



CARGILL MEAT SOLUTIONS

**COLLECTIVE BARGAINING
AGREEMENT**

BETWEEN

**CARGILL MEAT SOLUTIONS
FRIONA, TEXAS**

AND

**UNITED FOOD Y COMMERCIAL
WORKERS
DISTRITO LOCAL #540**



April 29th, 2025 – April 28th, 2030



ENGLISH AND SPANISH

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AGREEMENT

THIS AGREEMENT is made and entered into between CARGILL MEAT SOLUTIONS CORPORATION, Friona Division, Friona, Texas, hereinafter referred to as the "Company"; and the UNITED FOOD AND COMMERCIAL WORKERS DISTRICT LOCAL #540, hereinafter referred to as the "Union".

ARTICLE 1 **RECOGNITION**

Section 1: The Company recognizes the United Food and Commercial Workers District Local #540, as the sole and exclusive collective bargaining agency for all employees in the bargaining unit which includes all production, maintenance, warehouse, construction and cartage employees of CARGILL MEAT SOLUTIONS Corporation, at the plant in Friona, Texas, excluding office clerical employees, timekeepers, medical department employees, over-the-road and city truck drivers, hot beef and paying and billing scalers, professional employees, foremen, assistant foremen, watchmen, guards and supervisors as defined in the Act.

Section 2: This Agreement constitutes the entire agreement between the parties and all matters properly subject to negotiation have been settled and disposed of for the term of this Agreement, whether specifically covered in the Agreement, or not.

ARTICLE 2 **PURPOSE OF AGREEMENT**

Section 1: It is the intent and purpose of the parties hereto that this Agreement shall promote and insure harmonious relations, cooperation and understanding between the Company and its employees, set forth rates of pay and other conditions of employment to be observed between the parties hereto.

Section 2: It is recognized by both parties that they have a mutual interest and obligation in maintaining friendly cooperation between the Company and the Union which will permit safe, economical and efficient operation of the plant.

Section 3: In recognition of the mutuality of interest and desiring to provide maximum opportunity and job security for its members in this plant, the Union pledges its cooperation in promoting customer and consumer acceptance of the Company's product.

ARTICLE 3 **POLICY**

The Company and the Union agree that they will not discriminate against any employee or applicant for employment because of race, sex, color, creed, nationality, age, religion, veteran status, handicaps (parties will comply with the Americans with Disabilities Act), national origin, citizenship status or membership or non-membership in the Union.

ARTICLE 4 **MANAGEMENT RIGHTS**

Section 1: The management of the plant and the direction of the working force, including the right to hire, suspend, discipline or discharge for cause, to assign jobs, to determine the qualifications and the ability of the employees, to transfer, promote, or demote employees, to increase and decrease the working force, to determine production standards, to determine products to be handled, produced or manufactured, the schedules of production and the methods, processes, and means of production handling, are vested exclusively in the Company; provided this will not be used for the purpose of discrimination against any employee or to avoid any of the provisions of the Agreement.

Section 2: It is mutually agreed that the Company retains all management rights and prerogatives heretofore held, except such rights as are specifically relinquished herein.

Section 3: Foremen or other personnel may perform any duties that are necessary in the conduct of the business and do not result in displacement of bargaining unit employees.

ARTICLE 5
COMPANY AND UNION RESPONSIBILITIES

Section 1: During the term of this Agreement there shall be no strike, stoppage, deliberate withholding of production or suspension of work on the part of the Union or its members or lockout on the part of the Company. 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 may exist.

Section 2: The Company shall have the right to determine the discipline given an employee or employees for breach of this Article, and such discipline will not be subject to the grievance procedure. The question of fact as to whether or not any particular employee has engaged in or participated in any such violation may be subject to the grievance procedure in the Agreement including arbitration; finding a violation on the part of any employee, the arbitrator must also find that a violation of the Agreement has occurred.

ARTICLE 6
CHECKOFF

Section 1: Except where prohibited by law each employee shall, as a condition of employment, be a member of the Union after the effective date of this Agreement or thirty (30) days after his date of employment, whichever is the later, and shall be required to remain in good standing with the Union for the duration of the contract except as provided under the terms of an appropriate check-off Authorization submitted by the Union.

Section 2: The Company shall deduct for each employee who shall authorize in writing on an appropriate form submitted by the Union for a period of the Agreement and so long as such authorization shall remain in force from the first payroll week the regular weekly Union dues or Union representation fees for the current week. Employees who have authorized such deductions and who are not at work in any week shall have their Union dues or representation fees deduction made in the next payroll week they work. Deductions for newly hired employees will be

made in the first payroll week following receipt of the payroll deduction authorization. The initiation fee of the union shall be deducted by the Company, if due and owing, and authorized as aforesaid, in the same manner as the dues or representation fees. Both initiation fee and the weekly Union dues or representation fees shall be remitted promptly by the Company to a duly designated officer of the Union. The Union shall advise the Company in writing of the name of such officer.

Section 3: The Union, its officers and members shall not intimidate or coerce employees to cause them to join the Union. The Company and its representatives shall not intimidate or coerce employees to cause them not to join the Union. All employees shall be informed of the contract between the Company and the Union at the time they first report to work.

Section 4: Upon written request by the employee, on a proper form, the Company shall deduct political contributions and remit same promptly to the Union.

Section 5: Upon written request by the employee on a proper form, the Company shall deduct each week, authorized Credit Union deductions for the employee's personal savings or loan account only. Credit Union deductions will be remitted promptly to said Financial Institution to the employees personal account only.

Section 6: The Union shall indemnify and save the Company harmless from any claims, suits, judgments, attachments, and from any other form of liability as a result of making any deduction in accordance with the foregoing sections of this Article.

ARTICLE 7 **HOURS OF WORK**

Section 1: The work week for payroll purposes shall start at 12:01 A.M. on Monday and end on midnight Sunday evening.

Section 2: Hours of work shall be scheduled in line with production requirements and employees will be notified in advance of changes in shift schedules except where such change is due to circumstances beyond the control of the Company.

Section 3: Time and one-half (1 1/2) will be paid for all hours worked in excess of forty (40) in any one week or eight (8) in one day except as provided under Section 10 of this Article.

Section 4: Regular full-time employees working on holidays shall receive their regular holiday pay and shall be paid twice their regular rate for work actually performed on such holiday.

Section 5: Regular full-time employees working on Sundays, with the exception of regularly scheduled maintenance, warehouse, rendering or yard employees shall be compensated at twice their regular hourly rate. Maintenance, warehouse, rendering or yard employees shall, when working on a day designated as their Sunday in lieu of the calendar Sunday, be compensated at twice their regular hourly rate for work performed on the Sunday.

Section 6: For the purpose of computing pay for hours worked on Sunday or paid holidays, a shift cutting across two (2) calendar days shall be treated as work on the day which the shift begins. Regular starting times will not be temporarily changed for the purpose of avoiding overtime or double time pay under this section.

Section 7: Overtime work in a department shall be offered by seniority, to senior qualified employees. The Company will follow the policy of “senior employee may, junior employee must.” If no junior qualified employee(s) is available to perform the work, the Company will assign the work to qualified employees in reverse order of seniority until the Company has enough qualified employees to perform the work.

Section 8: There shall be no pyramiding of daily and weekly overtime. Any work performed on a holiday, Sunday or day designated in lieu of Sunday, as provided for in Sections 4 and 5 of this Article, shall be paid at twice their regular hourly rate only, and these hours shall not be used in computing weekly overtime.

Section 9: Regularly scheduled maintenance and warehouse employees who work a twelve (12) hour schedule per day, a minimum of three (3) working days per week will be paid time and one half (1 1/2) for all hours worked in excess of forty (40) in any one week or twelve (12) hours in any one day. For employees working

twelve (12) hour shifts, four (4) days a week, shift schedule changes will only be made at the beginning of a work week. In the event that the Company determines to change the shift schedule(s) for maintenance employees currently working the four (4) twelve (12) hour shifts, the Company agrees to discuss with the union the effects of such changes. Contractual disputes concerning such shift changes are subject to the grievance and arbitration procedure as outlined in Article 18.

Section 10: Regular full-time employees who work the hours as directed during the first five work days shall be paid time and one-half (1 1/2) for all hours worked on the sixth (6th) work day. Unscheduled work days except holidays do not count as a day worked for the purpose of computing overtime.

Section 11: Effective January 1, 2021 no employee will be allowed to work more than seventy-two (72) hours per week. During the third (3rd) year of the agreement, the Company and the Union will meet to discuss implementation of a sixty-five (65) hour per week maximum.

ARTICLE 8 **MEALS AND REST PERIODS**

Section 1: A lunch period shall be scheduled between four and one half (4 ½) and five and one half (5 ½) hours from the start of the employee's shift. If no such lunch period is scheduled at the end of five (5) consecutive hours of work, then all time worked in excess of five (5) hours and until a meal period is granted by the Company shall be compensated for at time and one-half (1 1/2); provided that employees may be required to work five and one-half (5 1/2) consecutive hours to finish a day's work. The Company will schedule not less than one-half (1/2) hour nor more than one (1) hour for lunch. In the event the Company elects to change length of the lunch period, it shall give notice prior to the end of the employees' shift the day prior to the change.

Section 2: Employees will receive paid fifteen (15) minute rest periods as follows:

A. One rest period scheduled at any time during the third (3rd) hour of work on each day.

B. A second rest period scheduled in the second (2nd) half of any work day **after an employee has completed eight (8) hours and twenty (20) minutes after operations have started**; however, this rest period shall not be scheduled earlier than two (2) hours after the lunch period.

C. A third rest period as scheduled in any work day which exceeds ten (10) hours, plus an allowance of Five Dollars (\$5.00) for the purpose of purchasing a meal, except as provided under (E) below.

D. Additional rest periods for each work day shall be scheduled each two (2) hours and fifteen (15) minutes after the end of the third (3rd) rest period.

E. Regularly-scheduled maintenance and warehouse employees who work a twelve (12) hour schedule per day, four (4) days per week, will receive a third (3rd) rest period as scheduled in any work day which exceeds ten (10) hours, plus an allowance of Five Dollars (\$5.00) for the purpose of purchasing a meal in the event the work day exceeds twelve (12) hours.

F. For the purpose of this Article, a work day which exceeds five and one-half (5 1/2), eight (8), ten (10), or twelve (12) hours shall be deemed a day in which the employee(s) work at least seven (7) minutes in excess of the aforementioned periods.

Section 3: Maintenance employees will be granted a scheduled unpaid lunch period, and if required to return to work after taking lunch, but before the lunch period is finished, the employee will be paid for the entire thirty (30) minutes.

ARTICLE 9 GUARANTEE

Section 1: Unless notified of a layoff on or before Saturday of the prior week, all regular full-time employees will receive a weekly guarantee in the amount of thirty-six (36) hours pay at their straight time rate, provided, however, the company may change the weekly guarantee to thirty-two (32) hours in a maximum of five (5) consecutive days (Monday through Friday

or Tuesday through Saturday); not more than ten (10) times per contract year, provided the Company gives notice of intent to reduce the guarantee by Friday of the preceding week.

The guarantee shall be reduced by time absent for any reason for six (6) hours each full day in which the plant is unable to operate because of fire, explosion, power failure, storm, strike or boycott by a labor union or other similar group. Holiday pay will be considered part of the thirty-six (36) or the thirty-two (32) hours guaranteed pay, whichever is applicable.

Section 2: The guaranteed work week shall apply only in regular full-time employees who commence work on the first scheduled day of the work week. Employees displaced because of operations of the seniority provisions shall receive pay for only those hours worked in the week hired or displaced.

Section 3: Employees called to work will be provided with a minimum of four (4) hours work or pay in lieu of work provided that the guarantee provisions will not apply in the event of breach of Article V, Section 1.

Section 4: Employees who are called to work outside their regular work schedule after once going home for the day and not at a time when such work merges with their regular shift shall be guaranteed four (4) hours work at one and one-half (1 1/2) times their regular rate of pay in lieu thereof and the employee will be permitted to work his regularly scheduled shift. Employees called to work outside their regular shift and such work does merge with their regular shift shall be paid in accordance with Article VII, Section 3, and will be permitted to work their regular shift.

ARTICLE 10 **HOLIDAYS**

Section 1: The following days will be observed as paid holidays: New Year's Day, Memorial Day, The Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, the day before or after Christmas as the Company may decide and employees' birthday. The Christmas Eve Holiday will be observed, at the Company's option, on the employees' last or first regularly

scheduled workday before or after the day actually observed as the Christmas Holiday. Nothing in the contract will prohibit the Company and the Union from mutually agreeing to change a contract holiday to another day other than the observed holiday.

Section 2: All regular, full-time employees shall receive (8) hours straight time pay for each of the above holidays not worked, providing they meet the following qualifications:

A. An employee must work or be on an excused absence the scheduled work day before and the scheduled work day following a holiday to receive holiday pay. Absence because of illness must be supported by a doctor's certificate. An employee, who is over three hours late either the scheduled work day before or after a holiday, will be ineligible to receive holiday pay.

B. When a holiday falls on Sunday, the following Monday shall be observed. except for Maintenance department employees who will observe Sunday as their holiday.

C. Maintenance and warehouse employees who are scheduled to work regular 10 or 12 hour shifts will be paid accordingly in the event a holiday falls on their regularly scheduled work day. If the holiday falls on their day off, 8 hours of holiday pay will be paid.

D. Employees receiving Workers' Compensation Disability payments or Cargill Meat Solutions Occupational Benefit Program payments will not be eligible for Holiday pay.

Section 3: Nothing in the contract will prohibit the Company and the employee from changing the employee's birthday holiday to another day when it is mutually agreeable between the Company and the employee, such agreement will be reduced to writing. If the employee's birthday falls on an observed holiday, the birthday holiday may be observed either the scheduled work day before the holiday or the scheduled work day after the holiday as mutually agreed (such agreement reduced to writing) between the company and the employee.

ARTICLE 11 **VACATION**

Section 1: Regular full time employees who complete one (1) full year of service with the Company will be granted one (1) week of paid vacation, which may be taken at any time, with Management approval, during the second year of service. The Company agrees to grandfather any current non regular full-time employee as of the date of ratification. Employees who complete three (3) full years of service will be granted two (2) weeks of paid vacation. This vacation may be taken at any time, with Management approval, during the fourth year of employment. Employees who complete ten (10) full years of service will be granted three (3) weeks of paid vacation. This vacation may be taken at any time, with Management approval, during the eleventh year of employment. Employees who complete fifteen (15) full years of service will be granted four (4) weeks of paid vacation. Employees who complete twenty-five (25) full years of service will be granted five (5) weeks of paid vacation. One (1) week of paid vacation is interpreted as forty (40) hours of pay at the employee's straight time hourly rate or two percent (2%) of the annual earnings as indicated by the previously issued W-2, whichever is greater.

Section 2: To qualify for paid vacation, the employee must have passed his anniversary date, except as provided in Section 11, and have worked at least forty (40) weeks during the preceding anniversary year; for the purpose of this section only, a week in which the employee works at least one (1) day will be counted as a week "worked". Credit will be given in any one anniversary year for weeks missed because of vacation, a maximum of twelve (12) consecutive weeks for compensable injury and a maximum of eight (8) consecutive weeks of sick leave.

Section 3: Employees with ten (10) years of service or more who have worked at least twenty (20) weeks will receive seventy-five (75%) of their vacation allotment. For purposes of this section only, a week in which the employee works at least one (1) day will be counted as a week worked.

Section 4: Employees who have qualified for a vacation under Section 2 at the time their employment is terminated will be paid for such vacation earned but not taken. Employees who terminate their employment will not be paid vacation during the year in which they terminate.

Section 5: The vacation will be scheduled from February 1 to March 31 of each year. It is recognized, however, that the Company must approve the vacation schedule in order to insure regular and efficient production. A vacation schedule shall be prepared and posted by April 15 of each year. Employees will be given their preference of vacation based on department seniority provided the choice is made prior to April 1. After April 1, a senior employee may not change his choice if it interferes with another employee's choice. Employees with more than one (1) week's vacation will not be required by the Company to split their vacation, but may split their vacation with the Company's approval. It is understood that employees with less seniority may be required to split their vacation if available dates have been taken by employees with greater seniority. The Company retains the right to schedule vacations, however, in no event will the employee's vacation be re-scheduled less than thirty (30) days prior to his vacation date unless the employee agrees; provided he has designated his vacation preference prior to April 1 and it has been approved by the Company at that time. During the time that vacation scheduling is taking place, as described in this section, union designated representatives will be permitted to review the scheduling process to determine if it is being properly administered as per this section.

Section 6: Vacation cannot be carried over from one anniversary year to the next.

Section 7: Management may elect to close the plant for a vacation period during the months of December, January or February, whereby all employees (except maintenance men) may take their vacation at one time, provided an employee will be permitted to accept layoff if he so desires. Notice of such vacation period shall be posted sixty (60) days or more in advance of the time scheduled. Maintenance men required to work during

the time the plant is closed for vacation will be scheduled for vacation at another time during the year.

Section 8: In the event a paid holiday falls within the employee's vacation period, eight (8) hours of straight time pay will be paid in addition to vacation pay, provided the employee works the scheduled work day before and scheduled work day following his vacation unless excused.

Section 9: Employees who schedule vacation in accordance with Article 11, Section 4, shall receive their vacation pay at the beginning of their vacation period.

Section 10: Regular full time employees may elect to take a maximum of one (1) week of their vacation in single days. Single vacation days must be approved by management at least one (1) day in advance. Pay for each day will be calculated on the equivalent to earnings to vacation pay for that year. The Company agrees to grandfather any current non regular full-time employee as of the date of ratification.

Section 11: Employees who are laid off and not working for the Company and who qualify for a vacation shall, upon written request, be given their vacation with pay.

Section 12: In the case of a deceased employee where all vacation requirements are met and the employee has not exercised his vacation right for the year in question, vacation pay will be paid the employee's next of kin or legal heirs.

Section 13: An employee who leaves a position in the employ of the Company to enter upon active service in the Armed Forces of the United States and has the right to be re-employed as provided under Section 9 of the Universal Military Training and Service Act will be granted vacation pay provided he has fulfilled all the contractual requirements for a vacation save the passing of his anniversary date.

ARTICLE 12
LEAVE OF ABSENCE

Section 1: The Company may grant leave of absence without pay up to thirty (30) days to employees who request same for emergency reasons. Copies of granted leave of absence requests shall be furnished to the Union. A request for an emergency leave of absence will not be unreasonably withheld by the Company. Such leaves will not be granted unless the employee brings written proof of such, and the request is reduced to writing. Such leaves will not be granted for the purpose of allowing an employee to take another temporary position, try out new work or venture into business for himself.

Section 2: Employees chosen by the Union to attend to Union business outside the plant shall, with the permission of the Company's management, be granted leaves of absence without pay for a period not exceeding thirty (30) days, provided that when feasible such employees give the Company at least five (5) days notice in advance of the date such leave is desired.

Section 3: Employees, not to exceed three (3), who are elected or appointed to a full-time position with the Union, upon proper notice shall be granted leaves of absence without pay not to exceed the life of this Agreement, and upon one (1) week's notice of their desire to again return to work for the Company shall be placed upon their job previously held without loss of seniority rights, provided they return within thirty (30) calendar days of the date their full-time position with the Union terminates.

Section 4: The Company will comply with the Family and Medical Leave Act.

ARTICLE 13
MILITARY SERVICE

Right to re-employment: An employee who leaves or has left a position in the employ of the Company to enter upon 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 his military obligation, with full seniority and rights as

provided for under Section 9 of the Universal Military Training and Service Act.

ARTICLE 14

MILITARY AND SUMMER ENCAMPMENT

Regular full-time 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 and/or United States Military Reserve as provided in Section 270, Title 10, Code of the United States, and Section 502, Title 32, Code of the United States. Such regular full-time employees will receive the difference between forty (40) hours of pay per week at their regular hourly rate and what they receive from the Government. Such paid leave shall not exceed thirty (30) consecutive days. Employees will be required to verify each day of leave prior to receiving the above payment.

ARTICLE 15

JURY DUTY

Section 1: An employee called to jury duty in the County, State or Federal courts shall be excused for jury duty service on presenting the summons requiring such duty to his supervisor.

Section 2: The employee shall be paid the amount he would have earned had he not been prevented from working by jury service, but not to exceed eight (8) hours per day or forty (40) hours per week. The employee, in turn, shall pay to the Company the amount he receives for such jury service, retaining any amounts received by him as expenses in excess of the daily pay for such jury service.

Section 3: Maintenance and warehouse employees who are scheduled to work regular 10 or 12 hour shifts will be paid accordingly in the event jury duty falls on their regularly scheduled work day.

ARTICLE 16
BEREAVEMENT POLICY

Absences due to the death of a regular full-time employee's immediate family will be treated as an excused absence. A regular full-time employee so absent will be paid during the period of his absence on the following basis:

- (1) In the event of the death of an employee's spouse, natural child (including miscarriage or still birth) or legally adopted child, parent, sister, brother, mother-in-law, father-in-law, step mother, step father, grandmother, grandfather, great grandfather, great grandmother, grandchild, great grandchild, brother-in-law, sister-in-law, spouse's natural grandparents and, if living in the employee's household, a step-child, the employee will receive eight (8) hours straight time pay for each of (4) four consecutive workdays.
- (2) An employee who finds it will be necessary for him to be absent will notify his supervisor of the purpose of his absence, not later than the first day of such absence.
- (3) An employee, when requested, shall furnish proof satisfactory to the Company of the death, his relationship to the deceased and the date of the funeral.
- (4) Maintenance or warehouse employees who are scheduled to work regular 10 or 12 hour shifts will be paid accordingly.
- (5) Employees who have to travel to distant locations to attend funerals of immediate family members, as defined above, will receive an excused absence of reasonable time without pay to travel to and from the funeral location in addition to the days paid.
- (6) In the event of a death in the immediate family as defined in Article 16(1) that occurs during a regular full-time employee's vacation period, such employee will be allowed to reschedule their vacation. After providing proper verification of the death as defined in Article 16 (3) the

employee will also receive bereavement pay as outlined in Article 16 (1). Such rescheduling of vacation will not be allowed to interfere with the vacation schedule as outlined in Article 11, Section 4.

ARTICLE 17 **SENIORITY**

Section 1: Seniority shall be established on the basis of continuous service with the Company and shall accumulate from the last date of hire and shall be applied on the following basis within the plant:

- First - department
- Second - division
- Third - plant

Layoff, re-employment and promotion will be based on the length of uninterrupted service within a department, division and the plant provided the qualifications, ability to perform the work, records and physical fitness are equal among employees eligible for consideration.

Section 2: Seniority within the plant shall operate within each of the following divisions and departments:

- A. Slaughter Division
 - 1. Kill Floor, Hot Beef Cooler and Straight Knife Sharpening
 - 2. Offal
 - 3. Carcass Loading and Coolers
 - 4. Laundry, Edible and Inedible Rendering
 - 5. Yards and Janitor
 - 6. Sanitation
 - 7. Hide
 - 8. Cartage

- B. Maintenance Division
 - 1. Maintenance
 - 2. Construction
 - 3. Warehouse

C. Processing and Fabricating Division

1. Break
2. Fabrication
3. Load Out

Section 3: An employee shall be a probationary employee for a period of forty-five (45) days actually worked from the date of last employment. However, the Union shall extend this period to ninety (90) working days for maintenance employees if the Company requests in writing such within the employee's first forty-five (45) working days of employment. The probationary period will be extended by time spent on light duty or alternate duty. The Company may, in its sole discretion, discipline or terminate a probationary employee, and no grievance shall be filed or processed on his behalf. At the end of the probationary period, an employee shall become a regular full-time employee and shall have seniority commencing as of the date of last employment.

Section 4: Layoff and Recall.

A. Job classifications shall be reduced by length of service in the respective classifications. Employees so displaced shall be permitted to return to their last owned job or jobs if within the same department in reverse order of progression. Increase in job classifications shall be in reverse order to decreases.

B. When department reductions are necessary, employees with the least amount of department seniority shall be laid off. Employees so affected shall have the right to displace the least senior employee in their division whose seniority is less than the employee exercising displacement rights. Employees laid off from a division shall have the right to displace the least senior employee in the plant whose seniority is less than the employee exercising displacement rights.

C. A senior employee being laid off who does not wish to exercise displacement rights may elect to take a layoff but cannot again exercise displacement rights until recalled in seniority turn to the employee's department

(not as a replacement as in (F) of this section) and subsequently laid off.

D. Upon notification of layoff, the Company shall furnish the employees who have displacement rights with sufficient information to exercise their choice in order of seniority. The employee must indicate his intent within twenty-four (24) hours of notification of layoff.

E. All job changes resulting from layoff will be made as quickly as efficient operations will permit.

F. When temporary openings occur due to absences, such openings will be filled first in line of seniority of laid-off employees present at the plant looking for replacement work, provided the qualifications, ability to perform the work and physical fitness are equal among employees eligible for consideration.

G. Employees on layoff will be recalled in plant seniority order. Employees recalled to a department other than the department they were laid off from will have the option of remaining on layoff or returning to the available opening.

H. Employees who exercise displacement rights under this section and are recalled to their department in seniority turn but do not wish to return, may remain in the department they displaced and their seniority shall commence from the day they enter the department. Such employees will lose all seniority in their previous department but will not lose their accrued plant-wide seniority.

I. Employees with permanent medical restrictions shall not be assigned to or recalled from medical layoff to a job designated by the Company and Union as jobs reserved for employees with temporary medical restrictions.

Section 5: Beginning with the first pay period in May and the first pay period in November, two (2) times a year, the Company will distribute (via QR code) to **regular, full-time (excluding probationary)** employees, a listing of all regular full-time

positions by shift in the plant, as described by the **Budgeted Crewing** for the plant.

Regular full-time (excluding probationary) may select up to four (4) positions by **scanning the appropriate QR code and completing** no later than the first pay period in June or the first pay period in December.

The Company will compile a listing of **regular full-time (excluding probationary)** employees selecting each position within two weeks after the deadline(s) for returning the job selection forms. Permanent, full-time positions created by the opening of new operations will be posted for bid. Vacancies in the slaughter and fabrication divisions will be filled by the most senior **regular full-time** employee in the division on the list at the time the vacancy occurs. Vacancies in the maintenance division will be awarded to the most senior qualified **regular full-time** employees at the time the vacancy occurs. In the event that no **regular full-time employees** within that division have signed the bid for that vacancy, plant seniority will prevail.

The successful bidder shall make a sincere effort to learn the job: however, in the event he cannot, in the judgement of the Company, perform the work in a satisfactory manner, he shall be permitted to return to his former job. The employee cannot bid on the same job again until he has qualified by greater experience and skill.

The Company will post the name of the employee winning a bid. The employee winning a bid will have his/her name struck from any other bid listing they may have selected. Employees declining a bid will have their name struck from the job they bid on.

An employee who successfully bids into a division will establish seniority in the new division on the date the position is awarded and shall lose all seniority in his/her previous division. Employees who transfer into another department within their division will retain division seniority. Employees transferred after the vacation schedule has been established may not disrupt the established vacation schedule for that vacation year.

Section 6: Temporary vacancies caused by sickness, leave of absence, vacation, etc., for less than ninety (90) days will not be offered for bid. The Company will consider seniority in filling temporary vacancies of more than seven (7) but less than ninety (90) days, provided that employees who request that they fill such a vacancy can perform the job and can readily be replaced. Temporary vacancies of more than 90 days created by the vacancy of employees with 3 or more years of seniority will be posted for bid as temporary vacancies in the same manner as permanent vacancies outlined in Section 5 of this Article. The successful bidder will be awarded the job as a temporary replacement until the original holder of the job is able to return, at which time the temporary holder of the job will return to his/her previously held job. In the event that the original holder of the job is unable to return to the job, the successful bidder holding the job at the time will be declared the permanent owner of the job. (A temporary vacancy is defined as a vacancy where there is a reasonable expectation that the employee creating the vacancy will be able to return to the job within the time limits in Section 11(D) of this Article.

Section 7: Any employee temporarily assigned to a job having a lower rate than his regular rate will receive his regular rate while performing such job with the exception of job accommodation due to injury or illness. This will not apply when employees are assigned to a lower rated job in accordance with their seniority as a result of a change in the department, division or plant operations, nor would it apply where, in accordance with seniority, an employee is recalled after a layoff and assigned to a lower rated job than held prior to layoff.

Section 8: An employee temporarily assigned to a job having a higher rate than his regular rate will receive the higher rate while performing such job.

Section 9: When an employee is assigned to two (2) or more jobs and the employee performs these jobs simultaneously or within the same work cycle, the employee shall receive the highest rate of the job performed.

Section 10: An employee shall be paid the full rate of the job as soon as he is qualified to perform the work. However, suc-

successful bidders who are not moved to such job within fourteen calendar days of the successful bid to a job, a department or division shall be paid the rate of such job until moved to it. Employees who are awarded a bid job or transfer to a job with the same or lower rate of pay will be moved to the new job within fourteen (14) calendar days of the date of the award, or be compensated twenty-five (\$.25) cents per hour above the rate of job they are performing. After an additional forty-five (45) calendar days, successful bidders who are not moved to such job shall be paid an additional \$.25/hr. until moved to such job. Employees will be moved within ninety (90) days of the date of the job bid award. For purposes of this section only, calendar days will be extended when an employee is absent from a scheduled day of work.

Section 11: An employee shall lose his seniority for the following reasons:

- A. Voluntarily quitting (if an employee is absent from work three (3) or more consecutive days without notifying the Company or without good cause, he will be deemed to have voluntarily terminated his employment).
- B. Discharge for cause.
- C. Failing to report at the expiration of a leave of absence without good cause.
- D. Absence from work for any reason for a period of more than eighteen (18) months unless extended by the Human Resources Manager. Any requests for extension will not be unreasonably withheld.
- E. Employees recalled from layoff under the provisions of Section 4 (G) will have five (5) working days to return to work after being notified by certified letter or telegram receipt requested, sent to their last known address. Employees failing to report within five (5) working days of the date the letter or telegram is sent will lose their seniority. An additional five (5) days will be granted if requested by the employee within the first five (5) days.
- F. Full settlement with an employee for a disability that prevents them from returning to work.
- G. Any employee promoted to a Company position

outside of the bargaining unit covered by this Agreement shall retain all of his seniority for a period of ninety (90) calendar days following the date of his promotion.

Section 12: Employees shall furnish to the Company, in writing, their address for purpose of giving notices required to be given. All notices shall be deemed to be given to employee when mailed to the last address furnished to the Company by the employee.

Section 13: Seniority records shall be maintained by the Company and shall be posted at all times, and a copy shall be furnished to the Union. Any protest as to the correctness of the seniority list must be made in writing to the Company within thirty (30) days after the list is posted and delivered to the Union, or the list will be deemed to be final.

ARTICLE 18 **ADJUSTMENT OF GRIEVANCES**

A grievance committee of not more than five (5) members shall be designated by the Union from its members. The Union shall advise the Company of the names of the members of this committee in writing. The committee shall be permitted time off without pay to attend any regularly scheduled meeting with the Company's designated representatives for the purpose of settling any and all grievances as provided herein. The committee will be made whole for time off during third (3rd) step meetings.

Section 1: The local union shall designate a reasonable number of stewards for each department and the Company shall be advised in writing of the names of such stewards and the department each steward will be designated to represent. Only such stewards as are so named shall be recognized. In the event the designated steward is absent from work, the potential grieving party will be allowed to choose from one of the other stewards within the plant provided a capable substitute is available.

Should grievances arise between the Company and the Union, or between the Company and the employees, pertaining to

matters involved in this Agreement or incident to the employment relationship, the following procedure shall apply:

FIRST: The aggrieved employee or employees, with or without the department steward, shall within three (3) working days of the knowledge of the incident, discuss the matter with the department supervisor for the purpose of solving the grievance, or the matter will be considered closed. The Company's answer shall be given within forty-eight (48) hours. Failing to reach a settlement, the grievance shall be submitted in writing in the second step within three (3) working days from receipt of the Company's answer or be considered closed.

SECOND: The department steward, with or without the aggrieved employee or employees, shall discuss the matter with the Plant Superintendent or his designated representative for the purpose of resolving the grievance. The Company's written answer shall be given within five (5) days. Failing to reach a settlement in this step, the Union may submit the grievance to the Third step within seven (7) days from the date of receipt of the Company's answer or be considered closed.

THIRD: The grievance committee, with or without aggrieved employee or employees and the local Union representative and/or National Representative shall meet and discuss the matter with the Plant Manager or his designated representative for the purpose of attempting to resolve the grievance. Such meetings will be held monthly, as needed, with preference given to the third Wednesday of the calendar month when feasible. If mutually agreeable, the parties may extend the time limits for such meetings as set out above. Any disputed claims arising under the Cargill Occupational Benefit Program will be handled in accordance with Section 3 of this Article. All information that the Company relied upon to deny the claim will be available to the union upon request provided that the employee authorizes, in writing, union access to medical/personal records.

The parties may at this point call witnesses in the case and, if necessary, visit the department involved in order to get all the evidence. The Company's written answer shall be given within five (5) days from the date of presentation. Failing to reach a

settlement in this step, the Union may submit the grievance to the Fourth step within one (1) week from the date or receipt of the Company's written answer or the grievance will be considered closed.

By mutual agreement, a representative of the national office of the Company and the highest authority of the local may meet in a pre-arbitration meeting to see if the grievance can be resolved prior to arbitration.

FOURTH: In the event no disposition is made of the grievance in Step Three, the grievance may be submitted to an impartial arbitrator to be selected by mutual agreement of the parties. A written request for arbitration shall be made within fifteen (15) days of the Step Three answer or the grievance will be considered closed. If within fifteen (15) working days after receipt of such written request the parties are unable to agree upon an arbitrator, either party shall request a list of five (5) names from the Federal Mediation and Conciliation Service and each party shall scratch two (2) names to determine which one shall be the arbitrator. Within fifteen (15) calendar days after receiving a list of arbitrators from the Federal Mediation and Conciliation Service, both parties must strike their list and agree to a date for arbitration within sixty (60) calendar days. Either party failing to comply with any of the time schedules above shall forfeit the grievance or its request, whichever the case may be.

The arbitrator's decision in the grievance shall be final and binding upon the parties, provided he shall not have authority other than to apply terms and conditions specifically set forth in this Agreement. The arbitrator shall submit his decision in writing, within thirty (30) days after the conclusion of the hearing or hearings as the case may be, and the decision of the arbitrator so rendered shall be final and binding upon the employee involved and upon the parties to the Agreement. The compensation and necessary expenses of the arbitration shall be borne equally by the Company and the Union.

The presentation of the grievance is to be made on the Union representative's and on the aggrieved employee's own time at all steps of the procedure.

A settlement arrived at in any step of the grievance procedure will be reduced to writing and signed by both parties. Such settlement will be final and binding upon both parties.

The time for perfecting any step of the grievance procedure may be extended by mutual agreement of the Company and the Union, such agreement to be in writing, signed by the Plant Manager of the Company and the Plant Chief Steward for the Union or a local Union representative.

Section 2: The duly authorized representatives of the Union shall have the right to visit the departments of the plant in company with the superintendent of the plant or his representative for the purpose of investigating grievances or for reviewing the operations. This right shall be exercised only at reasonable and mutually convenient times and shall not interfere with production. The duly authorized representatives of the Union shall have the right to visit welfare areas subject to approval of the Company.

Section 3:

A. Any and all claims, causes of action or controversy arising out of or otherwise related to on the job accidents, illnesses or injuries shall be covered and administered pursuant to the Cargill Meat Solutions Corporation Texas Occupational Temporary Disability Plan, as amended (“Disability Plan”) a welfare plan under the Employee Retirement Insurance Security Act of 1974, as amended. The Union specifically waive on behalf of itself and all bargaining unit employees, and any and all other causes of action which it or such employees may possess outside said Disability Plan which may in any way relate to or arise out of an on the job accident, illness or injury. Claims using the procedures outlined in this Article and as specifically set forth in the Disability Plan, shall provide for the sole and exclusive means of enforcing and pursuing claims arising out of such job accidents, illnesses or injuries in accordance with the terms of the Disability Plan.

B. Any employees notifying Cargill Meat Solutions of an occupational accident, illness or injury shall promptly receive from Cargill Meat Solutions written notification of the terms of this Article.

C. All employees who experience an on the job accident, illness or injury at any time must follow the procedures set forth under this section to raise a claim or dispute anything involving such job accident, illness or injury. Specifically, any employee who believes that he has been denied rights under the Disability Plan, or who otherwise has any claims arising out of or related to a job accident, illness or injuries on the job, or who otherwise has any claims related to coverage, eligibility for coverage, benefits and/or the amount or duration of benefits under the Disability Plan shall follow the claims procedure as outlined in Article 10 of the Cargill Meat Solutions Texas Occupational Disability Plan. If the claim is not resolved under such claims procedure, it will proceed to (D) under this Article.

D. The parties shall request a list of five (5) names from the Federal Mediation and Conciliation Service and each party shall scratch two (2) names to determine which one shall be the arbitrator. Within fifteen (15) calendar days after receiving the list of arbitrators from the Federal Mediation and Conciliation Service, both parties must strike their list and agree to a date for arbitration within sixty (60) calendar days. A decision shall be rendered by the arbitrator within fifteen (15) days. The Company will pay the entire cost of the arbitration (except for the expenses of Union counsel and representative and outer counsel or representatives unrelated to the Company.)

E. The arbitrator(s) shall have no authority to alter, change, add, delete, modify or deviate from any provision of this Agreement and the Disability Plan, and any determination by the arbitrator which is contrary to the foregoing limitations shall be null and void. The arbitrators selected to hear the dispute have the authority to award any benefit under the plan which is consistent with ERISA. The Arbitrator shall in no event have the right to award punitive damages. The Arbitrator shall be governed by the medical information and opinions submitted to him and shall not render his own separate, independent medical assessment. In the event of a dispute between the opinions of the Company treating physician and the claimant's physician, the Company will provide for an independent medical evaluation by selecting a physician from a panel of physicians from a list mutually agreed upon by the Union and the Company (the "Physician List"). Such inde-

pendent medical evaluation will be binding on the parties except in the case where permanent and total disability is at issue. In that case, the arbitrator will choose between the Company treating physician and the independent medical evaluation performed by a physician selected from the Physician List.

F. The decision of the arbitrator shall be conclusive and binding on the employer, employee and Union, with no right to appeal there from.

G. The time limits herein may NOT be waived absent mutual written agreement between the parties hereto.

H. The Texas Occupational Benefit Plan is hereby considered an integral part of the collective bargaining agreement.

ARTICLE 19

EQUIPMENT FURNISHED BY THE COMPANY

The Company will furnish reasonable and adequate quantities of the following equipment:

A. Steels, carborundum stones, pouches, mesh gloves, rain suits for yards, heads and carcass washers, mechanic's hand tools, knives and safety equipment required by the Company.

B. Company will furnish (a) cotton gloves, hair nets, ear plugs and frocks to each employee requiring same; (b) boots to edible rendering operators and pushers in the hot boxes and fabrication area; (c) steel-toed boots for shacklers; (d) boots and aprons to gutters required while working on the gut table; (e) rubber aprons for band saw operators in the fabrication division, split saw operators in the slaughter division, trolley person on breaking line, round hanger, chuck cutdown, and knuckle pullers.

C. All laundry required shall be furnished by the management free of charge to the employees.

D. The employee shall be responsible for the safe and efficient use of all equipment furnished by management,

and if lost or maliciously destroyed, the employee shall be accountable therefore, and the Company may then charge the employee therewith and deduct the cost thereof from his wages. During scheduled locker inspections, the union will be notified and a union steward may accompany company personnel.

E. Those employees using tools and equipment furnished by the Company will be paid for the time spent preparing and repairing those tools and equipment, or the Company may, at its option, assign specific employees to perform such duties.

F. The Company will provide an employee or employees to sharpen knives for all employees required to use knives.

ARTICLE 20 **INSURANCE BENEFITS**

Effective January 1, 2021

Section 1: The Company will provide regular full-time employees with the following comprehensive individual and family insurance program. The waiting period for all plans except the Health Care and Dependent Care Spending Accounts is the first of the month following ninety (90) calendar days after the last date of hire. The waiting period for the Health Care and Dependent Care Spending Accounts is the first of the month following the date of hire.

- A. Group Medical Plan
- B. Dental Coverage
- C. Prescription Drug Coverage
- D. Employee Funded Vision Plan
- E. Health Care and Dependent Care Spending Accounts

Section 2: The Company agrees to establish an employer sponsored health center upon implementation of a HRA medical plan. On an ongoing basis, the Company will review the feasibility of the clinic. It is the Company's lone discretion to determine viability of the employer sponsored health center.

Section 3: The Company will contribute at least eighty percent (80%) of the cost of a HRA plan after the wellness incentives. Rates will be determined taking into account employee affordability and utilization of the employer sponsored health center (per Section 2). The Company will provide the Union notice of the employee premium changes. Upon request, the Company will meet with the Union to discuss.

To decrease medical costs, the Company may make improvements to the medical plan. The Company and the Union will meet prior to implementation to discuss impact of these changes.

Spousal surcharge - \$100 per month.

Section 4: The Company will provide the following wellness incentives.

Tobacco Free – employees and their covered family members have not used tobacco in the last twelve (12) months and do not intend to do so	\$200 per program year, paid quarterly
Biometric Screening – for employee enrolled in medical plan	\$250 per program year, regardless of when biometric screening is done during the program year.

Section 5: Employees will be enrolled in the Protein Production Dental Plan coverages and employee contribution rates are subject to change in January of each year without negotiation.

Section 6: The Company will offer an employee funded vision plan that employees may elect to participate in during the yearly open enrollment period.

Section 7: The Company will allow employees the option of electing pre-tax dollars into a health care and /or dependent care spending account. Employees will make this election during the yearly open enrollment period.

ARTICLE 21

SHORT-TERM DISABILITY

Regular full-time employees shall be entitled to the following short-term disability for illness or injury not covered by Workmen’s Compensation or the Cargill Meat Solutions Occupational

Benefit Program on the first of the month, following one (1) year of employment.

Benefit – **55% of weekly base salary.**

Benefits – 1st day accident

7th day illness*

Maximum Benefit – 18 weeks per period of disability

*First day of absence because of illness is considered to be the first day of treatment by a doctor to the employee.

ARTICLE 22 **SAFETY COMMITTEE**

Section 1: A Safe Work Development Team (SWDT) consisting of Leads and Safety Monitors jointly appointed by the Company and Union will meeting monthly on company time to report findings to the Plant Manager or designee. In the event that special circumstances require a meeting in excess of one hour, the Committee shall request additional time from the Plant Manager.

Section 2: The responsibilities of the SWDT shall include, but not be limited to, Personal Protective Equipment checks, assist to conduct area inspections, attend monthly SWDT meetings, and attend monthly safety meetings with department/area. The SWDT recommendations shall be investigated jointly by Management and the Union who will advise of any actions. A member of the SWDT will be a part of any investigation of an on-the-job accident that results in a medical aid or lost time injury.

Section 3: The meetings of the SWDT will be scheduled by the Plant Manager or designee.

Section 4: Cargill agrees to continue current practice of allowing one member designated by the Local Union Business Agent off (with pay) to assist with the safety inspection tour of the Plant.

ARTICLE 23
BULLETIN BOARDS

There shall be at all times maintained in the plant a glass enclosed bulletin board for the use of the Union. Notices may be posted on such bulletin board for such matters as Union meetings, social affairs, recreational affairs and Union elections and appointments. Other notices may be posted subject to the approval of the Management as to their contents.

ARTICLE 24
SUBCONTRACTING

The parties to the Agreement have discussed subcontracting of work being performed by bargaining unit employees and agree that both parties desire to minimize the effects of additional subcontracting on job security of the employees and will work to that end. When additional subcontracting of any existing operations becomes necessary or desirable, the Company will notify the Union. If the Union desires to discuss the effects on job security of the employees, the parties will meet for that purpose. The Company agrees to delay lay-offs caused by sub-contracting until at least two (2) weeks subsequent to its notice to the Union of its intention so that the parties have ample time to suggest methods of solving lay-off problems.

ARTICLE 25
WAGES

Section 1: The parties agree that the time employees spend changing clothes, including the donning and doffing of safety clothing and equipment worn in their jobs, and the time they spend washing up before and after paid production work, shall be excluded from the employees' paid workdays. The parties agree, however, that employees who are required to wear safety clothing and equipment as defined in the agreement between Cargill Meat Solutions and United Food and Commercial Workers Local 540 shall be paid for an amount of time as determined by joint time studies beyond paid production work to compensate them for the time they spend outside of paid production work cleaning

their safety clothing and equipment. Should any portion of this provision be in violation of any State or Federal law Article 28, Section 4 shall apply. The wage schedule for employees covered by this Agreement is attached hereto in the form of Exhibit I and hereby made an integral part of the Agreement. Effective the date of this Agreement, the base labor rate shall be \$23.60. The jobs shall be placed in the following pay grades:

- Grade 1 - \$.10/hr.
- Grade 2 - \$.20/hr.
- Grade 3 - \$.30/hr.
- Grade 4 - \$.45/hr.
- Grade 5 - \$.55/hr.
- Grade 6 - \$.75/hr.
- Grade 7 - \$1.45/hr.
- Grade 8 - \$2.20/hr.

Wage increases –

April 28, 2025 - \$0.60 (Base Rate \$23.60)

April 27, 2026 – \$0.30

April 26, 2027 – \$0.30

April 24, 2028 – \$0.45

April 23, 2029 – \$0.50

Section 2: Employees who work second shift will be paid ten cents (\$.10) per hour over their regular rate of pay. Employees who work third shift will be paid thirty cents (\$.30) over their regular rate of pay between the hours of 12:00 a.m. and 6:00 a.m.

Section 3: Should new jobs be created by the Company or if the Company combines or separates the duties of existing classifications, or substantially changes the work content of an existing classification, the Company and the Union will agree on the wage rates for such new jobs. In the event the Company and the Union cannot agree on a wage rate, such issue shall be submitted to Arbitration as provided in the “Fourth Step” of the grievance procedure, Article XVIII.

Section 4: The Company agrees to post leadperson job openings for informational purposes only. Interested persons may apply for such openings and the jobs will be awarded by mutual agreement

between the Company and the Union Business Agent or Plant Chief Steward. The Company and Union will meet to review the qualifications for lead person positions. The Company maintains the right to determine qualifications, physical fitness, ability, and seniority so long as this is not used in a discriminatory manner. However, if the parties cannot mutually agree within 72 hours after the Union has been informed of an individual's selection for a leadperson position, the Company will retain the right to place its selection into the leadperson position.

Section 5: The Company retains the right to implement and the discretion to review, amend, modify, change or eliminate the Incentive Pay Program at any time during the term of the agreement.

ARTICLE 26 **RETIREMENT PLAN**

Section 1: It is understood and agreed that certain employees are or may be covered under the CARGILL MEAT SOLUTIONS Corporation Employees' Retirement Plan. Such Plan is hereby approved and confirmed by the parties to this Agreement and the rights, duties and obligations of the parties shall be as set forth in such Plan. All covered employees shall have past service for years of participation credited at a \$10.00 benefit level and all future service earned at a \$10.00 benefit level. The effective date of this benefit change is July 1, 1981.

Effective January 1, 1980, the Company provided a pension program for service subsequent to January 1, 1980. Eligible employees are covered under the program as described by the Cargill Meat Solutions Corporation Employee's Retirement Plan and shall have service subsequent to January 1, 1980 credited at a \$10.00 benefit level. Effective January 1, 2000, all covered employees shall have years of participation subsequent to January 1, 2000, credited at a \$15.00 benefit level. Effective January 1, 2006, all covered employees shall have years of participation subsequent to January 1, 2006, credited at a \$20.00 benefit level. Effective January 1, 2011 all covered employees shall have years of participations subsequent to January 1, 2011, credited at a \$22.50 benefit level. Effective January 1, 2014, all covered

employees shall have years of participation subsequent to January 1, 2014, credited at a \$25.00 benefit level. For employees hired after January 1, 2000, the vesting schedule will be 100% after five (5) years of service. This Plan is closed for employees hired after December 31, 2010. Effective January 31, 2016 this plan is frozen. Employees would be eligible to participate in the Cargill Investment Plan as outlined in Section 2.

Section 2: Regular full time employees are eligible for participation in the Cargill Investment Plan with the following features.

- One hundred percent (100%) cash match on employee deferrals up to three percent (3%) of compensation for participants who are employed on the last day of each calendar year.
- Automatic enrollment at one percent (1%) after one (1) year of service for all eligible employees with ability to opt out.
- Automatic one percent (1%) step-up for each year thereafter to a maximum of five percent (5%).
- One hundred percent (100%) vesting upon three (3) years of service.

ARTICLE 27

MISCELLANEOUS PROVISIONS

Section 1: The Company agrees to allow, during new employee orientation, a Union representative the opportunity to discuss the positive relationship between the Union and the Company at the Friona plant. Such presentations will not normally exceed one (1) hour. The company agrees to provide the union, at no expense, adequate and sufficient office space in a conspicuous location inside the plant facility.

Section 2: Where feasible to do so, the Company agrees to translate and print pertinent Company documents into the appropriate language(s). The Union will assist with the translations when requested to do so by the Company and the Company will pay for the expense of printing the documents.

Section 3: The Company agrees to contribute \$40,000 per contract year to the Cargill Meat Solutions-UFCW multi-cultural fund.

ARTICLE 28
WAIVER, ENTIRE AGREEMENT AND
SAVINGS CLAUSE

Section 1: Entire Agreement.

This is the complete Agreement providing all benefits to which any employee may be entitled, and it is expressly understood and agreed that the Company has no obligation to any employee or employees other than those provided herein.

Section 2: Waiver

The parties acknowledge that, during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understanding and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Company and the Union, for the term of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to or covered in this Agreement, or with respect to any subject or matter not referred to or covered in this Agreement, even though such subjects or matters may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement.

Section 3: Amendments

Any modification or supplement to this Agreement to be effective must be reduced to writing and executed by the Business Manager of the Local Union or his designated representative and the Vice-President - Industrial Relations of the Company or his designated representative.

Section 4: Savings Clause

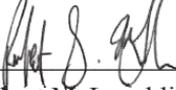
Should any portion of this contract be in violation of any State or Federal law, such portion of the contract will be invalid. The invalidation of such parts or portions of this Agreement shall not invalidate the remaining portions thereof, and they shall remain in full force and effect during the life of such Agreement. Both parties agree to meet as soon as possible to renegotiate that portion found invalid to comply with the law.

ARTICLE 29
TERM OF AGREEMENT

Section 1: This Agreement shall become effective and remain in full force and effect from the 29th day of April 2025, until midnight on the 28th day of April, 2030. Either party may on or before sixty (60) days prior to April 28, 2030, give written notice to the other party of the desire of the party giving notice to terminate the Agreement. If such notice is not given, the Agreement shall renew itself for successive one (1) year periods until such written notice is given.

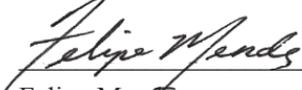
Section 2: The parties to this agreement Cargill Meat Solutions and United Food and Commercial Workers, Local 540, hereby agree that within (60) sixty days before the end of the third year of this agreement, they will meet and confer regarding the terms and conditions of this agreement. They further agree that they will renew this agreement and all its terms for two (2) additional years beyond the third year of the agreement.

FOR THE COMPANY:



Robert McLaughlin

FOR THE UNION:



Felipe Mendez

EXHIBIT I
WAGE SCHEDULE

SLAUGHTER DIVISION

Harvest	Grade	Notes
Abomasum Labor	0	
Bag eartags & pins	0	
Blow hocks (suck/wash)	0	
Box handler/stacker	0	
Bung-tie/bag	0	
Cattle pusher	0	
Cattle wash	0	
Clean up (squeegee)	0	
Condemn room	0	
Count contamination	0	
Feather bone popper	0	
Head wash/flush	0	
Hot box pusher	0	
Pop kidneys	0	
Pull intestines off table	0	
Remove Kidney	0	
Rice Paper	0	
Spinal cord remover	0	
Steam pasturizer operator	0	
Dehorn	1	
Drop tails (tail cut/hang)	1	
Eartag remover	1	
Hang hearts	1	
Hang livers	1	
Hang off	1	
Oxtails (trim)	1	
Pizzle trim	1	
Steam Vac Operator	1	
Sweetbread remover	1	

Tail Dropper	1	
Tail hanger	1	
Tail washer	1	
Tongue Bone Saw	1	
Tongue root trim	1	
Trim snouts	1	
Weasand	1	
Blanket Fat	2	
Brisket saw	2	
Cheeker	2	
Chisler	2	
Clear necks	2	
Downpuller	2	
Drop Heads	2	
Head Hanger	2	
Head trimmer	2	
Hock Trimmer	2	
Hock trimmer	2	
Jaw bone trim	2	
KPH pretrimmer	2	
Lips Split	2	
Lowerator	2	
Mid Line trim	2	
Rod Weasand	2	
Side puller	2	
Side puller helper	2	
Split lips	2	
Templer	2	
Trim heads	2	
Up puller	2	
USDA presentation	2	
Weasand rod/tie	2	
Hock cutter	3	
Knife Grinder	3	

Sticker	3	
Tail ripper	3	
Tendons	3	
Tripe processes (tripe puller)	3	
Bung Dropper	4	
Cap Bungs	4	
Clear gulleets	4	
Drop tongues	4	
Fat puller	4	
Final trim	4	
High/Low trim	4	
Kidney popper	4	
Mark Patterns	4	
Tongue Dropper	4	
Shackler	5	
Outside rail (dead)	6	
Prelowbacker	6	
Rimover	6	
Rumper	6	
Butter	7	
Flanker	7	
Knocker	7	
Lowbacker	7	
Gutter (grd 8 +\$1)	8	
Legger (grd 8 + \$.25)	8	
Pregutter	8	
Split saw (grd 8 +.25)	8	
Utility grade-must be qualified on any 4 (gutter, splitter, legger or grade 7 air knives) Grade 8 +\$3		
Harvest Lead (.50 over Utility)		

OFFAL

Job Title SLA	Grade	Additional Increase
Fresh offal	0	
Intestine flusher	0	
Intestine stripper(offal)	0	
Large Intestine cutter	0	
Omasum Pack and Scale	0	
Oxtails pack/scale	0	
Pack Livers	0	
Small Intestine Transporter-DAY	0	
SHIFT ONLY Dept 109		
Sweetbread scale/pack	0	
Tendons-wash/pack/scale(offal)	0	
Tongue pack (offal)	0	
Tongue Wash	0	
Tongue Skinner	1	
Tripe-wash/pack/skinner	1	
Vac Mach Oper (Cryovac)	1	
Forklift operator (offal)	2	
Freezer loadout(offal)	2	
Omasum Saw	2	
Omasum washer/splitter/puller(offal)	2	
Round runner	2	

Carcass Loading

Cooler Ribbing/saw	4	
Railer	2	
Trimming	2	
Cooler Loadout	2	
Carcass Utilization	5	

Hide Department

Labor (hides)	0	
Trim hides	1	
Forklift operator (hides)	2	
Grader	2	
Hide trim(hides)(face plate remover)	2	
Raceway Puller-Hanger	3	
Flesher operator	5	

Rendering

	Clean Up	Bone Room	Polisher	Plasma	Cooker	Technical	#2/Blood	LoadOut	Mill	Combo Runner
Base Pay	x	x	x	x	x	x	x	x	x	x
Grade 2 (base +\$.20)	x									
Grade 4 (base + \$.45)		x	x	x	x	x	x	x		x
Grade 6 (base + \$.75)		x	x	x	x	x	x	x	x	
Grade 8 (base + \$2)		x	x	x	x	x	x	x	x	

Utility (base + \$2.50) - Qualified in 1. mill, plasma and loadout, or 2. cooker, polisher, edible, bone, #2 and blood

Leadperson - \$.50 over utility

Maintenance Division Eff 01/01/24

GM - general maintenance, R/B - refrigeration/boiler,

E/M - electrician, ET - electronics technician

Starting Rate \$1.00 over prod. starting rate

	GM	R	B	E/M	ET	RL
Level 1 (+\$.25)	X					
Level 2 (+\$.50)	X					
Level 3 (+\$.75)	X	Start	Start			Start
Level 4 (+\$1.00)	X	X	X			X
Level 5 (+\$2.50)	X	X	X			X
Level 6 (+\$3.00)	X	X	X	Start	Start	X
Level 7 (+\$4.50)	X	X	X	X	X	X
Level 8 (+\$6.50)	X	X	X			X
Level 9 (+\$7.50)				X	X	X
Level 10 (+\$8.50)		X		X*	X*	

*Requires appropriate certification

*Level 9 only Electrician, Electronic Techs, Boiler room certified operators and refrigeration CARO certified operators

*Level 10 only Electricians, electronic techs and CIRO certified refrigeration operators

Maintenance Lead - \$1.00 above the level in which they are qualified or level 6, whichever is highest.

Fabrication Wage Schedule

Job Title	Grade	Additional notes
Bagger	0	
Bone belt/trim(trim picker)	0	
Boxer	0	
CO2 Injector	0	
Combo dumper	0	
Combo maker	0	
Combo runner	0	
Defect Picker	0	
Fab Clean Up	0	
Frock/Glove Handler	0	
GB Labor	0	
Labor	0	
Leaker Auditor	0	
Packoff stagger	0	
Trolleyman	0	
Baader machine operator	1	
Box Stacker/Handler	1	
HACCP/defect trimmer	1	
Hockcutter (Femur Separation)	1	
Skinner Operator	1	
Stuffer	1	
Blademeat trimmer	2	
Brisket trimmer	2	
Butt bone saw inline	2	
Button boner	2	

Chuck cap trim	2	
Clean finger bones	2	
Flank steak trimmer	2	
Flat Iron Trim	2	red circled 4 (04/28/25)
Forklift driver	2	
Heart Clod Peeler/Trim	2	red circled 4 (04/28/25)
Inline Saw 2 (butt bone, rib chime saw, marrow bone, center cut ribs)	2	
Knife Sharpener	2	
Knuckle trimmer (peel)	2	
Loin Chime Saw	2	red circled 5 (4/28/25)
Loin Pretrimmer	2	
Paddlebone puller	2	
Rosemeat puller	2	
Shank trimmer	2	
Vac Mach Oper - 8300 Operator (Cryovac)	2	
Wizzard knife operator	2	
Bottom butt trim	3	
Brisket bone cleaner	3	
Brisket dropper	3	
Chuck Cap Pull (skin puller)	3	
Flapmeat trimmer	3	
Flats/Eye Trim	3	
Forequarter Marker	3	
Hanging tender trimmer	3	
Jarvis saw (Hyd)	3	
Knuckle puller	3	
Lointail trimmer	3	
Measurement saw	3	
Outside skirts trim	3	
Paddlebone marker	3	
Pectoral trimmer	3	
Product checker	3	
Rnd Inside Trim	3	

Round Trimmer	3	
Skirt trimmer	3	
Top Butt Trimmer	3	
Wing Saw	3	
Arm Boner	4	
Chuck trimmer	4	
Clod Trimmer	4	
Fore Qtr Cut Down	4	
Hindshank boner (5)	4	
Inline Saw 4 (measurement saw strips and ribs, pipe bone saw)	4	Pipe bone saw red circled 5 (2024)
Navel Boner (White bone)	4	
Nubbins Saw	4	
Skirt Puller	4	
Strip trimmer	4	
Tender trimmer	4	
Brisket Boner	5	
Butt loin saw	5	
Chuck saw opr(band)	5	
Forequarter saw	5	
Hindquarter Saw	5	
Bottom Butt Separation	6	
Box Mach Op(trayformer op)	6	
Casesealer	6	
Aitch boner (rnd aitch boner	7	
Round Dropper	7	
Short rib boner	7	
Chuck boner (grd 8 +\$2)	8	
Clod puller (grd 8 +\$2)	8	
Foreshank Boner (Shank Boner)	8	
Rib boner (grd 8 +\$1.50)	8	
Rnd Inside seamer	8	
Strip boner (grd 8 + \$.50)	8	
Tender puller (grd 8 + \$2)	2 8	
Tissue rendering operator 8	8	
Top butt boner (grd 8 +.50)	8	

Skilled Boner Jobs - Chuck boner, Clod Puller, Tender Puller, Butt Boner, Rib Boner, Round Inside Seamer
Skilled Boner 1 - Grade 8 +\$2.50/hr on any 2 of the above 5 jobs
Skilled Boner II-Grade 8 +\$2.75 on any 3 of the above 5 jobs
Skilled Boner III-Grade 8 +\$3.25 on any 4 of the above 5 jobs
Skilled Trimmer Jobs - Chuck trim, Clod trim, Tender trim, Strip trim, Top butt trim
Skilled Trimmer - Grade 4 + \$1 Must be qualified on 4 of the above jobs
Utilities-Tissue only (base +\$2.50)
Lead (\$.50 over skilled boner III)

Employees in any downgraded job will be red circled for the term of the agreement as long as they remain in the job. If they leave the job, they will lose the red circle rate and cannot regain the red circled rate if they subsequently bid back into the job.

EXHIBIT II SCHEDULE OF INSURANCE

Medical Plan – HRA	In network	Out of network
Cargill Contribution	\$500 – Employee \$750 – + Spouse or Child (ren) \$1000 + Family Contribution applies to deductible and will be used first before employee pays out of pocket	
Annual Deductible <ul style="list-style-type: none"> • Does not apply to preventive services • Include Rx 	\$1200 Individual \$1800 + Spouse or Child(ren) \$2400 - + Family	\$2400 Individual \$3600 + Spouse or Child(ren) \$4800 - + Family
Annual out-of-pocket maximum <ul style="list-style-type: none"> • Excludes rx copays 	\$3, 500 individual \$5, 200 + Spouse or Child (ren) \$7,000 family	\$7, 000 individual \$10, 400 + Spouse or Child (ren) \$14,000 family
HCR out-of-pocket maximum	None	
Lifetime maximum	Unlimited	
Emergency Room	\$150 ER copay, 80% after deductible Copay applies after deductible met	
Preventive care <ul style="list-style-type: none"> • Includes both adult and well child 	100%	Not Covered
ConInsurance	80% after deductible	60% after deductible

PRESCRIPTION PLAN

Non-Specialty		
	Retail	Home Delivery
Generic	25% \$10 Min* \$25 Max	25% \$20 Min* \$50 Max
Formulary	25% \$25 Min* \$75 Max	25% \$50 Min* \$150 Max
Non-Formulary	25% \$75 Min*	40% \$150 Min*
Specialty		
	Retail	Home Delivery
Generic	25% \$75 Min* \$125 Max	25% \$75 Min* \$125 Max
Formulary	25% \$75 Min* \$125 Max	25% \$75 Min* \$125 Max
Non-Formulary	25% \$75 Min* \$125 Max	25% \$75 Min* \$125 Max
* Minimum or actual cost of the drug, whichever is less. I.e. minimum would not apply if the actual cost of the drug was less.		
Lifestyle Drugs	Full cost of the drug at discounted rate.	

Company Paid Life and Accidental Death and Dismemberment Plan	\$20,000 Life \$20,000 Accidental Death and Dismemberment Employees may purchase Additional AD&D up to an additional \$25,000 Employees may purchase Additional AD&D up to an additional \$25,000 for their spouse.
Vision Plan	Cargill model vision plan, 100% employee paid
Health Care and Dependent Care Spending Accounts	Cargill model pre-tax spending account plans
Additional Life Plans	Cargill model additional life, 100% employee paid

This is only a summary of benefits. In the event there is a discrepancy between this summary and the Summary Plan Description in effect upon ratification of this agreement the Summary Plan Description is the legal document unless changes were made per Article 20, Section 3.

AGREEMENT

The parties of this agreement are Cargill Meat Solutions (the Company) Friona Division, Friona, Texas and UFCW International Union and UFCW Local 540 (the Union). The purpose of this agreement is to implement procedures to facilitate the parties' cooperative efforts with respect to plant health and safety. 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.

A. ERGONOMIC MONITORS

The Company recognizes that worker involvement is crucial to the success of any ergonomic program. The following will be established and used in coordination with the Company's Consultant.

- a. The Union will designate up to 15 individuals as "Ergonomic Monitors" (EM) and will review the list with the Company.
- b. Each initial EM will be provided with one week of Ergonomic training. Such training will be completed as soon as practicable but not later than March, 1990. The training will be designed to assist these monitors in developing the skills to identify and analyze jobs for ergonomic stress and to be able to recommend solutions.
- c. The EM's will be expected to identify, for the Consultant and the Plant Ergonomic Committee, potential ergonomic problem areas and potential solutions. The EM's will conduct surveys of their work area, using on-site inspections, to spot problem areas and offer potential solutions. Such inspections shall occur monthly.
- d. The Company will assure that all employees are informed of the name of the EM's and their responsibilities.
- e. In the event of on-line testing recommended by the Consultant, the appropriate EM will be advised in advance of, and involved in, any testing.
- f. The EM's will meet with the EC monthly.

B. ERGONOMIC COMMITTEE

A plant-wide ergonomic committee (EC) will be formed within thirty (30) days of this agreement. It will be comprised of plant engineers, medical personnel, safety personnel designated by the Company and the Local Union President or his designee, the plant chief steward, the plant assistant chief steward in Processing and the plant assistant chief steward in Kill.

- a. The EC will hold meetings once a month to review program progress. It will be responsible for prioritizing problem areas for study by the Consultant and the Company.
- b. The Company will provide the committee with a copy of the plant OSHA 300 Logs monthly.
- c. The EC will monitor progress of the medical management program implemented.

C. MEDICAL PROGRAM

The Company, with input from the Medical Consultant will design and install a medical management program addressing CTD. The program shall include provisions for prompt evaluation of employee symptoms. When directed by a physician or by the medical department, employees shall be given sufficient time for the involved muscle/tendon to heal. This time shall include time off work, or transfer to another job which poses a lesser risk of such injuries. When injured employees require time off work, upon returning to work they shall, when directed by a physician or by the medical department, be permitted to recondition the injured muscle/tendon group by gradual resumption of duties. This shall occur in addition to any other prescribed treatments. The Company will begin implementation of this program as soon as practicable but no later than four (4) months from the signing of this Agreement. This program will include but not be limited to:

- a. Early detection of symptoms and conservative treatment.
- b. Utilization of consulting physicians to develop and implement conservative treatment programs.
- c. The Company will conduct ergonomic analyses of all regular light and alternate duty jobs to identify stressors with CTD potential. Based on the analyses, each job will be classified for CTD potential. A copy of the analyses will be provided to the Union upon request.
- d. All medical personnel treating employees will be given

copies of such job analyses to assure that a worker having or showing early symptoms of CTD is assigned a classified light or alternate duty job.

e. The Company will develop a tracking and follow-up program to identify and monitor symptom progress for employees showing early signs of CTD, in the treatment program and/or transferred to another job.

f. The company will consider development of a rehabilitation process for injured workers, utilizing in-plant and outside services.

g. Employees with potential CTD will be referred to a doctor for appropriate medical attention. If returned to work, will be assigned to a job within the doctor's restrictions.

h. Based on ergonomic analyses of tasks, certain departments/target groups will be surveyed periodically to determine CTD potential.

i. When an employee, in a job not previously evaluated by the ergonomic consultant, reports a CTD to medical, the Company shall evaluate that employee's actual performance of the job to determine if ergonomic risk factors exist and corrective action is necessary.

j. The Company will complete a baseline survey within one (1) year of the signing of this Agreement designed to measure on a plant-wide basis the extent of symptoms of work-related disorders. (The survey will omit personal information, but include such information as job title, time on the job, department etc.) The survey shall be repeated on an annual basis.

D. ORIENTATION AND TRAINING

The Company, with input from the Consultant, will establish a formal training program for new and reassigned workers which will contain the following guidelines:

a. During the orientation and training for new employees, each new hire will receive a demonstration of knife and equipment utilization and hands on training including but not limited to:

- Care of the knife
- Hazards of improper knife handling
- Knife sharpening
- Types of knives
- Tools and devices associated with individual work duties

In addition to knife safety, new hires shall be familiarized with applicable safety procedures including glove and equipment rules, as well as causes and prevention of CTD.

The Company will periodically check and replace knives and other equipment furnished as needed.

b. Following the orientation and training period, the new or reassigned employee shall be assigned to work with a skilled fellow employee who will provide on-the-job training. They will work with a trainer until the management trainer determines the new hire, or reassigned employee, is proficient enough to pull count. (See Appendix C).

c. There will be seven (7) full time hourly bargaining unit trainers. Except for emergency situations, they will be excluded from count. (See Appendix A & B).

d. The emphasis will be on employees developing a safe and efficient technique before they are expected to pull count.

e. A knife care class will be offered at least once a week for any employee who requests additional training.

f. Those employees who have not received knife training and are assigned or bid to a knife job will attend the knife training program prior to beginning the job. The Company with input from the Consultant, will design and implement a comprehensive education program for managers, supervisors, engineers, union representatives, and employees on the range, causes and means of prevention of CTD. The training must be completed by twelve (12) months from the date of signing.

g. This education is for all personnel associated with jobs where the potential for CTD exists.

h. This education will include instruction for methods of knife sharpening and steeling and cutting as it relates to reducing ergonomic stress.

i. This initial training shall last a minimum of 2 hours.

j. The training shall be repeated for each employee when necessary.

E. ERGONOMIST

The Company will retain an ergonomist to study ergonomic stress at the location.

a. The Company, with input from the Ergonomic Committee and Monitors, will evaluate the entire plant to determine the extent and location of jobs, tasks and/or work procedures that have or are likely to cause CTD. This evaluation will include

the review of OSHA 300 logs, direct observation review of “ergonomic report forms” and other necessary survey methods. The union will be provided a copy of the evaluation and any other reports, analysis or conclusions prepared by the Company or its consultants on this issue. These jobs will be analyzed by the ergonomist using survey tools, such as videotaping and the forms to be filled out by the EM’s and affected workers (basic job checklist and symptom questionnaire), to identify the stressors on each job. This work will begin by March, 1990.

b. The Company, with input from Ergonomic Consultant and Engineering staff will implement all feasible engineering and administrative controls.

c. An ergonomic log will be maintained to track program progress

d. An ergonomic hazard report form will be created for monitors to use to spot problem areas and suggest solutions.

e. The union will be entitled to review copies of the company’s budgeted crewing standards. Such requests will be made to the plant general manager or his designee and will be made at reasonable time intervals, or accordance with potential disputes that may arise.

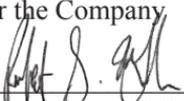
F.

This agreement shall be considered an addendum to the Collective Bargaining Agreement between the parties, and subject to the grievance and arbitration procedures of that Agreement, but nothing in this Agreement shall be construed as amending any provision of the Collective Bargaining Agreement, and in the event a conflict arises between this Agreement and the Collective Bargaining Agreement, the latter shall control.

G.

This agreement shall become effective April 29, 2025 and can be canceled by either party on April 28, 2030.

For the Company



Robert McLaughlin

For the Union



Felipe Mendez

LETTER OF UNDERSTANDING

This letter of understanding is entered into and by Cargill Meat Solutions, Friona Division, Friona Texas (“Company”) and the United Food Commercial Workers Union, Local 540 (“Union”). This agreement shall be made an integral part of the Collective Bargaining Agreement effective November 3, 2010.

When the Company moves to punch to punch payment for employees currently on a gang time payment, it is agreed as follows:

- Any grievances or disputes arising out of this agreement will be discussed with Corporate Labor Relations. If the parties cannot come to a resolution, then the process in the Collective Bargaining Agreement for selection of an arbitrator will apply.
- Punch to Punch Process
 - Employee punches in
 - Employee walks to work station and dons the safety equipment needed for their job
 - Employee doffs their safety equipment at their work station
 - Employee punches out for lunch
 - Employee punches in from lunch
 - The unpaid meal period will not be less than thirty (30) minutes
 - Employee walks to the work station and dons the safety equipment needed for their job
 - Employee doffs their equipment at their workstation
 - Employee punches out
- If the Company determines the punch to punch process will not be implemented by March 1, 2011 Corporate Labor Relations and the Union will meet and discuss the process to be used until punch to punch is implemented.
- The Company will not issue discipline to employees who are late to the line due to the appropriate equipment not being at their workstations, time clock malfunctions or similar.
- It will be the responsibility of the plant Ergonomic Monitors to maintain the knives and steels. This may result in additional

monitors or many result in the change of principal job duties for these positions or other positions.

- In the event the Company needs to deviate from the above described punch to punch process Corporate Labor Relations and the Union will meet and mutually agree to changes.

APPENDIX A BARGAINING UNIT TRAINERS

Minimum qualifications for the successful bidders shall be as follows:

1. Good attendance. An employee with either an excessive absence letter or an active suspension (less than one year) under the unexcused absence policy will not be awarded the job.
2. An employee with an active (less than one year) suspension for work performance, failure to follow instructions, etc. will not be awarded the job.
3. Good straight knife skills, plus wizzard knife skills or the ability to quickly learn wizzard knife skills. The successful bidder will have knife skills at the 1,2,3 or 4 grade level in the particular area and have the ability to quickly learn other jobs.
4. Good communication skills.
5. Ability to train effectively.
6. Excellent safety habits.

The Company agrees to post the ergonomic trainer jobs for informational purposes only. Interested persons may apply for such opening and the jobs will be awarded by mutual agreement between the Company and the Union Business Agent or Plant Chief Steward. However, if the parties cannot mutually agree within 72 hours after the Union has been informed of an individual's selection for an ergonomic trainer position, the Company will retain the right to place its selection into the ergonomic trainer position. The Company and Union will review the record of a bidder who is passed over based on the foregoing qualifications.

Seniority will be the prime consideration in selection, but the Company will reserve the right to determine physical fitness and ability so long as this is not used in a discriminatory or arbitrary manner.

APPENDIX B

BARGAINING UNIT TRAINERS

Duties and Responsibilities: Within the limits of authorized Company policies, procedures and programs he/she is responsible for the following:

A. General

1. Organizes, trains, and motivates subordinates.
2. Is responsible for the implementation and maintenance of Company Safety Policies.
3. Makes daily verbal reports to the foremen regarding trainee performance and progress.
4. Displays at all times good common sense, drive, reliability, timeliness, and follows through.
5. Is responsible for using established tracking procedures.

B. Operational

1. Responsible for basic knife skill, saw, packaging, cross, etc. training during the training period of all new people assigned to respective areas.
2. Insures that new employees attain acceptable level of knife handling skill, ie. (Proper and effective steeling of knife, proper steel maintenance, and safe work habits.)
3. Insures that new employees attain acceptable level of saw, packaging and material handling skills as they apply.
4. Monitors employees performance and makes recommendations as to types of jobs particular individuals are best suited for.

C. Working Relationships with:

Training Coordinator: Monthly meetings held to outline training programs and activities.

Management Support Trainer: Works in conjunction with to effectively train new employees.

Foremen: Receives daily instructions and reports to directly.

APPENDIX C

ORIENTATION AND TRAINING

Following the orientation and training period, the new or re-assigned employee shall be assigned to work with a skilled fellow employee, meaning someone who is presently performing the job

and is proficient, and who has sufficient skills to train this individual (commonly call the “buddy system”) and who will provide on-the-job training. He or she will work with this person until such time the management trainer determines the person is proficient enough to pull full count. The management trainer, before making this decision, will visit with the skilled hourly employee, hourly trainer, and the supervisor for their input in the decision. The skilled hourly employee and the trainee at first should not be required to pull full count, but between the two of them, should be able to pull one person’s count. As the trainee becomes more skilled, the skilled hourly employee may be able to work with more than one person. For example, there may be two trainees nearly qualified, so the skilled fellow employee would be able to look after the two people. And for example, between the three of them, they may pull two people’s count, but certainly there should never be an incident where the trainer is required to pull 100% count and try to train at the same time. There will also never be an incident where the trainee is required to pull 25%, 50%, or 75% and be used in the count with those percentages, but will do what his skill levels allow him to do in a safe manner.

Letter of Understanding
Maintenance Wages

This Letter of Understanding is made and entered into between Cargill Meat Solutions, Friona Division, Friona, Texas, (“Company”) and the United Food Commercial Workers Local 540, (“Union”).

This agreement shall be made an integral part of the Collective Bargaining Agreement effective January 1, 2024.

Article 25 – Wages (Maintenance Division)

Level 1 through 4 – no change
Level 5 (currently Base + \$1.50) = \$25.00
Increase to Base Plus \$2.50 = \$26.00
Level 6 (currently Base + \$2.00) = \$25.50
Increase to Base Plus \$3.00 = \$26.50
Level 7 (currently Base + \$3.50) = \$27.00
Increase to Base Plus \$4.50 = \$28.00

Level 8 (currently Base + \$4.50) = \$28.00
Increase to Base Plus \$6.50 = \$30.00
Level 9 (currently Base + \$5.50) = \$29.00
Increase to Base Plus \$7.50 = \$31.00 (electrician/electronics,
refrigeration/boiler and reliability only)
Level 10 (currently Base+ \$6.10) = \$29.60
Increase to Base Plus \$8.50 = \$32.00 (electrician/electronics
and refrigeration only)

*Level 9 only Electrician, Electronic Techs, Boiler room certified operators and refrigeration CARO certified operators.

*Level 10 only Electricians, Electronic techs, and CIRO certified refrigeration operators

Letter of Understanding – Earned Time Off (ETO)

Effective 1/1/2026, the Company shall establish an earned time off (ETO) sick pay program. The program shall include the following provisions:

- Non-probationary employees may earn two and one half (2.5) hours of sick pay every month they work all scheduled hours with no unexcused or unplanned attendance occurrences*.
- Non-probationary employees may accrue no more than a maximum of twenty (20) hours of ETO sick time (ETO bank not to exceed 20 hours).
- ETO/sick leave may be taken on an as-needed basis with notification prior to the employees regularly scheduled start time on the day taken in accordance with the site-specific call-in policy.
- When approved, ETO must be used in four (4) hour or eight (8) hour increments.
- An employee, when requested, shall furnish proof satisfactory to the Company of their illness.
- Sick time used under this program will not be considered an attendance occurrence.
- Sick pay used under this program shall not be considered in the computation of overtime.
- ETO hours earned but not used by employees who terminate will be forfeited.

The parties agree that if a local, state, or Federal law rule or

regulation regarding earned time off (ETO) or sick leave law is enacted, this program will be null and void.

This letter shall expire upon the expiration of the current collective bargaining agreement (4/28/2030).

NOTE: Employees do not accrue ETO during periods of paid or unpaid leave (excluding vacation, paid holidays, bereavement leave, jury duty and union leave) including but not limited to the following: FMLA absences, STD or other leaves unless required by federal, state or local laws.

*Unexcused and unplanned attendance occurrences include: absences, including tardiness or early departures. Unpaid personal leave, no call/no show or any unexcused absences identified under the Plant attendance policy.