

**UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD
REGION 18**

INGREDION, INC. d/b/a PENFORD)	
PRODUCTS CO.)	
)	
Employer,)	
)	
and)	CASE NO. 18-CA-209797
)	
BAKERY, CONFECTIONARY,)	
TOBACCO WORKERS & GRAIN)	
MILLERS LOCAL 100G)	
)	
Union.)	

MOTION TO BIFURCATE HEARING

Pursuant to § 102.24 of the National Labor Relations Board’s (“NLRB”) Rules and Regulations, Ingredion Incorporated (“Ingredion”), by counsel, respectfully requests that the Administrative Law Judge bifurcate the proceedings in Case 18-CA-209797, in order to first address the threshold issue of whether the unfair labor practice charge should be deferred to the parties’ grievance and arbitration process. In support of this Motion, Ingredion states as follows:

I. LEGAL STANDARD

Section 102.35(a)(8) of the Board’s Rules and Regulations provides that the Administrative Law Judge shall have authority between the time the Judge is designated and transfer of the case to the Board “[t]o dispose of procedural requests, motions, or similar matters; and upon motion order proceedings consolidated or severed prior to issuance of administrative law judge decisions.” Consistent with that rule, the Board has specifically held that issues involving the severance of cases in proceedings are within the Administrative Law Judge’s discretion. Adair Standish Corporation, 283 NLRB 668, 669–671 (1987), *enfd.* 875 F.2d 866 (6th Cir. 1989). The Board has also held that motions seeking to sever and/or bifurcate

litigation of particular issues raised by the complaint are likewise matters within the Administrative Law Judge's discretion. See Asociacion Hospital del Maestro, Inc., 317 NLRB 485, 490 (1995).

II. ARGUMENT

A threshold issue in this matter is whether the underlying unfair labor practice charge should be deferred to the parties' grievance and arbitration process. The Complaint alleges that Ingredion made unilateral changes to employee health insurance plans with respect to deductibles, copays, and out-of-pocket expenses. It is Ingredion's position, based on its interpretation of the parties' collective bargaining agreement, related documents, and past practice, that the minimal modifications to the employees' health insurance plan were lawful.

As background, on November 12 and 13, 2017, the Union filed two grievances over the changes Ingredion announced in the 2018 open enrollment employee meetings for medical insurance. **Exhibit 1.** Ingredion and the Union have been processing those grievances, with Ingredion providing its Response to Second Step Appeal on December 20, 2017, and Ingredion and the Union met at Third Step on January 9, 2018. The parties have already selected an arbitrator for one of the grievances, and the Company is willing to arbitrate both grievances. Accordingly, bifurcation of this matter is appropriate to resolve the threshold issue regarding deferral under these circumstances. Ingredion estimates that a preliminary hearing on the deferral issue will last less than half a day, while an un-bifurcated hearing would last at least two days.

While certain categories of cases are not appropriate for pre-arbitral deferral, this one certainly is. In Collyer Insulated Wire, 192 NLRB 837 (1971), where the Board set its deferral standard, at issue were 8(a)(5) unilateral changes (in that case, to wages and working conditions). Charges alleging unilateral changes to health care benefit packages are appropriate

for Collyer deferral, especially where the employer's defense relies on the CBA and related documents to show waiver or contract coverage. See Truserv Corporation, 349 NLRB 227, 234 (2007); Subject: Hertz Corporation, Case 5-CA-19099, 4-CA-16711, 1988 WL 228557, at *2 (Feb. 10, 1988) ("We believe that such questions about the literal meaning and significance of the disputed clause can be appropriately answered by an arbitrator, pursuant to the parties' contractual grievance and arbitration procedure").

Under the Board's policy as set forth in Collyer and United Techs. Corp., 268 NLRB 557 (1984), allegations such as these should be deferred to the contractual grievance procedure if the conduct is cognizable under the grievance procedure, the grievance procedure culminates in final and binding arbitration and the charged party waives all timeliness defenses to the grievance. All of these elements are present here. In fact, the Union has already filed grievances over the very issue alleged in the Complaint, **Exhibit 1**, and the parties are diligently processing those grievances. The parties have already selected an arbitrator for one of the grievances, and the Company is willing to arbitrate both grievances. Ingredion agrees to waive any and all timeliness defenses to the grievances. It expects that the parties will process them until resolution by agreement or the final and binding arbitration provided for in the CBA. See **Exhibit 2** at 28 ("The parties agree that the award shall be final and binding on the parties hereto and the employees affected thereby.")

Moreover, the Board considers as one of the factors when determining to defer to the parties' available grievance and arbitration machinery whether there is employer hostility to the union. United Aircraft Corp., 204 NLRB 879 (1972). There is no issue of employer hostility present here. Any reference the General Counsel raises about previous litigation between the

parties in the Complaint is unrelated and does not intertwine with the current grievances.¹ The parties, through good faith bargaining, reached agreement on a CBA in 2017 (with an effective date of August 2016), and the terms of the agreement and related documents are central to the Complaint now before the Administrative Law Judge. The parties have every reason to expect that their grievance and arbitration machinery will operate effectively; they successfully processed nine (9) grievances in 2016 and seven (7) in 2017. This includes a discharge grievance they processed to arbitration. As such, the parties' proven success in using its grievance and arbitration procedure is a factor that favors deferral here. See id., at 879 ("We continue to believe that an exploration of the nature of the relationship between the parties is relevant to the question of whether in a particular case we ought or ought not defer contractually resolvable issues to the parties' own machinery."); see also Mercy Hosp., 18-CA-155443, 2016 WL 2621337 (May 6, 2016) (finding that it would not be futile for the parties to use the arbitration procedure in the CBA given the parties' long history of using the grievance process and informal meetings to discuss and resolve issues of concern, and the parties used the arbitration procedure to resolve dispute about changes the respondent made to workweek schedules).

Deferral in this case would comport with Collyer and promotes industrial peace and stability between the parties, all while continuing to protect employees' statutory rights. "Deferral is not akin to abdication. It is merely the prudent exercise of restraint, a postponement of the use of the Board's processes to give the parties' own dispute resolution machinery a chance to succeed. The Board's processes may always be invoked if the arbitral result is

¹ Previous litigation dealt with allegations of bad faith bargaining during negotiations. The parties have since reached a new contract, and the current issue deals with modifications to the employee's health insurance plan under the parties' current CBA.

inconsistent with the standards of Spielberg.” United Techs. Corp., at 560 (citing Spielberg Manufacturing, 112 NLRB 1080 (1955)).

In many Section 8(a)(5) cases, such as here, the issue is whether the employer had a contractual right to take the action contested, and any violation of the Act in such cases turns entirely on contract interpretation. Therefore, unlike Section 8(a)(1) and (3) cases, which require the decision maker to interpret the Act, these Section 8(a)(5) cases do not require the Board’s expertise. Indeed, the Board has recognized that matters of contract interpretation “can better be resolved by arbitrators with special skill and experience in deciding matters arising under established bargaining relationships than by the application by this Board of a particular provision of our statute.” Collyer at 839. Furthermore, it would be particularly detrimental to the goal of promoting stable labor-management relationships through collective bargaining if the Board were to interpose itself in a matter of contract interpretation. Resolution of disputes arising out of contractual provisions are best left to the parties through the steps of the agreed-upon grievance procedure, as well as by the arbitrator specially chosen to interpret the contract.

WHEREFORE, Ingredion respectfully requests that the Administrative Law Judge bifurcate this matter to hear the threshold issue of whether this matter is appropriate for deferral under the parties’ grievance and arbitration procedure.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Motion has been served by electronic mail and U.S. mail, on this 15th day of June, 2018, upon the following:

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/s/ Carita Austin

EXHIBIT 1

6006-

Grievance Number (assigned by Chief Steward) 11122017 (mmdyyyy)

When an Employee/Steward, and then the Shift Steward, have discussed a grievance with Supervision and are unable to resolve the issue, the grievance is to be reduced to writing within five days on this form. The form is to be signed by the Shift Steward (Employee may also sign) and dated, with four copies given to the Chief Steward who will give three copies to Company Supervision. Company Supervision will answer the grievance within five business days, giving one copy each to the Chief Steward, Shift Steward and the Employee Relations Manager. Stating the issue clearly, citing relevant contract language, and providing supporting documents will assist all parties in resolving the dispute.

EMPLOYEE GRIEVANCE FORM

Date 11/12/17

Department Specialty

1.) Description of Grievance:

During 2018 Open enrollment meetings on 11/1/17 the company presented unilateral changes for bargaining employees insurance plan design (eg deductible, rx increases, etc). The company did not present this in 2015 negotiations nor the 2017 contract membership voted on. The company needs to return to original plan design except for 2090 premium cap and stop all violations. And make members whole.

Employee Signature [Signature]

Shift Steward Signature [Signature]

2.) Response of Company Supervision:

Date Received 11-13-17

Granted Rejected

Date of Response _____

Signed by _____

3.) Response of Director, Operations:

Date Received _____

Granted Rejected

Date of Response _____

Signed by _____

4.) Chief Steward's Disposition:

Withdrawn Appealed to Labor Relations

Date of Withdrawal or Appeal to Director, Operations _____

Date of Withdrawal or Appeal to Labor Relations _____

Signature _____

Grievance Number (assigned by Chief Steward) 6007-11132017 (mmddyyyy)

When an Employee/Steward, and then the Shift Steward, have discussed a grievance with Supervision and are unable to resolve the issue, the grievance is to be reduced to writing within five days on this form. The form is to be signed by the Shift Steward (Employee may also sign) and dated, with four copies given to the Chief Steward who will give three copies to Company Supervision. Company Supervision will answer the grievance within five business days, giving one copy each to the Chief Steward, Shift Steward and the Employee Relations Manager. Stating the issue clearly, citing relevant contract language, and providing supporting documents will assist all parties in resolving the dispute.

EMPLOYEE GRIEVANCE FORM

Date 11-13-17

Department starch.

1.) Description of Grievance:

The company's unilateral and arbitrary change in the agreed upon and negotiated medical plan. The union asks the company to cease and desist, and make all affected persons whole.

Employee Signature [Signature]

Shift Steward Signature [Signature]

2.) Response of Company Supervision:

Date Received 11-13-17

Granted Rejected

Date of Response _____

Signed by _____

3.) Response of Director, Operations:

Date Received _____

Granted Rejected

Date of Response _____

Signed by _____

4.) Chief Steward's Disposition:

Withdrawn Appealed to Labor Relations

Date of Withdrawal or Appeal to Director, Operations _____

Date of Withdrawal or Appeal to Labor Relations _____ Signature _____

EXHIBIT 2

AGREEMENT

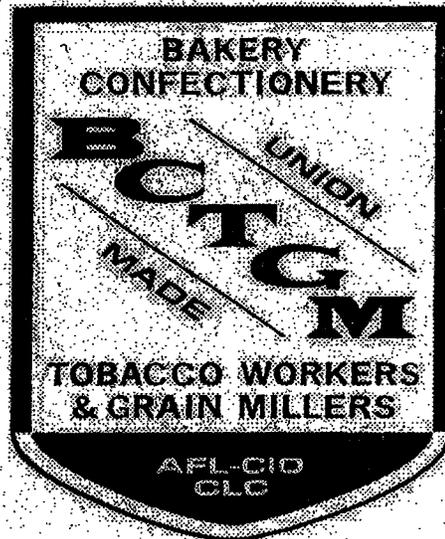
Between



Ingredion

Ingredion, Incorporated of Cedar Rapids, IA

AND



The Bakery, Confectionery, Tobacco Workers
and Grain Millers, Local 100G

8/1/2016 - 8/1/2022

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PREAMBLE

This contract made and entered into this first day of August, 2016 by and between Ingredion, Incorporated for the Cedar Rapids plant, party of the first part, hereinafter called "Company" and the Bakery, Confectionery, Tobacco Workers and Grain Millers, Local 100G, affiliated with the Bakery, Confectionery, Tobacco Workers and Grain Millers International Union, A.F.L. C.I.O., C.L.C. (Canadian Labor Congress), party of the second part, hereinafter called the "Union."

ARTICLE 1 RECOGNITION -DUES

Section 1: The purpose of this Contract is to promote and insure harmonious relations, cooperation, and understanding between the Company and the Union, to encourage safety of employees, to maintain and increase productivity and quality of product, economy of operations, elimination of waste, cleanliness of plant, and protection of property.

Section 2: By the terms of this contract, the Company recognizes the Union as the sole bargaining agent for all hourly paid factory, janitorial, maintenance, factory storeroom, quality control laboratory, boiler house, instrument employees and environmental control employees at the abovenamed plant, except all monthly paid employees, with respect to hours of work, rates of pay, and working conditions.

The management and control of the Union shall be vested solely in the Union. The Union will appoint all bargaining unit members to any employee committee whose discussion may impact wages, hours, or other terms and conditions of employment.

Should the Federal government or Iowa law permit, union membership as a condition of employment, all employees shall maintain their membership in the Union in good standing for the duration of this agreement. The Company and Union agree should this law become enacted, to meet and discuss the terms for implementation of this paragraph.

The Union shall, within one (1) month after the aforesaid time, furnish the Company with a notarized list of its members in good standing. The Company shall be notified of all employees thereafter who become members of the Union.

In all such cases where the Union claims that an employee has failed to maintain his membership in good standing, it shall notify the Company, in writing, fifteen (15) days before the employee is subject to expulsion from the Union, and state the reasons for such expulsion.

Section 3: All employees who in accordance with the above sections have elected to stay or become members of the Union shall be required to give a written authorization or assignment, in conformance with Federal and State laws, to the Company for deduction of Union monthly dues and initiation fees.

Section 4: The Company will establish a payroll deduction check-off for voluntary contributions to BCTGM-PAC.

The Union shall indemnify the Company and hold it harmless against any and all claims, demand, suits, and liabilities that shall arise out of or by any reason of any action taken by the Company for the purpose of complying with the foregoing provisions.

Section 5: The Company on their part and the Union on their part agree that they will not individually or jointly discriminate against any employee or group of employees because of handicap, race, color, religion, sex, age, or national origin of such employee or group of employees. The masculine gender, where appearing in the contract, shall be deemed to include the feminine gender, and the singular shall include the plural, unless the context clearly indicates to the contrary.

ARTICLE 2 MANAGEMENT RIGHTS

Section 1: The Company shall manage the plant and direct the working forces. The management of the plant includes the right to plan, direct, and control plant operations, to hire, promote, suspend, or discharge for proper cause, or to transfer employees from one job to another, or from one department to another, or from shift to shift if necessary to maintain plant production, and the right to lay off and relieve employees from duty because of lack of work or for other legitimate reasons, according to the rules and regulations of this Contract, and the right to introduce new and improved production methods or facilities, or to change existing production methods or facilities.

ARTICLE 3 COMMUNICATION AND COMMITTEES

Section 1: Communication Effective communication is the two-way sharing of information between the company, union and employees and can substantially contribute to our success. Committees can serve as bridges of communication and understanding between the Company and its workforce. Committees are structured to communicate, define issues, analyze and make recommendations, etc.

Appropriate Company representatives and the Joint Labor Relations Committee will meet no less frequently than once every sixty (60) days at a mutually acceptable time to discuss Union and Company concerns.

Section 2: Contract Committee The Company agrees to allow the Union in-house space for local Union elections or votes, provided that adequate notice of the need is given. The Union agrees that immediately upon the election of new officers or members of the Contract Committee dealing with the Company, the Union will notify the Company in writing of such change.

As far as practicable, all negotiations with the Company shall be held at such time as the Company may designate in order to minimize the time which members of the Contract Committee present will lose from scheduled work. If, however, time is necessarily lost from their scheduled work by a member of the Negotiating Contract Committee because of their participation in such conference negotiations with the Company, then such Committee member shall be paid for their scheduled working time so necessarily lost except that for a day in which a member receives pay under this section for hours not worked they shall not be entitled to more than eight (8) hours pay (including therein pay for such hours as they may have worked on such day) at the rate applicable for such day.

Section 3: Safety Committee The Company agrees to appoint to a Safety Committee or committees organized by the Company, employees designated by the Union for such purpose. The Number of Committee members will be discussed and determined by the Company. The Company agrees to furnish to the President or their designee a copy of all reports furnished to the members of the Safety Committee. Following the issuance of the monthly report there shall be a meeting between the President or their representative and the Plant Manager or their representative to discuss the status of progress of the various projects as outlined in the report.

Section 4: Union Officer Compensation The Company will process through its payroll system, Union compensation for Union Executive Board Officers (Local Union President, Vice-President and Third Member), so that they may fully participate in benefits programs based on payroll wages. The union will reimburse the Company for officers' wages and associated payroll taxes. The compensation is limited to a maximum of one-hundred (100) days per contract year.

ARTICLE 4 WORK DAY AND WORK WEEK

This Article is intended only to provide a basis for calculating overtime and establishing normal work schedules, and shall not be construed as a guarantee of hours of work.

Section 1: The Company shall maintain all rights in determining work schedules which will consist of eight (8) hour shifts. The Company will provide notice to the Union should the desire arise to modify work schedules. The Joint Labor Relations Committee and the Company will review and discuss a modified schedule and discuss options prior to a vote. The Company will consider alternative schedules by department if at least 70% of the department votes to go to an alternative schedule. Informational meetings will be held with impacted employees prior to a vote. If during the initial six (6) months of the modified schedule, either party may request cancellation of said schedule with thirty (30) days written notice. If the request to revoke the modified schedule is driven by the Union, a minimum of 70% of the employees in said department must vote to revoke the modified schedule. All employees will return to their position held at the time of the original vote [or return to the position held by the employee whose bid they accepted]. After the initial six (6) month period the schedule will become effective and only modified by using the aforementioned steps.

The work day for an employee for pay purposes shall start at the beginning of his regularly scheduled work shift, and end at the same time twentyfour (24) hours later. The work day for employees shall consist of eight (8) consecutive hours [unless the aforementioned language in paragraph one is applied], including an allowance of thirty (30) minutes for lunch. Lunch periods for the day shift shall be within the limits of the fourth and sixth hours and between the third and fifth hours on the afternoon and night shifts. Two (2) rest periods of ten (10) minutes each are allowed to all employees.

Section 2: When three (3) shifts are employed, the first or day shift shall commence not earlier than 7:00 a.m. or later than 7:30 a.m., and each successive shift shall begin work without loss of time between shifts.

Section 3: For pay purposes, the work week for any employee shall be a seven (7) consecutive day period beginning with the start of the day shift on Monday. The Company may schedule employees so that their work week (for other than pay purposes) may commence on a day other than Monday.

The Company may provide for a Maintenance Department based on the crew concept. In other words, employees in the Maintenance Department will be expected to perform maintenance work as assigned and will not work only on a craft basis. It is agreed that it may be necessary to deviate from seniority to cover a particular craft skill as vacancies occur in the Maintenance Department.

Section 4: The holiday and Sunday work day for any employee for pay purposes shall begin with the start of the day shift on the holiday or Sunday, and end at the same time twentyfour (24) hours later.

Section 5: Employees working twelve (12) consecutive hours are entitled to a second thirty (30) minute rest period. An employee who works sixteen (16) consecutive hours will receive an additional thirty (30) minute rest period during the last four of those 16 hours. Rest periods are not to be utilized to leave prior to the end of an overtime assignment.

Section 6: In any department where there is a mix of 4-shift operations and 3-shift operations, jobs that are staffed on all three shifts for a period of six (6) consecutive months must be assigned to 4-shift operations and the associated work schedule. Only jobs that are staffed on two or less shifts are eligible for assignment to the seven day scheduling of the 3-shift operations subject to the above mentioned time restrictions.

ARTICLE 5 SENIORITY

Section 1: It is hereby agreed that the term, "employee," as used herein, shall mean all persons covered by this contract who have served the probationary period and have established seniority rights as hereinafter provided. All new employees hired shall work a probationary period of three (3) months during which time they may be released by the Company for any reason, but shall have all other rights under the contract, except seniority rights. The Company shall have the right to extend the probationary period for an additional thirty

(30) calendar days to attempt to resolve any identified objective(s) provided the Company advises the Union of such extension no later than five working days prior to the expiration of the employee's three (3) months. At the end of this probationary period, they shall be classified as regular employees with established seniority, which shall date from the original date of employment.

Section 2: The Company agrees to furnish a copy of the seniority list to the Union covering all regular employees. Such seniority lists shall be posted on the plant bulletin board and revised each six (6) month period thereafter.

Section 3: An employee shall lose seniority if and when:

- (a) The employee voluntarily quits.
- (b) The employee is discharged for just cause.
- (c) The employee is laid off for a period in excess of eighteen (18) months.
- (d) The employee is granted a leave of absence and does not return at the expiration date.
- (e) When recalled, if the employee fails to accept within three (3) days after being notified by the Company. The employee must report for work within five (5) days except in case of sickness or other good and sufficient reason approved by plant management.
- (f) The employee is absent in excess of 24 consecutive months for medical leave or worker's compensation.
- (g) Failure to notify management or report to work for three (3) consecutive days.

ARTICLE 6 BIDDING

Section 1: All jobs in the plant shall be regularly assigned. When new jobs are created or vacancies requiring permanent replacement occur in the plant or it becomes necessary for the company to replace an employee on the job, the job shall be advertised on the department and plant bulletin / video boards. Job bid notices shall be posted within thirty (30) days.

- A. It shall be posted on the bulletin / video boards for a period of Friday 3pm until Wednesday 3pm of the following week, excluding holidays. Any plant wide employee interested in the vacancy shall complete a bid sheet.

- B. Application shall be made on a single bid sheet. Bids will be awarded by plant seniority.
- C. In the case of any employee wishing to withdraw a bid, they must do so by signing a form supplied by the Company, before the posting reaches its termination time of 3pm on Wednesday.
- D. A standard form will be kept on file in Human Resources to specify what jobs an individual who is off (either sick, on approved leave or vacation) may request that his/her name be entered on a bid for any job that may be posted. The employee may call-in to have their name added to the bid. If awarded, the employee will not be allowed to turn the bid down.
- E. A trial period will be allowed of one (1) working day unless the employee was previously qualified or a GU job.
- F. The employee awarded the job shall be moved as soon as practical. The name and seniority date of the employee awarded the job will be provided to the Union.
 - 1. In filling jobs, the Company will give full consideration to seniority if the employee has the ability to qualify. Qualifications shall include physical fitness (unless ADA accommodation required), knowledge of job, skill and experience. These qualifications being sufficient, seniority shall prevail in the bidding procedure.
 - 2. An employee will be allowed to turn down no more than two (2) bids that he/she has signed during any rolling twelve (12) month period.
 - 3. Any job not bid for shall be permanently assigned by the Company to the Extra Crew or through recall or rehiring.
 - 4. A reasonable training period in the case of these jobs shall be afforded to the qualified senior bidder. If after the training period the employee awarded the job fails to qualify for the job, they shall return to their prior classification and shift, if open, or be displaced to the Extra Crew.
- G. No employee, without the consent of both the Company and Union shall have the right to make more than two (2) successful bids in a rolling twelve (12) month period outside of jobs they are not qualified for.

Employees bidding into a job for which they are not qualified to perform will normally be trained by one person on an eight hour basis. It is understood the employee bidding may be required to change shifts and schedules for training. Every attempt will be made to accommodate days off.

It is understood that it is the Company's responsibility to provide adequate training for all jobs.

For training purposes, an employee is considered qualified when he/she can perform the job requirements and with no more supervision or guidance than the regular operators. The supervisor, after consulting the trainer and trainee, will make this determination.

Section 2: During the training period, issues that arise from training inefficiencies will be administered to both the trainer and trainee where applicable.

Section 3: All General Utility employees will be cross trained on two different jobs to meet the operating requirements for their departments/shifts. Nothing precludes GU employees from volunteering for additional training. Seniority will be used in the selection of General Utility employees for additional cross training.

ARTICLE 7 STRIKE – DURATION – LOCKOUT

Section 1: It is the understanding of the parties hereto that all prior agreements and interpretations, either oral or written, whether in contract form or in prior minutes, and any obligation of either party created by past precedent are embodied in this contract, and that this contract shall constitute the only agreement between the parties.

This contract may be amended or revised in any of its provisions at any time during its existence, provided such amendments or revisions are reduced to writing and subscribed to by both parties.

If any provision of this Agreement shall be held invalid or unenforceable under applicable laws, the remaining provisions shall not be affected thereby.

Section 2: During the life of this contract, no strikes, slowdowns or concerted refusal to work overtime or Sundays or to report for emergency repair work shall be caused or sanctioned by the Union, and no lock out shall be entered upon by the Company.

A shutdown of the plant by the Company for economic reasons is not a lockout but a shutdown and shall not be used as a deception.

The Union will not be held responsible or liable in the event of an unauthorized or wildcat strike, or other concerted action, as long as the Union takes definitive action to end immediately and direct its members to return to work. Such participation by any employee shall be just cause for his dismissal or other disciplinary action by the Company. A question as to participation by any employee shall be subject to the grievance procedure provided for in this contract.

Section 3: This Agreement shall continue in force and effect in all provisions until 7:00 a.m. August 1, 2022. All requests for a new Agreement by either party must be made in writing and presented to the other party at least sixty (60) days before August 1, 2022. When the new Agreement is accepted, it shall be signed and become binding effective immediately at the termination of the old agreement.

The Union shall be given eight (8) hours (7AM-3PM) off site for the purpose of voting on the proposed agreement. Such meeting shall be held within 72 hours after bargaining is completed. The date and time of this vote shall be mutually agreed upon between the parties. The Company shall have every opportunity to continue operations during this time.

The Union will notify the Company of the outcome of the vote as soon as it is known. The Union agrees to notify the Company at least twelve (12) hours prior to its intention to be on strike.

In the event that neither party hereto sixty (60) days before the first day of August 2022 presents the other party a written request for a change in this Agreement, it shall remain in force and effect from year to year.

Section 4: Successor and Assignee. This Agreement shall be binding upon successors and assignees of the parties hereto, or any joint business partner(s) who is a successor(s).

ARTICLE 8 OVERTIME / SCHEDULING

No employee shall leave his/her job at the close of the shift until properly relieved. It shall be management's responsibility to ensure that employees will be properly relieved and notified of overtime obligation.

A short-term vacancy is a regular-scheduled job that the Company determines it needs to fill, or temporary work that requires immediate attention to reduce or prevent the loss of production, or work needed to immediately correct a serious environmental health and safety hazard. Short-term vacancies will be filled within the department under the following manner:

1. Progression of helper(s) bid on the shift with the vacancy.
2. Scheduled by seniority from a preference listing of Relief employees in the department who are qualified and bid on the shift with the vacancy. Employees may change their preference listing monthly (first scheduled shift) any time prior to the last four hours of the shift. This step will be used when management has sufficient time to schedule coverage for the job of the employee exercising this step. No employee may exercise a preference that requires a senior employee to be moved from his/her job to accommodate the preference.
3. Scheduled by seniority from a preference listing of GU employees in the department who are qualified and bid on the shift with the vacancy. Employees may change their preference listing monthly (first scheduled shift) any time prior to the last four hours of the shift. This step will be used when management has sufficient time to schedule coverage for the job of the employee exercising this step. No employee may exercise a preference that requires a senior employee to be moved from his/her job to accommodate the preference.
4. If the eight (8) hour vacancy is a (3) three shift vacancy, the Company will attempt to fill the vacancy with the next available qualified person from the (3) shift schedule before an employee from the 4th shift schedule.
5. If the Company has four or more hours' notice, it will attempt to fill the vacancy with the senior qualified person in the department from the daily overtime list.

To work an Unscheduled Day in department only:

- An employee must sign up prior to the last four hours of the shift and cannot remove his/her name during the last four hours.
- Of the employees signing up, overtime will be offered on the basis of seniority and qualifications. Employees can preference for day and shift only. Employees may select any jobs that they prefer to work.
- Individuals will be offered openings by seniority and qualifications

as openings become available on a daily basis. Any openings which become available after the original scheduling is completed will be filled by continuing down the list. Of the employees scheduled in, the most senior employee may displace a junior employee on a more desirable job provided the junior employee is qualified to work the senior employee's vacancy.

- Only employees reached personally will be considered for work.
 - a. It is understood that employees that are working under the above step five, can work any eight (8) hour shift as long as they have eight (8) hours of rest between each shift. However, no employee can be scheduled more than one eight (8) hour shift per day (7:00 a.m. to 7:00 a.m.).
 - b. Employees working unscheduled days can be only scheduled for a full eight (8) hour shift and would be classified the junior person for purposes of forced overtime unless it would conflict with the individual getting the proper eight (8) hours rest between shifts.
 - c. Employees working their unscheduled days, with the exception of employees who have been reduced and are working their own shift in their own department, will not have overtime during this period count toward the mandatory two overtimes per week.
6. Should the above steps fail, the qualified employees in the department who have signed the daily overtime list shall be forced, the junior qualified scheduled employee on the off-going and on-coming shift will be required to perform the work as outlined below:
- a. Provide that overtime will be distributed such that a person is required to work no more than two (2) overtime periods per week as long as senior qualified people are available. It is understood that a week for this purpose is from Monday to Monday for those departments that are not on a four-shift schedule and a seven (7) day work schedule for those who are on a four-shift schedule.
 - b. When the qualified list is depleted the junior person can be forced two (2) days in a row. In no case will a person be forced more than two (2) days in a row or more than sixteen (16) hours in one day. No employee will be disciplined for refusing to work a third consecutive forced overtime.

- c. The Company will attempt to limit employees to a twelve (12) hour basis, including the transfer of employees before working sixteen (16) hours.
- d. Sixteen (16) hours worked will count as two (2) overtime segments in a row and two (2) overtimes in a week. Employees working on an alternate schedule twelve (12) hour shift will only count as one (1) overtime.

Daily Overtime - Hold Over Sign-up:

- An employee must sign up prior to the last four (4) hours of the shift and cannot remove his/her name during the last four (4) hours.
- Of the employees signing up, overtime will be offered on the basis of seniority and qualifications. Employees may indicate any jobs that they prefer to work.
- If there is not an adequate number of qualified people signed up to fill the vacancy, qualified Extra Crew employees not assigned to a job will be utilized.

If there is not an adequate number of people qualified for the vacancy employees will be forced to work starting at the bottom of the seniority list.

Daily Overtime - In-Early Sign-up:

- An employee must sign up prior to the last four (4) hours of the shift and cannot remove his/her name during the last four (4) hours.
- Of the employees signing up, overtime will be offered on the basis of seniority and qualifications. Employees may indicate any jobs that they prefer to work.
- If there is not an adequate number of qualified people signed up to fill the vacancy, qualified Extra Crew employees not assigned to a job will be utilized.
- If there is not an adequate number of people qualified for the vacancy employees will be forced to work starting at the bottom of the seniority list.
- Only employees reached personally will be considered for work.

Job Selection - Hold Over/Early in:

- Employees on overtime may use seniority to displace a less senior employee on a more desirable overtime assignment, provided the junior employee is qualified to work the senior employee's vacancy.
7. Qualification for employees in department will be if the employee has worked the job in the previous twelve (12) months.
 8. Qualification for employees out of their department will be if the employee has worked the job in the previous six (6) months
 9. Temporary jobs and unscheduled work designated as mandatory within a department will be performed by assigning the junior qualified people. In case the junior qualified person is assigned excessive extra work, other qualified persons will be assigned utilizing the same procedure.
 10. It is understood that an employee's circumstances may change, at which time the supervisor may excuse the individual.
 11. Overtime Scheduling Errors:

If an error is found to have been committed in the assignment of overtime (for those who signed the daily overtime sheet), the Company shall provide employee(s) involved half (1/2) pay at the applicable rate.

Voluntary Overtime:

- A. Work that the Company does not force anyone to perform.
- B. The work counts toward the two (2) overtimes in a row, but not toward the two (2) overtimes in a week.
- C. An employee who suspects he/she is being overlooked for this overtime should contact a supervisor to avoid a potential earnings loss, voluntary is not eligible for miss-scheduling pay.
- D. The work has no urgent need to be completed immediately, is always temporary, and will be labeled "voluntary" on the daily job schedule sheet.
- E. Mandatory overtime will be filled before voluntary

(7) Seven Day/Week Schedule Reduction: A reduction as referred to in this section occurs when an assigned seven (7) day/week (bid) job does not operate during an eight (8) hour shift.

1. Prior to a reduction the Company will offer jobs scheduled on the seven (7) day/week schedule that are scheduled in a department for selection according to seniority and qualifications. Senior employees may claim work or defer it to less senior employees, included in this deferral are Extra Crew employees (excluding long term vacancy placement) assigned to the department with the reduction in effect.
2. Employees scheduled on the (7) seven day/week schedule who are scheduled seven (7) consecutive days in the week will be granted personal absences of one (1) day in each such week and shall not be counted as an unexcused absence provided the supervisor is notified twelve (12) hours in advance.
3. Rules A-D as stated below in "Additional Reduction Rules" also applies to this section.

Additional Reduction Rules:

- A. When a department operates with a reduction, if an employee has enough seniority to work in the department, the employee shall have the right to work his/her own assigned job if it is operating, provided all other jobs are filled with qualified employees.
- B. If an employee does not have seniority to work in the department during a reduction he/she may work a vacancy on four-shift operation job in department only by following the procedure for an unscheduled day sign-up.
- C. An employee notified of a reduction less than four (4) hours before the end of his/her shift will have the ability to sign the unscheduled day sign-up list prior to their shift ending. Employees making such elections must work the vacancies.
- D. Affected employees obtaining work through a reduction who work their own shift in their own department will not lose seniority.
- E. If an error is found to have been committed in the assignment of a reduction, the Company shall provide employee(s) involved half (1/2) pay at the applicable rate.

Reduction in Operations: When a multi-shift department must temporarily reduce operations to less than the normal shifts scheduled, the Company and Union agree to meet and discuss alternatives.

Transfers: If at the Company's request an employee is temporarily transferred from one department to another or within his/her department from one job to another, the employee must complete the transfer.

- A. The Company in making each such temporary transfer and assignment will use that employee then in the department first and plant second who has the lowest seniority in the classification out of which the transfer is being made and who is qualified to perform the work.
- B. Transfers will be on a daytoday basis and shall not continue for more than three (3) consecutive days without explaining the circumstances to the Joint Labor Relations Committee.
- C. An employee transferred shall only work overtime available in his/her original department, not in the department they are transferred to.

**ARTICLE 9
SUNDAYS AND HOLIDAYS**

Section 1: Sundays and Holidays Employees shall be paid eight (8) hours straight time at the rate of their regularly assigned job for the following holidays and provided they work their regularly scheduled work day immediately before the holiday, and their regularly scheduled work day immediately after the holiday.

Eight (8) hours worked by employees covered by this contract on Sunday and holidays (listed below) shall be paid for at two (2) times the normal rate of pay. The Personal Holiday and Employee Birthday will be paid at eight (8) hours at the employee's regular straight time hourly rate. The Employee Birthday will be able to be scheduled on any day of the birthday month and is not subject to the vacation quota.

New Years Day	Thanksgiving Day
Memorial Day	24-Dec
Independence Day	Christmas Day
Labor Day	31-Dec
Veterans Day	Personal Holiday
	Employee Birthday

Any holiday worked by an employee over eight (8) hours will be paid at two (2) and one half ($\frac{1}{2}$) times the normal rate of pay.

For the purposes of this section, vacation taken on an employee's last normally scheduled work day before a holiday will be applied as if the employee had worked the regularly scheduled work day immediately before the holiday. Vacation taken on an employee's first normally scheduled work day after a holiday will be applied as if the employee had worked the regularly scheduled work day immediately after the holiday.

Prior notification of twelve (12) hours prior to the start of their scheduled shift is needed by the employee to the supervisor to take the personal or birthday holiday.

The Company will make every attempt to shut down for any paid holiday and attempt to give as much notice as practicable.

Section 2: An employee who fails to report on his regularly scheduled work day immediately before the holiday and/or his regularly scheduled work day immediately after the holiday, will nevertheless be eligible for holiday pay providing such absence is due to the presence of one of the following causes:

- a. Absence due to an approved medical leave (as outlined in Section "A" of the Absentee Control Program) if substantiated by a medical doctor.
- b. Is on an approved funeral leave
- c. Absence for jury service

If an employee's job is scheduled to operate on the holiday, and the employee assigned fails report for work, he will forfeit his right to holiday pay. This also applies to an employee whose job is not scheduled to operate, but who makes arrangements with the Company to work on the holiday and then fails to report for work.

Section 3: In the event an employee is on vacation during a week in which a holiday listed in Section 2 falls, he shall receive holiday pay in addition to his regular vacation pay.

Should any of the holidays mentioned above fall on a Sunday, the following Monday shall be observed as a holiday. If the day before Christmas or December 31 falls on a Sunday, the preceding Saturday shall be observed as the holiday.

ARTICLE 10
MAINTENANCE PROVISIONS

Section 1: Schedule Mechanics may be scheduled on a mix of eight (8), ten (10) or twelve (12) hour shifts with varied start and stop times to meet the needs of the plant, such as in the event of an emergency or planned outage.

Section 2: Overtime & Emergency Work Within Maintenance there will be a daily overtime list to allow any maintenance mechanic to sign up for overtime, to work their days off, or for breakdown call-ins before other mechanics are forced.

Maintenance mechanic vacancies on first shift [Tuesday-Thursday] will normally not be back filled.

If the night shift vacancy cannot be filled, the Company may use alternative means to staff this vacant position such as using contractors.

Mechanics called in for emergency repair work during the night shall be paid for the actual time worked at the applicable rate and overtime, if any, plus one (1) hours pay at the regular rate to cover the time of coming and going.

All work performed between the hours of 11:30pm and 7:00am on any day by any Mechanic who is assigned to the day shift or a night shift mechanic who signs up for their day off and secures day shift and is called in for emergency work shall be paid for at twice the normal rate of pay for the job. This section is not applicable for a mechanic who volunteers to work a vacancy on the 12 hour night shift schedule.

Section 3: Outside Contracting The Company agrees that it is not the intent to contract out work currently covered by the collective bargaining agreement, and performed by the bargaining unit employees. The Company agrees to notify the Union in advance in writing of projects requiring the services of outside contractors, giving in general terms the scope of work involved. Assignment of work in the Maintenance Department will be in accordance with the contract. In any week when the plant is operating four (4) days or more, except in the work week when a holiday is observed, no maintenance mechanic will be scheduled less than full-time hours (per the Maintenance Schedule) because of work being performed by an outside contractor. An assignment of work to outside contractors, jurisdictional awards or area practice between Unions will be considered in assignment of such work. Nothing in the above shall prevent the Company from modernizing, installing new equipment and

directing the working forces.

Section 4: Work Continuity A mechanic performing repair work which will extend past the end of the shift may continue working up to one (1) hour past the end of the shift in order to finish the job, or provide information exchange.

ARTICLE 11

PAY

Section 1: Wage Schedule The wage rates and classifications agreed upon as of February 15, 2017 are as follows:

TIER ONE: CLASSIFICATION AND WAGE SCHEDULE FOR EMPLOYEES HIRED BEFORE 2/14/2017					
	8/1/2017	8/1/2018	8/1/2019	8/1/2020	8/1/2021
Conversion/Utilities Operator	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Relief Operator - Conversion/Utilities/Ethanol	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Ethanol Operator	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Elevator Operator	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Mill House Operator	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Starch Refinery Operator	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
By-Products Operator	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Grind Relief	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Grind Multi Relief	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
General Utility Grind	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Mobile Supply	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Lab Tech	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Thin Boil Head Operator	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Thin Boil Helper	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Flex Operator	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Product Handler/Utility	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Product Handler	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
General Utility Starch	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
BLDG 61 Operator	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
BLDG 61 Helper	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Extra Crew	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Relief Starch	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Chemical Handlers	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
LNP Operator	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Storeroom	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Machinery Lubrication Technician	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Storeroom 2/Lubrication Relief	\$26.10	\$26.88	\$27.69	\$28.38	\$28.95
Reliability Specialist	\$29.23	\$30.10	\$31.01	\$31.78	\$32.42
Janitor	\$20.74	\$21.37	\$22.01	\$22.56	\$23.01

In conjunction with the above pay grade improvements, employees hired on/ after February 15, 2017, will begin employment at a rate of pay that is defined in the tier two classification and wage schedule.

TIER TWO: CLASSIFICATION AND WAGE SCHEDULE FOR EMPLOYEES HIRED AFTER 2/14/17						
	8/1/2016	8/1/2017	8/1/2018	8/1/2019	8/1/2020	8/1/2021
Specialty Conversion/Utilities Operator	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Relief Operator - Conversion/Utilities/Ethanol	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Ethanol Operator	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Elevator Operator	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Mill House Operator	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Starch Refinery Operator	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
By-Products Operator	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Grind Relief	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
General Utility	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Mobile Supply	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Lab Tech	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Thin Boil Head Operator	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Thin Boil Helper	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Flex Operator	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Product Handler/Utility	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Product Handler	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
General Utility Starch	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
BLDG 61 Operator	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
BLDG 61 Helper	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Extra Crew	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Relief Starch	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Chemical Handlers	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
BLDG 95 Operator	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Storeroom	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Machinery Lubrication Technician	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Storeroom 2/Lubrication Relief	\$21.78	\$22.43	\$23.11	\$23.80	\$24.39	\$24.88
Reliability Specialist	\$28.37	\$29.23	\$30.10	\$31.01	\$31.78	\$32.42
Janitor	\$20.14	\$20.74	\$21.37	\$22.01	\$22.56	\$23.01

Section 2: Job Combination In the event a new classification is established, or a major change is made by the Company in an existing job classification, including consolidation of existing job classifications, the Company shall fix a rate for the new or changed job classifications, as of the effective date of the new or changed job classification. Such rate shall be subject to the grievance procedure. In each case where the grievance procedure is invoked, the wage rate fixed by the foregoing method shall apply from the date fixed in such grievance procedure.

Normal Production and Maintenance jobs will not go below the established rate structure without mutual agreement between the Union and the Company. The janitor rate is not to be used in this determination.

Section 3: Overtime Pay All work performed in excess of eight (8) hours in any one (1) work day, or forty (40) hours in any one work week, shall be considered overtime and compensated at the rate of one and onehalf (1 ½) times the normal rate of pay. All hours worked in excess of twelve (12) hours will be paid at double time. It is understood that the work day for the 4th shift will end at the beginning of the following scheduled work day.

Employees working overtime shall not be required to lose that time on another day. The time for which overtime compensation has once been paid shall not be counted as hours worked for the purpose of determining further overtime under this Contract.

All work performed on an employees scheduled day off will be paid at one and one half (1 ½) times the employees normal rate of pay.

Section 4: Premium Pay Premium pay for a holiday worked during any week shall not be used to offset overtime pay for hours worked beyond forty (40) hours in a holiday week. An unscheduled, paid holiday will be considered an eight (8) hour day worked in the calculation of overtime for more than forty (40) hours in a week.

Section 5: Report in Pay An employee scheduled or called to work two (2) hours or less prior to the established starting time of his scheduled shift in his assigned department shall be paid only for the time worked on the early callin, and at the overtime or premium rate applicable to such hours. Such hours will not constitute a day worked for the purpose of calculating overtime.

Any employee, notified to report and who does report for work, will be given four (4) hours of available work, or four (4) hours pay at the applicable rate of

his own job if no work is offered to him.

When any employee who starts to work is released from work before he works a minimum of four (4) hours, he shall be paid for the hours worked at the applicable rate of pay for the job and credited with a reporting allowance for the balance of four (4) hours at the applicable rate of the job he worked.

Section 6: Shift Differential No differential shall be paid for hours worked on the day shift. For hours worked on the second or afternoon shift, there shall be paid a premium rate of twenty-seven (27) cents per hour. For hours worked on the third or night shift, there shall be paid a premium rate of forty-five (45) cents per hour. For all hours worked on the fourth, rotating swing shift, they shall be paid a premium rate of twenty-seven (27) cents per hour.

When an employee works before or after his/her shift, he/she shall be paid the shift differential, if any, applicable to the shift on which these extra hours are worked.

Shift differential, where applicable, shall be included in the calculation of overtime compensation, Sunday pay, holiday pay when worked, jury pay, Committee pay, and vacation pay.

Section 7: Transfer Pay When an employee fills the place of another employee in excess of one (1) hour, receiving a higher rate of pay, he/she shall receive the higher rate of pay for the full time spent on the job, but if required by transfer to fill the place of another employee receiving a lower rate of pay, his/her rate shall not be changed if the job from which the employee is transferred is operating.

Section 8: Jury Duty Any employee who is called or serves on a jury, or who is called or serves as a witness by the Grand Jury (unless serving against the Company in a labor dispute), will notify Human Resources prior to said service. Such employee will be paid eight (8) hours of work at the employee's straight time job rate, plus applicable shift differential.

The employee so called for jury duty and who serves must present a statement from the Clerk of Court, substantiating the jury service, or must produce the summons calling him/her as a witness to appear before the Grand Jury. Hours paid for jury service described in this section shall be counted as hours worked in computing overtime in excess of forty (40) hours per week.

Employees scheduled to work the third shift on the day before jury service

will be granted an excused absence and receive pay equal to what they would have earned had they worked the day before jury service, but will not receive jury duty compensation or an excused absence on the last day of jury duty. All other provisions of this section apply.

Section 9: Funeral Leave If an employee loses time from work due to the death of a brother, sister, father, mother, father-in-law, mother-in-law, grandparent, or grandchildren, the employee shall be given time off not to exceed three (3) consecutive days for the purpose of both attending the funeral and as a period of mourning.

In the event of death of an employee's spouse, same sex domestic partner or child, the aforementioned three (3) consecutive days shall be five (5) consecutive scheduled days.

If an employee loses time from work due to the death of a great grandparent, sister-in-law or brother-in-law, the employee shall be given time off not to exceed two (2) days for the purpose of both attending the funeral and as a period of mourning.

The employee will be paid up to eight (8) hours pay at their base rate for each day they had been scheduled to work.

NOTE: Stepparents and stepchildren are included in the definition of child and parent. Son-in-law and daughter-in-law are included in the definition of sister-in-law or brother-in-law.

Section 10: Military Leave Employees who are members of the National Guard or Active Reserves required to attend a summer encampment will be reimbursed for loss of pay to the extent of the difference between the entire service pay received for such period and the pay for hours they could have worked computed at the straight time rate of their assigned job, but not to exceed forty (40) hours for each week of such encampment, with a maximum of two (2) weeks in any one calendar year being allowed for such reimbursement in pay. The company will incur the cost of medical insurance for the family of an individual called into active duty up to 12 months, provided they have insurance at the time of activation.

ARTICLE 12 VACATIONS

Section 1: Effective with vacation eligibility dates, the following vacations shall be allowed:

- a. After completion of one (1) year of service, employees shall be entitled to a vacation of one (1) week with pay.
- b. After completion of two (2) years of service, employees shall be entitled to a vacation of two (2) weeks with pay.
- c. After completion of five (5) years of service, employees shall be entitled to a vacation of three (3) weeks with pay.
- d. After completion of twelve (12) years of service, employees shall be entitled to a vacation of four (4) weeks with pay.
- e. After completion of eighteen (18) years of service, employees shall be entitled to a vacation of five (5) weeks with pay.
- f. After completion of twentyfive (25) years of service, employees hired prior to August 1, 2003, shall be entitled to a vacation of six (6) weeks with pay.

Section 2: Vacations shall not be taken in increments of less than one (1) day.

Each week's vacation pay shall be computed on the basis of an employee's regularly assigned hourly rate multiplied by seven (7) hours per day for seven (7) days, or forty-nine (49) hours per week.

Section 3: An employee may not accumulate vacation from year to year. Any vacation time not taken will be paid to the employee in the 2nd pay period of the new year. An employee may elect to receive pay in lieu of unused vacation provided the supervisor is notified.

Section 4: To be entitled to a vacation, employees in addition to completion of service shown in the above sections must also fulfill vacation year requirements in accordance with this Article.

An employee shall take his/her vacation on a calendar year basis (From the first Monday in January to the last week of December, a period of 52 weeks).

The Company will not require employees to use vacation in lieu of the Family Medical Leave Act.

Section 5: Service, as used in this Article, shall mean service of at least one thousand-forty (1040) hours during the previous year. All compensable paid leave hours provided for under the terms of this Agreement shall count toward the one thousand-forty (1040) hours. Employees with less than one thousand-forty (1040) hours will have their vacation prorated. With exception to the foregoing requirements, each day of military service for an employee called to active duty will be considered as eight (8) hours worked toward the one thousand-forty (1040) hour accumulation.

Section 6: Vacation for the period (from the first Monday in January to the last week of December, a period of 52 weeks) shall be selected and scheduled so as not to interfere with normal plant operations. Vacation will be approved by supervisors and only in advance of the vacation. Vacation will be granted and selected by seniority for the shift and/or department parameters of each vacation quota that is set by October 1 of each year. Employees may enter alternate vacation requests on the departmental standby list for full weeks and single days of vacation that the employee did not have the seniority to receive but may become open later. When a vacation date becomes available it will first be offered by seniority from the departmental standby list and if no one is on the standby list it will then be offered on a first-come, first-served basis. The following procedure will be used in the selection of vacation.

Weeks of Vacation: From October 1 through November 1 employees will designate each desired week of vacation by seniority on a seniority-descending sheet that lists the employee and all vacation weeks that are available for the vacation year. The designations will be made without regard to the vacation quota that has been set. Designations above the quota will constitute employees entered on the standby list. Completion of this October 1 through November 1 designation will close the process for selecting weeks of vacation by seniority for the vacation year. After November 1, vacation weeks where no one is on standby may be obtained on a first-come, first-served basis. All of the full-week designations will be copied to a calendar used for the sign-up of single days of vacation and single-day standby.

Single Days of Vacation: During the month of November employees will designate, by seniority, each desired day of vacation on the same calendar. Designations will be made without regard to the vacation quota that has been set. Employee designations above the quota will constitute employees entered on the standby list. The number of single days that may be designated will be no greater than twice the number of days remaining from the employee's total vacation available minus full weeks already granted. After November 30,

vacation days where no one is on standby may be obtained on a first-come, first-served basis.

During the vacation year full weeks of vacation, regardless of when requested, will have priority over single days of vacation. For this reason single days of vacation will not be confirmed more than ten (10) days before the vacation date.

An employee may request another vacation date for sound reason, providing the change would not disrupt the rest of the vacation schedule in the department and the supervisor approves the change. Employees desiring a change in their vacation date may enter their names after December 1. When there is a vacation date available within the plant quota, it will be offered to individuals from the standby list according to seniority, and the individual accepting the date will be scheduled. Employees bidding onto another shift or department must secure new vacation approval from their new supervisor.

Employees on four-shift operations start vacation on the first day of any scheduled work period. Employees not on a four-shift operation will have Monday through Sunday as their seven-day period.

Section 7: In the event of an employee's death, the Company will pay earned and accrued vacation at the time of death to the employee's beneficiaries as designated by the group life insurance.

Section 8: Employees who are discharged shall be paid their accrued vacation pay to which they are eligible under the above sections.

Employees, though eligible for vacation under this Article, forfeit their right to receive vacation benefits if they quit without giving two (2) weeks advance notice.

Section 9: Employees will be required to give twelve (12) hours' advance notice to schedule and to cancel full weeks and single days of vacation.

ARTICLE 13 LEAVE OF ABSENCE

Section 1: Leave of absence for medical reasons shall be reviewed and the company will have authority to approve or decline a request for a leave of absence. The Company may at any time have such employee examined by a physician of its own selection.

Section 2: Upon the applicant giving valid reasons, a leave of absence may be granted to an employee for reasons other than medical at the convenience and discretion of the Company for a period not exceeding one (1) year. The denial by the company shall not be a matter which is arbitrable under this Agreement. During such leave of absence, seniority shall be preserved.

Section 3: Employees who fail to return to work upon expiration of a leave of absence shall be separated from the employment of the Company, unless leave of absence is renewed.

Section 4:

- A. **Short Term Union Leave:** The Company will grant leaves of absences, without pay, to employees for the purpose of attending State, National or International Union conventions or Regional or District Union conferences. Leaves will be granted if the Company is given nine (9) days advance notice by the Union of who the employees will be and the date when the time off will be taken. No more than three (3) employees shall be off under this provision at any one time, which may be increased up to five (5) if in the Company's judgment that will not interfere with efficient operations.
- B. **Officer Meetings:** The Company shall excuse employees for Union Business, when practical and there is not a business interruption. For those officers whose name is on the list (submitted by the Union) and not less than forty-eight (48) hours' notice of the absence is given to the Company. The Union will continue to cooperate with the Company in controlling abuses if such occurs.
- C. **Union Assignment:** The Company will agree to allow one (1) union representative up to twelve (12) months leave for participating in a Union assignment or in a political office. During this absence the employee will continue to accumulate seniority in the local bargaining group. Upon returning the employee will be placed in their original position.
- D. **Voting:** Employees shall be allowed such time off as necessary to vote in any Federal, State or Municipal elections with proper notification to their immediate leader.

ARTICLE 14
GRIEVANCE PROCEDURE

Section 1: Should differences (hereinafter called "grievances") arise between the Company and the Union or any of the employees covered by this Contract as to the meaning or application of the provisions of this Contract, an earnest effort shall be made to settle such grievances immediately in the following manner:

Step 1. An employee and/or Union Steward shall discuss the grievance with the employee's immediate lead or coordinator within five (5) working days of the event upon which the grievance is based. The Leader/Coordinator shall give an oral answer no later than five (5) working days after its presentation. If the issue is unresolved following the lead or coordinator oral answer, the parties will meet to study the merits of the complaint in step two.

Step 2. If the grievance is not resolved as per the first Step, it will be reduced to writing by the Union within thirty (30) working days after the Step 1 oral answer, and delivered to the Human Resources Manager and/or their designee. The aggrieved employee, one (1) Labor Relations Committee member, and one (1) additional Union designee, shall then meet with the plant Human Resources Manager (and/or their designee(s)) in an attempt to resolve the grievance. A written response will be provided by the Company representative within seven (7) working days of this meeting and presented to the Union president or his/her designee(s).

Step 3. The Union shall notify the Company within seven (7) working days from the receipt of the Step 2 written response, if they desire to process the grievance further. Following such notification the Company shall within thirty (30) working days meet with the Labor Relations Committee, and the Human Resources Director and/or designees at a time agreeable to both parties. A Company response will be provided within fifteen (15) working days of this meeting and shall give their decision to the local Union President.

Step 4. If the Union is not satisfied with the Company's decisions under Step 3, it may within thirty (30) working days after receipt thereof notify the Company that it wishes to refer the matter to the Federal Mediation and Conciliation Services (FMCS) for a panel of not more than seven (7) arbitrators.

Either party shall have the right to reject one (1) list of arbitrators and request another list from the Federal Mediation and Conciliation Service. If the parties cannot mutually agree on the name of one arbitrator on the list which neither party has rejected, they shall alternately strike names until only one (1) name remains, which remaining name shall be the arbitrator to be appointed. No arbitrator shall have the authority to modify, detract from, or alter, the provisions of this Contract. The parties agree that the award shall be final and binding on the parties hereto and the employees affected thereby. Any expense incident to the arbitration shall be borne equally by the Company and the Union.

In any of the above written steps, if the Company fails to answer within the specified time limits the grievance shall be awarded in favor of the aggrieved employee and/or the Union. If the aggrieved employee and/or the Union fails to institute or process the grievance within the time limits specified in any of the above written steps, the grievance shall be considered withdrawn.

Time limits mentioned in this Article may be extended by mutual agreement when executing in writing.

As used herein "working days" means all days except Saturdays, Sundays and holidays.

The Union shall have the right to be represented by its International officers or its designated representatives and by legal counsel, and the Company shall have the right to be represented by any of its officers or their designated representatives and by legal counsel, in any conference after Step 3.

Whenever necessary to ascertain the facts in dispute, the Union or the Company shall have the right to call any employee or other person as a witness in any of the foregoing Steps.

ARTICLE 15 EXTRA CREW / UNASSIGNED

Section 1: Extra Crew Employees not currently assigned to a regular job by virtue of the bidding procedure and new hires may be placed in the Extra Crew Classification.

- a. At 11:00am, on Friday, all Extra Crew employees shall receive their assignment per qualifications then seniority for the following week if the assignment changes.

- b. Extra Crew employees will generally work a Monday - Friday, eight (8) hour shift schedule provided they are not assigned. It may become necessary to deviate from this schedule to meet the needs of the business.
- c. The Company will provide forty-eight (48) hours of notice prior to changing shift or schedule.
- d. An Extra Crew employee will initially be trained on one (1) job in their assigned department. If a known need arises, the Company may elect to train Extra Crew employee(s) on additional jobs to meet the needs of the business. Additional training will be offered to the senior Extra Crew employee first. The least senior employee(s) will be required to take the additional training until equalized amongst those on the Extra Crew.
- e. Extra Crew employee's seniority will be in the department to which their job assignment lies for overtime and working days off.
- f. Employees in the Extra Crew will have the same bidding rights afforded to all bargaining unit employees. Extra Crew employees will not have bump rights.
- g. Employees in the Extra Crew may work with variable start and finish times based on assignment.
- h. Employees who are assigned to the Extra Crew shall be assigned to open jobs by seniority. The least senior unassigned employee's to the Extra Crew may not choose to defer an open assignment.
- i. If an Extra Crew employee is assigned to an open job, they are not restricted from bidding.
- j. A displaced employee to the Extra Crew will be able to keep their schedule and shift or work the schedule described in (b).
- k. Extra Crew employees will be paid according to the pay provisions of this contract. Extra Crew employees will receive the rate of pay for the classification and tier to which they are assigned.

Section 2: Long Term Vacancies When it is known that an employee will be off work for thirty (30) days or longer, his/her job shall be filled within three (3) business days in the following manner:

- a. The senior qualified unassigned employee will have the option to be placed on this vacancy until the assigned employee returns or that it is determined that he/she will not return.

- b. The least senior qualified unassigned employee may not choose to defer an open assignment.
- c. If there is no qualified candidate, the senior unassigned employee shall have the option to be placed on this vacancy until the assigned employee returns or that it is determined that he/she will not return.
- d. The least senior unassigned employee may not choose to defer an open assignment.
- e. If at a later date it has been determined that the regular assigned employee is not going to return to this vacancy it shall be bid according to the normal bidding procedure.
- f. An unassigned employee placed on this vacancy shall be considered to be temporarily assigned to the department. This assigned employee's seniority will be in the department for overtime and working days off.
- g. With the exception of a layoff, the unassigned employee waives all rights to jobs assigned to others during the period of deferral.

ARTICLE 16 LAYOFF / RECALL / REALIGNMENT

In the event of necessary reduction of or addition to the work force, the Company will lay-off or recall employees according to plant seniority. It being understood, however, that an employee must be qualifiable to perform the services needed. All probationary employees shall be laid off before employees with seniority standing.

Section 1: When bumping will result from the permanent discontinuance of any job or jobs, the Union President shall be notified in writing forty-eight (48) hours in advance. A notice shall be posted in the plant five (5) days prior to beginning the bumping process if applicable. Employees shall not be given trial periods and the following procedure shall be in effect:

1. After the least senior displaced employee(s) have been identified, the most senior displaced employee(s) shall have the first opportunity to choose by seniority:
 - Any position / any department they have been qualified in the previous five (5) years and any Relief / GU position.
 - Any job in their own department on the displaced employees shift

- Any department / any shift the lowest senior employee on the 4th shift schedule or choice of the lowest employee on an alternate schedule in any department
 - A displaced employee may elect to go to the Extra Crew instead of electing a bump.
2. All bumps are final.
 3. Failure by an employee to exercise their options as stated above to their immediate Supervisor or Plant Coordinator within twenty-four (24) hours of their bump rights, the Company can elect to place this employee to any open vacancy.
 4. Reliability Specialist are exempt from being displaced, unless their classification is reducing or by previously qualified Reliability Specialist.
 5. All non-Reliability Specialist positions are subject to the bumping procedure as outlined above.
 6. Employees who are laid off shall individually notify the Company immediately of any change of address, such notification made by registered mail to Human Resources or made in writing at the Human Resources office.

Every effort will be made to contact an employee who is off sick or on vacation at the time he would otherwise have the foregoing option.

Section 2: In the restoration of forces the Company will notify the employee(s) by registered mail to their last known addresses and will furnish a list of such addresses to the Union.

Notices shall be deemed given on the date mailed, postage prepaid. Employees failing to notify the Company and report back to work [per Seniority Article] shall be dropped from the seniority list. The Company will notify the Union of the employees who failed to notify the Company and report to work after being notified.

ARTICLE 17
DISCIPLINE

Section 1: Any improper conduct or unsatisfactory behavior is subject to the corrective action procedure as outlined below:

- First Written
- Written Warning
- Suspension
- Subject to Termination

Any step may be moved to a higher level of discipline up to and including termination depending on the severity of the offense as outlined in Plant Rules. The Union reserves the right to move any disciplinary action to the Grievance Procedure.

Discipline will remain on an employee's record for a year from the date of such discipline. If no further discipline occurs during this time frame, the step will drop back to the previous step in the disciplinary process.

Section 2: When an employee is potentially subject to discipline he/she shall be notified within the employees' five (5) scheduled days from the date the Company became aware of the issue.

Warnings and suspensions may be issued by Operations Leads, Plant Coordinators, Process Engineers, Maintenance Coordinators, Reliability Manager, Human Resources and the Operations Manager.

Probationary employees may avail themselves of Union representation in the grievance procedure up to and including Step 3 on any contractual dispute, except in case of termination, which shall not be subject to the grievance procedure.

The Company is responsible for involving and notifying a Steward, who shall then be responsible to notify the President, or his designee, whenever an employee is reprimanded.

Whenever a non-probationary employee is suspended or discharged, the Company shall notify the President who shall advise to arrange a third (3rd) step meeting within three (3) business days of the suspension/termination, or as soon as practicable thereafter. Such notice shall include a copy of the written reprimand form stating the reason(s) for the suspension or termination.

The Company may implement new plant rules as necessary and the Union, following discussion with the Joint Labor Relations Committee, may grieve the reasonableness of such rules within ten (10) working days.

ARTICLE 18 NON-TRADITIONAL WORK

Section 1: The Company at its discretion may create temporary positions that are non-traditional bargaining unit positions. These positions will include but not limited to training, and operational projects.

When a new Non-Traditional role is created by the Company, the Company will advise the Union thereof and of the job content, insofar as it is then known, at a Company/Union meeting to be held not less than five (5) days prior to the bidding process.

Section 2: The Company will post for those individuals that are interested in the position. Selection and appointment to the position will be at the discretion of the Company, if special skills are required. Bidders of same skills and abilities will be chosen by seniority.

The following provisions shall apply:

1. Will keep no less than their current rate of pay for time spent in the Non-Traditional role.
2. Vacations will not count against the vacation quota, however will require leader approval based on assignment.
3. Will generally work Monday-Friday 1st shift hours. This could be amended based on the assignment. Should this assignment need to change significantly from what was originally posted, the job will be put up for bid again.
4. Are eligible for overtime, transfers, or signing up on unscheduled days in their original department.
5. An employee in a Non-Traditional role who signs and accepts a bid job will be allowed to leave their Non-Traditional role for that bid.
6. Accepting a Non-Traditional role will not count as a bid per the contract.
7. At the end of an assignment, the employee will be returned to their bid position.

8. No Non-Traditional position will last more than twelve (12) months in duration unless mutually agreed upon by the Union and Company.

ARTICLE 19

ABSENTEE CONTROL PROGRAM

Purpose: The process to be followed in an effort to limit the amount of unexcused absences.

Definitions:

- Scheduled work is the time the employee is scheduled to be at work. This may include hours in excess of their normal work shift whether forced or volunteered overtime.
- An employee is considered absent when he/she is not present for scheduled work, with the exceptions of:
 - Approved Vacation
 - Approved Bereavement Days
 - Approved Family Medical Leave
 - Jury or Military Leave
 - Disciplinary Suspension
 - Work-related Injury
 - Approved S&A Leave
 - Union Business
- An occurrence is time missed by the employee from scheduled work.
- No occurrence will be issued if the late or leave early is approved by management
- Points shall be assessed according to the below schedule for any time missed by the employee from scheduled work:

A. Medical Leave

An employee will receive two (2) medical excused occurrences in the employee's anniversary year as long as the employee provides written documentation from their doctor (i.e. doctor slip).

- If said medical occurrence exceeds three (3) consecutive days employee must apply for applicable leave (i.e. FMLA, S&A)
- Any medical occurrence beyond the two (2) medical excused occurrences in the employee's anniversary year will be one (1) occurrence point for each scheduled shift missed.

B. Absenteeism and Late Arrivals

- Two (2) occurrence points for no call no show
- One (1) occurrence point for an absence where employee provided one (1) hour advance notice prior to the start of his/her scheduled start time.
- Occurrence point process for a late (with notification):
 - First late = .25 points
 - Second late = .25 points
 - Third late = .50 points
 - Each additional late thereafter = 1.00 point
- At two (2) hours late the Company can decide to keep said employee at work or send them home with no pay

If an employee goes three (3) months and does not accrue any further attendance discipline he/she will have their current attendance point(s) reduced by one (1) point.

Definition of attendance is described above and will govern this process.

Procedure:

- The company will allow four (4) occurrence points per year.
- For an additional occurrence point beyond the four (4), the following will be in effect:
 - 5 occurrence points.....First written
 - 6 occurrence points.....Written Reprimand
 - 7 occurrence points.....Three (3) day disciplinary suspension*
 - 8 occurrence points.....Subject to Termination

*may be served administratively

- If the employee has more than five (5) occurrence points an occurrence will stay on the employee's record for a rolling twelve (12) month period as of the date of the first occurrence.
- The employee's record will be cleared on the employee's anniversary date if at five (5) occurrence points or below.

ARTICLE 20 SEVERANCE

Should either party seek to open this policy for discussion, the moving party will provide ten (10) days written notice. These discussions are to address any major deficiencies in the current policy and make modifications where necessary.

If an employee with at least one (1) year of service with Ingredion, Incorporated is laid off because of a permanent plant or department closing, or has been laid off from the plant for a period in excess of eighteen (18) months, they will be eligible for severance pay at forty-two (42) hours times the employees base rate for each full year of continuous service with the Company plus a 1/12 per month pro-rata for the uncompleted year. Such payment will be made in a lump sum at the time of termination of employment or in the case of lay-off, at such time the employer determines the lay-off is permanent, but in no event later than eighteen (18) months after lay-off.

Severance pay to which an employee is eligible will be payable to an employee's dependents or estate in the event of his/her death after he/she becomes eligible and before he/she has been paid a severance allowance and before he/she has been recalled for active work.

It is also understood that if an employee refuses reinstatement to a bargaining unit position, severance rights will be forfeited.

ARTICLE 21 GENERAL WORKING CONDITIONS

Section 1: Trading Overtime / Shifts No employee shall substitute any other person for themselves [on an overtime] without first obtaining the oral approval thereof from the Team Lead or his representatives.

- Substitution must be cost neutral to the Company
- Substitution must take seniority into consideration and be arranged by employees. The Company is not responsible for missed seniority substitutions.

Trading of shifts is possible only on a daytoday basis and for a week at a time maximum. No permanent trades are permitted. Trading shifts with another employee may be done only when it is agreeable to both employees and has the prior approval of both supervisors involved.

Section 2: Assignment of Work The Company will assign employees normally associated with particular positions to work in those positions. There may be times when it is necessary [temporarily] to assign employees to perform other types of work as outlined in this agreement.

Section 3: Total Productive Maintenance Nothing in this Article shall be so construed as to prevent process employees from making minor adjustments or do oiling and greasing.

Hourly employees in operations classifications may also be utilized within the departments in which they operate and at the Company's discretion, for use in replacing light bulbs and ceiling tiles, and to perform open and closing duties on equipment on down days using hand tools only. Employees in the operations classifications may be assigned as a "pair of hands" to assist maintenance employees. Employees assigned as a "pair of hands" will not perform maintenance work.

Section 4: Union Activity No Union activity shall be conducted on the Company's property during the working hours of the employees involved except by oral permission of the employee's immediate supervisor. This section is not intended to prevent the proper investigation of complaints or the processing of grievances by officers or stewards provided permission to leave their job is granted by their supervisor, but such permission shall not be unreasonably withheld.

Section 5: Supervisors Working No supervisor or other person not covered by this Agreement shall do work regularly performed by employees covered by the bargaining unit. This shall not apply when instructing employees or in an emergency.

Section 6: Discontinuance An employee whose job is temporarily discontinued after the beginning of a shift will be assigned to whatever work is available.

Section 7: Uniform Policy

- The Company will provide uniforms to employees.
- Employees are required to wear uniforms at work
- The Company will cover the cost of laundering these uniforms, so long as they are laundered through the Company.

The Company may implement a new uniform policy. The terms of the new policy will be discussed with the Union prior to implementation. The Union may grieve the reasonableness of the policy.

Section 8: Boot Allowance The boot allowance for employees will be two-hundred dollars [\$200.00] per year [April 1 to March 31].

- Acceptable boots will be limited to ANSI approved (steel or composite toe) safety shoes with slip resistant soles.
- Employees may purchase boots at Company approved retailers with no out of pocket cost as long as within the \$200 allowance.
- Employees may purchase boots through another vendor so long as it meets ANSI approved (steel or composite toe) safety shoes with slip resistant soles. Employee must provide dated sales receipt and proof of boot eligibility to payroll for reimbursement.
- The need for additional boots will only be on a case by case basis.

Section 9: Tobacco Free Policy Terms of the Ingredient Tobacco-Free Policy [September 2013] are in effect. The Company may implement a new Tobacco Free-Policy. The terms of the new policy will be discussed with the Union prior to implementation. The Union may grieve the reasonableness of the policy.

Section 10: Bulletin Boards The Company grants to the Union the use of a Bulletin Board in mutually agreed upon locations for the following types of notices only:

- (a) Notices of Union recreational and social affairs;
- (b) Notices of Union elections, appointments and results of Union elections; and
- (c) Notices of Union meetings
- (d) Union newsletters
- (e) Union apparel sales

The Bulletin Board shall not be used by the Union or any of its members for the purpose of disseminating propaganda, nor for the posting or distribution of pamphlets or political matters, nor for advertising purposes.

Section 11: Fitness for Duty Program The employee's physician is recognized as the primary care provider for the employee's health and recovery process.

For the assessment of the employee's fitness to return to specific job assignment and the environmental working conditions at Ingredient, the Company may require

an examination by a medical provider of their choosing and at the Company's expense. It is not the Company's intent to require a medical evaluation for minor illness or injury.

If the employee wishes to challenge the Company's medical provider's opinion, a third evaluation will be made by a mutually agreed, qualified physician at the Company's expense.

ARTICLE 22 401K RETIREMENT SAVINGS PLAN

A 401(K) Retirement Savings Plan (RSP) has been instituted with participation optional to each employee. This plan is offered as an opportunity to save for retirement and at the same time reduce current taxes. The Company will provide a match of one hundred (100) percent of the first three (3) percent of eligible compensation the employee contributes. The Company will not pay for loads. Participating members will be 100% vested in their contributions and the earnings thereon and the Company match. All new hires will be auto enrolled at 3%. Loans will be restricted to one (1) at a time.

ARTICLE 23 SICKNESS AND ACCIDENT; LONG TERM DISABILITY INSURANCE

Section 1: The Summary Plan description will be the governing document for terms and provisions of the Plan.

Section 2: Benefits Effective January 1, 2017, the weekly benefit is Five Hundred and twenty-five dollars (\$525).

Section 3: Long Term Disability (LTD) After an employee exhausts their twenty-six (26) weeks of Sickness and Accident benefit, the employee may apply for Long Term Disability. The cost of the LTD benefit is borne by the Company. An employee will be entitled, upon qualifying, a monthly payout as follows:

[current base wage x 2080 (hours)] / 12] multiplied by 40% to a maximum of \$3,000 a month.

An employee on LTD will be entitled to medical insurance with the cost borne by the Company for twelve (12) months.

The terms and provisions of the Plan are described in the Summary Plan Description.

**ARTICLE 24
GROUP LIFE INSURANCE**

Section 1: The Company will provide, at its expense, Group Life Insurance for employees covered by this Agreement in the amount of \$50,000 for the employee and \$10,000 for the employee's spouse and \$5,000 for the employee's dependents.

In addition four levels of employee Optional Term Life shall be available at the employee's expense in the amount of \$10,000; \$25,000; \$50,000, or \$75,000, which may be converted at retirement at the retiree rate at the retiree's expense.

Section 2: Employee Deductions An appropriate Union representative shall be consulted as to the premium deduction authorizations employees will be expected to sign under the Group Life Insurance Plan.

If, at the time the deduction from pay would have been made, the employee has been off work for at least one (1) month because of an occupational injury, the Company will pay the employee's portion of the medical and group life insurance premiums during the continuation of disability up to a maximum of six (6) months.

Section 3: Eligibility The eligibility provisions heretofore applying to group life insurance coverage shall continue in full force and effect during the life of this Agreement.

**ARTICLE 25
PENSION PLAN**

Effective January 1, 2016, Pension Agreement and Plan Document for Defined Benefit participants shall be amended as follows:

Benefit accruals will be frozen effective December 31, 2015. The pension benefit will be \$51.00 per month.

1. Participants shall continue to accrue age and service for vesting and eligibility purposes under the Plan.

Basic Defined Contribution

A Defined Contribution for all employees will be placed into effect January 1, 2016. Current employees will be immediately vested with all new employees being 100% vested after three (3) years of service per the plan document.

All contributions will be deposited into the employee's 401(k) account. The Contribution amount will be at three and one half percent (3.5%) on all eligible Wages for the contract term.

ARTICLE 26 MEDICAL AND DENTAL PLAN

Section 1: Effective 01/01/2016 employees will participate in medical and Rx insurance, dental, and vision insurance as discussed during the 2015 negotiations. Employee contributions for each specific level of benefits (employee, employee and children and or spouse and family) shall continue to be calculated the same way and as was agreed to in the 2015 negotiations, but in no event will any employee pay more than twenty percent (20%) of the premium.

All employees' insurance coverage becomes effective the first day of the month following date of employment.

Section 2: The spouse and dependents of a deceased active employee will be eligible for continuation of medical and dental insurance coverage for six (6) months from the date of death and the Company will pay the entire cost. Thereafter, the insured will be offered an extension of coverage, as required by law, at a cost of 102% of the premium.

Section 3: Effective January 1, 2016 employees hired before August 1, 2004 and had accumulated sixty (60) points or more at that time, will continue with medical insurance to age 65 at a cost of \$51.00 per month per person. These early retirees and their covered spouses will be eligible for continuation of medical insurance coverage (not dental or vision) until such retiree attains age 65 and/or become eligible for Medicare, whichever is sooner.

Employees hired after August 1, 2004, and employees that had not accumulated sixty (60) points that were hired before August 1, 2004 will be eligible, beginning January 1, 2016, for gap insurance to age 65. The cost shall be borne 50% by the Company and 50% by the employee prior to reaching Medicare eligibility.

The Company will pay onehalf (1/2) of the cost of the medical insurance coverage for spouses of normal retirees after the retiree reaches 65 and prior to the spouse reaching Medicare eligibility.

**APPENDIX A
MAINTENANCE SCHEDULE EXAMPLE**

Mechanics may work an alternate schedule as described in Article 4 Section 1. However, the following schedule from October, 2015 describes the current schedule. This is subject to change as described above.

Mechanics working first shift hours will be scheduled on 28 day repeating schedule.

Day Shift Schedule

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 1	12	12	8	8	OFF	OFF	OFF
Week 2	8	8	12	12	8	OFF	OFF
Week 3	OFF	8	8	8	12	12	OFF
Week 4	8	8	8	8	OFF	OFF	12

Four (4) mechanics (two teams of 2 mechanics with alternating days off) will be scheduled to work on a two week repeating schedule from 7 PM to 7 AM.

Night Shift Schedule

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 1	12	12	OFF	OFF	12	12	12
Week 2	OFF	OFF	12	12	OFF	OFF	OFF
Week 3	12	12	OFF	OFF	12	12	12
Week 4	OFF	OFF	12	12	OFF	OFF	OFF

APPENDIX B FOURTH SHIFT SCHEDULE

4th Shift Schedule

First Shift 7AM-3PM	A	Second Shift 3PM-11PM	B	Third Shift 11PM-7AM	C	Fourth Shift Swing	D
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	Shift	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 1	7-3	D	A	A	A	A	A	A
	3-11	B	D	D	B	B	B	B
	11-7	C	C	C	D	D	D	D
Week 2	7-3	A	D	D	A	A	A	A
	3-11	B	B	B	D	D	D	D
	11-7	C	C	C	C	C	C	C
Week 3	7-3	A	A	A	D	D	D	D
	3-11	B	B	B	B	B	B	B
	11-7	D	C	C	C	C	C	C
Week 4	7-3	A	A	A	A	A	A	A
	3-11	D	B	B	B	B	B	B
	11-7	C	D	D	C	C	C	C

APPENDIX C PLANT RULES

To meet our goals of an orderly, accident-free plant, as well as, supplying our customers with superior quality products delivered on time, we have a number of guidelines and plant rules:

CORRECTABLE BEHAVIORS: Any improper conduct or unsatisfactory behaviors, which if continued, could adversely affect the Company's goals, is considered to be correctable. In such cases, the corrective action procedure may be utilized. This procedure is defined in Article 17 under Discipline.

The following is not an all-inclusive list, but offers examples of correctable behaviors which provide good cause for appropriate discipline, up to and including discharge.

1. Failure to perform assigned duties, which includes neglect of job or failure to do the right thing at the right time either because of carelessness or neglect, or failing to follow proper procedures or the instructions of a supervisor. Also included in this heading are the offenses of overstaying rest or lunch periods or loafing.
2. Entering premises of plant when not scheduled and without permission of the Plant Coordinator or the Operations Lead.
3. Failure to promptly report injury incurred in the plant.
4. Selling, soliciting or distributing any materials on Company premises and/or time without obtaining proper permission.
5. Refusal to follow orderly procedure in the adjustment of grievances.
6. Failure to maintain our high standards of performance in both quantity and quality of product.
7. Unethical or unusual personal conduct that is disruptive to productivity or so offensive to other employees that morale is negatively impacted.
8. Failure to comply with all safety, housekeeping, PPE and other policies.
9. Reading books, newspapers, magazines or other literature not pertaining to work while on duty.
10. Use of personal electronic devices not pertaining to work while on duty.

SERIOUS MISCONDUCT: Any misconduct which is or might be seriously detrimental to the Company or employees may lead to immediate termination without going through the progressive steps of the disciplinary procedure. The following is not an all-inclusive list but offers examples of misconduct which provide good cause for appropriate discipline up to and including discharge:

1. Violations of safety rules which endanger the life or safety of others.
2. Falsification of application, time records or other company documents.
3. Unauthorized removal of company or third-party property from the premises.
4. Fighting or provocation leading to fighting.
5. Use or possession of illegal drugs, prescription drugs obtained illegally, weapons or alcohol on company property.
6. Willful destruction of company property.
7. Disclosure of classified or proprietary information to unauthorized persons or other conflicts of interest which seriously compromise the Company.
8. Conviction of a felony.
9. Insubordination, evidenced by a deliberate refusal to perform job orders or other instructions of supervision.
10. Use of abusive and/or threatening language to any other employee or visitor while on Company premises.
11. Leaving the plant without permission.
12. Falsifying insurance claims.
13. Smoking in unauthorized areas.
14. Intentional or negligent destruction of or damage to product, tools, machinery, equipment, buildings or other plant property or third-party property for which the Company is responsible.
15. Immoral or unsanitary conduct in the plant.
16. Working full time for another employer; or working part time for another employer or engaging in other activities which adversely affect your regular attendance, health, quality of workmanship or availability for overtime or work schedule changes.
17. Sleeping on the job.