

**COLLECTIVE BARGAINING AGREEMENT**

**by and between**

**BIMBO BAKERIES USA, INC.,  
Elkhart, IN**



**and**

**BAKERY, CONFECTIONERY, TOBACCO WORKERS  
AND GRAIN MILLERS LOCAL 1**



**Elkhart, IN Production**

**March 1, 2015 through March 2, 2019**

**ARTICLE 1**  
**PREAMBLE/HIGH PERFORMANCE WORK SYSTEMS**

This Agreement is made and entered into by and between Bimbo Bakeries USA (hereinafter referred to as the "Company") and the Bakery, Confectionery and Tobacco Workers and Grain Millers International Union, Local 1, Lyons, IL (hereinafter referred to as the "Union").

The parties recognize that it is mutually advantageous to work together to maintain the highest standards of safety (environmental and food), working conditions, quality, efficiency and productivity in our industry. We further agree to cooperate to the fullest extent in upholding those standards in order that the product and service we deliver to the customer and consumer every day will enable the business of the Company to prosper against local competition and provide, as far as economic conditions permit, security and continuity of employment. We believe that the best organizational and operational structure to meet our goals and objectives is through the development, implementation and utilization of a high performance work system (HPWS) in the bakery.

**ARTICLE 2**  
**RECOGNITION**

Section 1 The Company recognizes BCTGM Local Union 1 as the sole collective-bargaining representative of the employees in the following appropriate unit: All full-time and regular part-time FSE Techs and Lead FSE Techs in the Sanitation department, Production Techs and Lead Production Techs in the Production department, and Receivers in the Receiving department with respect to wages, hours and terms and conditions of employment. This Agreement shall apply to the Company's manufacturing facility in Elkhart, IN.

Section 2 The following classes of employees shall be excluded: All professional employees, maintenance employees, office clerical employees, temporary employees, managers, and guards and supervisors as defined in the Act.

Section 3 Employees who are not members of this bargaining unit will not perform the work of members of the bargaining unit.

**ARTICLE 3**  
**UNION MEMBERSHIP**

Section 1 It shall be a condition of employment that all employees of the Company covered by this Agreement become members of the BCTGM and its Local No. 1 within thirty (30) days after commencing employment with the Company. It is understood neither the Company nor the Union can compel membership in the Union. Nonetheless, where allowed by law, the Company will collect from employees who choose not to join the Union, the amount legally permissible to cover the costs of collective bargaining, representation and other permissible expenses as defined by the National Labor Relations Board (NLRB) and the courts.

All present employees who are members of the Union shall, as a condition of employment, continue their membership for the life of this Agreement or as long as permitted by law or NLRB rulings.

The Company shall not interfere with, restrain, or coerce employees to induce them to resign from the Union membership.

Section 2 After receipt of the written authorization from each employee, the Company shall deduct dues, back dues and/or initiation fees as determined by the Union from each employee's pay on a weekly basis and shall remit the amount so deducted to the Union monthly. The Company agrees to provide an electronic spreadsheet (and hard copy, upon request) listing the employees' names, addresses, social security numbers, dues, back dues, and initiation deduction, employee status and the date of status change (for example, layoff, sick leave, workers compensation). The above information and monies deducted for dues and initiation fees will be forwarded to the Local Union fifteen (15) calendar days after the total monthly deductions are made.

#### **ARTICLE 4** **BCTGM - PAC CHECKOFF**

BCTGM - PAC (Political Action Committee): The Company agrees to honor requests made by its bargaining unit employees to contribute via paycheck deduction to BCTGM-PAC. It is understood that the authorization is voluntarily made by the employees and such deduction from paychecks shall be regularly made and remitted to the Union on a regular basis determined by the parties.

#### **ARTICLE 5** **HOURS OF WORK**

Section 1 It is the intention of the Company that all production and sanitation technicians and receivers will work full time schedules of forty (40) hours per week. Employees may be regularly scheduled three (3), four (4), or five (5) days per week depending on the needs of the business. Days off need not be consecutive. The workweek shall be Sunday through Saturday for payroll purposes.

Section 2 Employees will be paid overtime at the rate of time and one-half (1-1/2) for all work performed over twelve (12) hours in any one workday and all work performed after forty (40) hours in a workweek pursuant to applicable state and federal law on a weekly basis. There shall be no pyramiding of daily and weekly overtime. Employees will be paid weekly. Employees will be notified at least one (1) hour before the end of their shift of mandatory overtime. Daily overtime for any reason will require, if possible, a twenty-four (24) hour notice. All other mandatory overtime will require a thirty-six (36) hour notice. In no case will employees be required to work more than the daily and weekly hours restrictions set forth in Section 4, below.

Section 3 In order to facilitate transparency, predictability and family life, schedules shall be posted no later than the end of the working week for the following week. In the event of a

change in the production schedule is caused by business necessity, all employees shall be notified at the completion of the day's work of their scheduled starting time for the following day. Reasonable notice will be given to an employee called in to work at a time other than their scheduled shift. This provision will not be utilized to regularly deny an employee of his/her scheduled day off.

An employee who is unable to report for work as scheduled shall give at least one (1) hour notice prior to his or her starting time to his or her Supervisor/Resource Leader.

Section 4 In the spirit of promoting safety and a healthy work/life balance, the following restrictions concerning work days and hours will apply:

- a. No employee may work more than fourteen (14) consecutive hours (including breaks and lunch periods);
- b. Each employee must have a 10-hour rest period from the end of his last shift until the start of his next scheduled work day;
- c. No employee may work more than sixty-eight (68) hours in any one workweek; and
- d. Employees must have a minimum of twenty-four (24) consecutive hours off at least once every twelve (12) calendar days.

Employees will not be required to work or volunteer to work in any way that violates the limitations set forth in this provision. The above rules shall in no way impact or affect the manner or terms by which employees are compensated per this Agreement.

Section 5 Training sessions and team/committee meetings may be scheduled outside of regularly scheduled work hours or down days and at least twenty-four (24) hours notice will be provided. Time spent in team/committee meetings shall count as time worked.

Section 6 Meals and Rest Periods. Employees will be provided two (2) fifteen (15) minute paid breaks and a thirty (30) minute unpaid lunch period as near as possible to the middle of the shift. The Company may change such meal and rest periods to three (3) twenty (20) minute paid breaks. Employees who work more than nine (9) consecutive hours a day shall also be entitled to one additional fifteen (15) minute paid break period for each completed two (2) hours of work.

## **ARTICLE 6** **SENIORITY**

Section 1 Seniority shall be determined by the length of service and shall be applied in the case of vacation selection and layoff/recall within the employee's department.

Seniority shall start from the first day an employee performs bargaining unit work in the bakery, provided the employee completes his probationary period. If two (2) or more employees start on the same day employees' seniority shall be determined by last name, then first name and then middle name, at the time of hire.

Section 2 In order to determine the ability of any new employees, the Company shall be granted a probationary period of three (3) months for all new employees. This probationary period may be extended for an additional three (3) months upon mutual agreement by the Company and the Union should an employee not be meeting expectations so that an improvement plan can be discussed with the employee and Union to enable the employee to demonstrate the necessary competencies. During the probationary period the Company may discharge the newly-hired employee if he or she is found to be unsuitable, without recourse to the grievance procedure. After the probationary period, the employee takes on the status of a permanent employee and shall not be discharged except for cause.

Section 3 Seniority and the employment relationship shall be broken and terminated if an employee:

- a. Quits or retires;
- b. Is discharged for just cause;
- c. Is laid-off for a period of one (1) year;
- d. Fails to return to work within one (1) week after receiving a notice of recall from layoff sent to his/her last known address;
- e. Fails to report to work at the termination of an approved leave of absence;
- f. Is off work for twelve (12) months due to a work related injury, non-work related injury or illness.

Section 4

When a vacancy or a job is newly created on a shift, the Company will post the job for five (5) calendar days and will then have fourteen (14) calendar days to fill the vacancy/new job. The bid will include a description of the position, shift and regular hours of work. Within this fourteen (14) day time period the Company shall post a notice identifying the successful bidder. The Company will determine the successful bidder from those bidders who are capable of performing the work by seniority. An employee will have five (5) working days to disqualify himself/herself, the Company will have fifteen (15) working days to disqualify an employee. If he/she cannot perform the job satisfactorily, they will be returned to their former job without loss of seniority and the next bidder shall be given a trial. Once awarded, the following vacancy will be posted and awarded as outlined above. Any subsequent opening will be filled by the Company.

Employees shall be permitted to bid on job openings while they are absent as long as they notify the Company in writing via letter or email during the posting period of their interest in the job opening.

It is understood that the Company will post an interest bid for Lead and Star Point positions. Movement into these positions will be by appointment by the Company. The Company may rotate Star Point positions on an eighteen (18) month basis and employees leaving the Star Point position shall return to an open position. Leads may be placed on a different shift, within the same department, for training or shift coverage not to exceed one (1) month (three (3) months for buns) in a twelve (12) month period.

In the event of multiple bids posted at one time, employees bidding multiple times must number such bids as to their preference, and the Company will award such bids by the employee's preference. The senior bidder will be awarded the job as outlined in this section.

Section 5 An employee who successfully bids for a job shall not be able to bid for another job for twelve (12) months. If an employee is awarded a vacancy and does not accept the vacancy, the bid shall be considered a successful bid. A bump shall not be considered as a bid.

Section 6 In the event it becomes necessary to reduce the number of employees for lack of work, the Company agrees to give employees to be laid off either three (3) days' notice or three (3) days' pay in lieu thereof. Lay-offs shall be in the order of seniority and the last one employed shall be the first laid-off. Prior to any full-time employees being laid-off pursuant to this section, the necessary amount of probationary employees shall be laid off. If more lay-offs are needed lay-offs shall be accomplished by counting up from the bottom of the seniority list the number of employees not needed because of lack of work. Employees remaining but who are without an assignment because there position has been reduced because of lack of work shall be allowed to bump within their department provided their seniority is greater than the employee being bumped. This process will continue for those who do not have assignments or who have been bumped starting with their department and then their shift and then plant wide.

Employees on lay off will be recalled by order of seniority and shall be returned to their position and shift, if not available, department and shift; if not available, shift or if not available, plant, in that order, seniority permitting. If an employee on lay off cannot be reached by telephone for recall, he/she will be notified of recall by registered mail (returned receipt requested) at his/her last known address.

An employee will keep the Company informed of such employee's current telephone number, email, and mailing address.

In the matter of lay-offs due to reduction in force it is agreed that employees shall continue to accumulate seniority for recall purposes up to twelve (12) months after being laid off.

## **ARTICLE 7**

### **VACATION**

Section 1 New employees hired prior to July 1st, who have successfully completed their probationary period, shall be eligible for one week of vacation following July 1<sup>st</sup> to be taken from available weeks prior to December 31<sup>st</sup> of that year.

If hired July 1<sup>st</sup> or after, employee will be eligible for two (2) weeks of vacation on January 1<sup>st</sup> of the following year.

Section 2 Following the end of the calendar year in which an employee is hired, employees have vacation eligibility at the beginning of the calendar year based on the years of service as shown below:

In the year of the employee's 1<sup>st</sup> anniversary and thereafter – 2 weeks vacation with pay  
In the year of the employee's 5<sup>th</sup> anniversary and thereafter – 3 weeks vacation with pay  
In the year of the employee's 12<sup>th</sup> anniversary and thereafter – 4 weeks vacation with pay  
In the year of the employee's 20<sup>th</sup> anniversary and thereafter – 5 weeks vacation with pay

Section 3      The vacation year shall be January 1st to December 31st. The scheduling process for vacations will commence sometime in November for the upcoming year. Vacation selection shall begin with the most senior eligible employee selecting their first week to the least senior eligible employee selecting. This shall then be repeated from most senior eligible to least senior eligible until all weeks are scheduled. Vacations will be scheduled and taken in full week increments, except as listed in Section 5 of this Article. The Company reserves the right to establish the number of vacations that may be scheduled each week by department, team and by shift in order to continue effective operations. Vacations cannot be carried over from one calendar year to the next, therefore all vacation weeks must be scheduled and taken by the end of each calendar year.

Section 4      Vacation pay shall be the equivalent of forty (40) hours, based on the straight-time rate of pay the employee is earning at the time of his/her vacation. With the exception of one (1) week, paid vacation shall run concurrent when an employee takes leave for a family member covered under the Family Medical Leave Act. Employees will select the vacation week he/she retains.

Section 5      Employees with at least three (3) weeks of vacation shall be allowed to schedule up to one (1) week of vacation a day at a time. Day at a time vacation will be allowed on a first come first serve basis.

Section 6      If an employee should leave the employ of the Company for any reason said employee shall receive all vacation earned and/or accrued but not used.

## **ARTICLE 8**

### **HOLIDAYS**

Section 1      New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day shall be considered holidays.

Section 2      Holidays shall be the actual holiday or the date set by the federal government for its observance. The Company will endeavor to provide a day off with pay on the day of the holiday provided market and production requirements allow.

Section 3      In a week in which one of these holidays occurs, each employee shall receive holiday pay of eight (8) hours at the employee's current rate of pay or pay equal to the amount of hours the employee is normally scheduled times the employee's hourly rate at the time the holiday is taken, whichever is greater; provided that the employee qualifies for such pay. All hours worked in excess of thirty-two (32) hours in a holiday week shall be paid at time and one-half (1 ½) an employee's straight time rate of pay.

Section 4 An employee shall be compensated at time and one half (1 ½) the hourly rate for all hours worked between 12:01 am and midnight on the holiday.

Section 5 To qualify for holiday pay, the employee must be on the schedule for the holiday week, work the last scheduled day before the holiday, the holiday if scheduled, and the first scheduled day after the holiday. Employees on vacation during a week in which a holiday falls shall receive holiday pay equal to the amount of hours the employee normally works times his current rate of pay in addition to vacation pay.

Section 6 In addition, employees with one (1) full year of service shall be entitled to three (3) floating holidays per year. Employees shall receive the equivalent of their normally scheduled workday based on the straight-time wage rate the employee is earning at the time for the floating holiday. Floating holidays will be requested by employees with at least one (1) week notice provided, except in case of emergency approved by management, and will be scheduled upon mutual agreement, which will not be unreasonably withheld by the Company. One (1) floating holiday per calendar year may be used as an emergency floating holiday that does not need one (1) week notice. Floating holiday request form with the day marked "emergency floating holiday" must be submitted next working day or an attendance point will be given. These holidays must be used during the calendar year and will not be carried over into the following calendar year. All work performed by an employee in excess of thirty-two (32) hours in a week in which an employee has a floating holiday shall be paid at time and one half (1 ½) the employee's straight time rate of pay.

## **ARTICLE 9** **WAGES**

Section 1 Employees will earn a salary in accordance with their most recent level obtained under the pay system attached to this Agreement as Appendix A.

Section 2 All employees will receive their pay via Direct Deposit.

## **ARTICLE 10** **HEALTH AND WELFARE**

Section 1 The Company will provide eligible full-time bargaining unit employees with benefits as identified below. A full-time employee is any employee who works thirty (30) hours or more per week. Except as otherwise stated in this Article, employees are eligible for the identified benefits effective the first of the month following sixty (60) days of employment.

Medical and dental benefits continue through the last day of the month in which termination occurs. All other benefits terminate on the day immediately following the employee's last day of work.

Coverage for employees on a paid medical leave of absence will continue through the period of disability up to a maximum of twelve (12) months and provided the employee continues the required contribution for said coverage.

- Section 2**      **Medical Plan**  
During the term of this Agreement, the Company will provide eligible bargaining unit employees with medical benefits. Eligible bargaining unit employees electing medical coverage will be provided benefits in accordance with either medical plan B200 or medical plan B300.
- Section 3**      **Dental Plan**  
During the term of this Agreement, the Company will provide eligible bargaining unit employees with dental benefits. Eligible bargaining unit employees electing dental coverage will be provided benefits in accordance with either dental plan D005 or D010.
- Section 4**      **Medical and Dental Cost Share**  
Eligible employees electing medical and/or dental coverage shall share in the cost of said coverage at the same contribution rate the employee is paying for 2015, subject to life event changes.  
  
Effective January 1, 2016, eligible employees electing medical and/or dental coverage shall share in the cost of said coverage at the rate of ten percent (10%) of the applicable cost.  
  
Said cost share will be deducted on a pre-tax basis through payroll deduction.
- Section 5**      The above benefits and claims procedures will be described in the respective Summary Plan Description (SPD) documents, copies of which will be made available to the Union. Except as otherwise provided in this Article, nothing contained in this Agreement shall supersede the actual terms of the plan as described in the SPD nor prevent the Company from making changes to the SPD from time to time.  
  
Notwithstanding the above, the medical and dental coverage agreed to by the parties will be maintained through the duration of the Agreement.
- Section 6**      **Ancillary Benefits**
- a.      **Life Insurance.**  
The Company will provide eligible employees with basic life insurance in the amount of one times the employee's base salary. The Company will provide eligible employees with Accidental Death and Dismemberment (AD&D) in the amount of one times the employee's base salary.
- b.      **Short Term Disability**  
The Company will provide a short term disability benefit to eligible, qualifying employees at the rate of 60% of the employee's base weekly wage up to a maximum of \$500.00 per week.

Short-term disability insurance is available at no cost to all regular full-time employees and payments made in conjunction with this benefit will commence on the first day following a non-work-related accident or injury and on the eighth day following an illness up to a maximum of 180 calendar days from the last day of work within any rolling twelve (12) month period.

c. Additional Benefits

The Company will provide eligible employees the opportunity to purchase Company sponsored voluntary benefits (supplemental life/AD&D, spousal and dependent life insurance, vision benefits, long term disability coverage, legal services, medical flexible spending account and dependent care flexible spending account) at prevailing rates. Employees electing to purchase said additional benefits will be required to pay the full cost of the premium. Identified optional benefit offerings and costs are subject to change on an annual basis.

Section 7 The selection of a specific insurance carrier, provider, network or alliance will be at the Company's option and may be changed by the Company during the term of the Agreement.

Section 8 No dispute over the benefits arising under or relating to this Article shall be submitted for consideration under the grievance and arbitration provision of this Agreement. Benefits claims must be submitted according to the claims procedure for the applicable benefit plan.

## ARTICLE 11 RETIREMENT

### Pension

It is hereby agreed to provide pension and retirement benefits as follows:

- A. The Employer hereby agrees to be bound as a party by all the terms and provisions of the Agreement and Declaration of Trust dated September 11, 1955, as amended, establishing the Bakery and Confectionery Union and Industry International Pension Fund (hereinafter called the Pension Fund) and said Agreement is made part hereof by reference.
- B. Commencing with the Effective Date(s) stated in Paragraph c., the Employer agrees to make payments to the Pension Fund for each employee working in job classifications covered by a Collective Bargaining Agreement between the Employer and the Union, as follows:

For each hour or portion thereof, which an employee works in such a job classification or receives pay in lieu of work (such as holiday, vacation, sick leave, pro rata vacation, and severance pay), the Employer shall make a contribution as stated in Paragraph c. to the Pension Fund up to a maximum of 40 hours in any week for any one employee. (The stated maximum does not apply to pro rata vacation or severance pay.)

Contributions shall be paid from the first day the employee begins working in a job classification covered by the Collective Bargaining Agreement between the Employer and the Union, and shall be paid on behalf of all employees in covered job classifications -- there are no exceptions for employees who are not members of the Union, temporary, seasonal, or part-time employees, for leased employees, or for any other type of employee. The term "employee" does not include a self-employed person, corporate officer, owner, or partner, as defined in Section 1.09 of the Pension Fund Rules and Regulations.

C. The payments made in accordance with (b) above shall be allocated as follows:

	<b>Effective 5/1/15</b>	<b>Effective 5/1/16</b>	<b>Effective 5/1/17</b>	<b>Effective 5/1/18</b>
	<b>\$1,000 Rate</b>	<b>\$1,000 Rate</b>	<b>\$1,000 Rate</b>	<b>\$1,000 Rate</b>
<b>Plan A</b>	\$1.21	\$1.21	\$1.21	\$1.21
<b>Plan C</b>	0.20	0.20	0.20	0.20
<b>Plan G</b>	0.30	0.30	0.30	0.30
<b>Surcharge GM</b>				
<b>Surcharge Zone</b>				
<b>Schedule</b>				
<b>Rate</b>	0.0855	0.1753	0.2695	0.3685
<b>Total Hourly</b>	\$1.7955	\$1.8853	\$1.9795	\$2.078

D. It is agreed that the Pension Plan adopted by the Trustees of the Pension Fund shall be such as will qualify for approval by the Internal Revenue Service of the United States Treasury Department, so as to enable the Employer to treat contributions to the Pension Fund as a deduction for income tax purposes.

E. Contributions provided for herein shall be paid monthly and shall be accompanied by a completed remittance report. Both payment and report are due on the tenth day of the month following the month covered by the report. In the event the Employer fails promptly to pay amounts owed, the Employer shall pay such collection costs, including court costs and reasonable attorneys' fees, as the Pension Fund shall incur, and shall pay interest at such rate as the Trustees shall fix from time to time.

F. The payments so made to the Pension Fund shall be used by it to provide retirement benefits for eligible employees in accordance with the Pension Plan of said Fund, as determined by the Trustees of said Fund, to be applied to the eligible employees based on the amount of Employer contribution.

G. This clause encompasses the sole and total agreement between the Employer and the Union with respect to pensions or retirement. If any other agreement between the Employer and the Union (including the Collective Bargaining Agreement) contains provisions inconsistent with this clause,

those inconsistent provisions shall have no force and effect with respect to the obligations and agreements set forth herein.

H. This clause is subject in all respects to the provisions of the Labor-Management Relations Act of 1947, as amended, and to any other applicable laws.

#### **401K Plan**

Employees subject to this agreement may participate in the Company's 401K Plan. The Company shall not have any contribution or matching obligations under this provision. Such participation is subject to any and all plan rules and regulations.

### **ARTICLE 12** **UNION BUSINESS**

Section 1 The Union representative shall be allowed in the bakery during working hours after notifying the person in charge and will not interfere with normal operations. The Union representative will abide by all reasonable, posted food defense, food safety and safety policies at the facility during his visit.

Section 2 The Company will allow a leave of absence without pay not to exceed four (4) weeks to any employee who is selected to attend a Union convention or assist the regular Union business representative in duties affecting the Local. Employees will provide two (2) weeks' notice for such leave requests before they will be granted and the number of employees on leave will be limited to two (2) employees at any given time.

Section 3 A leave of absence shall be granted to a full-time elected or appointed Union official from the bargaining unit with seniority continuing to accumulate for as long as the employee continues as a Union official. Upon completion of their Union service, said employee will have the right to return to his or her position or an equivalent position in the bakery consistent with the collective bargaining agreement.

Section 4 The Company shall provide the Union with one (1) locked bulletin board located at the time clock for the purpose of posting official Union notices only. Such notices shall not be of an inflammatory nature and will be provided to a Company representative before posting.

Section 5 At a mutually agreed upon time, the Union will have a one (1) hour orientation with each new hire that a Company representative may attend.

Section 6 Shop Steward Education/Notification: The Company will provide annually on request by the Union one (1) paid day (at the straight time rate) off work for all shop stewards to attend a Union Education and/or Training Programs. The Company must be notified in advance of the conference. When necessary to maintain efficient operations, the Company may limit the number of stewards to be absent at any one time. However, the Company shall not unreasonably deny shop stewards time off to attend said Education Conferences. Time spent in such training shall not count as hours worked for purposes of overtime.

## **ARTICLE 13** **GRIEVANCE AND ARBITRATION PROCEDURE**

Section I It is the intention of the parties that all complaints and grievances shall be amicably disposed of as quickly as possible and for that purpose the following dispute resolution procedure shall be used:

- a. The term "grievance" as used in this Agreement, shall mean disputes arising between the Company and the Union and/or an employee.
- b. The Company agrees that it will not suspend, discharge or take any disciplinary action against an employee except for just cause and will follow due process in the adjudication of grievances.
- c. The Company will comply with all applicable (Weingarten Rights) related to Union representation and disciplinary meetings.
- d. If the Union believes an employee has been disciplined, suspended or discharged without just cause, a representative of the Union shall attempt to make an adjustment with the Company as hereinafter provided.
- e. Disputes will be settled in accordance with the following procedure:

### Step 1

The employee will first take up the dispute with his immediate Supervisor/Resource Leader within three (3) working days after the occurrence of the alleged dispute. An employee may elect to have a steward present during this step. Settlements at this step must conform with the collective bargaining agreement and will not set precedents. If within two (2) days, the employee and the Supervisor/Resource Leader have not been able to resolve the grievance, then

### Step 2

The grievance shall be reduced to writing and filed with the department head or equivalent Supervisor/Resource Leader within five (5) days of the Company's last answer. Grievances in Step 2 shall be discussed at meetings within ten (10) working days and the parties will endeavor to settle same satisfactorily. Failing a settlement at such meetings, the Company shall give its answer in writing within five (5) days after the Step 2 meeting.

### Step 3

If the Company's Step 2 answer is unacceptable to the Union, a representative designated by the Local Union will meet with the Plant Manager within five (5) days of the date of Company's Step 2 answer. Failing a settlement at such meeting, the Company shall give its answer in writing within ten (10) days after the Step 3 meeting. If the Company's Step 3 answer is unacceptable to

the Union, the Union may appeal the case to arbitration in accordance with the relevant Article herein.

Failure by the grieving party to comply with the time periods set forth above shall constitute a forfeiture of the grievance without further review or proceeding. Nonetheless, timelines can be extended or steps skipped by mutual agreement of the parties. Any grievances by the Company will follow similar steps.

Section 2      Arbitration: Grievances unresolved at the above steps may be submitted to arbitration.

a.      The parties will agree to one of them contacting the Federal Mediation and Conciliation Services (FMCS) for a panel of seven (7) potential arbitrators from which one will be chosen by mutual agreement or by each party alternatively striking names from the list until one person remains. The decision of the Arbitrator shall be binding and conclusive upon the parties hereto. The Arbitrator shall not have the authority to alter, amend or change the terms and provisions of this Agreement in any way. The Arbitrator shall only hear one grievance at a time unless otherwise mutually agreed. The Arbitrator selected must be a member of the National Academy of Arbitrators.

b.      Should either party fail to appear before the Arbitrator in any matter submitted for arbitration as herein provided, the Arbitrator may proceed with the hearing, and render a decision upon the testimony and evidence presented, which decision shall be binding and shall have the same force and effect as if both parties were present.

c.      The cost of panels and arbitration shall be borne equally by the parties

## **ARTICLE 14** **STRIKES AND LOCKOUTS**

There shall be no strike, interruption of work, sympathy strike, boycott or temporary walkout on the part of the Union or any employee and no lockout on the part of the Company during the term of this Agreement.

## **ARTICLE 15** **PERSONAL LEAVE OF ABSENCE**

Section 1      An employee may request an unpaid personal leave of absence for up to thirty (30) calendar days. The Company shall have the sole discretion in the approving or denying of such request. If such leave is approved the employee shall be required to use any earned vacation or personal days as part of this leave.

Section 2      Any regular employee who has completed the probationary period, shall be allowed to take a non-work related Medical Leave of Absence (MLOA) when such employee is medically unable to work. In order to take a non-work related MLOA, an employee must present to the Company a doctor's note stating that the employee is unable to work and the reason for

such inability. Upon returning to work from a non-work related MLOA, the employee shall present a doctor's note verifying that the employee is able to return to work. Employees returning to work from a non-work related MLOA shall be returned to the position they held prior to taking the leave.

Section 3 All leaves of absence shall be applied for and granted in writing with copies to the Union, the Company and the employee, and during such periods of leave of absence the seniority of the employee shall accumulate. No employee shall be granted a leave of absence to accept employment elsewhere except for reasons of Union business as provided for in Article 13.

#### **BEREAVEMENT LEAVE**

In the event of the death of an employee's immediate family (employee's parent, current spouse, children, brother, sister, current step father, current step mother, current step children, current mother-in-law, current father-in-law, current son-in-law, current daughter-in-law, current brother-in-law, current sister-in-law, grandparents or grandchild, the employee shall receive three (3) days off with pay (not including a scheduled day(s) off) – within ten (10) days of death. The employee will receive pay at the employee's current straight time rate of pay times regularly scheduled hours for each day, not to exceed three (3) full days.

The employee must provide the Company with proof of the death to be eligible for this benefit. The employee shall notify the Company at the earliest possible date of the purpose of his/her absence. This Article does not apply when an employee is on vacation.

#### **CIVIC DUTY LEAVE**

Any employee required to serve on a jury in a court of record or subpoenaed to be a witness in a court of law or to appear before a governmental agency shall be paid by the Company the difference between any pay received for such service and earnings lost from their straight-time work because of such duty. An employee who is subpoenaed for jury duty, a witness in a court of law or to appear before a governmental agency shall be granted a leave of absence for that amount of time during which the employee's presence is in fact required in connection with such service. While an employee is on a Civic Duty Leave, he/she shall be paid his/her regular hourly rate for time lost minus whatever amount the employee earns while on Civic Duty Leave. Civic Duty Leave pay will not be earned during an employee's vacation period or on any unscheduled workday.

#### **JOB RELATED INJURY OR ILLNESS**

When an injury compensable under Workers Compensation occurs and the employee is not able to do his assigned work, the Company will endeavor to place him on other consistent with such physical disability, if such opening is available. Such employee shall receive his/her straight time rate of the job to which he/she was assigned prior to the injury. On the day on which an employee suffers an on the job injury or illness which prevents him/her from completing his/her work, he/she shall be paid his/her straight time rate for the hours lost during his/her regular work day.

## **ARTICLE 16** **NONDISCRIMINATION**

Section 1 Neither the Company nor the Union shall discriminate against any individual because of his or her race, color, religion, sex, sexual preference, marital status, age, disability, national origin, status as a disabled veteran or veteran of the Vietnam Era, as defined by law, or union membership or sympathy with respect to opportunity or tenure of employment or any other right, benefit, duty or obligation.

Section 2 The use of the pronouns "he" or "she" and the suffixes "men" or "women" shall not be interpreted to apply to one sex, but shall apply to either sex. It is further understood that the terms "employee" and "associate" as used herein are interchangeable.

Section 3 The Company shall comply with all rules and regulations related to the Family and Medical Leave Act. If appropriate, FMLA leave eligibility may require medical certification by one or more health practitioners and a functional capacity exam paid for by the Company may be required before the associate is eligible to return to work.

## **ARTICLE 17** **MISCELLANEOUS**

Section 1 In the event any federal or state law conflicts with any provision of this Agreement, the affected provision shall no longer be operative, but the remainder of the Agreement shall remain in full force and effect.

Section 2 The Union and the Company recognize that competitive conditions may require changes in production processes, machinery, and work methods in order to promote efficiency and improve product quality and plant sanitation. The Company agrees to notify the Union at the earliest possible time of any plans to make substantial changes in existing product processes, machinery, or work methods in order to discuss any issues relating to potential changes.

Section 3 The Company shall reserve the right to manage and operate its business in a manner it sees fit and pursuant to relevant law except as otherwise provided by specific provisions of this Agreement and the Union agrees that all such rights not covered by this Agreement are reserved to management.

## **ARTICLE 18** **SEVERANCE**

It is agreed that each full-time employee who is displaced from his employment by reason of the closing of an entire plant, a department thereof, or the introduction of labor saving equipment, shall be compensated for each displacement providing he has been actively employed by the Company for a period of at least three (3) years. An eligible employee's compensation for his displacement shall be on the basis of thirty (30) hours of severance pay (at his straight-time hourly rate of pay) for each full year of his actual employment, commencing with the fourth (4<sup>th</sup>) year thereof. Payment under this formula shall be limited to a maximum of nine hundred (900)

hours severance pay.

Section 2     The above described severance pay will not be paid to:

- a. Any employee who is offered employment with the Company in another plant of the Company which is located within a reasonable distance.
- b. Any employee who accepts a job with the Company at any location.
- c. Any employee who voluntarily quits or is discharged for just cause before he is separated from employment by the Company.
- d. Any employee, re-employed after receiving severance pay, shall be considered a new employee from the date of re-employment.
- e. Any employee accepting severance pay shall forfeit and cease to have any seniority and recall rights as provided for in this Agreement.
- f. In the event an eligible employee wishes to remain on the plant seniority list for the purpose of possible recall, he may elect to defer acceptance of his severance pay for a period of twelve (12) months. At any time during such period, however, he may request his severance pay and his right of recall and seniority shall terminate as of that date.
- g. If such employee has not been recalled by the end of such period, he shall be paid his severance pay and his right of recall and seniority shall terminate as of that date.

**ARTICLE 19**  
**SUCCESSOR'S CLAUSE**

This Agreement shall be binding on the parties hereto, their successors, administrators, executors and assigns.

**ARTICLE 20**  
**JOINT LABOR MANAGEMENT RELATIONS COMMITTEE**

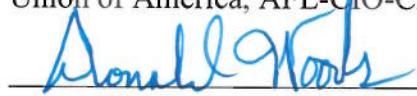
The parties agree to establish a Joint Labor Management Relations Committee. The Committee will be made up of three (3) members from each the Company and the Union. The Company's committee shall include management personnel empowered to settle grievances and make high level decisions. The Union's committee will consist of the Business Agent who represents the bakery, the Chief Steward and another member of the Union. The meetings will be for the purpose of adjusting 3<sup>rd</sup> step grievances.

The parties shall also use these Joint Labor Management meetings to address future production and scheduling issues with the goal of addressing and attempting to agree upon employees work schedules and reducing forced overtime.

## **ARTICLE 21** **DURATION AND TERMINATION**

This Agreement shall remain in effect from March 1, 2015 through March 2, 2019, and thereafter for successive monthly periods, unless sixty (60) days prior to the expiration of the agreement, either party serves notice in writing upon the other of its desire to terminate or modify this Agreement, in which event this Agreement shall continue until the end of said monthly period. It shall also continue as long thereafter as the parties may require to negotiate a new Agreement or until either party terminates said negotiations.

For Bakers' Union Local No. 1  
Affiliated with BCTGM International  
Union of America, AFL-CIO-CLC



Date

4/29/15

For the Company  
Bimbo Bakeries USA



Date

4/27/15

## APPENDIX A

### WAGES

	3/1/15	3/6/16	3/5/17	3/4/18
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#### \***Departments**

\*\*Production

\*\*Sanitation

\*\*Receiving

\$15.40	\$15.80	\$16.20	\$16.60
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\* During the first three (3) months of employment employees shall be compensated fifty cents (\$0.50) per hour less than the above rates.

\*\* Any employee earning more, as of March 1, 2015, than the scale set forth above will receive an additional forty cents (\$0.40) per hour more each of the above contract dates in addition to their current wage rate.

\*\* Any employee earning more, as of March 6, 2016, than the scale set forth above will receive an additional forty cents (\$0.40) per hour more each of the above contract dates in addition to their current wage rate.

\*\* Any employee earning more, as of March 5, 2017, than the scale set forth above will receive an additional forty cents (\$0.40) per hour more each of the above contract dates in addition to their current wage rate.

\*\* Any employee earning more, as of March 4, 2018, than the scale set forth above will receive an additional forty cents (\$0.40) per hour more each of the above contract dates in addition to their current wage rate.

Employees in the Production Lead classification shall be compensated an additional three dollars (\$3.00) per hour over their regular straight time hourly rate of pay while holding the Production Lead classification.

Employees in the Star Point Position shall be compensated an additional two dollar (\$2.00) per hour over their regular straight time hourly rate of pay while holding the Star Point Position.

Any employee assigned as a trainer shall receive an additional fifty cents (\$0.50) per hour while performing training work.

Employees shall receive an additional twenty cents (\$0.20) per hour for hours worked between 6:00 P.M. and 6:00 A.M.

The following persons will be paid retroactive the first year increase, March 1, 2015, of forty cents (\$0.40) per hour from the employee's last anniversary.

<b>Person Name</b>	<b>Hire Date</b>
Adams, Dawn R	2/2/2009
Alanis, John C	11/15/2010
Anderson, Ralph D	1/7/2014
Bell, Kenneth C	12/2/2013
Brown III, James E	11/18/2013
Chambers, Brandi N	11/18/2013
Charles, David A	2/22/2010
Denney, Jacqueline M	2/3/2014
Dull Jr., Danny L	1/5/2009
Frederick, Andrew M	12/1/2006
Gerlitzki, Jere T	12/1/2006
Gregory, Trina R	11/1/2010
Clark, Jamie	11/12/2012
Hahn, Charles D	11/18/2013
Hardway, Carla L	2/6/2012
Hernandez III, Jose P	2/7/2011
Herr, Jasmine B	11/12/2012
Hockenberry, Pamela R	2/8/2010
Houghton, Heather E	1/27/2014
Johnson, Alex D	2/22/2010
Kantz, Annie L	2/12/2007
Klase, Donna J	11/9/2009
Landers, Michelle A	12/1/2006
Lewis, Pamela K	2/12/2007
McCraner, Scott M	12/1/2008
Mida, Dale K	1/30/2007
Mockerman, Aaron S	2/23/2009
Ricks, Milton	12/2/2013
Rippee, David W	1/31/2011
Rodriguez, Hector	2/11/2008
Sam, Sophea	2/12/2007
Shea, Kathryn A	10/29/2012
Singleton, Dawn E	2/13/2007
Sleepers, Darlene K	2/8/2010
Sopraseuth, Keo-oudone	1/28/2008
Stewart, Catherine L	12/1/2006

Stump, Garrett L	12/8/2008
Swanson, Thomas J	11/26/2012
Szalewski, Stephen M	1/28/2013
Trosper, Ronald L	12/1/2006
Valdes-Huerta, Miriam	1/7/2014
Washburn, Debra K	1/21/2013
Wood, Debra J	2/7/2011

The Company agrees to make the following part of the memorandum of agreement between BBU and BCTGM Local 1, Elkhart, IN:

- 
- 1) Within thirty (30) days following ratification of the agreement the Company and the Union will work to select a clinic within a reasonable distance of the plant for the purpose of work related illness and injury.
  - 2) Within thirty (30) days following ratification of the agreement the Company and the Union will meet to negotiate the attendance policy.

For the Company:

A blue ink signature in cursive script, appearing to read "Steve Dally".

For the Union:

A blue ink signature in cursive script, appearing to read "Donald Works".