

LABOR AGREEMENT

BY AND BETWEEN

SWIFT BEEF COMPANY
RIVERSIDE, CA FACILITY

AND

UNITED FOOD AND COMMERCIAL
WORKERS, LOCAL 1167

CHARTERED BY
UNITED FOOD AND COMMERCIAL
WORKERS INTERNATIONAL UNION

11/14/2016 - 11/16/2020

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Agreement

This Agreement by and between Swift Beef Company for its Riverside, CA facility, hereinafter referred to as the "Company", or its duly authorized representative, and UFCW Local 1167, chartered by the United Food and Commercial Workers International Union, hereinafter referred to as the "Union".

Witnesseth:

All conditions set forth in this agreement become effective as of 14th day of November 2016, unless otherwise provided for herein. This Agreement recognizes the Union as the sole bargaining agent for all current and future employees in the classifications described herein at the Company's Riverside, California location.

Article 1 - Recognition of the Union

Section 1. Bargaining Unit - The undersigned Company recognizes the Union as the exclusive bargaining agent with respect to rates of pay, wages, hours of employment and other conditions of employment for all Production, Maintenance, Warehouse, Shipping and Receiving, Quality Assurance, Inventory, Sanitation, Shag Driving, and Automation covered by this Agreement, excluding Office, clerical, security, confidential employees, and supervisors as defined by the Act working at the Company's facility located at 15555 Meridian Parkway, Riverside, California.

Section 2. Union Security - All employees shall, as a condition of employment, pay the Union the initiation fees and/or reinstatement fees and periodic dues lawfully required by the Union for membership. This obligation shall commence on the thirty-first (31st) day following the date of employment by the Company who is signatory to this Agreement, or the effective date of this Agreement, or date of signature, whichever is later. The failure of any person to become a member of the Union at such required times shall obligate the Company, upon written notice from the Union to such effect, to discharge such employee within seven (7) days from receipt of such written notice from the Union for nonpayment of dues and fees required as a condition of membership.

Section 3. Dues Deduction - The Company agrees to deduct the regular monthly Union dues and initiation fees uniformly required as a condition of membership in the Union on a weekly basis from the wages of each employee covered by the Collective Bargaining Agreement, who has completed thirty (30) days of employment and has provided the Company with a voluntary individual written authorization form to make such deductions on a form that has been mutually agreed upon by the Company and the Union. Such deductions as referenced above, include political contributions and, by mutual agreement, weekly deductions for deposits and payments to the Union. The political contribution authorization may be either a separate authorization or one that has been combined with the dues deduction authorization. Such deductions, when authorized, shall be made from the wages due an employee on a weekly basis, and be transmitted to the Union's office no later than the twelfth (12th) day of the month following the month in which such deductions were made. The deductions shall be expressly limited to regular monthly Union dues, initiation fees and political contributions only and the

Company shall have no obligation whatsoever to make deductions for any other purpose, including but not limited to, reinstatement fees, special dues, special assessments, fines, strike funds, or other assessments.

No deductions will be made from the wages of any employee until the Company has received a signed copy of a voluntary individual written authorization to make such deductions with such authorization being received by the Company no later than the first (1st) day of the month in which the deductions are to commence in order to be deducted for that month.

Authorization for such deductions is to be entirely voluntary on the part of each employee. After one (1) year following his written authorization to make deductions, any employee may revoke his individual voluntary authorization upon giving thirty (30) days written notice to the Company and the Union.

Section 4. Indemnification - The Union agrees to hold harmless the Company and to indemnify the Company for any claims or judgments arising as a result of the Company terminating or discharging any employee in the reliance upon written notice from the Union to the Company directing the Company to terminate or discharge such employee as set for in Section 2 of this Article. Upon written notice from the Union of an error in directing the Company to terminate or discharge an employee in accordance with Section 2 of this Article within six (6) months of the receipt of the notification from the Union to terminate or discharge an employee, the Company agrees to reinstate with full seniority any employee terminated pursuant to this Section within one (1) week of said notification. Full seniority will not include the payment of wages or any employee benefits lost as a result of termination.

Section 5. Lists - The Company agrees to provide the Union, in writing, on the first of each month, a current list of all newly hired employees, a current list of terminated employees, a current list of employees on a leave of absence and a current list of employees returning from leave of absence. Each list will contain the first and last name of such employee, current home address, phone number, job classification, social security number and date of hire.

Section 6. Seniority Lists - The Company shall establish an accurate seniority list. Such list shall be available for inspection by an authorized Union Representative and the Company shall furnish the Union with an accurate copy each February and August of each calendar year.

Article 2 - Management Rights

Section 1. The Company shall remain vested with all management functions, including the full and exclusive control, direction and supervision of operations and the working forces including, but not limited to: determination of the number of locations and type of plants it may operate; to decide the products to be manufactured, the methods of manufacture, the materials to be used and the continuance or discontinuance of any product, material or method of production; to introduce new equipment, machinery or processes and to change or eliminate existing equipment, machinery or processes; to discontinue, temporarily or permanently, in whole or in part, conduct of its business or

operations; and to relocate its business or operations in whole or in part; to decide the nature of materials, supplies, equipment or machinery to be used; to decide upon the sales methods and sales price of all products; to hire the workforce in accordance with the requirements set by management; to transfer, promote or demote employees subject to the seniority provisions of this Agreement; to lay off employees and to terminate, discharge, suspend or otherwise relieve employees from duty for just cause; to direct and control the workforce; to establish and enforce reasonable rules governing employment, conduct, and working conditions; to determine the size of the workforce; to determine the number of employees assigned to any particular operation; to determine the workplace and to set reasonable work performance levels; to establish, change, combine or abolish job classifications and to determine the length of the work week; to utilize job rotation as deemed necessary by the Company; to use temporary employees to augment the workforce; to determine work starting and stopping times, the length of the work day, when overtime shall be worked, to require overtime; and to determine the qualifications of employees. All other rights of Management are also expressly retained even though not particularly enumerated above unless they are clearly limited by the explicit language of some other provision of this Agreement.

Section 2. The Company's failure to exercise any right hereby reserved shall not be deemed a waiver of the exercise of such rights at other times.

Article 3- Non-Discrimination

Section 1. Neither the Company, the Union, nor fellow employees shall discriminate against any individual because of race, age, religion, sex, sexual orientation, ancestry, medical condition, disability, national origin, or any other class protected under Federal or State Law with respect to any term or condition of employment or any right, benefit, duty, or obligation created and/or protected by the provisions of this Agreement.

Section 2. The masculine or feminine pronouns used herein shall, in all instances, refer to employees of both sexes.

Article 4 - Tools and Equipment

Section 1. The Company will furnish all apparel and safety equipment required by the Company, including coats, smocks, uniforms, gloves, boots, safety belts, etc. and provide for the laundering of applicable equipment. This equipment remains the property of the Company.

The Company may implement an annual boot reimbursement policy in-lieu of providing boots. The amount of reimbursement shall be equal to Company's cost of a required boot depending on an employee's position. Employees may annually order through the Company a boot that meets the minimum requirements of their position and is equal in value to the boot reimbursement at no cost to the employee. The Company shall make the Union aware of any change in the company's cost for a boot that meets the minimum requirements.

In the event it is determined that a specific department may need a higher quality boot, the Company and the Union agree to meet and review the amount of reimbursement offered to employees in such department.

Section 2. The Company shall furnish and pay for all tools and equipment required by the Company. Any tools issued to the employee, shall be the employee's responsibility to return in good condition.

Section 3. Employees, upon issuance of tools and equipment mentioned above, shall take full responsibility for any loss, damage, or excessive abuse resulting in loss, of any such items, including boots (unless a boot reimbursement policy is in effect), safety belts, and special gloves. The Company agrees to comply with all applicable State and Federal regulations and requirements related to clothing, equipment and safety practices.

Article 5 - Hours of Work and Overtime

Section 1. The payweek shall start at 12:01 A.M. on Monday and end at Midnight Sunday evening or shall begin at 12:01 A.M. Sunday and end at Midnight Saturday evening.

Section 2. Nothing in this agreement shall be considered as limitations upon the number of hours per day or days per week the Company may operate its plant or schedule its employees.

Working hours and daily schedules of employees shall be arranged to fit the needs of production. No provision in this Agreement guarantees a minimum number of hours paid to an employee in a work day or week.

Section 3. All non-required overtime work shall first be offered to the most senior regular employees within a department. If an insufficient number of regular employees are available for work, overtime shall then be offered to the most senior regular probationary employees within the department. If an insufficient number of employees still exist, the needs of the company may then be satisfied by extra employees.

Section 4. For employees regularly scheduled to work eight (8) hours in a workday, time and one-half ($1\frac{1}{4}$) will be paid for all hours worked over eight (8) hours and less than twelve (12) hours in one workday.

For employees regularly scheduled to work ten (10) hours in a workday, time and one-half ($1\frac{1}{4}$) will be paid for all hours worked over ten (10) hours and less than twelve (12) hours in one workday.

Time and one-half ($1\frac{1}{2}$) will be paid for all hours worked in excess of forty (40) hours in any one (1) week.

Double-time (2x) will be paid for all hours worked in excess of twelve (12) hours in one (1) workday.

Time and one-half (1½) will be paid for the first eight (8) hours of work on the seventh (7th) consecutive day of work

Double time (2x) shall be paid for all hours worked after the first (1st) eight (8) on the seventh (7th) consecutive day.

Section 5. The Company shall post on the bulletin board a schedule of general operating hours for the first six (6) workdays of the workweek. Because of circumstances or conditions beyond the Company's reasonable control, it is frequently not practical to inform employees of the exact starting or quitting time of a workday. The Company reserves the right to change starting or quitting times as such circumstances or conditions might dictate. The Company will make every effort to provide notice of such changes that is within their reasonable control to do so. However, the Company shall notify employees of required work on the seventh (7th) day no later than the meal period on the fifth (5th) working day. In the event the Company determines that work is necessary on the seventh (7th) day of the workweek after the meal period on the fifth (5th) working day it shall schedule employees by seniority (senior may junior must) of the employees who are qualified to perform the work, within the affected department.

Personal notice, bulletin board notice (which must be posted no later than the midpoint of an employee's shift) or telephone notice prior to commencement of shift shall be recognized as prior notice. Employees shall furnish the Company with his current address and telephone number.

An employee reporting to his regular shift who has not been notified that no work is available for him by the end of the shift on the preceding day shall be guaranteed a minimum of four (4) hours of work or the equivalent of four (4) hours of pay at his straight time rate unless the Company is unable to operate due to acts of God, civil commotion, power or other utility failure, explosion, fire, flood, strikes or boycotts by any labor union, government acts or actions that prevent the Company from operating, or other unusual emergencies.

Section 6. There shall be two (2) paid rest periods during either the eight (8) or ten (10) hour work day, a period of fifteen (15) minutes during the first half of the shift, and a period of fifteen (15) minutes during the second half of a shift. There shall also be a thirty (30) minute unpaid meal period between the rest periods. There shall be additional fifteen (15) minute rest period upon completion of the eight (8) hour shift. For employees who plan to be working more than one (1) hour overtime for that workday and a fifteen (15) minute rest period upon completion of the ten (10) hour shift for employees who plan to be working more than one (1) hour overtime for that workday and a fifteen (15) minute rest period upon completion of ten (10) hours of a scheduled twelve (12) hour shift. The Company requires employees to be at their work station and working at the start-time of their shift and at the end of break and lunch periods.

Section 7. Employees required to work on a higher job classification for greater than two (2) consecutive hours in a workday shall receive the higher rate for all hours worked in such classification in the same workday.

Article 6 - Bulletin Boards

The Company shall provide the Union with a bulletin board. Such bulletin board shall be four (4) feet by four (4) feet, glass enclosed, and lockable. The Union shall submit all notices regarding Union business which the Union desires to have posted on the Company's bulletin boards. Such notices may be posted with approval of the Company.

The Company agrees that it will not refuse to post any Union notice for arbitrary reasons and all notices announcing legitimate Union business will be permitted.

It is understood and agreed that under no circumstances will the Union post or request to be posted, any material which is derogatory to the Company or political in nature.

Article 7 - Union Steward

Section 1. Union Stewards- A steward shall be a working employee designated by the Union. There shall be up to Ten (10) stewards. The Union shall provide the Company a list of all stewards and notify the Company of any changes. In no event, shall the Company discriminate against a steward or lay him off or discharge him on account of any action taken by the proper performance in accordance with his Union duties.

Section 2. Steward's Training- Upon two (2) week's written notice from the Union, said stewards will be scheduled off to attend a three (3) day steward's training seminar per calendar year.

Article 8 - Union Representative

Section 1. During the term of this Agreement, designated Union Representatives may be provided access to the plant, with permission of the Company, for the purpose of observing compliance with the terms of this agreement as well as to adjust any grievances or complaints arising under this Agreement. Prior to entering the plant, however, said representative(s) must notify Human Resources or whomever Human Resources shall designate of their desire to enter the plant and the purpose of the visit. At all times while on the Company's premises union representatives shall comply with the Company's safety and security policies and practices. The Company has the option of accompanying any union representative while in the plant production or operating areas. Conferences or meetings between union representatives and employee(s) shall be conducted in non-working areas and on non-working time so that there shall be no interference with, or interruption of normal operating conditions.

Section 2. Any Union Representative, by entering the plant premises, consents to comply with and be subject to the inspection procedure that apply to all persons and vehicles entering the premises, included but not limited to, a random inspection of their automobile or vehicle upon exiting the premises.

Section 3. Union Orientation - The Company agrees to allow, during new hire orientation, Union representatives the opportunity to discuss the Union's role in the plant. Such presentations will not normally exceed thirty (30) minutes. The Union

agrees it will not disrupt the orderly conduct of the orientation meeting, make disparaging or inflammatory statements about the Company or any of its representatives or exceed the allotted thirty (30) minute time limit without prior approval for an extension of time.

Section 4. Locker Inspections - The Company will have a Union Representative or Steward present during locker inspections or in the event of padlocks need to be cut or removed from occupied lockers.

Section 5. Time Studies - The Union will be given access to the plant in order to perform time studies. The time and date of the time study must be mutually agreed by the Union and the Company.

Article 9 - Jury Duty

Section 1. Employees who have passed their probationary period and are called to jury duty in the county, state, or federal courts including grand jury service will be excused for jury service upon presenting the summons requiring such duty to human resources. Employees excused from jury service after noon will not be required to return to work that scheduled workday.

Section 2. Regular full-time employees will be paid the hours they would have worked up to a maximum of eight (8) hours day, unless the employees has a regularly scheduled work day in excess of eight (8) hours a day, for each full day of jury service which falls on a scheduled workday. Employees who are paid by the company during jury duty will remit to the Company an amount equal to any compensation received from jury duty other than travel, meal, and hotel room allowance. Hours paid for jury duty will be considered as hours worked for the calculation of overtime and benefits.

Article 10 - Employee Status

Regular Employees - These employees are individuals hired to perform work covered by the Agreement that will be scheduled for regular work shifts each week. Regular employees are entitled to all benefits and conditions related to the Agreement.

Probationary Employees - All newly hired employees shall be regarded as probationary employees and may be terminated during the first thirty (30) calendar days of employment for any cause without recourse to the Grievance and Arbitration provisions of this Agreement. Although probationary employees do establish seniority from date of hire, they are not entitled to receive health and welfare coverage and holiday benefits. Probationary employees are required to become members of the Union in good standing.

Extra Employees - These employees are individuals who are called to work as necessary for the work. Extra employees are paid on a daily basis or during the same payday as those of regular employees, whichever applies. The Company reserves the right to maintain extra employees as part of the workforce not to exceed thirty percent (30%) of the total employees during the first two (2) years of this Agreement. This

amount shall be reduced by five percent (5%) in the third (3rd) and fourth (4th) years of this Agreement (i.e. 25% and 20%). However, if the Company has a mass startup event which necessitates the need for additional temporary employees, the percentage the Company may utilize shall increase to thirty-five percent (35%) for a period not to exceed sixty (60) calendar days. The purpose of this period of time is to allow the Company to recruit and hire a necessary number of employees to fulfill the needs of the business following the mass startup. In the event there is more than one mass startup event in a calendar year, the Company shall notify the Union of the reason for such need. The Company shall identify Extra Employees on the posted schedule.

Part-time Employees - In the event the Company wishes to utilize part-time employees it will first meet with the Union to discuss the need for such employees and to confer over rates of pay eligibility for Health and Welfare Benefits, Vacations, Holiday pay, and the employees' schedule.

Article 11- Leave of Absence

Section 1. The Company and Union agree to comply with Federal and State law, including the Federal Family Leave Act.

Section 2. An employee failing to return following an authorized leave of absence on the date specified may be terminated unless the Company has approved an extension of said leave of absence in writing.

Section 3. While on an authorized leave of absence as provided in this Article, the employee would not be eligible to participate in contractual benefits including, but not limited to, holiday pay.

Section 4. Absence due to personal illness, injury or pregnancy shall not interrupt seniority for a period of four (4) months; absence due to industrial accident or illness shall not interrupt seniority for a period of twelve (12) months insofar as this provision does not conflict with State or Federal law.

Section 5. Any employee who fails to return to work on the date specified for any leave of absence, either personal or occupational, will be terminated unless an extension of said leave of absence has been approved by the Company.

Section 6. Union Business. An employee in good standing with the Company, whose acceptance of employment with the Union takes him from his employment with the Company, shall, upon written request to the Company by the Union, receive a leave of absence of his service with the Union, of not more than six (6) months. A Union's request for such a leave of absence, and for the return of an employee to work at the conclusion of such a leave, shall be served upon the involved Company, in writing, a minimum of two (2) calendar weeks immediately preceding the date of the proposed commencement of the requested leave and the proposed return to work, respectively. Not more than one (1) employee shall be on such leave at one time and the Company reserves the right to restrict certain key employees from taking such leave that would impact the Company's operations. An eligible employee shall not be granted more than one (1) such leave of absence during the term of this Agreement, nor shall such leave

be granted to an employee who, at his request for such leave of absence, is already on a leave of absence for any other reason. Upon his return, he shall be reemployed at work similar to that in which he was engaged immediately prior to his leave of absence. During the period of the authorized leave of absence, the Union shall be obligated to contribute for any benefits with respect to this Agreement owed to the involved employee. The period of time specified in this Section may be extended by mutual agreement of the Company and the Union.

Section 7. Funeral Leave. In the case of a death in the immediate family of any regular employee, the employee shall be paid at the employees regular straight-time rate for time lost from work up to three (3) days, and only to attend the funeral or memorial service.

Immediate family means spouse, child, legally adopted children, parents, natural grandparents, brother, sister, the parents of the employee's spouse, and step relatives.

Employees may extend the period of funeral leave by utilizing any earned and unused Vacation, Personal Holidays, or by requesting an unpaid leave of absence from the Company.

An employee is required to produce proof of eligibility for bereavement compensation. An employee submitting false evidence may be subject to disciplinary action, including suspension or discharge.

Section 8. - Military Leave

- a) Any employee who leaves or has left a position in the employment of the Employer to enter active service in the Armed Forces of the United States has the right to be re-employed by the Company when such employee has completed the military obligation with full seniority and rights as provided by Federal Law.
- b) Employees leaving work for military service in the uniformed services shall be accorded all rights to which they are entitled under provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA).
- c) Employees on the active payroll will be granted a leave of absence upon request where they are required to participate in summer encampment training as a member of the National Guard or any U.S. Military Reserve as provided for by Federal Law and/or the laws of California, such leave shall be granted upon one (1) weeks advance notice to the Human Resource Department. Such leaves will be without pay and are in addition to the normal vacation, contractual holidays, and personal holidays to which the employees has earned, but the employee may take at his or her discretion vacation or personal holidays at the same time.
- d) In the event that the Uniformed Services Employment and Reemployment Rights Act (USERRA) is modified or otherwise changes the language in this section shall be made to conform with such modifications.

Section 9. All requests for leaves of absence must be in writing.

Section 10. Return to Work - At the end of any or all leave of absences as set forth in this Article, an employee shall be restored to employment with the Employer with full seniority to a position comparable to the one he held immediately prior to such absence, provided that the employee is physically able to efficiently perform work comparable to that preformed prior to such leave of absence. In restoring such employee to employment with full seniority, no employee who has actually worked a longer period of time for the Employer than the employee has worked shall be replaced.

Section 11. Should the employee exceed the leave of absence granted by the Employer and is subsequently terminated, the employee is entitled to vacation pay, personal holiday, and sick pay which he has accrued. A check with the normal payroll withholding deductions shall be forwarded to the employee with a notice that his employment has been terminated.

Section 12. An employee may not accept other employment while on leave of absence.

Section 13. Upon the employee's return from a medical leave of absence, he will return to his regular job provided he is released by a medical doctor and is deemed able to perform his regular job. If the Employer disputes a medical release, the Employer may send the employee to the Employer's doctor at the Employer's expense.

Article 12 - Sick Leave

The Company shall comply with the terms of the California Healthy Workplace Healthy Family Act of 2014 (AB 1522).

Article 13 - Subcontracting

The Company may subcontract work as it deems necessary so long as doing so does not permanently replace a bargaining unit employee. This does not affect the Company's ability to utilize temporary employees as specified in Article 9.

Article 14 - Seniority

Section 1. Defined- Regular and Probationary Employees employed by the Company in the classifications covered herein shall accumulate seniority as follows:

- a) Plant Seniority shall consist of the employee's total length of continuous service with the Company.
- b) Department Seniority shall consist of the employee's total length of service in a department in which he is working, dating from his most recent date of assignment to that department as a probationary or regular employee

- c) Classificational Seniority shall be the employee's total length of service in a job classification in which he is working, dating from his most recent date of assignment to that job classification as a probationary or regular employee.
- d) In the event two (2) or more employees have the same starting date in the department or job classification, then the Plant Seniority date shall prevail. Whenever the Company hires two (2) or more employees on the same day, the lowest employee id number shall determine plant seniority.

Section 2. Employees lose all seniority in the event of:

- a) Discharge
- b) Voluntary quit
- c) Failure to return from layoff within five (5) business days from the postmark of an official written notification by the Company.
- d) Layoff for a period equal to their length of service or twelve (12) months whichever is less or off work for any reason not to exceed twelve (12) months.
- e) Absence without notice for three (3) consecutive days.
- f) Failure to return from leave of absence on the date specified unless extension of said leave has been approved by the Company in writing.
- g) Acceptance of other employment while on a leave of absence without prior written permission of the Company.

Article 15 - Grievance Procedure

Section 1. Dispute Procedure- Should action by the Company cause any employee covered by this Agreement to become aggrieved, such employee shall, in writing, make his complaint to the Union within seven (7) calendar days of said action by the Company unless such grievance is provided for elsewhere in this Agreement. Thereafter, in writing, the Union shall notify the Company within fourteen (14) calendar days of receiving said grievance of the receipt of such grievance. Said written notice to set forth the provisions of the collective bargaining agreement which it is alleged to have been violated and the facts that give rise to the alleged violation. Thereafter, the Union and the Company shall have fourteen (14) calendar days in which to investigate and resolve said dispute.

Section 2. Arbitration- If the dispute is not resolved within the time period set forth in Section 1 of this Article then the Union may, within fifteen (15) calendar days of the expiration of the investigation [but not later than thirty (30) calendar days following the written notice of the Company of such grievance] demand that the dispute proceed to arbitration. Notice of the demand shall be given to the other party in writing. Failure on part of the Union to file or process a grievance within the time limits specified in this Article shall result in the grievance being ended.

Section 3. Selection - In the event of a demand for arbitration, the demanding party shall, within five (5) business days of making the demand, request the Federal mediation and Conciliation Service to supply a list of seven (7) arbitrators. Each party

shall thereafter alternately strike one (1) name from the list and the final name remaining shall be selected as the arbitrator.

Section 4. Fees - Only the fee of the arbitrator and the cost of a hearing room shall be borne equally by the parties. All other expenses such as expert witness fees, court reporters and other expenses not agreed to by both parties, shall be borne by the party requesting same. Any expenses incurred at the request of the arbitrator shall be born equally by bother parties. The findings of the arbitrator shall be binding upon the Union, the Company, and the employees(s) involved.

Section 5. The arbitrator shall not have jurisdiction to make an award which has the effect of amending, altering or changing any provision of this Agreement.

Section 6. The Union and the Company shall interpret this Agreement to be consistent with the Americans with Disabilities Act (ADA) and the seniority provisions of this Agreement. Should a dispute arise with respect to such issues and should the parties fail to reach agreement, such disputes shall be submitted to final and binding arbitration to determine an appropriate remedy under applicable law and this Agreement.

Section 7. Grievances involving wages, suspensions, terminations, other compensation must be filed within thirty (30) calendar days after the event giving rise to the grievance, and such wage and/or money claims shall not be valid or collectible for a period later than six (6) months prior to the date of filing of the grievance.

Section 8. If any employee claiming a violation of this Agreement elects to proceed to an administrative agency or to court during the pendency of the grievance or at any time prior to the issuance of the written opinion and award of an arbitrator, for the same reason as the grievance has been filed or for the same action giving rise to a grievance, the grievance will be considered to have been withdrawn without prejudice.

Section 9. Discipline forms - The Company will provide a copy of written forms of disciplinary action to the affected employee at the time of discipline and to the Union within seven (7) calendar days. However, failure to provide such forms shall not invalidate or lessen the discipline issued.

Section 10. No disciplinary action shall remain active on an employees' file for a period of more than twelve (12) months.

Article 16 - No Strike - No Lockout

During the term of this Agreement there shall be no work stoppage, strike, picketing, honoring of any picket line, slow down, sympathy strike, or withholding of production, or suspension of work on part of the Union, its members, or any employee covered by this agreement nor shall the Company lockout employees.

The Union shall not encourage or condone any activity which would violate this article. In the event of a breach of this provision, the Union shall immediately declare publicly and by the most expeditious means possible that such action is unauthorized and shall promptly order its members to resume their normal duties notwithstanding the existence

of any picket line. The Union further agrees that it will in no way interfere with the business of the Company by sanctioning or conducting a boycott on the handling of goods procured from a source or destined to a point where a labor controversy or dispute may exist.

The Company shall have the right to determine the discipline given to an employee or employee(s) for breach of this Article. The severity of the discipline imposed for such violation shall not be subject to arbitration; the Union shall, however, have the right to grieve the question of fact as to whether or not an employee or employees have breached any provisions of the Article.

Article 17 - Vacations

Section 1. Commencing with date of ratification, all regular full-time employees covered by this Agreement in the continuous service of the Company for:

- one (1) year or more shall receive one (1) week vacation.
- five (5) years or more shall receive two (2) weeks' vacation.
- ten (10) years or more shall receive three (3) week's vacation.

Section 2. Vacation pay is to be computed as follows:

- a) All eligible fulltime employees who have worked eighteen hundred (1,800) or more straight time hours in the completed anniversary year will receive forty (40) hours pay at their then straight-time hourly rate of pay.
- b) All eligible fulltime employees who have worked less than 1,800 straight-time hours in the completed anniversary year will receive prorated pay based on 1/52nd each period of forty (40) straight-time hours worked in the completed anniversary year.

Section 3. In computing straight-time hours worked for vacation eligibility purposes, hours paid for holidays, and paid vacation shall be deemed straight-time hours worked. For purposes of determining whether any employee has had continuous service with the Company, verified illness or injury, layoff or authorized leave of absence for up to thirty days (30) days, shall be counted as continuous employment.

Section 4. All vacations are to be taken by the employee's anniversary date of employment, which next follows completion of the vacation period. The Company reserves the right to unilaterally schedule vacation within a sixty (60) day period of the employee's anniversary date for any employee who has not scheduled and taken their vacation during their eligibility year. The Company shall provide the employee with two (2) weeks notice prior to unilaterally scheduling vacation.

Section 5. Upon termination of employment or discharge, an employee shall be paid their earned vacation on a pro rata basis after six (6) months from date of hire as a probationary employee.

Section 6. When a contractual holiday falls within the vacation period of an employee, such employee's vacation schedule shall be extended one (1) additional day if requested by the employee. Such request must be made by the employee at the time the vacation is scheduled. Such additional day will be paid at the holiday pay rate if such employee is otherwise eligible for such paid holiday.

Section 7. Vacation Schedule - A vacation schedule will be posted annually on or about January 15th and will remain posted for the employees to indicate their preferred vacation period for a sixty (60) day period. The Company reserves the right to limit the number of employees that are off at any time in accordance with production needs. In the event of a conflict in vacation requests, seniority will be the determining factor for vacation approval. Once an employee has had a vacation request approved, such request will not be revoked in the event a more senior employee requests the same period. The supervisor will return the vacation request to the employee within three (3) business days of the date that it was submitted indicating that the request has been approved or denied. If the request for vacation leave is denied, the supervisor will provide a reason on the form returned to the employee.

Section 8. Vacations may be taken in single day or weekly increments. Single days shall be defined as eight (8) hours for employees regularly schedule to work eight (8) hours and ten (10) hours for employees regularly scheduled to work ten (10) hours. One week shall be considered forty (40) hours. Employees who request a full week of vacation shall not be required to work the weekend of their vacation week.

Section 9. Vacation pay will be given to the employee on the pay day prior to the scheduled vacation provided the employee has obtained an approved request for vacation at least thirty (30) days prior to the commencement date of vacation and has indicated on such request that they want a vacation check prior to departure for vacation. Employees not obtaining an approved vacation pay request thirty (30) days prior to their scheduled date to commence vacation, or not requesting a special check, will receive their vacation pay on the next regularly scheduled payday.

Article 18 - Holidays

Section 1. The Company agrees to recognize the following paid holidays:

New Year's Day	Labor Day
Memorial Day	Thanksgiving Day
Independence Day (July 4th)	Christmas Day

Section 2. All holidays shall be observed on the day of the holiday.

Section 3. For employees who are regularly scheduled to work eight (8) hours in a workday they will be paid for eight (8) hours at their regular straight-time hourly rate for a designated holiday. Employees who are regularly scheduled to work greater than eight (8) hours in a workday (e.g. 10 hour schedule or 12 hour schedule) they shall receive their regularly scheduled number of hours in a workday at their straight-time hourly rate for a designated Holiday. All work performed on a holiday will be

compensated for at one and a half times (1 ½ X) the regular straight-time hourly rate in addition to the designated Holiday pay.

Section 4. In order to be eligible for holiday pay for the designated holidays set forth in this Article, the employee must:

- a) Be a regular employee,
- b) Have completed their probationary period prior to the day of the holiday,
- c) Have worked the full scheduled hours of their last scheduled shift before the holiday and their first full scheduled shift after the holiday unless absence for any or all of the scheduled shifts is due to:
 - (1) Approved vacation leave,
 - (2) Express permission from or action of the Company.

Section 5. It is understood and agreed that an employee must work one (1) full workday in the workweek in which the holiday falls or have returned from a leave of absence or vacation within the workweek following the holiday. The Company may not lay off employees to avoid their eligibility for holiday pay.

Section 6. Any employee scheduled to work on a holiday and fails to do so, will lose any eligibility they may otherwise have for holiday pay unless such failure to work is due to Section 4.c in this Article.

Section 7. Personal Holidays - Employees hired on or after July 1 of a given year shall be eligible for one (1) personal holiday to be taken during the remainder of that calendar year and shall be eligible for two (2) personal holidays each calendar year thereafter. Employees hired prior to July 1 of a given year shall be eligible for two (2) personal holidays each calendar year. Each employee shall give the Company no less than two (2) weeks advance written notice of the dates on which he wishes to observe his personal holidays. Personal holidays may not be celebrated in the same week as any of the other contractual holidays except by mutual agreement between the employee and the Company. The Company reserves the right to restrict the amount of employees celebrating their personal holiday when they conflict with operational needs. Any conflicting dates shall be settled by classificational seniority.

Section 8. The Company reserves the right to require any portion of the workforce to work on any holiday. If a full workforce is not required, the Company shall schedule employees by seniority (senior may junior must), of the employees who have the qualifications to perform the work, within the department where the work is needed.

Section 9. No employee may roll over their unused personal holiday from one year to the next.

Article 19 - Safety Committee

Section 1. The Company agrees that it has the sole responsibility to provide a safe workplace and to correct safety hazards, and that nothing in this Agreement shall imply that either the Local or the International Union has undertaken or assumed any portion of that responsibility.

Section 2. The Company and the Union recognize the priority and need for an effective Safety Program to provide safe working conditions for all employees. The Company and the Union agree to cooperate to set standards.

Section 3. The Joint Safety Program is designed to address safe working conditions within the plant.

Section 4. The Union specifically agrees, if requested by the Company, to provide any and all information it may have whether through surveys by its engineers, employee surveys or other formal means concerning cumulative trauma disorders within the workplace.

Section 5. While the Company fully retains the right to select and utilize such outside consultants as it deems, in its sole discretion, to be needed, the Company and the Union may discuss, and if mutually agreed, select consultants to assist the parties in safety matters.

Section 6. A Joint Company-Union Safety Committee composed of up to six (6) employee representatives designated by the Union and a number designated by the Company shall meet monthly. Meetings of the Committee shall be scheduled at such times, and in a manner, as to not interfere with the orderly operation of the plant. The total number of hourly employees on the committee may be greater than 6.

Section 7. The Safety Committee shall convene once each month and at such other times as the Safety Director of the Plant or the Company's designated representative shall determine in order to carry out its functions. The duties of the Committee shall include the review and the investigations of safety practices, rules, and safety conditions in the plant and the handling of safety complaints. The Company shall include a representative designated by the Union in all OSHA inspections, to the extent required by law or mutually agreed as beneficial to the safety effort. Any member of the Committee may introduce items concerning health and safety to the Committee's agenda.

Section 8. Prior to such monthly meetings, each-designated Committee member will be permitted to make an inspection of his assigned area of the plant. Additional inspections may be scheduled subject to such controls as the Safety Director or the Company's designated representative may impose.

Section 9. The Safety Committee shall review safety concerns and make recommendations to management as promptly as is feasible. The Company will give reasonable consideration to these recommendations and provide feedback to the Safety & Ergonomic Committee.

Section 10. Time spent by bargaining unit committee members in the performance of their duties as members of the Committee shall be compensated by the Company at their hourly rates.

Section 11. The Company will pay lost time for bargaining unit Safety & Ergonomic Committee members as may be necessary to attend safety training programs or seminars scheduled by management. The Company will provide unpaid leaves of absence for the Union selected bargaining unit committee members to secure training or attend seminars in occupational safety and health sponsored by the Union.

Section 12. The Company's Safety Director or the Company's designated representative shall verbally notify a designated bargaining unit Safety & Ergonomic Committee member of the occurrence of any accident resulting in and injury causing an employee to be hospitalized overnight. The designated bargaining unit Safety & Ergonomic Committee member and the Company's Safety Director or the Company's designated representative shall upon request review the circumstances causing the accident.

Article 20 - Job Bidding

Section 1. When a vacancy occurs within a Job Classification the Company shall post a bid for that Job Classification. The posting shall contain at a minimum the Job Classification, Rate of Pay and Shift. All Job postings shall be posted on Tuesday of each week and remain posted until Thursday of that week. Employees who so desire to move to the posted Job Classification may sign their name to the bid sheet. The most senior employee in the plant who has signed their name to a bid shall be awarded the opening. The vacancy created by moving an employee to their awarded position shall be bid in the same manner. The next vacancy so created shall be filled at the discretion of the Company. In the event an employee is disqualified the next most senior employee who signed the bid sheet shall be awarded the Job Classification. In the event the next most senior employee is unable to qualify the vacancy shall be filled at the discretion of the Company.

If any employee fails to show the necessary competencies for qualification within five (5) working days or they voluntarily disqualify themselves, or decline an offered position, they will be placed into their previously held classification and will be unable to bid on any position for a period of twelve (12) months.

Employees who move from one shift to another shall not be eligible to move to another shift for a period of twelve (12) months from the date they are moved.

No employee may move to more than one (1) position in a rolling six (6) months.

Under no circumstance shall the Company be required to allow more than twelve (12) employees to be awarded a bid on a different shift in ninety (90) calendar days.

Section 2. When a position for Team Lead or in Quality Assurance comes available the Company shall post an interest sheet in Human Resources for a period of five (5) working days. Employees interested in the position may sign the interest sheet. The

Company will select the candidate it believes is best suited, in its discretion, for the position. Employees must maintain acceptable attendance, safety performance, and a clean disciplinary record (no written warnings) to maintain their position as a Team Lead. Any employee who is unable to do so may be disqualified by the Company and placed in to any open position.

Section 3. Production employees interested in moving into maintenance may notify Human Resources at any time. Interested employees will be considered for an open position in maintenance providing they have the necessary mechanical aptitude as determined by the Company, good attendance, and no active written warnings. The Company shall make the final determination if a production employee will be eligible to join the maintenance department.

Section 4. The Company may cross train any employees as it deems necessary.

Section 5. The Company will post a list of jobs that are available to bid on the employee bulletin board in a consistent manner.

Article 21 - Layoff and Recall Rights

Section 1. Reductions in the workforce where the number of employees within a classification is being reduced shall be made on the basis of job classification seniority, provided the remaining employees have the skill, ability, and qualifications to perform in that job classification.

Section 2. A laid off employee may then exercise his bumping rights using departmental seniority of equal or lower pay which he had previously held, provided the bumping employee has the skill, ability, and qualifications to perform in that job classification.

Section 3. If an employee selected for layoff cannot bump within his department, he may bump to any job classification within the plant which he has previously held on a permanent basis for at least thirty (30) calendar days, provided he has more plant seniority than the employee he seeks to bump and provided the bumping employee has the skill, ability, and qualifications to perform in that job classification. Said bumping rights are extended to the employee being bumped.

Section 4. Recall of laid off employees, such recall shall be made in the inverse order of layoff, provided the recalled employee has the skill, ability, and qualifications to perform in that job classification.

Section 5. There shall be no temporary employees employed during a layoff or reduction of hours.

Section 6. Written notification of employee recall from layoff may be made by certified letter or telegram sent to the employees last known address with a copy sent to the Union. The Company will make all reasonable efforts to recall employees by seniority by telephone when immediate work is available. Employees returning to work within five (5) days of postmark of official recall notice will be returned in accordance with their

seniority. Employees shall keep the Company informed, in writing, of any changes of address.

Article 22 - Record Keeping

The Company is to keep time cards or time records in accordance with the applicable State and/or Federal law. Where no time clock is used, the Company shall see to it that weekly records are signed by the employee. Such records are to be available to a designated Union Representative for inspection upon reasonable notice as such records may relate to a specific grievance.

Article 23 - Wage Payments

It is agreed the method with which the Company pays the employees will state all deductions, hourly rates, hours worked, straight time and overtime. It is understood and agreed that the employees shall be paid on a weekly basis. It is agreed the method by which the Company can pay employees may include any acceptable means, to include, paychecks, cash, direct deposit, pay cards, debit cards, etc. If the Company elects to change its method of payment they will first meet with the Union and discuss the change.

Article 24 - Creation of a New Classification

If a new job classification is created, or current classification is significantly modified, the Company may establish an initial or new rate for such classification and notify the Union of such change. If requested by the Union within no more than thirty (30) calendar days of job experience, the Company shall negotiate with the Union for a permanent rate for such classification. Such negotiated rate will be retroactive to the date the job was established. If negotiation of such rate reaches an impasse and the parties are not able to reach a mutual agreement, the matter shall be submitted to the grievance and arbitration provision of this agreement.

Article 25 - Wage Rates

Wage rates set forth in this Agreement are minimums. Prior to increasing the base rate, specific job rate, job classification, or the implementation, modification, or deletion of an incentive plan the Company shall first meet with the Union to discuss such change.

Employees on second (2nd) and third (3rd) shift shall receive a fifteen cent (\$0.15) shift premium following sixty (60) calendar days of employment on the shift.

The first (1st) Monday following ratification the Production Job Classifications shall be as follows:

Classification 1	\$11.50
Classification 2	\$12.50
Classification 3	\$13.00
Classification 4	\$13.50
Classification 5	\$14.00
Classification 6	\$14.50

November 13, 2017: Production Job Classifications shall be increased by twenty-five cents (\$0.25) effective on the first Monday following the first anniversary date of ratification.

November 12, 2018: Production Job Classifications shall be increased by fifty cents (\$0.50) effective on the first Monday following the second anniversary date of ratification.

November 11, 2019: Production Job Classifications shall be increased by one dollar (\$1.00) effective on the first Monday following the third anniversary date of ratification.

The first (1st) Monday following ratification the Maintenance ranges shall be as follows and all maintenance employees shall receive a thirty cent (\$0.30) increase:

MI	\$18.00 - \$22.00
M2	\$22.00 - \$26.00
M3	\$26.00 - \$30.00

The Company may hire employees and move current employees who gain additional knowledge and skill within these ranges.

November 13, 2017: Maintenance ranges shall be increased by thirty cents (\$0.30) effective on the first Monday following the first anniversary date of ratification.

November 12, 2018: Maintenance ranges shall be increased by thirty cents (\$0.30) effective on the first Monday following the second anniversary date of ratification.

November 11, 2019: Maintenance ranges shall be increased by fifty cents (\$0.50) effective on the first Monday following the third anniversary date of ratification.

Article 26 - 401(k) Plan

401(k) Plan

The Company will implement a 401(k) Savings Plan for eligible employees. This Plan will include the following:

- Employee deferral at time of hire;
- Company matching contribution after twelve (12) months of Service;
- 50% on the first 4% deferred by the employee;

- Company match may be made in JBS Stock or American Depositary Receipts “ADRs.”

Employee vesting in company match will continue as follows:

- 20% after 2 years
- 40% after 3 years
- 60% after 4 years
- 100% after 5 years

Participants will continue to pay all current fees and the administrative fees to process a Qualified Domestic Relations Order (QDRO).

Article 27 - Health and Welfare

Section 1.

During the term of this Agreement, the Company will maintain a benefits program for all bargaining unit employees who are under the terms of this agreement. This Article will provide a general description of those benefits. The plan document, which is incorporated by reference herein and which may be amended from time to time, will provide the specific terms regarding the rights of the parties and the details of these benefits and will control in the event of a conflict or discrepancy between the general description provided below and the plan document.

Employees shall become eligible to enroll in the Company’s medical plan after ninety (90) days on the active payroll.

Section 2.

In the event any future or further Health Care Reform legislation or regulations are enacted or adopted, representatives of the Company and Union will meet to determine the impact of such legislation or regulations on the Company’s Comprehensive Healthcare plans.

Section 3.

As in the past, the Company retains the right to select all vendors, third party administrators, service providers, provider networks, and control over all administrative matters relating to the plans, and modify the terms and conditions for each benefit plan unless otherwise stated in the Benefit Exhibits provided to the Union.

The Company may add, modify, delete or amend any of the benefit initiatives listed below. The Company will discuss any addition, modification, deletion or amendment of a benefit initiatives with the Union prior to any change.

Pregnancy Care Initiatives
 Radiology Networks & Utilization
 Referenced Based Pricing (RBP)
 Benefits Value Advisors (BVA)
 Brand Buy Up / Mandatory Generic Utilization
 Alternative Tiered Network
 High Performance Networks
 Prescription Drug Plans

Voluntary Products

Additionally, the Company may add other benefit initiatives by mutual consent of the Company and the Union. Should the Union not agree with the initiative, the Company and Union's benefit actuaries will meet and review whether the initiative will provide a cost savings for the plan and the employees. In the event the actuaries agree that the initiative will provide a cost savings for the plan and the employees, the Company shall have the ability to implement the initiative; if the actuaries cannot agree that it will provide cost savings to the plan and employees, the matter may be referred to an arbitrator where the only matter to be decided is whether the addition, modification, or amendment of the other benefit initiative will provide cost savings for the plan and the employees. If the arbitrator rules that it will provide cost savings, the Company may enact the initiative; if the arbitrator rules that it will not provide savings, the Company may not enact the initiative. To that end it is agreed that all disputes arising under the group insurance program in so far as they relate to coverage will be determined as set forth in the group insurance plan and as allowed by ERISA and no such dispute will be subject to the grievance and arbitration provisions of this agreement.

Section 4.

During the term of this Agreement, the Company will make available a Dental Plan for eligible employees after ninety (90) days on the active payroll. Employees will pay the full cost, claims and administrative costs of the plan.

Section 5.

During the term of this Agreement, the Company will make available a Vision Plan for eligible employees after ninety (90) days on the active payroll. Employees will pay the full cost, claims and administrative costs of the plan.

Section 6.

The Company will provide to eligible employees a term group life insurance policy in the amount of fifteen thousand dollars (\$15,000) fully paid by the Company. Employees may, at their option, purchase additional life insurance in accordance with the terms of the plans established by the Company. Optional life insurance premiums will be handled on a payroll deduction plan.

Section 7.

Long Term Disability - Regular, full time employees will become eligible on the first day of the calendar month, after completing six (6) months of service, to enroll in the Long Term Disability Insurance Plan.

Employees who elect to enroll for coverage will pay, by payroll deduction, the premium cost for the coverage they select.

Section 8.

If covered services are not available through the network they will be processed as an in-network claim. If the services are available through the network and the services are provided outside of the network, regardless of a referral, the services will be processed as an out-of-network claim.

Benefits Plan		
Medical	In-Network	Out-of-Network
Calendar Year Deductible	\$1,600 / \$3,200	\$4,000 / \$8,000
Company Funded HR/V	\$500 / \$1,000	Same as In Network
Coinsurance	80%	50%
Out-of-Pocket Maximum	\$5,000 / \$10,000	\$12,500 / \$25,000
PCP Copay	Ded. and Coin.	Ded. and Coin.
Specialist Copay	Ded. and Coin.	Ded. and Coin.
Emergency Room	Ded. and Coin.	Ded. and Coin.
Urgent Care	Ded. and Coin.	Ded. and Coin.
Preventive Care	100%	Ded. and Coin.

Weekly Contributions	
Tier	2016
EE Only	\$19.87
EE+S	\$44.87
EE+C	\$34.87
EE+F	\$59.25

- During the term of the agreement, the Company and the Union may reach mutual agreement on changes in plan design (items above) in an effort to curb increases to employee's weekly contribution while maintaining net cost.
- Spousal Surcharge - If members choose to elect spousal coverage for a spouse who is eligible for coverage under his or her employer's health plan, they will pay an additional twenty-five dollars (\$25.00) per week.
- Tobacco Surcharge - If a member or a covered dependent uses tobacco products, medical premiums will be an additional ten dollars (\$10.00) per week.
- Unused HRA funds shall rollover from one year to the next.
- Beginning at the ratification of this Agreement the weekly contributions paid by employees covered by this Agreement shall not exceed twenty-five percent (25%) of the cost of the Company's medical plan. The Company shall determine the cost of its medical plan consistent with past practice (See Separate Letter of Understanding).

Article 28 - Savings Clause

It is agreed in the event any provision in the contract is finally determined to be contrary to State or Federal law, government rule or regulation, such provision shall be suspended and of no effect until such time as the Company and the Union agree upon a satisfactory substitute. All other provisions of the Agreement, however, shall remain in full force and effect for the period specified in the Agreement.

Article 29 - Term of Agreement

It is further agreed between the parties that this Agreement, except as otherwise specifically stated herein, shall be in effect from November 14, 2016 and shall remain in effect through midnight November 16, 2020, and from year to year thereafter subject to the termination by either party giving written notice to the other party no less than sixty (60) days prior to November 16, 2020, or prior to November 16, of any year thereafter.

Section 2. The parties to this agreement hereby agree that within sixty (60) days before the end of the third (3rd) year of this agreement, they will meet and confer regarding the terms and conditions of this agreement. No changes shall be made without mutual agreement of the parties. They further agree that they will renew this agreement and all of its terms for one (1) additional year beyond the third year of the agreement.

IN WITNESS WHEREOF the duly chosen Representative of the parties hereby affirm that they have the authority to enter into this Agreement on behalf of themselves and their principals and hereto affix their hands and seals.

Executed this _____ day of _____, 2017.

FOR THE COMPANY:

FOR THE UNION:

SWIFT BEEF COMPANY

UFCW UNION LOCAL 1167

Exhibit A - Job Classifications

Job	Classification
Product Handler	1
Styler	1
Denestor Operator	1
Index Line Material Handler	1
Material Handler	1
Product Handler	1
Janitor	1
Sanitation	2
OCC Material Handler	•2
Kabab Operator	2
Knife Sharpener	2
Mixer Operator	2
Trimmer/Wizard	2
Slicer Operator	2
OCC Material Handler	3
Knife Skills	3
Flex Line Operator	3
Tray Overwrap Operator	3
Labeler Operator	4
Flow Wrap Operator	5
Bandsaw Operator	5
Yard Driver	5
Recycling Clerk	5
Warehouse Attendant	5
Quality Assurance Tech Skilled	6
Quality Raw Material Auditor	6

*Team Leads shall receive one dollar (\$1.00) per hour over the highest classification in the area they are assigned.

Maintenance Ranges

Facility maintenance Tech	M1
General Maintenance Tech	M2
Certified Maintenance Tech	M3
Automation Tech	M3

Letter of Understanding - Joint Labor Management Committee

The Company and the Union, in order to improve communications and Labor Management Relations agree to establish a Labor - Management Committee. Issues that will be discussed will include but not limited to multi-cultural workforce issues, worker's compensation and working environment. This committee shall consist of an equal number of six (6) participants from both the Company and the Union. The Company shall have the General Manager or their designee and the Human Resources Director or their designee. The remaining Company participants shall be assigned as needed. The Union shall have the Union President or their designee and the Secretary Treasurer or their designee. The remaining Union members shall be assigned as needed. The Committee shall meet at least quarterly on a mutually agreed time and date.

Executed this _____ day of _____, 2017.

FOR THE COMPANY:

FOR THE UNION:

SWIFT BEEF COMPANY

UFCW UNION LOCAL 1167

Letter of understanding - Maintenance Training Program

During the negotiations that led to this agreement, the Company and the Union had significant discussions related to the training, testing, advancement, and wage rates of Maintenance employees.

In the event the Company implements a maintenance training and testing program it shall first meet with the Union to discuss such implementation. The purpose of such meeting shall be to review the required skills for each classification, training of employees, and testing for advancement.

The Company may at its discretion change the provider of training, the location of the training, the courses necessary to receive wage increases, and the subject matter of those courses.

In the event of a change in the training courses, training location, or the subject matter of the training courses, the Company will discuss such change with the Union prior to its implementation.

Executed this _____ day of _____, 2017.

FOR THE COMPANY:

FOR THE UNION:

SWIFT BEEF COMPANY

UFCW UNION LOCAL 1167

Letter of Understanding

Vacations

At the time of ratification employees who currently receive a higher accrual or number of weeks of vacation than those specified herein shall not receive a reduction in the amount of vacation they receive per year or the rate they accrue such time.

Executed this _____ day of _____, 2017.

FOR THE COMPANY:

FOR THE UNION:

SWIFT BEEF COMPANY

UFCW UNION LOCAL 1167

Letter of Understanding

Red Circle

At the time of ratification of this Agreement any employee who is receiving a rate of pay which is higher than the rate for their assigned job as specified in this Agreement shall receive an increase of forty cents (\$0.40) per hour.

Following such increase, "red circled" employees shall have their rate of pay increased by forty cents (\$0.40) per hour on the dates that Production Job Classifications are increased as defined in Article 25, Wage Rates.

The "red circle" shall end at such time as the rate of the job they perform is greater than or equal to their "red circled" rate, they bid to another position, their employment with the Company ends, or they are unable to perform the functions of the position they held and the commencement of the "red circle" period. Once the "red circle" period has ended the employee will receive the rate of pay assigned to their job.

Executed this _____ day of _____, 2017.

FOR THE COMPANY:

FOR THE UNION:

SWIFT BEEF COMPANY

UFCW UNION LOCAL 1167

Letter of Understanding
Plant Health Education Committee

Its agreed by the parties that if a joint Plant Health Education Committee is formed between the parties it will consist of at least four (4) union and four (4) management representatives. Any lost time for attending the meeting will be paid for by the Company. The committee will follow the guidelines listed below:

- Transparency of information in full compliance with HIPPA;
- Joint definition of facility specific opportunities and development of strategy to address:
 - Non-plan design initiatives;
 - Health education programs;
 - Wellness initiatives;
 - Benefit education programs

Executed this _____ day of _____, 2017.

FOR THE COMPANY:

FOR THE UNION:

SWIFT BEEF COMPANY

UFCW UNION LOCAL 1167

Letter of Understanding

THIS AGREEMENT by and between Swift Beef Company for its Riverside, CA facility, hereinafter referred to as "Company", or his duly authorized representative, and UFCW LOCAL 1167, and the United Foods and Commercial Workers International Union, hereinafter referred to as Union.

The Company and the Union have had significant discussions related to employees being transferred from the Company sister facility located in Santa Fe Springs, CA to the Company's facility located in Riverside, CA.

The Company shall provide the Union with a list of "Preferred Transfer" employees. The parties agree that these employees, if transferred, shall maintain their seniority for the purposes of benefits purposes (medical, vision, dental, vacation, etc...). However, for the purposes of layoff, recall, job transfers or bidding these employees shall accrue seniority from the date they transfer to the facility. In the event the Company determines it is necessary to red circle these employees at their current rate of pay it may do so. The red circle shall end for these employees if they change positions from the original transfer position, termination of employment, medical restrictions that prevent the employee from performing the required functions of the position, or the rate of pay for position they are transferred to is greater than or equal to their red circled rate. If the Company determines that red circling a Preferred Transfer employee's rate will not be necessary, then the employee shall be paid the rate of the position in which they are transferred to.

The parties agree that any other transfer employees shall maintain their seniority for the purposes of benefits purposes (medical, vision, dental, vacation, etc...). However, for the purposes of layoff, recall, job transfers or bidding these employees shall accrue seniority from the date they transfer to the facility.

For the Company:

For the Union:

Letter of Understanding

This Agreement by and between Swift Beef Company for its Riverside, CA facility, hereinafter referred to as the “Company”, or its duly authorized representative, and UFCW Local 1167, chartered by the United Food and Commercial Workers International Union, hereinafter referred to as the “Union”.

During the implementation of the second shift operation the below employees were transferred from first shift to second shift. Six (6) months following the ratification of the collective bargaining agreement between the Company and the Union, the below employees will be provided the opportunity to return to first shift, if they so desire, under the following terms:

- The Company shall make a signup list available for employees to sign if they desire to move back to first shift. This list shall be available for thirty (30) days. Employees who do not sign this list within the thirty (30) days shall not be eligible to move under this Letter of Understanding.
- Employees who sign the list will be offered the first open position, on first shift, that is the same or higher classification as the classification they are currently assigned. This shall be done in order of Seniority of those who signed the list. If an employee declines the offer, they shall be removed from the list and will no longer be eligible to move under this Letter of Understanding.
- Employees who accept an offered position shall be considered to have won the bid for that position as defined in the collective bargaining agreement.
- The Company shall not be required to offer openings to more than ten (10) employees per month.

Following six (6) month from the end of the thirty (30) day signup period this Letter of Understanding shall expire and no longer be in effect.

It is agreed that positions offered through this Letter of Understanding shall be made prior to the position being placed for bid, if required to do so under the terms of the collective bargaining agreement.

If, within thirty (30) days of the ratification of the collective bargaining agreement it is realized that an employee was included or excluded from this list in error such name shall be removed or added. After thirty (30) days from ratification no modifications to the list may be made.

Moved employees:

ID	Name	Position	Dept
587907	Diaz, Jacqueline	Index Material Handler	PORK PM
598529	Lourdes Beltran, Maria	Index Material Handler	PORK PM
3108525	Montes, Alfredo	Slicer Operator	PORK PM
595181	Fernandez, Jaqueline	Trimmer Wizard Operator	PORK PM
586754	Callente, Lidia	Trimmer Wizard Operator	PORK PM
586732	Byrd, Robert	Band Saw Operator	PORK PM

598514	Gutierrez, Blanca	Styler	PORK PM
598036	Lopez, Minerva	Styler	PORK PM
3105298	Luisgiles, Bertha	Styler	PORK PM
3108522	Hernandez Joseph	Band Saw Operator	OFFALNA PM
1015047	Garcia, Navidad	Trimmer Wizard Operator	OFFALNA PM
1015161	Hernandez, Kathryn	Trimmer Wizard Operator	OFFALNA PM
1014988	Valle, Flora	Trimmer Wizard Operator	OFFALNA PM
1015180	Villanueva Maria	Trimmer Wizard Operator	OFFALNA PM
1015000	Antonio Avalos Ana I	Trimmer Wizard Operator	OFFALNA PM
1015004	Rodriguez, Ma	Trimmer Wizard Operator	OFFALNA PM
589357	Villegas, Estela	Styler	OFFALNA PM
595182	Hernandez, Juana	Styler	OFFALNA PM
3108346	Partida Ana	Styler	OFFALNA PM
595192	Padilla, Lourdes	Styler	OFFALNA PM
1015111	Mendoza Servin, Tomas	Team Leader	SEALING PM
595761	Buenrostro, Laura	Tray Overwrap Operator	SEALING PM
597343	Perez, Jose Francisco	Flow Wrap Operator	SEALING PM
1015160	Sanchez, Tammy	Tray Overwrap Operator	SEALING PM
3103433	Silva, Angel	Occ Material Handler	SEALING PM
587088	Ornelas, Winter	Labeler	SEALING PM
588181	Quintero Osvaldo	Flow Wrap Operator	SEALING PM
595180	Metza, Brianna	Bizerba Operator	SEALING PM
1015146	Vargas Maria	Trimmer Wizard Operator	BEEF 1ST
1015104	Loez, Eduardo	Team Leader	BEEF 1ST

For the Company:

For the Union:
