification and from personnel on the previous 11-7 shift.
  - (c) An opening on 3-11 Shift - Drafting will be from within the same classification and from personnel on the previous daylight shift. Fixed crew members can be drafted (Monday through Friday) for an opening on the 3-11 shift.
  - (5) When drafting is necessary for cleaning and housekeeping, etc., personnel drafted will always be from the shift prior to the shift that has the opening. Any employee who has worked twelve (12) or more consecutive hours on one (1) occasion during the previous twenty-four (24) hours immediately prior to an opening, cannot be drafted unless there is an insufficient number of other draftable employees. Employees may be drafted no more than two (2) consecutive days. However, the employee can volunteer to work. The employee who will be drafted is the employee with the next lowest amount of hours worked within the same classification.
  - (6) Any employee who is drafted and fails to work the required overtime will be subject to disciplinary action.
- g. Employees drafted to work overtime may attempt to secure an employee to work in their place provided that the employee is in the same job classification and work area as the employee seeking the replacement. Such replacement employee must be approved by the immediate supervisor.
- h. Overtime Hours Asked/Worked
- (1) New hired employees (Processing Technicians) will be given the average amount of hours asked that has been accumulated by an employee in the Processing Technician classification within the assigned work area and no hours under hours worked.
  - (2) Whenever an employee is promoted to a higher classification, he will be given the average hours asked and hours worked within that classification.
  - (3) Whenever an employee is reduced in classification or downbids, he will get the average hours asked and worked within that classification.
  - (4) Whenever an employee returns from Leave of Absence, he will get the average hours asked and hours worked in that classification within the assigned work area.
  - (5) Hours asked and hours worked will be zeroed back every February 1.
- i. Overtime Related to Job Continuity
- (1) The need of overtime considered as job continuity results whenever an employee calls in with less than two (2) hours notice of his scheduled shift and/or reports off for less than two (2) hours at the beginning of his scheduled shift.  
The employee whose relief is going to be late will be given the first opportunity to work. If this employee refuses, then the opportunity to work will be given to the other employees on the same shift in the same job classification and work area by lowest hours asked. If no one within the work area and classification wishes to work, then the individual whose relief is absent will be drafted.
  - (2) Job continuity will occur whenever a task warrants overtime of less than two (2) hours.
  - (3) An emergency situation such as wire or fabric changes that occurs without enough time to plan for it can warrant job continuity. In this case, Machine Crews will be held over to assist the oncoming crew if necessary.

## **SECTION 5 - SHIFT PREMIUM**

- a. All rotating shift employees will be paid a shift premium of twenty-nine (29) cents per hour for all hours worked.
- b. All fixed crew employees will be paid a shift premium of forty (40) cents per hour for all hours worked from 3:00 PM to 11:00 PM and a shift premium of forty-eight (48) cents per hour for all hours worked from 11:00 PM to 7:00 AM.

## **SECTION 6 - PYRAMIDING OF PREMIUM PAY**

Pay received by employees in excess of basic straight time pay for time worked is defined herein as premium pay. The Employer shall not pay any premium pay on premium pay.

## **SECTION 7 - CONTINUATION OF JOB ASSIGNMENT UNTIL RELIEVED**

Due to the necessity of a continuous operation, Rotating Crew Workers shall continue to perform their job assignment until properly relieved. In the event of failure of their relief to so report, employees will notify their supervisor immediately, who will take the necessary steps to provide relief as soon as practicable.

## **SECTION 8 - NOTIFICATION OF ABSENCE AND TARDINESS**

It is the duty of all employees to notify the Company concerning absences as follows:

- a. If an employee is unable to work as scheduled, he should call appropriate supervision. Such notice must be given at least two (2) hours in advance of the scheduled starting time unless unusual circumstances prevent him from doing so.

Should unusual circumstances prevent an employee from providing proper notification, an employee may call into work within thirty (30) minutes after shift starting time, stating he/she is going to be late, and the employee will be allowed to work provided he/she reports to work within two (2) hours after the scheduled starting time.

- b. When an employee returns to work after all absences except vacations, he must call appropriate supervision. Such notice must be given at least twelve (12) hours in advance of scheduled starting time unless unusual circumstances prevent him from doing so.
- c. Proper notification is deemed to be direct communication with appropriate supervision, except when appropriate supervision is unavailable where notification will be accepted through a telephone answering machine.

## **SECTION 9 - CALL-IN PAY**

- a. An employee who has left the Company premises and is then notified to perform work before his scheduled starting time shall be paid a minimum of four (4) hours pay or time and one-half (1 1/2) for hours actually worked, whichever is greater, plus shift premium, and temporary cost of living allowance, where applicable, provided he reports to work more than one and one-half (1 1/2) hours before his scheduled starting time. The employee must report for work at the time requested by Management.
- b. Nothing in this language prevents the Employer from scheduling an employee in to work another shift and paying him at his appropriate rate of pay according to this Article.
- c. In addition, when scheduling an employee to work on his day off, the appropriate rate of pay will be in accordance with this Article.
- d. A call-in situation is considered an unusual occurrence of an acute nature and is not defined as normal overtime distribution whether scheduled by telephone or in person.

**ARTICLE IV  
HOLIDAYS**

**SECTION 1 – HOLIDAYS**

Employees covered by this Agreement shall receive eight (8) hours pay at their regular hourly base rate plus shift premium, and temporary cost of living allowance where applicable, for the following holidays: New Year's Day, Good Friday, Easter Monday, Friday before Memorial Day, Memorial Day, Labor Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Eve, Christmas Day, Three (3) Floating Holidays.

Employees must meet all of the following eligibility requirements as set forth herein below:

- a. The employee has been on the active payroll of the Employer for at least 30 days.
- b. The employee has worked at least one (1) scheduled shift in the week before or the week after or the week in which the holiday occurs except when an employee is absent due to (a) jury duty, (b) vacation, or (c) funeral leave or (d) approved Family and Medical Leave Act time.
  - (1) An employee absent due to on-the-job illness or injury or medical leave will be eligible for holiday pay if the holiday occurs within twelve (12) months of the commencement of such absence.
  - (2) An employee absent due to maternity leave will be eligible for holiday pay from the commencement or her leave of absence up to the date of delivery.
- c. In order of seniority, each employee will schedule all three (3) floating holidays at the time solicited. Scheduling of floating holidays will be in accordance with Paragraph d of this Section. The floating holidays must be scheduled on a scheduled work day; however, an employee scheduled to work on a holiday may elect to schedule a floating holiday on such holiday. In such circumstances, the employee will receive holiday pay for both the holiday and the floating holiday, but will not be permitted to reschedule either the holiday or the floating holiday. Once the floating holidays have been scheduled, an employee may request a change with a minimum of two (2) week's notice. Should individual circumstances arise, an employee may request a change with less than two (2) week's notice; however, in no event shall requests for change be entertained with less than eight (8) hours notice. Approval of all requests for change will be limited as set forth in Paragraph d of this Section.
- d. Floating holidays will be scheduled by shift within each work area. A total of ten (10) employees on each rotating shift will be permitted to schedule a floating holiday in accordance with the following limits:
  - (1) Two (2) from Packing, not to exceed one (1) Packing Operator
  - (2) One (1) from the Manpower Pool;
  - (3) Two (2) from Sheet Forming, not to exceed one (1) in a classification;
  - (4) Two (2) from Stock Prep, not to exceed one (1) in a classification; and
  - (5) Two (2) from Blending
  - (6) One (1) Flavor Kitchen Attendant

A total of five (5) employees on the fixed shift will be permitted to schedule a floating holiday in accordance with the following limits:

- (1) One (1) from Receiving;
- (2) One (1) from Shipping;
- (3) One (1) from Maintenance Support;
- (4) One (1) from Warehouse; and
- (5) One (1) from the Manpower Pool.

Eligibility for floating holidays for new employees will be as follows:

Hired by March 31 - Three (3) floating holidays after 90 days

Hired by June 30 - Two (2) floating holidays after 90 days

Hired after June 30 - One (1) floating holiday after 90 days

- e. Employees will not be permitted to schedule floating holidays during a scheduled shutdown period.

#### **SECTION 2 - HOLIDAY PAYMENT**

- a. Employees who qualify for holiday pay and work on a specified holiday shall be entitled to two (2) times their regular hourly rate of pay plus shift premium and temporary cost of living allowance, where applicable, for all hours worked in addition to holiday pay.
- b. The company will take under consideration production employee's request to sell any of the three (3) floating holidays. Any Floating Holiday sold will be paid at straight time hours and will not count towards 6<sup>th</sup>/7<sup>th</sup> day qualifications.

#### **SECTION 3 - OVERTIME COMPUTATION OF HOLIDAY**

A holiday shall be credited as eight (8) hours worked for purposes of overtime herein for those employees not scheduled to work on the holiday. However, employees who are scheduled to work on a holiday must do so in order to have the holiday hours credited for the purpose of computing overtime.

## **ARTICLE V SENIORITY**

### **SECTION 1 - PROBATIONARY PERIOD**

All newly hired employee(s) shall be regarded as probationary employee(s) for their first three (3) months of employment and such employee(s) may be terminated without recourse to the grievance and arbitration provisions during the probationary period. All time lost for illness or injury (off the job or on the job) shall be added to the three (3) months probationary period in order that an employee works the equivalent of three (3) calendar months. Such employee(s), if continued in the employ of the Company after the expiration of the probationary period, shall have his seniority date computed from the date of last hire.

### **SECTION 2 - LOSS OF SENIORITY**

An employee shall lose his seniority rights and shall no longer be in the Company's employ for the following reasons:

- a. Quits
- b. Is discharged
- c. Fails to report to work for a period of four (4) consecutive scheduled working days, without permission, or fails to notify a member of supervision, unless unusual circumstances prevent him from doing so.
- d. Is laid off for a period of time equal to his seniority up to but not to exceed a period of thirty-six (36) months.
- e. Does not notify the Company of his intent to return to work within five (5) calendar days (exclusive of weekends or holidays) after receiving written employment recall notice by Certified Mail to the employee's last address as it appears on Company records, and returns to work within seven (7) calendar days (exclusive of weekends or holidays) of receipt of said notice, unless unusual circumstances prevent him from doing so. In the event the Company is unsuccessful in delivering a written recall notice, the responsibility of Philip Morris to recall an employee will end upon the return of an employment recall notice by the U.S. Postal Service.
- f. Retires
- g. Accepts a position with another employer while on leave of absence without the consent of the Company.
- h. Exceeds a leave of absence without written approval of the Company.
- i. Is absent from work for a period in excess of ten (10) consecutive working days due to incarceration even though item c above has been met.

### **SECTION 3 - RE-EMPLOYMENT**

The date of last hire shall be deemed to be the date of employment.

### **SECTION 4 - OPERATING DEPARTMENTS**

Operating Departments are defined as follows:

- a. General Department
- b. Stock Preparation Department
- c. Sheet Forming Department

The Company reserves the right to add new departments and to modify or discontinue existing ones.

## **SECTION 5 - SENIORITY RIGHTS**

Seniority will accrue based on plantwide seniority. Plantwide seniority shall be defined as the employee's total service in the plant since the date of last hire.

## **SECTION 6 - JOB VACANCIES**

- a. Job vacancies shall be filled within the lines of progression as listed in Exhibit A and shall be based upon plantwide seniority, beginning with the classification immediately below the vacancy, extending throughout the line of progression by classification, highest to lowest providing the employee successfully completes the appropriate Competency Based Evaluation Program. Based upon plant-wide seniority, three (3) employees per calendar year, from either Sheet Forming or Stock Prep, may bid to a higher permanent classification in either Sheet Forming or Stock Prep.
- b. If an insufficient number of employees sign the posting for a permanent operator or attendant classification opening, vacancies will be filled by the least senior Processing Technician.
- c. Employees on rotating shifts shall be allowed to downbid to daylight to available positions on the Fixed Crews under the following conditions.

- (1) Employees must have been on rotating shift(s) for three (3) or more continuous years at the time of downbid request.
- (2) No more than eight (8) employees will be allowed to exercise this option in a calendar year, however, no more than three (3) employees in any one job classification, as set forth in Exhibit A. will be allowed to exercise this option in a calendar year.
- (3) Blending Operators, Packing Operators and Flavor Kitchen Attendant will be considered as separate classifications.
- (4) Opening(s) must be available on the daylight fixed crews.

Employees requesting to downbid will be selected by plant-wide seniority and must compete with all other eligible employees for a vacant position through the posting procedure.

Employees requesting and accepting daylight fixed crew positions through downbidding will be subject to the following:

- (1) Employees must remain on a daylight fixed crew for a minimum of one (1) year. If an employee downbids to a Processing Technician position, he would be eligible to bid for daylight fixed crew promotional positions.
- (2) After the one (1) year period, they will be eligible to return to a rotating shift through established procedure if an opening exists.
- (3) If they so select to return to rotating shift, employees must complete the rate of progression requirements to qualify for the top rate if an opening exists.
- (4) An employee who downbids and accepts a position on a daylight fixed crew will be paid the hourly rate of the position he accepts.

## **SECTION 7 - TEMPORARY /TRANSFERS ON THE SHIFT**

- a. Filling of Temporary Job Vacancies
  - (1) When a temporary job vacancy exists, such temporary job vacancy may be filled by temporary transfer. If employees with the required skills are not available, the employer may offer overtime to the classification where the vacancy exists.
  - (2) An employee who works in a higher job classification in accordance with this section will be credited with the hours worked toward the progression period of the higher job classification. Whenever an employee has worked enough hours in the higher job classification to qualify for an increase in pay, the employee will receive the higher rate for all hours worked in that job classification.
- b. Temporary Transfers

- (1) The Employer shall be entitled to transfer employees in the Processing Technician job classification on a temporary basis from work area to work area based on the availability and need for such employees based on business considerations, which shall include but shall not be limited to filling a temporary job vacancy.
- (2) When the Employer elects to exercise its rights pursuant to this Section, the employee(s) normally assigned to the work area of availability shall be required to transfer to the work area of need in the inverse order of seniority.

## **SECTION 8 – POSTINGS**

When the Company determines that a job vacancy exists, it will be filled as set forth in Section 6 above.

- a. A notice of the opening will be posted. Employees eligible may indicate their desire for the job by signing their name and seniority number in the spaces provided on the notice which shall be posted from noon Thursday to noon Wednesday of the following week. Employees on a leave of absence, not to exceed forty-five (45) days and that did not sign the posting while it was up shall be eligible to bid on openings which occurred during the leave of absence when they return to work, provided they notify the Production Manager/Designee within three (3) working days upon their return to work.

Employees on vacation, holiday, jury duty, funeral leave, or Union business shall be eligible to bid on openings which occurred during their absence when they return to work, provided their absence prevented all opportunity to sign the posting and provided they notify the Production Manager/Designee within three (3) working days upon their return to work.

By signing a posting, employees are indicating their willingness to accept the position.

- b. Employees who apply for the job will be considered in accordance with Section 6 above.
- c. In the event two (2) or more job vacancies within the same classification, operating department, and similar machines become available at the same time, shift preference will be granted by plant-wide seniority within a period of four (4) months, provided the promoted employee notifies Management at the time of the promotion of his shift preference.
- d. If, in the opinion of Management, an employee is unable to qualify on a job at any time during the qualifying period, such employee shall be permitted to return to the position he held prior to promotion.

## **SECTION 9 - SWITCHING OF SHIFTS/ASSIGNMENTS**

- a. Permanent

- (1) Whenever a permanent opening occurs on the fixed daylight crew, employees who wish to be considered are required to sign up on the job posting. The position will be awarded based on plantwide seniority. The fixed daylight opening can be filled by plantwide seniority from the following groups: rotating shift employees within the same classification, fixed shift employees within the same classification, and employees eligible to down bid per contractual guidelines.

Whenever a permanent opening occurs on the rotating shift crew, employees who wish to be considered are required to sign up on the job posting. The position will be awarded based on plantwide seniority. The rotating shift opening can be filled by plantwide seniority from the following groups: rotating shift employees within the same classification, fixed shift employees within the same classification, and employees eligible to bid to the vacancy.

- (2) When two (2) employees within the same classification and have similar CBE qualifications, agree to switch shifts and/or assignments, they have to appear and submit the proposal in writing to the Department Manager. The proposal has to be submitted at least thirty (30) days prior to any actual switching.
- (3) Employees who request the switching of shifts and then work a 3-11 shift followed by an 11-7 shift will not be entitled to overtime rates or meal allowance for any of these hours.
- (4) Employees switching shifts and/or assignments within the same classification cannot reapply for another switch within six (6) months under paragraph 2 above.

- b. Temporary

- (1) Employees within the same classification may switch shifts within the same day if both of the employees are in agreement and both employees have the consent of one of the immediate supervisors involved.

No switching of shifts will be allowed that will result in employees working overtime or working more than eight (8) hours in any given day.

Employees will be entitled to overtime rates and meal allowance whenever the Company initiates the switching of shifts that results in an employee working a 3-11 shift followed by an 11-7 shift.

- (2) Employees within the same classification may switch their scheduled days off within a work week if both of the employees have the consent of one of the immediate supervisors involved. Employees who request the switching of days off and then work a 3-11 shift followed by an 11-7 shift will not be entitled to overtime or meal allowance for any of these hours.

- (3) In the event of a short work week, where all areas are not scheduled the same amount of regular hours, an employee may switch day(s) worked for another employee's day(s) off within the same classification if both of the employees have the consent of one (1) of the immediate supervisors involved.

No switching of day(s) worked for another employee's day(s) off will be allowed that will result in employees working overtime or working more than eight (8) hours on any given day.

#### **SECTION 10 - REDUCTION IN CLASSIFICATION**

- a. If it becomes necessary to reduce the work force in a classification, those employees in the classification undergoing a reduction will exercise plant-wide seniority in the same or lower classification with the same line of progression (See Exhibit A) providing he accepts the rate applicable to the job for which he exercised his plant-wide seniority rights.
- b. The least senior employees by plant-wide seniority, in a classification undergoing the reduction who are offered an opportunity to downgrade into another classification and decline such offer shall be considered as having resigned and will not be eligible for layoff pay and/or the Income Protection Supplement as described in Article XIV of the Long Term Agreement.
- c. Personnel displaced due to the uncertainty of production requirements shall retain return rights to their previous assignment for a period of six (6) months from the date of displacement provided the assignment is to be permanently reactivated as defined by the employer.

#### **SECTION 11 - LAYOFF AND RECALL**

- a. In a layoff an employee may exercise his plantwide seniority providing he has met the service requirements, as listed in Section 6 of this Article, only in the same or lower classification providing he accepts the rate applicable to the job for which he exercised his seniority rights. Employees shall be laid off in the inverse order of plantwide seniority.
- b. When recall after layoff takes place, employees shall be recalled in the inverse order in which they were laid off, but in no event shall be offered a job at recall beyond the highest job they attained in the line of progression
- c. The Employer will give three (3) calendar week's notice prior to any layoff. A short workweek will not be considered a layoff. A temporary curtailment of operations due to acts of God, emergencies, or unusual events will not be considered a layoff.
- d. Employees laid off in a reduction of force will be paid layoff pay subject to the terms and conditions set forth in the Long Term Agreement.

#### **SECTION 12 - SPECIAL SENIORITY PROVISION**

- a. Employees accepting official positions with the Bakery, Confectionery, Tobacco Workers and Grain Millers International Union or the Virginia Federation of Labor shall not forfeit seniority
- b. An employee who is promoted to a supervisory position shall be released by the Union and become a straight time employee.

#### **SECTION 13 - VETERAN RE-EMPLOYMENT**

Any employee covered by this Agreement who enlists or is drafted to perform training or service in any branch of the Armed Forces and complies with the eligibility requirements for reemployment as provided by law, shall be given his seniority rights unimpaired.

#### **SECTION 14 - REHIRE TO PARK 500**

An employee rehired from another facility shall lose all seniority in the facility from which the employee has been rehired and shall begin to accrue seniority in the operation covered by this Agreement effective the first day of such rehire. An employee rehired from another location will maintain his or her years of Company service solely for the purpose of meeting service requirements for eligibility for any applicable benefit programs in effect at the operation covered by this Agreement.

#### **SECTION 15 - SPECIAL SENIORITY**

In the event that a Processing Technician is reclassified, the incumbent will have the first opportunity to fill the position provided that he/she has been in the position for at least six (6) months. Should the incumbent decline, the position will be filled in accordance with normal posting procedures.

## **ARTICLE VI VACATIONS**

### **SECTION 1 - SHUTDOWNS AND SCHEDULES**

- a. The Company reserves the right to shut down the plant in whole or part for any or all vacation weeks (consecutively or separately) during the calendar year. In the event no shutdown(s) is scheduled, vacations will be scheduled by the Company in accordance with operational requirements with consideration given to seniority as far as is practicable without interfering with the efficiency of operations.
- b. In the event a complete shutdown(s) is scheduled, by seniority the equivalent number of employees except those scheduled to work during such period(s), will be required to take their vacation(s) during the shutdown(s).

In the event a partial shutdown is scheduled, by seniority employees not needed to maintain operations will be scheduled for vacation. It is understood that appropriate staffing levels will be determined by the Company.

- c. In the event that employees are required to work during a shutdown period, those employees who do not have sufficient company service to qualify for vacation pay will be the first employees eligible to work during the shutdown period. Should this fail to provide the required complement of employees in a job classification, the Company will allow by seniority, employees in that job classification to work during the shutdown period at their prevailing rate of pay. The shutdown periods that employees work will be determined by seniority.

Should this fail to provide the required complement of employees in a job classification, the Company will force by inverse order of seniority employees within that job classification. Such employees scheduled to work during a complete shutdown will be permitted to schedule their vacation for such times they request providing that their absence at that time will not interfere with the efficiency of operations.

- d. A week's vacation pay shall be computed by multiplying the employee's regular hourly base rate, plus temporary cost of living allowance where applicable, by forty (40) hours. All Rotating Shift employees shall receive, in addition to their regular hourly rate of pay, twenty-nine (29) cents shift premium per hour to a maximum of forty (40) hours per week plus temporary cost of living allowance where applicable for each week in which they are entitled to a paid vacation. Fixed Crew employees assigned to the night shift(s) shall receive in addition to their regular hourly base rate, the applicable shift premium as provided for in Article III, Section 5, per hour to a maximum of forty (40) hours per week plus temporary cost of living allowance where applicable for each week in which they are entitled to a paid vacation.
- e. A day of vacation pay and crediting of hours worked will be calculated as specified in Article IV Sections 1 and 3.

### **SECTION 2 – ELIGIBILITY**

- a. Employees on the payroll January 1 and who remain in continuous service with the Employer for that year will be entitled to two (2) week's vacation with pay. (One week for continuous service to July 1 and one week for continuous service for the period July 1 through December 31.)
- b. Employees not on the payroll January 1 but on the payroll the first day of July and who remain in the continuous service of the Employer for the remainder of that year will be entitled to one (1) week's vacation with pay.
- c. In order to be eligible to receive such vacations an employee must have had earnings in thirteen (13) of the twenty-six (26) pay periods immediately preceding the starting date of his vacation, or in the year preceding the date on which he otherwise would have become eligible for either a vacation or payment in lieu of vacation as the case may be.

### SECTION 3 - SERVICE VACATION

- a. The Employer will also grant additional weeks of vacation with vacation pay to each employee who, prior to the end of each calendar year, has completed years of continuous service with the Employer as specified below:

1. 5 years but less than 10 - a 3<sup>rd</sup> week
2. 10 years but less than 17 - a 4<sup>th</sup> week
3. 17 years but less than 24 - a 5<sup>th</sup> week
4. 24 years but less than 30 - a 6<sup>th</sup> week
5. 30 years or more - a 7<sup>th</sup> week

- b. Scheduling of Vacations

1. In any given week, the following maximum number of employees will be eligible for service and "free lance" vacation in accordance with the following limits by Work Area:

- (a) Three (3) from Blending, however, at no time may more than one Blending Attendant be on vacation.
- (b) Two (2) per week from rotating shift Manpower Pool;
- (c) Three (3) from Sheet Forming, however, at no time may more than one per classification be on vacation;
- (d) Three (3) from Stock Preparation, however, at no time may more than one per classification be on vacation;
- (e) Three (3) from Packing, however, at no time may more than one Packing Attendant be on vacation;
- (f) One (1) from Flavor Kitchen;
- (g) Four (4) per week from Fixed Shift, however, at no time may more than two (2) employees per work area be permitted to be on vacation. Work areas are Shipping, Receiving, Leaf Warehouse, Maintenance Services, and E Shift Manpower Pool.

- c. Such additional weeks of vacation may be taken prior to the end of the calendar year. The Employer may allow the employee vacation pay and require the employee to work at regular rates in lieu of any service vacation period or at the employee's option, reschedule his service vacation.

- d. Employees who are on authorized Medical or Maternity Leave of Absence during their third scheduled week of vacation will be required to reschedule their third week of vacation upon being reinstated from a Worker's Compensation, Medical, or Maternity Leave of Absence during the calendar year, but if the leave of absence expires after the calendar year in which the leave commenced, the employee will be paid for that week of vacation.

- e. Employees entitled to a service vacation may be required, at the Employer's option, to take the shutdown period as their service vacation.

- f. Vacation Day at a Time Guidelines

Employees eligible for service vacation may elect to take one (1) week of service vacation in increments of one (1) day each.

At the time of vacation solicitation, employees desiring to take vacation in daily increments must reserve one (1) service week as a "Bank" week from which the daily vacation will be drawn. The "Bank" week will be designated as the last full week immediately preceding the Christmas Shutdown. As daily vacation is taken throughout the year, the employee will be paid for that day in conjunction with pay for the remainder of the week in which that day falls. If all vacation reserved in the "Bank" week is not taken prior to the "Bank" week, the employee will be paid for the remaining vacation. The remaining days cannot be taken as time off.

Days taken as daily vacation will be paid at the straight time rate for the number of hours in the employee's normally scheduled work day; any overtime missed due to the daily vacation will not be paid.

Daily vacation will be approved on a first come, first served basis using the Floating Holiday Guidelines found in Article IV of this Agreement. The company can charge the first five (5) full days an employee takes as FMLA against the five (5) days of the "Bank" week.

The employee will be solely responsible for accounting for his/her time taken as daily vacation. If the employee schedules or takes days over the number of days remaining in the "Bank" week, even if approved by his/her supervisor, the additional days will be counted as an absence, will not be paid and may be counted for disciplinary purposes.

- g. In order to be eligible to receive a service vacation, an employee must have had earnings in thirteen (13) of the twenty-six (26) pay periods immediately preceding the starting date of his vacation, or in the year preceding the date on which he otherwise would have become eligible for either a vacation or a payment in lieu of vacation as the case may be.
- h. Upon retirement, an employee shall receive vacation pay for all shutdown weeks and service vacation weeks and/or days to which the employee is entitled, based solely upon the employee's years of service without regard to the eligibility requirements contained in Section 2 of this Article, during the calendar year in which the retirement occurs, provided that the employee has not previously received vacation pay for such shutdown or service vacation week(s).

#### **SECTION 4 – NOTIFICATION**

The Company's vacation year shall begin the first Monday in January. The Company will notify the employees by December 1 of any planned shutdown vacation period(s) to occur during the vacation year. In the event the Company notifies the employees there will be no shutdown period(s) for the year, a vacation schedule for those employees eligible will be set up no later than December 31 after such notification. In view of prevailing conditions, the Company may allow the employee(s) a week's vacation pay and require the employee(s) to work at regular rates of pay in lieu of any vacation period(s) if in its opinion their services are required.

#### **SECTION 5 - ACCUMULATION CARRY-OVER NOT PERMITTED**

Unused vacation cannot be carried over into another vacation year.

#### **SECTION 6 - SELLING OF SERVICE VACATION WEEK(S) AND/OR DAY(S)**

The Company will take under consideration production employee's request to sell one or more service vacation week(s) or day(s). Consideration will be based on the following criteria:

- (1) Employee's submission of a request to his immediate supervisor two (2) weeks prior to their vacation date.
- (2) Employees who work during their service vacation week(s) or day(s) will receive a vacation check at regular pay for the week(s) or day(s) worked. The hours worked during the vacation week(s) or day(s) will not be pyramided on the vacation pay in computing overtime. Seniority will be considered in cases of multiple requests.
- (3) Any vacation day sold will be paid at straight time hours and will not count towards 6<sup>th</sup>/7<sup>th</sup> day qualifications.

**ARTICLE VII  
GRIEVANCE PROCEDURE**

**SECTION 1 - PROCESSING THE GRIEVANCE OR COMPLAINT**

Employees should consult directly with their immediate supervisors on any dissatisfaction relating to the application or interpretation of this Agreement before making a decision to present such matters as a formal grievance. If the employees desire their Union Representative(s) to be present at such discussions, they shall give suitable advance notice to the supervisor. The supervisor will follow through on the matter and attempt to adjust it which shall not be inconsistent with the terms and conditions of this Agreement. In the event a satisfactory adjustment is not made within two (2) working days, then the employees may submit their complaints as grievances, but this must be done in writing as set forth in Section 2, within three (3) working days from the date the supervisor gave an answer but no longer than five (5) working days from its occurrence or the grievance shall be considered waived.

**SECTION 2 – DEFINITION**

For the purpose of this Agreement, a grievance shall be defined as the allegation made by one (1) or more employees of a violation or violations of a specific provision of this Agreement or any Memorandum of Understanding or the Union feels that the employee has been unjustly dealt with. Said grievance must be reduced to writing stating the following information:

- a. Section or Sections of the contract violated
- b. A statement of facts that the employee is relying upon
- c. The relief requested
- d. Signature of the employee, Union Representative or both

**SECTION 3 - STEP PROCEDURE**

In those cases where an employee or the Union desire to process a grievance, they shall proceed in the following manner:

Step 1 - If the union desires to process the grievance, the grievance shall be reduced to writing, signed and dated by the aggrieved employee, employees, or the Union. It shall be presented by the Union Representative within the time specified in Section 1 to the Production Superintendent or designated representative who shall within three (3) working days attempt to adjust the grievance and give an answer in writing to the aggrieved employee or employees and the Union Representative.

If no satisfactory decision is reached, the Union Representative shall have three (3) working days from the receipt of the decision to notify the Company that the grievance will proceed to Step 2. If the grievance is not processed within the said three (3) working days, it shall be deemed settled.

Step 2 - The Union Representative may present the grievance to the Manager of Production or his designated representative who shall, within five (5) working days, give a written decision to the Union Representative. If the Union Representative is not satisfied with said decision, he shall state his reasons in writing on the grievance form and notify the Manager of Production or designated representative within three (3) working days from the date of receipt of the Manager of Production's or designated representative's decision that the grievance will be processed to Step 3. If the grievance is not so processed within the said three (3) working days, it shall be deemed settled.

Step 3 - The Local President and/or his designated representative may present the grievance together with the reasons for his disagreement to the Plant Manager, the Manager of Human Resources and/or their designated representatives and a final written decision shall be rendered within ten (10) working days by the said Plant Manager, the Manager of Human Resources and/or their designated representatives disposing of the grievance.

All decisions of the Plant Manager and/or his designated representative shall be final and binding on all parties concerned, unless within ten (10) days after receipt of the written decision the Local President

or his designated representative shall give written notification to the Company that the Union desires to submit the matter to arbitration and process the matter in accordance with Article VIII. If the grievance is not so processed in accordance with Article VIII, within the said ten (10) working days, it shall be deemed settled.

#### **SECTION 4 - IN REGARD TO DISCIPLINE AND/OR DISCHARGE**

- a. The right of the Company to discipline and/or discharge employees for just cause is recognized. Upon request by the Union, the Company will show cause for any specified discharge/discipline. In the event of discharge, the Company shall be notified of such request within five (5) working days after an employee has been discharged and the matter will be referred to the third step of the grievance procedure, or otherwise the matter will be deemed settled.
- b. In the event any employee covered by this Agreement is discharged and after conferring with the Union it is decided such action of discharge is too severe, said employee may be restored to service with seniority rights unimpaired and with various degrees of disciplinary action including loss of pay.

#### **SECTION 5 - TIME LIMIT**

- a. The parties agree to follow each of the foregoing steps in the processing of the grievance; and, if at any step the Company's representative fails to give his written answer within the time limit therein set forth, the Union may appeal the grievance to the next step at the expiration of such time limit.
- b. The decision on any grievance reached in any step of the procedure which is not taken to the next step within the specified time limit of this Article, shall be considered final and binding upon the aggrieved employee, employees, and the Union.
- c. The Company and the Union may extend the time limit(s) set forth in the grievance procedure by mutual agreement.

## **ARTICLE VIII ARBITRATION**

### **SECTION 1 - SUBMITTING GRIEVANCE AND SELECTION OF ARBITRATOR**

If the grievance is not resolved in accordance with Article VII, the Union must notify the Company, as prescribed, of its desire to submit the matter to arbitration. The Union shall, within the next (5) working days, meet with the Company to select a mutually agreed upon Arbitrator. Should the parties fail to agree upon an Arbitrator, either party may notify the Federal Mediation and Conciliation Service in writing of its decision to submit the grievance to an Arbitrator to be mutually agreed upon by the parties from a panel of seven (7) arbitrators submitted by the Federal Mediation and Conciliation Service. If the parties fail to agree upon an Arbitrator from the panel, one will be selected from the panel by the Union and the Company representatives alternately striking from the panel until one (1) name is remaining. The sequence for striking will be determined by a coin toss.

### **SECTION 2 - STATEMENT OF ISSUE**

The Employer and the Union shall endeavor to jointly prepare and sign for the Arbitrator a submission setting forth the issue or issues in dispute. If a submission cannot be agreed upon between the Employer and the Union, each party shall submit to the Arbitrator and to each other a statement of the issues each considers to be in dispute. The Arbitrator's authority shall be limited to consideration only of the issue or issues thus presented to him in writing at the beginning of the hearing.

### **SECTION 3 - AUTHORITY OF ARBITRATOR AND PAYMENT OF COSTS**

The authority of the Arbitrator shall be strictly limited to the interpretation or application of the expressed terms of this Agreement or Memorandums of Understanding and all other matters are expressly excluded from arbitration. The arbitrator shall have no authority to add to, delete from, alter, or change any of the provisions of the Agreement; to impose on any party hereto a limitation or obligation not explicitly provided for in this Agreement; to render any decision inconsistent with the terms and provisions of this Agreement; or to render a decision pertaining to any matter contained in Article X of this Agreement except insofar as and only to the extent that these matters are specifically breached by other expressed provisions of the terms of this Agreement. The Arbitrator shall have no authority to establish wage rates, job classifications or fringe benefits of any kind. The parties agree to bear the cost of arbitration equally. Each party will bear the cost of its own witnesses or parties to the arbitration.

### **SECTION 4 - ARBITRATOR'S DECISION**

The written decision of the Arbitrator shall be final and binding on the parties and the employee or employees.

**ARTICLE IX**  
**STRIKES OR LOCKOUTS**

The Employer and the Union agree to a No Strike/No Lockout provision as provided for in the Long Term Agreement.

**ARTICLE X**  
**MANAGEMENT PREROGATIVES**

The right to employ, promote to supervision, transfer, to direct the working force, to assign work, to establish new jobs, to maintain and improve efficiency, to allocate production, to sub-contract, to plan and schedule production, to develop and revise new and existing factory layouts, to establish Company plant and safety rules and regulations is recognized by the Company and the Union to be solely the responsibility of the Company, it being understood that the foregoing itemization is descriptive of the general right of the Company and is not to be construed as limitations thereon, except insofar as these rights are specifically abridged by the stated provisions of this Agreement.

All rights, enumerated here or elsewhere, are retained which the Company has not expressly modified or restricted by a specific provision of this Agreement.

**ARTICLE XI  
COMPLETE AGREEMENT**

The parties agree that the terms and conditions set forth herein represent their full and complete understanding and contemplation whether or not specifically referred to during negotiations as to wages, hours and working conditions; and that neither party shall be legally obligated to negotiate further on any of the terms and conditions stated above or not set forth herein during the life of this Agreement, except those specifically provided for herein or hereafter and mutually agreed to in writing and properly executed by the parties.

**ARTICLE XII  
NONWAIVER**

The Company from time to time may elect not to exercise a right, privilege or authority under a particular provision or provisions of this Agreement. The failure to exercise such right, privilege or authority shall not constitute a present, future or continuing waiver of the Company's rights under the particular provision or provisions or any other provisions of this Agreement.

**ARTICLE XIII  
NONDISCRIMINATION**

The Company and the Union agree that promotion, termination, disciplinary practices and conditions of employment, under the jurisdiction of the Union, will be maintained and conducted in a manner that does not discriminate on the basis of race, color, religion, sex, age, national origin, handicap or because of veteran status in regard to any position for which an employee is qualified.

**ARTICLE XIV  
LEGALITY OF PROVISIONS**

This Agreement is made in the full belief by the Company and the Union that it is in every respect legal. Should any Article, Section, or Subsection become unlawful, the Article, Section or Subsection so declared unlawful shall be modified in accordance with the law or order, but in all other respects the Articles, Sections and Subsections of this Agreement shall continue in full force and effect until the date of termination of this Agreement.

**ARTICLE XV  
JURY DUTY**

**SECTION 1 – REIMBURSEMENT**

When an employee on the active payroll is required to be absent from his scheduled shift because of jury duty, the Company will reimburse said employee the difference between the compensation received from such jury service and his regular hourly base rate of pay plus shift premium and temporary cost of living allowance where applicable for the number of hours in his normal daily work schedule.

**SECTION 2 - REPORTING FOR WORK - FIXED CREW EMPLOYEES WORKING 7:00 AM TO 3:30 PM  
AND ROTATING CREW EMPLOYEES WORKING 7:00 AM TO 3:00 PM**

A fixed crew employee scheduled to work 7:00 AM to 3:30 PM and a rotating crew employee scheduled to work 7:00 AM to 3:00 PM who is required to report for morning jury duty three (3) hours or less after his scheduled starting time, will not be required to report to work at the beginning of his shift. If such an employee has served at least four (4) hours on jury duty, said employee will not be required to work that day.

**SECTION 3 - REPORTING FOR WORK - ROTATING CREW EMPLOYEES WORKING 3:00 PM TO 11:00  
PM**

An employee scheduled to work 3:00 PM to 11:00 PM who serves at least four (4) hours on jury duty, will not be required to report to work that day.

**SECTION 4 - REPORTING TO WORK - ROTATING CREW EMPLOYEES WORKING 11:00 PM TO 7:00  
AM**

A rotating crew employee scheduled to work 11:00 PM to 7:00 AM, who serves at least four (4) hours on jury duty, will not be required to report for work on his next scheduled shift, providing the following day is a scheduled workday.

**SECTION 5 – NOTIFICATION**

- a. An employee not reporting or returning to work, due to the provisions above, must notify the Company as soon as possible, but not later than prior to the start of his next shift.
- b. Any employee receiving notice to serve on jury duty must present said notice to his immediate supervisor, within forty-eight (48) hours of receipt of said notice to appear and must have the Company jury duty form completed by the clerk of the court and return it to his immediate supervisor.

**ARTICLE XVI  
FUNERAL ABSENCE**

- a. When an employee on the active payroll who has completed his probationary period is required to lose time from work because of a death in the immediate family, he shall be excused from scheduled work up to the maximum number of consecutive, regularly scheduled work days, as specified in subsection c below, commencing on the day of death or commencing any time up to and including the day of the funeral. Employees should advise the Employer of such absence as soon as possible.

Should any of the excused days, as specified in subsection c (1) and (2) below, occur during a vacation week, a holiday, or a nonproduction day due to short work week, the employee will be permitted to substitute his next regularly scheduled work day or days to complete up to the number of days allowable as specified in subsection c (1) and (2).

- b. Pay for each day of excused absence shall be computed by multiplying his regular hourly base rate, and any applicable shift premium, and temporary cost of living allowance, by the number of hours in his normal daily schedule of hours as set forth in section 1 of Article III. Such absence compensation shall not include pay for lost overtime or other premium pay.
- c. Members of the immediate family of an employee and the maximum number of excused days allowable, in accordance with subsection a above, is as follows:
- (1) Four (4) consecutive days - wife, husband, domestic partner, legal children, stepchildren, one (1) male parent, one (1) male stepparent, one (1) female parent, and one (1) female stepparent. Domestic partners are defined as those who are covered under the employees PM health care plan or who would have met all requirements to have been covered under such plans.
  - (2) Three (3) consecutive days - brother, sister, one (1) mother-in-law, one (1) father-in-law, grandfather, grandmother, and grandchildren. Mother-in-law and father-in-law are defined as the mother or father of an employee's current living spouse.
  - (3) The day of the funeral only - (1) Brother-in-law and sister-in-law who are defined as the brother or sister of a current living spouse, or the husband or wife of a sister or brother. (2) Son-in-law and daughter-in-law who are defined as the current spouse of a living son or daughter.

**ARTICLE XVII  
UNION REPRESENTATIVES**

**SECTION 1 – DESIGNATION**

The Company recognizes the right of the Union to designate Union Representatives and alternates.

**SECTION 2 – NOTIFICATION**

The Union will notify the Company in writing as to who are Union Representatives and alternates.

**SECTION 3 – INVESTIGATION**

A Union Representative may be permitted to leave his work area to investigate and adjust any grievance of any employee within his jurisdiction after receiving approval from his supervisor.

**SECTION 4 - TRAINING FOR UNION STEWARDS**

The Company shall release union-designated stewards at the straight time rate one (1) day per year to attend union-sponsored training program(s). Such hours paid shall be counted as hours worked for benefit purposes.

The Union shall provide the Company 30-days advance notice of such program(s) and who will attend. The maximum allowable number of stewards compensated for by this agreement in any year at each location shall not exceed the number of stewards at each location as of 11/1/91 (Richmond, Louisville, Cabarrus and Park 500/B-100/PMF). Union officials at each location shall certify to the Company a count of the number of eligible stewards as of 11/1/91. Both parties agree that such training should not impede the Company's ability to staff its operations. Therefore, the maximum allowable number of stewards/committeemen who may be off on a normal work day to attend such training shall not exceed 50% of the number that may be compensated in a year. Furthermore, paid training shall not be extended with unpaid days of training under this agreement.

**ARTICLE XVIII  
UNION VISITATION**

Authorized agents of the Local Union or International Union have access to the Employer's establishment during working hours for the purpose of investigating and adjusting disputes, provided however, the Union Representative first notifies the Plant Manager or designated representative in charge of that establishment and provided further that such visitation shall not interfere with the conduct of the Employer's business.

**ARTICLE XIX  
GENERAL PROVISIONS**

**SECTION 1 - SAFETY SHOES**

All employees shall be required to wear safety shoes. The Company shall make safety shoes available to each employee through a payroll deduction plan.

**SECTION 2 - SAFETY SHOE ALLOWANCE**

The Company will agree to pay a \$40 net safety shoe allowance to all active employees on an annual basis.

**SECTION 3 – PRESCRIPTION SAFETY GLASSES**

The Company will provide prescription safety glasses for all employees, who are required to wear them by Company policy or applicable regulations. Prescription safety glasses may be obtained according to the schedule frequency set forth in the Philip Morris Vision Plan. The Company's cost will be limited to the benefit amount provided for frames and lenses under the Philip Morris Vision Plan.

**SECTION 4 - MEAL ALLOWANCE**

An employee who works eleven (11) or more consecutive hours shall receive a meal allowance of \$2.50.

**SECTION 5 - PAYCHECK DISTRIBUTION**

The Company and Union agree that payroll checks will be made available to employees working the 3:00 p.m. to 11:00 p.m. shift on Wednesdays. In addition the Union understands and agrees that because of the tight payroll deadlines which will be experienced to carry this out, any payroll error for less than fifty dollars (\$50.00) pay will be reconciled on the employee's next pay check and no special checks will be processed. Employees that have an error that results in underpayment in excess of fifty dollars (\$50.00) or more are entitled to a supplemental check at their normal weekly tax rate.

**ARTICLE XX**  
**BENEFITS**

- a. Announcement of all employee benefit programs including sickness and accident insurance, group life insurance, dental insurance, vision care, group hospital/medical-surgical insurance, long-term disability insurance, deferred profit sharing, and the Company's retirement plan has been made and explanations of such programs will be distributed to each employee.
- b. These benefit programs are recognized as part of the overall labor Agreement. The benefits provided in such programs shall continue in effect for the term of this Agreement unless otherwise provided for in the Long Term Agreement.

**ARTICLE XXI  
LEAVE OF ABSENCE**

**SECTION 1 - MEDICAL LEAVE OF ABSENCE**

When sickness or hospitalization, other than an occupational illness or injury, occurs which makes an employee medically unable to temporarily perform the duties of his job, a Medical Leave of Absence may be granted by a Human Resources Department representative upon the recommendation of the Company Physician under the following conditions:

- a. An employee must be absent from work for a period in excess of five (5) consecutive regularly scheduled work days due to temporarily disabling, non-occupational illness, injury or other medical conditions, including pregnancy, which prevents performance of normal job duties, and must have been in the continuous service of the employer for a period of three (3) months to be eligible for a Medical Leave of Absence.
- b. Upon written application by the employee within five (5) working days of the inception of the period of absence, a Medical Leave of Absence may be granted by the Employer for a period of up to and including three (3) months, subject to the nature of the disability. However, upon written application by the employee, a Medical Leave of Absence may be extended by the Employer for a period of up to six (6) weeks duration upon the recommendation of the Company physician after giving careful consideration to the recommendation of the employee's physician when necessary. Further extensions may be granted, if warranted, under similar procedures. Note: In the event the fifth (5th) day of absence falls on a weekend or holiday, the employee will be permitted to make application on the following business day.
- c. The employee will provide to the Employer within ten (10) working days of the application for Medical Leave of Absence, certification of disability from the employee's personal physician prior to a Medical Leave of Absence being granted or extended. Should the employee fail (through no fault of his own) to provide such certification of disability within the specified ten (10) working day period, but such certification of disability is received within fifteen (15) working days following the application for a Medical Leave of Absence, the application for Medical Leave of Absence will be considered.
- d. The employee involved shall meet with the Company Physician, for consultation or examination, and/or Human Resources Department representative for consultation as required by the Employer. Such meeting may be arranged at the Medical Department.
- e. Employees on a Medical Leave of Absence who are thereafter placed on long term disability in accordance with applicable social security rules are eligible for reinstatement with full seniority benefits provided they are capable of performing the job requirements.
- f. A pregnant employee on Medical Leave of Absence may continue on leave for up to three (3) months after delivery. However, written requests for extension of leave of absence will be granted if, in the opinion of the Employer, such extension is warranted.  
  
Delivery as used herein shall include any event which terminates the pregnancy.
- g. The Employer's policies and practices affecting any aspect of any employee's leave, including but not limited to commencement and duration of leave, the availability of extension of leave, the accrual during leave of seniority and other benefits and privileges including holiday and vacation pay and other fringe benefits, disability pay, reinstatement after expiration of leave, as well as an employee's opportunities for future promotion, or training programs, shall be applied to disability because of pregnancy or childbirth on the same terms and conditions that are applied to any other temporary disabilities.

**SECTION 2 - MATERNITY LEAVE OF ABSENCE**

- a. An employee may work as long as she is able provided that she is capable of performing all of her normal job duties and responsibilities and maintains a satisfactory attendance record. A pregnant employee who has acquired three (3) months of service from the date of last employment and who

does not wish to perform her normal job, may request a maternity leave by presenting the Human Resources Department with a certificate from her doctor stating that she is pregnant and the expected date of delivery. She will then be placed on a Maternity Leave of Absence. Once an employee is granted a maternity leave of absence she will not be allowed to return to work until after the date of delivery. If the employee becomes disabled while on maternity leave, she will not be eligible for a medical leave until after the date of delivery.

- b. An employee may continue on leave for up to three (3) months after delivery. However, written requests for extension of leave of absence will be granted if, in the opinion of the Employer, such extension is warranted.
- b. Delivery as used herein shall include any event which terminates the pregnancy.

### **SECTION 3 – TEMPORARY DISABILITY INCOME (TDI)**

Effective for disabilities beginning on or after 2/1/02, the temporary disability income payment will be fifty percent (50%) of the base pay, subject to the weekly maximum of four hundred eighty dollars (\$480.00).

Effective for disabilities beginning on or after 2/1/03, the temporary disability income payment will be fifty percent (50%) of the base pay, subject to the weekly maximum of four hundred ninety dollars (\$490.00).

Effective for disabilities beginning on or after 2/1/04, the temporary disability income payment will be fifty percent (50%) of the base pay, subject to the weekly maximum of five hundred dollars (\$500.00).

**ARTICLE XXII**  
**ABSENTEEISM POLICY**

**Section 1 – Purpose**

- 1.1 It is the purpose of this Memorandum of Understanding to recognize that absenteeism is a serious concern that must be addressed while making allowances for those employees who are required to miss time from work due to certain specified reasons.

**Section 2 - Consideration for Absences for the Purpose of Imposing Disciplinary Action**

- 2.1 When an employee requests time off from work and it is granted, the employee will be notified at that time if this absence will result in disciplinary action. If the employee is not notified when the request is granted, disciplinary action will have to wait for the next absence, if it is warranted. However, time granted off will count as an absence.
- 2.2 An employee who accepts overtime and then declines, provided a sixteen (16) hour notice is given, shall not be charged with an absence.
- 2.3 An employee who reports to the Medical Department during his shift and is sent home to recuperate or to see a doctor due to legitimate medical findings, will not be considered as absent for that day for disciplinary purposes.
- 2.4 If an employee is sent home and told by the Medical Department not to return to work for a day or more, the employee will not be considered absent for that day or days for disciplinary action.
- 2.5 Those employees that are sent home and told by the Medical Department to see their physician before returning to work will not be considered absent the following day for disciplinary purposes, provided the employee cannot visit his physician on the day sent out due to the physician's schedule.
- 2.6 The employer may insist on such documentation as it deems necessary prior to excusing an absence under the provisions of Sections 2.3, 2.4, and 2.5 of this Memorandum of Understanding.
- 2.7 Employees may be absent from work for up to a total of twelve (12) days in any twelve (12) month period for the following specified reasons and such absences will not be considered for the purpose of imposing disciplinary action.
- a. Days spent in the hospital and inpatient or outpatient surgery. The employer may insist upon such documentation as it deems necessary prior to permitting an absence due to days spent in the hospital, inpatient or outpatient surgery.
  - b. If an employee is sent home and told by the Medical Department not to return to work for a day or more, the day that the employee is sent out shall be excused as provided in Section 2.3 of this Memorandum of Understanding. Any additional days shall be subject to the provisions of this Section (2.7).
- 2.8 Absences from work for any reasons other than those specified under Sections 2.3., 2.4, 2.5 and 2.7 of this Memorandum of Understanding will be considered for the purpose of disciplinary action without regard to the reasons for the absences. Additionally, any total of absences in excess of twelve (12) days in any twelve (12) month period, including absences for the reasons specified under Sections 2.4, 2.5, and 2.7 of this Memorandum of Understanding will be considered for the purpose of disciplinary action without regard to the reasons for the absences.

**SECTION 3 - Disciplinary Action Procedure**

- 3.1 The parties agree that any total of absences in excess of four (4) in any twelve (12) month period for reasons not specified in Sections 2.3, 2.4, 2.5 or 2.7 of this Memorandum of Understanding, or any total of absences in excess of twelve (12) in any twelve (12) month period, including absences for the reasons specified in Sections 2.4, 2.5, and 2.7 of this Memorandum of Understanding will be considered unacceptable and will be subject to disciplinary action in accordance with the following procedure:

1. Oral warning
  2. Written warning
  3. One (1) work day suspension without pay
  4. Three (3) work day suspension without pay
  5. Discharge
- 3.2 The parties recognize that counseling is not a formal disciplinary action and encourage the use of counseling to make employees aware of their attendance records.
- 3.3 Disciplinary action for absenteeism will not be administered to an employee if he/she has not been presented with a copy of his/her attendance profile prior to the infraction resulting in the disciplinary action.
- 3.4 The following factors will be considered in imposing and reviewing disciplinary action under steps four (4) and five (5) of this disciplinary action procedure. These factors may be used either to mitigate or aggravate disciplinary action.
1. The employee's length of service;
  2. The employee's medical leave of absence and worker's compensation absence record; and
  3. The employee's total attendance record dating back to the date of employment.

#### **SECTION 4 – Other**

- 4.1 As used in this Memorandum of Understanding, the term absence is intended to include absences and lates.
- 4.2 The Company and the Union agree that if these modifications in this absentee procedure lead to abuse, the Company and the Union will meet to discuss modifications to this procedure and/or its application to individual employees.
- 4.3 This Memorandum of Understanding is effective the date signed, and supersedes any previous Memorandums of Understanding for absenteeism or formal steps on absences.

**ARTICLE XXIII  
WAGES**

The wage rates agreed upon at the signing of this Agreement shall be the established rates during the first twelve (12) months of this Agreement. Job rates to be effective February 1, 2003 and February 1, 2004 will be calculated in accordance with the agreed upon negotiated settlement. These rates will be made available when they become effective.

Employees hired on or after February 1, 1999, will be paid in accordance with the following rate progression:

1. Employees hired on or after February 1, 1999, shall receive the starting rate established by the Company.
2. Upon successful completion of three (3) months of employment, employees shall receive a rate of seventy-six percent (76%) of the full base rate of pay for their job classification.
3. Upon successful completion of six (6) months of employment, and upon completion of each successive three (3) months period thereafter, such employees shall receive an additional three percent (3%) of the full base rate of pay for their job classification.

(Example: 6 months = 79%, 9 months = 82%, etc.)

4. The full base rate of pay shall be received upon completion of twenty-seven (27) months of employment.
5. During this progressive period, employees who bid for, and are selected for, a higher grade of pay shall be paid in accordance with the appropriate percentage applied to the new classification base rate. The percentage applied to the new classification base rate shall be the percentage the employees are receiving at the time of job selection and the percentage shall be applied on the date the employees would receive their next normally scheduled progressive increase.

**ARTICLE XXIV  
TERM OF AGREEMENT**

The effective date of this Agreement shall be February 1, 2002 and shall remain in full force and effect through January 31, 2005. It shall thereafter be continued in full force and effect from year to year after January 31, 2002 unless either party gives notice in writing of desired changes or of termination at least one-hundred twenty (120) days before the expiration date or anniversary of the expiration date thereafter.

**CONTINGENT COST OF  
LIVING ALLOWANCE**

Any cost of living payments made during the term of this contract will be paid in accordance with the provision of the Long Term Agreement.

## ARTICLE XXV

### COMPETENCY EVALUATION PROGRAM

The following guidelines have been established to provide an objective method for training and evaluating employees for entry into the Senior Operator, Operator #1, Operator #2, and Attendant job classifications.

- A. The Employer shall be entitled to establish and subsequently modify Competency Based Evaluation Program(s) to become effective on February 1, 1990. The Employer will provide an itemization of such Competency Based Evaluation Program(s) to the Union in writing prior to implementation. Upon the request of the Union, the Employer will meet with the Union to discuss the specifics of the Competency Based Evaluation Program(s). Should it become necessary to add to, delete from or otherwise modify such Competency Based Evaluation Program(s), notification of such changes will be provided to the Union in writing prior to implementation. Upon the request of the Union, the Employer will meet with the Union to discuss the proposed changes.
- B. The Employer shall have the right to modify the length of competency evaluation programs based on training requirements, provided that all employees receive the same treatment when they are trained for the same job classification.
- C. The Employer shall have the right to determine the location of competency evaluation programs based on training requirements and equipment availability.
- D. Entry into the Competency Based Evaluation Programs shall be within the lines of progression as listed in Exhibit A and shall be based upon seniority. Plant-wide seniority of employees in the job classification immediately below the job classification for which the Competency Based Evaluation program is to be conducted shall prevail.
- E. Employees may be re-evaluated, periodically or on an as-needed basis, on their ability to perform their job as required under the applicable Competency Based Evaluation Program. Regardless of the outcome, the employee will be returned to their job classification and any action taken will be based on job performance per the current management rights.
- F. Qualification through the Competency Based Evaluation Programs will be based on the following:
  - (1) Written evaluation: eighty percent (80%); and
  - (2) Task evaluation: one hundred percent (100%) with two (2) opportunities to demonstrate competence on each task.
  - (3) One (1) week on the job task evaluation.
- G. If, in the opinion of the Employer, an employee is unable at any time to qualify to retain a position requiring the utilization of new technology process or control equipment through the Competency Based Evaluation program, such employee will be permitted to return to the job classification immediately below the job classification the employee is unable to retain; provided that (1) such move may be justified by the employee's plant-wide seniority, and (2) the employee successfully completes the applicable Competency Based Evaluation Program. If, in the opinion of the Employer, an employee is unable to qualify for a position in a job classification higher than the employee's current job classification through the Competency Based Evaluation Program, such employee will be permitted to remain in the employee's current job classification and shift. In neither case shall an employee be eligible to reenter the Competency Based Evaluation Program for the position on which the employee failed to qualify for a period of twelve (12) months from the date on which the employee failed to qualify.

**EXHIBIT A  
LINE OF PROGRESSION**

Sheet Forming Department

Senior Operator

Operator #1

Operator #2

Stock Prep Departments

Senior Operator

Operator #1

Operator #2

General Department

Packing Operator/Blending Operator/Flavor Kitchen Attendant

Processing Technician

**EXHIBIT B**  
**OPERATING WORK AREAS**

Operating work areas within the plant are as follows:

- A. Rotating Shift Work Areas
  - 1. Blending
  - 2. Stock Preparation (Stock Prep)
  - 3. Sheet Forming (Machine Room)
  - 4. Packing
  - 5. Manpower Pool
- B. Fixed Crew Work Areas
  - 1. Receiving
  - 2. Shipping
  - 3. Warehouse
  - 4. Maintenance Support
  - 5. Manpower

The Company reserves the right to add new operating work areas and to modify or discontinue existing ones.

**EXHIBIT C  
SCHEDULE OF JOB RATES**

(Progression Rates for job rates are not shown.)

The wage rates agreed upon at the signing of this Agreement shall be established rates during the first twelve (12) months of this Agreement. Job rates to be effective February 1, 2003 and February 1, 2004, will be calculated in accordance with the agreed upon negotiated settlement. These rates will be made available when they become effective.

2/1/02

Senior Operator,	25.40
Operator #1	24.03
Operator #2	23.34
Blending Systems Operator	23.68
Packing Systems Operator	22.81

Flavor Systems Attendant	22.81
Processing Technician	22.19
Leaf Warehouse	
Processing Technician	22.95
Hired After	

2/1/99

Processing Technician	15.50
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Rate Progression/Qualification Periods  
Below listed are the top rates for classified jobs.

<u>Job Classification</u>	<u>Top</u>
Flavor Kitchen Attendants	22.81
Packing Operators	22.81
Blending Operators	23.68
Operator #2	23.34
Operator #1	24.03
Sr. Operator Sheet Forming	25.40

## Rate Progression/Qualification Periods

Effective February 1, 1999

Ten (10) cents per hour will be added to the base rate and paid to each employee when he has entered Competency Based Training.

- A. An employee who upgrades to a higher job classification shall be paid in accordance with the following promotional rate progression:
  1. The employee shall receive the full base rate of pay of the job classification immediately below the job classification to which the employee has been upgraded plus fifty percent (50%) of the difference between the full base rates of pay of the job classification immediately below the job classification to which the employee has been upgraded and the job classification to which the employee has been upgraded, upon successfully completing the training period for the position to which the employee has been upgraded.
  2. Following successful completion of the training period and upon completion of 346 hours worked in the job classification to which the employee has been upgraded, the employee shall receive the full base rate of pay of the job classification immediately below the job classification to which the employee has been upgraded plus seventy-five percent (75%) of the difference between the full base rates of pay of the job classification immediately below the job classification to which the employee has been upgraded.
  3. Following successful completion of the training period and upon completion of 692 hours worked in the job classification to which the employee has been upgraded, the employee shall receive the full base rate of pay of the job classification to which the employee has been upgraded.
  4. An employee who is upgraded who has not completed the rate progression for new employees shall be paid in accordance with the appropriate percentage applied to the new classification base rate. The percentage applied to the new classification base rate shall be the percentage the employees are receiving at the time of selection and the percentage shall be applied on the date the employees would receive their next normally scheduled progressive increase.

**Exhibit D  
Retirement Groups**

		(Effective 2/1/99)		
Code	Title	Retirement Group	Retirement Rates	(Dollars per Month per Year of Service)
1842	Processing Technician	B	\$61	
1832	Packing Operator	B	\$61	
1940	Flavor Kitchen Attendant	B	\$61	
1930	Blending Operator	C	\$66	
1914	Operator #2 Sheet Forming	C	\$66	
1924	Operator #2 Stock Prep	C	\$66	
1812	Operator #1 Sheet Forming	C	\$66	
1822	Operator #1 Stock Prep	C	\$66	
1810	Sr Operator Sheet Forming	D	\$74	
1820	Sr Operator Stock Prep	D	\$74	
1841	Processing Technician F (Hired after 2/1/99)		\$36	

2002 Agreement between Park 500 and Local No. 359-T of the Bakery, Confectionery Tobacco Workers and Grain Millers International Union, A.F.L.-C.I.O.-C.L.C.

DATED: February 1, 2002                      Chester, Virginia

**PARK 500:**

Mary Gordon  
Director, Richmond Processing

C. U. Spellmeyer  
Plant Manager (Site Director), Park 500

P. Redman  
Manager Employee Relations

**B.C.T.G.M., LOCAL NO. 359-T:**

M. J. Aldridge  
President, Local No. 359-T

H. Bortner  
Vice-President, Local No. 359-T

K. Moring  
Committeeman, Local No. 359-T

T. O'Neill  
Committeeman, Local No. 359-T

**Witnessed by B.C.T.G.M INTERNATIONAL REPRESENTATIVE**

B. W. Baker