

COLLECTIVE BARGAINING AGREEMENT

between

D'ARRIGO BROS. COMPANY OF CALIFORNIA

and

GENERAL TEAMSTERS, WAREHOUSEMEN AND
HELPERS UNION LOCAL 890

TRUCK DRIVERS' CONTRACT

2003 - 2007



D'Arrigo Bros. - Truck Driver Contract/Teamsters, Local 890
Collective Bargaining Agreement 2003 - 2007

TABLE OF CONTENTS

SECTION 1 - UNION SECURITY	1-3
SECTION 2 - "TRUCK DRIVER" DEFINED	3-4
SECTION 3 - REPRESENTATION	4
SECTION 4 - SUBCONTRACTING	4-5
SECTION 5 - WAGES AND WORKING CONDITIONS	5-15
Driver Piece Rates (5.3)	6-8
Bag Machine Operator Piece Rates (5.4)	9-10
Hourly Rates (5.5)	10-11
Trailer Premium (5.6)	11
Long Hauling (5.7)	12
Overtime (5.12)	13
Saturday Premium (5.14)	13
Sunday Premium (5.15)	13
Moving Expense and Guarantee (5.16)	13-15
Operating Areas and Districts (5.24)	15
Beginning of Harvest (5.25)	15
SECTION 6 - PHYSICAL OR EYE EXAMINATION	16
SECTION 7 - HOURS	16
SECTION 8 - LUNCH PERIOD	17
SECTION 9 - DISPATCH RULES/TRUCK DRIVER POLICY	17

14.3 (a) An employee who has at least five (5) years continuous seniority as of December 31, 2002, shall during calendar year 2003 earn double the vacation days set forth in the Vacation Table "A"; (b) An employee who has at least five (5) years continuous seniority as of December 31, 2003, shall during calendar year 2004 earn double the vacation days set forth in the Vacation Table "A"; (c) An employee who has at least five (5) years continuous seniority as of December 31, 2004, shall during calendar year 2005 earn double the vacation days set forth in the Vacation Table "A"; (d) An employee who has at least five (5) years continuous seniority as of December 31, 2005, shall during calendar year 2006 earn double the vacation days set forth in the Vacation Table "A"; and (e) An employee who has at least five (5) years continuous seniority as of December 31, 2006, shall during calendar year 2007 earn double the vacation days set forth in the Vacation Table "A".

14.4 Vacation shall be paid at eight (8) times the employee's straight-time hourly rate times the number of earned vacation days.

14.5 There shall be no partial accrual of vacation benefits below the hours-worked thresholds set forth in the above Table. However, a terminated employee is entitled to whatever full vacation days have been accrued in the qualifying year (discounting time off) up to the date of termination.

14.6 The Employer retains the absolute discretion to determine when vacation time off will be taken, how many employees shall be permitted to schedule time off at the same time, and the duration and frequency of vacations. The Employer shall determine vacation schedules with the intent of minimizing overall operating costs including, but not limited to, minimizing overall eligibility for paid medical insurance.

14.7 All vacation time off shall be taken, if at all, in blocks of seven (7) consecutive calendar days until all vacation time off is exhausted. If the employee has earned less than seven (7) vacation days, all vacation time off must be taken consecutively. Time off shall not accumulate from year-to-year and must be taken in the twelve (12) months immediately following the December 31st of the qualifying year, or else forfeited. This applies to vacation time earned in calendar year 2002, as well as vacation time earned under this Agreement.

14.8 All vacation checks for the particular qualifying year shall be issued to employees no later than January 21 of the following calendar year.

SECTION 15 - HEALTH AND WELFARE CONTRIBUTIONS

15.1 The Company agrees to contribute toward the monthly premium cost of an eligible employee's health and welfare plan, during the term of this Agreement. Company's total costs shall, during the life of this Agreement, be no more than the amounts stated below, which shall constitute caps on Company's contribution toward the monthly premium cost of each eligible employee. Company shall incur no other costs of the plan.

- a. Commencing on January 1, 2003
and through December 31, 2003: \$380.00 per month
- b. Commencing on January 1, 2004
and through December 31, 2004: \$410.00 per month
- c. Commencing on January 1, 2005
and through December 31, 2005: \$430.00 per month
- d. Commencing on January 1, 2006
and through December 31, 2006: \$450.00 per month
- e. Commencing on January 1, 2007
and through December 31, 2007: \$470.00 per month

15.2 When a seniority employee has maintained his seniority for at least one (1) year with the Company, he shall be deemed an eligible employee in any month in which fifty (50) hours of work was performed for the Company and shall qualify for health and welfare coverage for the following month. For a non-seniority employee or any employee who has not maintained his seniority for at least one (1) year, he shall be deemed an eligible employee in any month in which eighty (80) hours of work was performed for the Company and shall qualify for health and welfare coverage for the following month.

15.3 Any excess premium charges will be borne directly by the employee. In order to permit orderly and expeditious payment of premium, the Company is expressly authorized by this Agreement to deduct amounts in excess of the Company contribution directly from wages payable to each covered employee. The amount of said deductions shall be recorded on the appropriate pay stub.

15.4 The Company shall provide the Union with a list of the eligible employees, together with a copy of the transmittal to the health and welfare plan provider.

15.5 It is acknowledged that the health and welfare plan provider at the execution date of this Agreement is: United Agricultural Benefit Trust; and the existing health and welfare plan is Base Plan Q579 and Premium Plan Q589, Group Plan 50077; provided, however, that this is subject to change upon Union's written notice to the Company that all employees have elected a different plan and/or plan provider; provided further that, Union shall strictly indemnify, defend, and save the Company harmless, without limitation; against claims, demands, suits, or other forms of liability which may arise either: (1) because the Company acted in reliance upon the

Union's notice of a change in plan and/or plan provider; or (2) as a consequence of any change in the plan and/or plan provider.

15.6 If any seniority employee is injured on the job with the Company after the execution of this Agreement and is being paid Worker's Compensation benefits the Company shall, for a period not to exceed twelve (12) months after the injury, and less any months during that period for which said premium is paid or waived by the insurance carrier under the terms of the health and welfare plan, pay its contribution toward such employee's premium for his health and welfare plan until such employee becomes employed, returns to work, or final settlement is reached.

SECTION 16 - HOLIDAYS

16.1 Christmas, Labor Day, Thanksgiving, and New Year's Day, shall be paid holidays without work at the straight-time rate of pay for eight (8) hours. If work is performed on any of these four holidays, the employee shall receive, in addition to the above, their straight-time rate of pay for the first eight (8) hours of work and time and one-half (1½) times the straight-time hourly rate for all hours worked in excess of eight (8) hours.

16.2 All work performed on Veterans' Day, Memorial Day, and Fourth of July shall be paid at one and one-half (1½) times the straight-time rate.

16.3 It is agreed that all work performed on President's Day will be paid at straight-time.

16.4 When a holiday falls on Sunday, the day designated by Federal proclamation shall be observed as a holiday.

16.5 The above holiday provisions shall be applicable to employees on the seniority list who worked any time during fourteen (14) calendar days prior to the holiday, except that they shall not apply to seniority employees who are employed by the Company in the capacity of a replacement for any other employee who was eligible for holiday pay. This shall refer to all instances of replacement including, but not limited to, those arising from time off, absenteeism, leaves, vacations, illness or injury, or the exercise of seniority rights provided under the Agreement. Further, any employee who fails to work a paid holiday, if requested, thereby waives the paid holiday.

SECTION 17 - LEAVES OF ABSENCE

17.1 Leaves of absence may be granted by applying to and receiving approval from the Company. Time off in excess of seven (7) consecutive calendar days which is granted by the Company shall be considered to be a leave of absence. All leaves of absence shall be in writing, signed by the Company and employee, and one copy shall be sent to the Union. Leaves of absence shall not be granted employees in order to work for other companies (unless approved by the Company in accordance with Section 10.4 above), to venture into any other business, incarceration, or to attend school.

17.2 Except where otherwise required by law, no non-seniority employee is eligible for any leave of absence.

SECTION 18 - FUNERAL LEAVE

18.1 An employee shall be granted a funeral leave for a period of up to four (4) consecutive calendar days, at the employee's hourly straight-time rate of pay for time lost up to eight (8) hours each day, for attendance at a funeral of the employee's spouse, children, brother.

sister, current stepchildren, stepfather, stepmother, or of the mother, father, or grandparents of either the employee's spouse or the employee.

18.2 Pay for funeral leave shall be granted for any of the four (4) days on which the employee would have worked, with the leave commencing no later than the calendar day immediately after the date of death.

SECTION 19 - JURY DUTY

19.1 When an employee is first notified of a call for jury duty, he shall immediately inform the Company in writing of such notification. If an employee is called for jury duty he shall be paid the difference between the employee's hourly straight-time rate of pay for time lost up to eight (8) hours for each day on which the employee would have worked, and the payment made to such employee called for jury duty for those days, but not exceeding ten (10) court days during the term of this Agreement.

19.2 Notwithstanding the above, no jury duty benefit shall be paid for any day upon which the employee was released by the Court within two (2) hours and fails to immediately report for work.

SECTION 20 - NO STRIKE/NO LOCKOUT

20.1 The Employer and the Union agree that, during the term of this Agreement, there shall be no lockouts, strikes (including no sympathy strikes), slowdowns, sickouts, or job actions, nor refusals by employees to cross or work behind any picket line except as otherwise provided in paragraphs 20.2 or 20.3 herein below, nor any other interruptions of work by employees.

20.2 It shall not be a violation of this Agreement or cause for discharge or disciplinary action, in the event an employee refuses to cross or work behind a picket line set up pursuant to a

lawful primary labor dispute with an employer other than D'Arrigo Bros. Company of California, sanctioned by the Executive Officer of the appropriate Teamster's Local Union or Joint Council.

20.3 It shall not be a violation of this Agreement or cause for discharge or disciplinary action, in the event an employee refuses to cross or work behind a picket line, not set up against D'Arrigo Bros. Company of California by employee(s) covered by this Agreement, where there is violence or an offer of violence as to the employee. If, however, there is no actual violence or offer of violence as to the employee, such employee shall abide by the provisions of this Agreement and shall not refuse to cross or work behind any such picket line.

20.4 It is further understood that no employee shall be required to violate any law or lawful order of any duly constituted authority.

20.5 An employee's violation of this Section 20 shall constitute just cause for discharge or such lesser discipline as the Employer, in its sole discretion, deems just and proper under the circumstances.

20.6 Nothing in this Agreement shall either preclude the Employer from seeking enforcement of this Section 20 against the Union and/or employees by way of any and all legal and equitable relief in court as may be available to it without first involving the procedures of other grievance and arbitration provisions of this Agreement; nor shall preclude the Employer from taking any other actions that it deems necessary and proper to continue and maintain its operations in the event of any interruption of work by employees.

SECTION 21 - GRIEVANCE AND ARBITRATION PROCEDURE

21.1 During the term of this Agreement, should any controversy, dispute, or disagreement arise regarding a violation or interpretation of this Agreement, there shall be no

form of economic activity by either party against the other because of such controversy, dispute, or disagreement, but the difference shall be adjusted as follows:

21.2 The employee shall first attempt to resolve the issue with his immediate supervisor or other representative designated by the Employer. If called upon at this step of the grievance procedure, a Union representative and supervisor designated by the Employer may also attempt settlement.

21.3 If the issue is still unresolved under paragraph 21.2 above, upon receipt of a written notice from either party setting forth the nature of the dispute, designated representatives of the Employer and the Union, shall within one (1) calendar week from receipt of such written notice, attempt to reach a settlement.

21.4 Any grievance relating to discharge or suspension shall be presented to the Employer within five (5) days excluding Saturdays, Sundays, and holidays, after the discharge or suspension or such grievance shall be deemed to be waived. Any other grievance shall be presented in writing promptly, but in no event later than ten (10) days excluding Saturdays, Sundays, and holidays after the grievance is known to the grievant or his or her representative or such grievance shall be deemed to be waived.

21.5 If the matter is not settled within two (2) calendar weeks from receipt of the written notice described in paragraph 21.3 above, the parties may seek resolution by either resorting to an informal, binding, but not precedent-setting, disposition by the state conciliation service, or by referring the matter to binding arbitration. Under the informal method, the parties and grievant shall agree in advance that the state conciliator's decision shall be final and binding. If arbitration is selected, the Union or the Employer or the Employer's representative may request

a list of eleven (11) arbitrators from the Federal Mediation and Conciliation Service. Following its receipt of said list, the Employer may thereafter, at its option, require a second list of eleven (11) arbitrators from FMCS, which list shall serve to replace the first list. The parties shall select therefrom one (1) arbitrator by alternatively deleting names from the list until a last name remains, the grieving party to make the first deletion. The appointment of the arbitrator shall be completed within five (5) days following receipt of the applicable arbitrator list, excluding Saturdays, Sundays, and holidays; provided that, the time limit may be extended by mutual agreement of the parties.

21.6 The arbitrator selected shall conduct a hearing on the matter in dispute and the arbitrator's decision shall be final and binding upon the parties hereto. The arbitrator will submit a written decision to the parties within thirty (30) days from the date of final submission. No claims, including claims for back wages, by an employee or the Union shall be valid for any period exceeding four (4) months following the receipt of the written notice described in paragraph 21.3 above.

21.7 The arbitrator shall have no authority to modify, amend, revise, add to, or subtract from any of the terms or conditions of this Agreement, but shall only have authority to interpret the express terms of this Agreement.

21.8 All expenses, including the fees and expenses of the arbitrator and other expenses deemed necessary by the arbitrator for the proper conduct of the proceedings shall be borne by and divided equally between the Employer and the Union. Any expenses connected with call of any witness shall be born by the party calling him/her.

21.9 In the event the Employer or Union fails to abide by the decision of the arbitrator and neither party has sought or intends to seek judicial review of the decision, the Union or Employer shall be free to take whatever economic or legal action it may deem necessary, and any such action taken shall not be considered a violation of this Agreement. However, notice from either party to the other that it intends to seek judicial review of an arbitrator's decision shall maintain the prohibitions set forth in Section 20, No Strike/No Lockout, of this Agreement.

21.10 An arbitration hearing conducted under this Section 21 shall be conducted in the Salinas area unless by mutual agreement the parties decide to hold the arbitration in the Yuma area.

21.11 Any claims for compensation shall be limited to a maximum of thirty (30) days retroactive from the date the claim is submitted to the Employer in writing.

21.12 There shall be no retaliation or discrimination against an employee for filing a grievance.

SECTION 22 - DELINQUENCIES

22.1 Notwithstanding anything herein contained, the failure of the Company to make the necessary payments as approved in Section 1 (Union Security) or Section 15 (Health and Welfare), shall give the Union or the employees of the Company the right, after the Union has given five (5) days written notice, excluding Saturdays, Sundays, and holidays, to the Company, to take any legal action or economic action they see fit against the Company to enforce compliance.

22.2 Whether or not such action is taken, the Company shall be liable to the employees for any and all health and welfare benefits under Section 15 that the employees would have received if the Employer had not been delinquent in making the payment.

SECTION 23 - SAFETY

23.1 No employees shall be disciplined for refusing to work under proven unsafe conditions which unsafe conditions would place the employee or employees involved in a position dangerous to their health and safety. Any unsafe condition shall be reported to the Company in writing on forms provided by the Company and such conditions shall be checked and signed off by a representative of the Company before the equipment is put back in service.

23.2 It is recognized by the Company, the Union, and the employees that the employees under this Agreement shall have the responsibility to follow Company safety regulations and to maintain safe conditions on the job. It is also agreed that the employees under this Agreement shall drive safely while on the job.

23.3 When moving bag machines, on the turn around at the end of the row, the driver shall be directed by a crew foreman in order to avoid accidents.

23.4 The Employer shall keep all fields clear of vehicles to the extent necessary to permit safe operation of trucks and harvesting equipment driving in and out of the fields. Any accident or damage to vehicles parked in the field which interferes with or hampers the free movement and operation of equipment operated under this Agreement shall not be the responsibility of the truck driver and such truck driver shall not be disciplined or held financially liable for any damage occurring due to vehicles being parked in the field for any damage unless it can be proven that the truck driver negligently caused the damage.

23.5 No loose cartons shall be carried on top of a load except for the last load from the field or cartons necessary for replacement purposes.

SECTION 24 - ALCOHOL AND SUBSTANCE TESTING

24.1 Intent of Parties. The Employer and Union agree that alcohol and/or drug intoxication effects the safety of everyone and will not be tolerated. Any employee taking medication pursuant to a prescription is required to advise his or her supervisor.

24.2 Prehire Testing. All applicants for employment are subject to pre-employment drug screening. All offers of employment are conditioned upon an applicant submitting to, and passing, a drug and/or alcohol screening test of the Employer's choosing, if so requested by the Employer. At Company's option, said test(s) may be scheduled on one (1) day's notice by the Employer within the first week of employment. A failure by an applicant to agree to submit to, to take, or to pass a test for alcohol and/or drug use shall constitute just cause to deny employment for the remaining term of this Agreement, or for one (1) year, whichever is longer.

24.3 Physical Examination. Upon three (3) days' written notice, an employee shall be required to be tested for alcohol and/or drug use by a physician or clinic selected and paid for by the Company, except as otherwise provided in paragraphs 24.2, 24.5, or 24.6.

24.4 Leave of Absence. An employee may make written request to the Employer for a one-time, automatic leave of absence for up to sixty (60) consecutive calendar days, for the purpose of entering into an Employer-approved program for alcoholism or drug dependency. The leave shall be unpaid; however, seniority rank shall be maintained upon proof of successful completion of the program. The leave of absence is not available to any employee found to be intoxicated on the job, and therefore subject to discharge.

24.5 Immediate Testing. The Employer shall have the right to require immediate testing on employees: (a) who have utilized the leave provided under paragraph 24.4; or (b) upon reasonable suspicion that the employee is using or is intoxicated from alcohol or drugs; or (c) for employees involved in accidents.

24.6 Random Testing. The Employer has the right to require immediate testing on those employees who are selected for random testing, which shall be conducted without advance notice, at a rate of not less than 50 percent of the peak truck driver workforce each year, during each calendar year of this Agreement.

24.7 Failure to Take or Pass Alcohol and/or Drug Testing. A failure by an employee to either take or pass a test(s) for alcohol and/or drug use shall constitute just cause for discharge.

24.8 Test Results. As to any testing hereunder: (a) any detectible amounts of drugs and/or controlled substances(s) shall constitute a "no-pass"; (b) a blood alcohol level of at least .02 shall constitute a "no-pass"; and (c) any detectable amount of blood alcohol of at least .01 (but under .02) shall constitute a rebuttable presumption that an employee is under the influence of alcohol.

24.9 Authorizations. When requested to submit to drug and/or alcohol testing by the Company, the employee shall execute and date the acknowledgment forms A, B, and C (attached hereto in Appendix "E"), whichever is/are applicable. The employee's refusal to execute and/or date the applicable form is itself grounds for just cause termination.

SECTION 25 - SAVINGS PARTICIPATION

25.1 The Company will remit to seniority employees, by direct deposit into an individual qualified savings or retirement account of the employee's choosing, a contribution

towards employees' savings, based upon the individual employee's actual hours worked for the Company.

25.2 Non-seniority employees are not eligible to receive a contribution. Hours worked as a non-seniority employee do not qualify for the Company's contribution.

25.3 The Company's gross contribution amount for each seniority employee shall be equal to the contribution rate times the employee's actual hours worked in the preceding calendar month as a seniority employee under this Agreement.

25.4 The contribution rate for each calendar year covered by this Agreement shall be in accordance with the following and applies to the hours worked in that listed calendar year:

2003	\$0.60 per hour
2004	\$0.65 per hour
2005	\$0.70 per hour
2006	\$0.75 per hour
2007	\$0.80 per hour

25.5 All seniority employees must designate one(1) qualified savings or retirement account for purposes of this Section 25, or else forfeit any contributions. Under this Section, a "qualified" account means a depository account at a Salinas-branched financial institution which will accept the subject direct deposits from the Employer. The Employer shall provide written authorization forms for its purposes hereunder. Each seniority employee shall provide their own account's completed deposit slip or form within ten(10) days after execution of this Agreement or within ten(10) days of thereafter acquiring Company seniority, whichever shall first occur. An employee's designated account shall remain the same for the duration of this Agreement. Employees shall promptly furnish and/or execute whatever documents the Employer deems necessary, from time-to-time, to administer this Section 25.

25.6 The Employer shall deduct the appropriate payroll taxes and withholdings from each employee's total earnings including his/her gross contribution amount, in accordance with its normal payroll practices; and shall further deduct its cost(s), if any, from the particular financial institution. On a monthly basis, the Employer shall direct deposit a sum equal to the employee's gross contribution amount into the employee's designated account. No portion of this contribution shall ever be remitted to the employee in any manner other than by direct deposit.

25.7 Contributions shall be made monthly by the Employer for hours worked in the preceding month, and the Employer shall furnish a monthly itemized statement of contributions and deductions to each seniority employee for whom contributions were submitted for the particular month.

25.8 These contribution amounts are in addition to employees' regular straight-time wage rates under this Agreement and, as such, are not and shall not be included in the calculation of overtime premiums, holiday pay, vacation pay, standby pay, jury duty pay, funeral leave, Sunday premiums, or any other "straight-time" based calculation, whether or not that calculation is provided or specified under this Agreement.

25.9 The Union and the employees understand that the Company's contributions hereunder are in lieu of any employee pension plan. Nonetheless, it is understood between the parties that this Section 25 does not constitute an employee benefit plan within the meaning of the Employee Retirement Income Security Act ("ERISA"), and/or any similar State law. Nothing herein shall be construed to the contrary.

25.10 The Union shall strictly indemnify, defend, and save the Company harmless, without limitation, against claims, demands, suits, or other forms of liability which shall or may arise as a result or consequence of the Company's compliance with this Section 25.

SECTION 26 - WAIVER OF BARGAINING

26.1 All matters not covered in this Agreement shall be deemed to have been raised and disposed of as if covered herein. It is agreed that this Collective Bargaining Agreement contains the full and complete agreement on all bargainable issues and neither party shall be required, during the term of this Agreement, to negotiate or bargain upon any issue, whether or not such issue is specifically referred to herein.

26.2 It is the intent of the parties hereto that the provisions of this Agreement shall supersede all prior agreements and understandings, oral or written, express or implied, between the parties. Therefore, to the extent that this Agreement conflicts with any asserted past practice, this Agreement shall prevail.

26.3 To be effective, any other agreement or modification of this Agreement must be reduced to writing and signed and dated by both parties.

SECTION 27 - DURATION OF AGREEMENT

27.1 This Agreement shall become effective as of its execution date and this Agreement shall be binding on the parties hereto for the period commencing on January 1, 2003 to and including December 31, 2007. This Agreement shall automatically renew itself for a period of one (1) year from the expiration date hereof unless either of the parties hereto shall give notice in writing to the other party sixty (60) days prior to its expiration, requesting negotiations for a new agreement.

27.2 Negotiations shall commence not later than ten (10) days from receipt of such notice.

27.3 IN WITNESS WHEREOF, the parties hereto have set their hands and affixed their seals as of this 17th day of June, 2003.

FOR: D'ARRIGO BROTHERS COMPANY
OF CALIFORNIA

FOR: GENERAL TEAMSTERS,
WAREHOUSEMEN AND HELPERS
UNION LOCAL 890, MONTEREY AND
SAN BENITO COUNTIES

BY: *John C. D'Arrigo*
JOHN C. D'ARRIGO
PRESIDENT
DATE: 6/17/03

BY: *Franklin L. Gallegos*
FRANKLIN L. GALLEGOS
PRESIDENT
DATE: 6/17/03

BY: *Crencencio Diaz*
CRESCENCIO DIAZ
VICE PRESIDENT
DATE: 6/17/03

APPENDIX A
DRIVER SCREEN

The Driver Screen is based on a point system that reflects violations that occur during the experience period. The experience period is the most recent three (3) years, except for major convictions.

The Motor Vehicle Record (MVR) is the basis for determining each driver's point profile. A "conviction" for purposes of the Driver Screen is the issuance of an infraction, ticket, judgment, or other notice of violation from any public authority.

1. A "major conviction" includes: driving while intoxicated or under the influence of drugs, failure to stop and report when involved in an accident, homicide or assault arising out of the operation of a motor vehicle, driving while a license is suspended or revoked, reckless driving, or involvement in a speed contest.
2. An "intermediate conviction" includes: exhibition of speed or possession of an opened container of an alcoholic beverage.
3. A "minor conviction" is any moving traffic conviction that is not a major conviction or an intermediate conviction. It does not include equipment violations.

Point System.

<u>Convictions</u>	<u>Points</u>
Each Major Conviction (most recent 3 years)	5
Each Intermediate Conviction (most recent 3 years)	4
Each Major Conviction (4 or 5 years old)	3
Each Minor Conviction	1
For 2 Convictions within the most recent 18 months, add	+1
For 3 or more Convictions within the most recent 18 months, add	+2

Example: If, on January 1, 2003, MVR is:

Convictions

1 speeding 07-15-01	1 (minor conviction)
1 failure to stop 01-01-00	1 (minor conviction)
	+1 (1 conviction within most recent 18 months)

Then, Total Driver Screen Points as of that date = 3

Driver Eligibility.

1. Any driver is not acceptable with:
 - a. A suspended or revoked license or a license with special restrictions (other than for corrective lenses), or
 - b. Any major violation within the last three (3) years, or
 - c. Development of five (5) points or more.
2. All drivers must have a valid license in the state of employment.

Limited Retroactive Application.

No points incurred prior to March 26, 1989 shall be counted. Accumulation of points began on and after March 26, 1989.

APPENDIX B

D'ARRIGO BROS. CO. OF CALIFORNIA

TRUCK DRIVER POLICY

The following on the job rules to apply beginning from the time a driver clocks in at the start of the work day, and remain in effect throughout the day until such driver clocks out at the end of the working day.

1. All drivers shall remain in their truck at all times while in the field, except for the purposes of tying down, or hitching trailers and other necessary equipment.
2. All drivers are to remove keys from ignition at all times when getting out of their truck, and such keys are to remain in drivers possession.
3. All drivers shall assume absolute and total responsibility for the truck which has been assigned to him and at no time shall a driver allow anybody else to drive or otherwise operate such truck.
4. It is recognized that in the case of the lettuce wrap machine, the operator is required to be out of the cab in order to carry out his duties as pertain to the adequate and proper operation of said machine.
5. All drivers shall take 15 minutes in the morning from punch-in time to warm up and check equipment. At such time the following procedure shall be followed:
(A) Check oil level (B) Check water (C) Check tires (D) Check for any oil leaks under equipment
(E) Engage main transmission into 2nd gear and brownie into direct; put field gear in neutral to warm up gear boxes.
(F) When truck is being driven, use 4 speed brownie to split main box.
6. Equipment must be serviced at end of each day's work - gas - oil - water and tires checked
Any repairs needed must be reported on form provided. Deficiencies should be reported during the day when known so as to enable shop to make repairs as soon as possible.
7. Drivers shall be responsible to tie off every 4 pallets as they are loaded.
8. When pulling trailers, all drivers shall disconnect air hoses, light cords, and etc., before pulling trailer in field, and reconnect when leaving.
9. Driver is to be sure his truck is equipped with tow bar, shovel, cables and/or ropes, v-boards and other equipment as required by law. Any exceptions must be excused by his supervisor.
10. The last driver to leave shop yard must close and lock gate.
11. Cab is to be kept clean and uncluttered.
12. If reporting sick, driver must give supervisor ample time to arrange for a replacement.
13. When driver is ready to report back to work after being off duty because of illness, he must report to the office or his supervisor prior to next day's drivers being assigned to jobs.
14. V-boards, cables or other equipment not to be transferred from one piece of equipment to another unless authorized.
15. There is to be no cutting across beds unless given direct O.K. by supervisor in each field.
16. Each driver is responsible for the manner in which his truck is loaded. Any problems are to be discussed with his supervisor.
17. Reporting to work showing evidence of having been drinking, or drinking on the job, will be cause for dismissal.
18. Any abuse or negligent operation of company equipment will be considered cause for dismissal.
19. Supervisor of crew is the only person who may authorize loading without necessity to windrow.
20. Any breakdown or delay in returning to field is to be reported to field foreman immediately. Time for minor repairs is to be taken only upon approval of foreman.
21. Any deviation or exception of the above rules shall require approval from the direct supervisor and shall be thoroughly discussed between driver and supervisor so as to reach a clear and mutual understanding.

Failure to comply shall constitute reason for disciplinary action by the company, up to and including discharge.

I have read and understand the above.

Employee Signature _____

APPENDIX C

LETTER OF UNDERSTANDING RE: ADA

The parties to this Agreement pledge that they are in accord with the goals of the Americans with Disability Act ("ADA") and are also in accord that John Snell, in consultation with Crescencio Diaz, may take all actions that Mr. Snell considers necessary to comply with the ADA, provided no non-unit employee shall be assigned under this Letter of Understanding to perform bargaining unit work.

D'Arigo Bros. - Truck Driver Contract/Teamsters, Local 890
Collective Bargaining Agreement 2003-2007

APPENDIX D

LETTER OF UNDERSTANDING RE: "UNINSURABLE"

If the employee is subject to termination because the employee has been determined by the Company's insurance carrier to be "uninsurable", the employee shall be first placed on suspension without pay for a maximum of thirty (30) days, during which time employee can take steps with insurer to correct his status. If, within those thirty (30) days, the employee corrects his status with the insurer, then employee is eligible for reinstatement. If the employee's status is not corrected within the thirty (30)-day period, then the employee's termination is deemed final as of employee's last day of work; except that, the Employer within its sole discretion may extend the suspension period beyond thirty (30) days as it sees fit. No wages or benefits accrue or are earned during the suspension.

APPENDIX "E"

ALCOHOL AND SUBSTANCE TESTING - ACKNOWLEDGMENTS

Acknowledgment Form A

CONSENT TO SUBMIT TO DRUG AND/OR ALCOHOL TESTING

I acknowledge that I have been requested to submit to drug and/or alcohol testing.

I understand that the drug and/or alcohol testing is voluntary on my part, that I may refuse to submit and that such refusal is grounds for termination.

I further understand that the drug and/or alcohol test results may be released to the Company, and that the results may be used as grounds for termination.

With full knowledge of the foregoing, I hereby agree to submit to drug and/or alcohol testing by the Company-selected medical clinics and/or laboratories.

EMPLOYEE'S SIGNATURE

DATE

IMMEDIATE SUPERVISOR/MANAGER

DATE

WITNESS

DATE

D'Arrigo Bros. - Truck Driver Contract/Teamsters, Local 890
Collective Bargaining Agreement 2003-2007

APPENDIX "E"

ALCOHOL AND SUBSTANCE TESTING - ACKNOWLEDGMENTS

Acknowledgment Form B

REFUSAL TO SUBMIT TO DRUG AND/OR ALCOHOL TESTING

I acknowledge that I have been requested to submit to drug and/or alcohol testing.

I understand that the drug and/or alcohol testing is voluntary on my part, that I may refuse to submit and that such refusal is grounds for termination.

I further understand that the drug and/or alcohol test results may be released to the Company, and that the results may be used as grounds for termination.

With full knowledge of the foregoing, I hereby refuse to submit to drug and/or alcohol testing.

EMPLOYEE'S SIGNATURE

DATE

IMMEDIATE SUPERVISOR/MANAGER

DATE

WITNESS

DATE

APPENDIX "E"

ALCOHOL AND SUBSTANCE TESTING - ACKNOWLEDGMENTS

Acknowledgment Form C

AUTHORIZATION FOR RELEASE OF DRUG AND ALCOHOL INFORMATION

I acknowledge that I have been requested by the Company to submit to drug and/or alcohol testing to be administered by _____, a hospital, clinic and/or laboratory designated and chosen by the Company, whose purpose and function is to determine whether I am able to perform my described job duties.

I hereby authorize the medical clinic and/or laboratory to disclose all pertinent drug and/or alcohol information and all laboratory results to the Company regarding my drug and/or alcohol testing and its results. The release by the hospital, clinic and/or laboratory of the information and results, and the utilization of the information and results of the Company shall be for the limited purpose of providing the Company an opportunity to evaluate the information and results and thereby determine whether I am fit to perform my job. The hospital, clinic and/or laboratory is only authorized to release the information and results for a period of up to and including 120 days from the date indicated below.

This drug and alcohol information shall include laboratory, scientific and other reports and/or tests; analysis of my condition and substances and/or chemicals which are causal factors for my condition; diagnosis and prognosis as related to this drug and/or alcohol test.

I acknowledge that executing this authorization is voluntary and that I have the right to receive a copy of this authorization if I request one.

EMPLOYEE'S SIGNATURE

DATE

IMMEDIATE SUPERVISOR/MANAGER

DATE

WITNESS

DATE

APPENDIX "F"

LETTER OF UNDERSTANDING RE: CLASSIFICATIONS

D'Arrigo Brothers Company of California and General Teamsters Union Local 890, enter into this letter of understanding to clarify the issue of truck driver classifications between drivers and machine operators. The parties agree to, and hereby resolve this issue as follows, effective April 21, 2003:

- (1) The parties agree that the classifications of drivers and machine operators are to be separated for seniority purposes.
- (2) The seniority list covering the two (2) classifications will be contained within the same list, one for the Northern Division and one for the Southern Division.
- (3) All truck drivers will be given the opportunity to select their classification (one only), driver or machine operator.
- (4) Once a truck driver disqualifies himself from the classification of either machine operator or driver, the truck driver will be permanently disqualified from that classification.
- (5) The Company has the discretion of disqualifying a machine operator that does not meet the performance standard required by the Company.
- (6) Except as provided in (7), a bid between classifications is allowed only when a truck driver permanently transfers from one classification to another. This transfer is on a one-time basis. Seniority accompanies the transfer.
- (7) Huron will be an area where employees from both classifications will be allowed to bid at the beginning of the season to work in the classification they select. Once the truck driver has elected a classification he will not be permitted to bump back and forth between classifications. The truck driver will finish that season in the classification he elected.
- (8) This Letter of Understanding modifies certain seniority rights found in Section 10-Seniority, but only to the extent minimally necessary to implement (1) - (7) above. Otherwise, if in conflict, the provisions of Section 10 and any other Section of this Agreement shall prevail over this Appendix "F".

APPENDIX "G"

Sideletter #1 Re: "Two-Stop" Premium

This SIDELETTER #1 amends Section 5 - Wages and Working Conditions, subsection 5.3, to provide that, in the event that Company requires DRIVERS to move a portion of the bagged iceberg lettuce to the Company's Castroville facility and thereby requiring a second stop in addition to the vacuum cooler, then DRIVERS will be paid a premium of \$0.02 (two cents) per carton on all cartons of bagged iceberg lettuce moved in that load. This shall be known as the "two-stop" premium.

The piece rate wage scale will still be applied so as to measure mileage from the ranch to UniKool, irrespective of whether the Castroville stop occurs first or second.

The "two-stop" premium was effective June 11, 2000, and remains in effect for the remaining term of the collective bargaining agreement, unless modified by a subsequent agreement between the parties.

The "two-stop" premium does not change the piece rate wage scale set forth in subsection 5.3. All of those piece rates remain the same. The two-cents is simply added to the listed rate where the two-stop situation applies.

SECTION 10 - SENIORITY	18
Acquiring Seniority (10.1)	18
Transfer (10.2)	18
Operating Area Seniority Lists (10.3)	18-19
Release from Area (10.4)	19
Recall and Layoff (10.5)	19
Vacancies (10.6)	19-20
Assignments of Work (10.7)	20-21
Loss of Seniority (10.8)	21-22
Seniority Grievances (10.9)	22-23
Recall Notice (10.10)	22
Effect of Discharge (10.11)	23
Discharge Grievance Time Limit (10.12)	23
Trailers (10.13)	23
Driver Screen (10.14)	23
SECTION 11 - BULLETIN BOARD	24
SECTION 12 - MANAGEMENT RIGHTS	24-25
SECTION 13 - SUCCESSOR CLAUSE	25
SECTION 14 - VACATIONS	26-28
SECTION 15 - HEALTH AND WELFARE CONTRIBUTIONS	28-30
SECTION 16 - HOLIDAYS	30-31

D'Arrigo Bros. - Truck Driver Contract/Teamsters, Local 890
Collective Bargaining Agreement 2003 - 2007

SECTION 17 - LEAVES OF ABSENCE	31
SECTION 18 - FUNERAL LEAVE	31-32
SECTION 19 - JURY DUTY	32
SECTION 20 - NO STRIKE/NO LOCKOUT	32-33
SECTION 21 - GRIEVANCE AND ARBITRATION PROCEDURE	33-36
SECTION 22 - DELINQUENCIES	36-37
SECTION 23 - SAFETY	37-38
SECTION 24 - ALCOHOL AND SUBSTANCE TESTING	38-39
SECTION 25 - SAVINGS PARTICIPATION	39-42
SECTION 26 - WAIVER OF BARGAINING	42
SECTION 27 - DURATION OF AGREEMENT	42-43
APPENDIX A - Driver Screen	44-45
APPENDIX B - Truck Driver Policy	46
APPENDIX C - Letter of Understanding Re: ADA	47
APPENDIX D - Letter of Understanding Re: "Uninsurable"	48
APPENDIX E - Alcohol and Substance Testing Acknowledgments	49-51
APPENDIX F - Letter of Understanding Re: Classifications	52
APPENDIX G - Sideletter #1 Re: "Two-Stop" Premium	53

AGREEMENT

PREAMBLE - PARTIES

THIS COLLECTIVE BARGAINING AGREEMENT, hereinafter referred to as the "Agreement", is by and between the D'ARRIGO BROTHERS COMPANY OF CALIFORNIA, hereinafter referred to as the "Company" or "Employer"; and GENERAL TEAMSTERS, WAREHOUSEMEN AND HELPERS UNION LOCAL 890, MONTEREY AND SAN BENITO COUNTIES, affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, hereinafter referred to as the "Union", acting for and on behalf of the hereinafter designated employees of the Company.

The Company and the Union agree that this Agreement is a separate contract between the parties hereto and shall be independent from any negotiations which the Union might undertake with any other employer or groups of employers, or regarding any other employees; and only employees under this Agreement may vote in any matters relating to this contract.

SECTION 1 - UNION SECURITY

1.1 If any person who is not a member of the Union be employed as a truck driver (as hereinafter defined), such person shall, within thirty-one (31) days after commencing work for the Company, make application to become a member of the Union, and the Union agrees that it will not discriminate against such applicant. An employee to whom membership is made available on the same terms and conditions generally applicable to other Union members and who fails to become a member of the Union, or whose membership in the Union is terminated because of failure to tender the periodic dues and initiation fees uniformly required by Union, shall, upon written request by the Union to the Company, be discharged. Such individual shall

not be re-employed until the Union indicates in writing that he has paid such dues and initiation fee.

1.2 When the Company hires a new employee under the terms of this Agreement, it shall give the Union the following information at the time the employee's name is placed on the payroll record: name, address, social security number, date employed, and job classification. This information shall be furnished to the Union by telephone or on postal cards. It shall be the duty of the Union to supply Employer with the postal cards for this purpose. The Employer shall not be required to furnish this information to the Union when the person is intended to be employed by the Company for a period of thirty-one (31) continuous days or less.

1.3 The Company shall deduct Union membership fees, uniformly applied assessments and initiation fees from the first pay check of each month for all employees for which Company receives an employee's written authorization for such deductions. To be valid, the written authorization must reflect the initial amounts to be deducted, the effective dates of said authorization, and an authorization to deduct any dues increases of which Company is advised by Union. The Company will promptly remit these amounts to the Union. The Union shall strictly indemnify, defend, and save the Company harmless, without limitation, against claims, demands, suits, or other forms of liability which shall arise because the Company acted in reliance upon the authenticity and/or the validity of payroll deduction authorization cards which are submitted by the Union to the Company.

1.4 Authorized agents of the Union shall have the right to visit Company premises at reasonable times to conduct legitimate Union business. Such agents, not to exceed two (2) at one

time. shall notify and identify themselves to the appropriate supervisor and shall not interfere with or interrupt operations.

The Union shall notify the Company, in writing, of the names of all its authorized agents. No access to property shall be permitted to any person who has not been so designated in writing at least 24 hours in advance, and/or who violates this paragraph 1.4.

1.5 The Union accepts full responsibility for the actions and personal safety of its agents while on Company property and agrees that any agent permitted access shall abide by all Company safety rules.

1.6 Paragraph 1.1 shall not apply to the Company's operations in the State of Arizona and the whole of paragraph 1.1 is hereby deleted as to such operations so long as they are contrary to the laws of Arizona.

SECTION 2 - "TRUCK DRIVER" DEFINED

2.1 The term "truck driver" is defined as all Company employees engaged in the following: (1) driving equipment hauling produce other than broccoli from the harvesting field; (2) Drivers and operators of the lettuce bagging machines; (3) Drivers regularly moving lettuce bagging machines from one harvesting field to another harvesting field; (4) Driving the fabric nurse truck hauling empty lettuce cartons to or within the field; and (5) Driving the shuttle equipment for iceberg lettuce within or between fields; and provided that, this definition includes only those functions which existed as of the execution date of this Agreement.

2.2 The term "truck driver" specifically excludes all Company employees engaged in driving and/or operating any equipment utilized in connection with any of the following: (1) the field-packing of broccoli; (2) hauling broccoli from the harvesting field; (3) rappini harvesting

D'Aprigo Bros. - Truck Driver Contract/Teamsters, Local 890
Collective Bargaining Agreement 2003-2007

and/or rappini hauling operations in the Southern Division; (4) long-hauling of any kind; (5) rappini machine operators; (6) romaine heart machine operators; and (7) any other type of farm equipment, harvesting equipment, and/or truck hauling between fields or within fields which is not included under paragraph 2.1 above. Employees covered under this paragraph 2.2 and all other employees of the Company are specifically excluded from any of the terms of this Agreement.

2.3 All provisions of this Agreement shall be interpreted and applied in conformance with, and consistent with the above definition.

SECTION 3 - REPRESENTATION

3.1 This Agreement shall cover the Company's truck drivers, as defined in Section 2 herein, for the operating areas in Salinas, Yuma/Imperial, Eloy, and Huron, as defined in Section 5 herein, insofar as these areas are under the jurisdiction of Teamsters Union Local 890. It is acknowledged by both parties that the Union represents no other employee of the Company under the terms of this Agreement.

SECTION 4 - SUBCONTRACTING

4.1 Nothing in this Agreement shall be interpreted to restrict the right of the Company to contract for services of independent contractors or other contract labor on any work and/or crops not regularly and customarily performed by the truck driver employees of the Company.

4.2 The Company may subcontract for services of independent contractors or other contract labor ("boosters") for work which is regularly and customarily performed by the truck driver employees of the Company, if: (1) such subcontracting is done within fourteen (14) working days of the beginning and/or end of the commodity's harvesting season in the district.

except in the Huron district where the limitation is seven (7) working days; or (2) the Company determines that it does not have qualified employees to perform the work; or (3) the Company does not have the specialized or customized equipment to perform the work; or (4) an emergency arises; or (5) to fill temporary vacancies or short-term absences; or (6) it is permissible elsewhere in this Agreement; or (7) all of its seniority employees in the area of operation in which the subcontracting takes place are either working or not available to work for the Company.

4.3 Notwithstanding paragraph 4.2, when an emergency arises that necessitates the leasing of equipment with the driver, the Company may lease said equipment for the duration of the emergency and for such longer period as may be required as a condition of said lease. This paragraph applies only to equipment that cannot be leased without the driver.

4.4 If the Company contracts the hauling of culls from the packinghouse, the employees of such contract haulers shall not be covered under the terms of this Agreement.

4.5 No subcontractor, independent contractor, or contract labor ("boosters") subcontracted under paragraph 4.2 above shall be covered by any of the terms of this Agreement, except to the extent that the Company employs its seniority truck drivers as "boosters" under Section 5, paragraph 5.20, of this Agreement.

SECTION 5 - WAGES AND WORKING CONDITIONS

5.1 During the term of this Agreement, employees shall be compensated at the wage rates set forth herein, except as otherwise provided in this Agreement which, if in conflict, shall prevail over this Section 5.

5.2 All employees shall be paid weekly.

5.3 Driver Piece Rates. (Iceberg lettuce bagging machine, romaine heart machine, ground pack mixed lettuce hauling, and rappini hauling only.)

Drivers shall be paid at piece rates for: (a) loading and moving only the Iceberg lettuce packed on the bagging machines; (b) hauling Romaine hearts; (c) hauling ground-packed mixed lettuce; and (d) hauling Rappini. No piece rate applies to any other commodity, product, or pack. The following piece rate wage scale shall apply, based upon mileage measured from the vacuum cooler (or other destination designated by the Company) and the entrance to the specific ranch lot being harvested.

DRIVERS:

A. Iceberg lettuce bagging machine, romaine heart machine, ground pack mixed lettuce (other than ground pack romaine), and rappini:

<u>Per carton/Mileage</u>	<u>0-10.99</u>	<u>11-20.99</u>	<u>21-30.99</u>	<u>31-40.99</u>	<u>41-50.99</u>	<u>51-60.99</u>
---------------------------	----------------	-----------------	-----------------	-----------------	-----------------	-----------------

Effective January 1, 2003 through January 3, 2004

Straight-time and overtime	.0576	.0626	.0676	.0726	.0776	.0826
Sunday - all hours and Holiday premium, if applicable	.0864	.0939	.1014	.1089	.1164	.1239

Effective January 4, 2004 through January 1, 2005

Straight-time and overtime	.0585	.0635	.0685	.0735	.0785	.0835
Sunday - all hours and Holiday premium, if applicable	.0878	.0953	.1028	.1103	.1178	.1253

Per carton/Mileage 0-10.99 11-20.99 21-30.99 31-40.99 41-50.99 51-60.99

Effective January 2, 2005
through December 31, 2005

Straight-time and overtime	.0594	.0644	.0694	.0744	.0794	.0844
Sunday - all hours and Holiday premium, if applicable	.0891	.0966	.1041	.1116	.1191	.1266

Effective January 1, 2006
through January 6, 2007

Straight-time and overtime	.0603	.0653	.0703	.0753	.0803	.0853
Sunday - all hours and Holiday premium, if applicable	.0905	.0980	.1055	.1130	.1205	.1280

Effective January 7, 2007
through December 31, 2007

Straight-time and overtime	.0612	.0662	.0712	.0762	.0812	.0862
Sunday - all hours and Holiday premium, if applicable	.0918	.0993	.1068	.1143	.1218	.1293

B. Ground pack romaine lettuce only:

Per carton/Mileage 0-10.99 11-20.99 21-30.99 31-40.99 41-50.99 51-60.99

Effective January 1, 2003
through January 3, 2004

Straight-time and overtime	.0626	.0676	.0726	.0776	.0826	.0876
Sunday - all hours and Holiday premium, if applicable	.0939	.1014	.1089	.1164	.1239	.1314

D'Arpigo Bros. - Truck Driver Contract/Teamsters, Local 890
Collective Bargaining Agreement 2003-2007

Per carton/Mileage 0-10.99 11-20.99 21-30.99 31-40.99 41-50.99 51-60.99

Effective January 4, 2004
through January 1, 2005

Straight-time <u>and overtime</u>	.0636	.0686	.0736	.0786	.0836	.0886
Sunday - all hours <u>and</u> Holiday premium, if applicable	.0954	.1029	.1104	.1179	.1254	.1329

Effective January 2, 2005
through December 31, 2005

Straight-time <u>and overtime</u>	.0646	.0696	.0746	.0796	.0846	.0896
Sunday - all hours <u>and</u> Holiday premium, if applicable	.0969	.1044	.1119	.1194	.1269	.1344

Effective January 1, 2006
through January 6, 2007

Straight-time <u>and overtime</u>	.0656	.0706	.0756	.0806	.0856	.0906
Sunday - all hours <u>and</u> Holiday premium, if applicable	.0984	.1059	.1134	.1209	.1284	.1359

Effective January 7, 2007
through December 31, 2007

Straight-time <u>and overtime</u>	.0666	.0716	.0766	.0816	.0866	.0916
Sunday - all hours <u>and</u> Holiday premium, if applicable	.1000	.1074	.1149	.1224	.1299	.1374

D'Arrigo Bros. - Truck Driver Contract/Teamsters, Local 890
Collective Bargaining Agreement 2003-2007

BAG MACHINE OPERATOR (Iceberg lettuce bagging machine only):

Effective January 1, 2006
through January 6, 2007

Straight-time \$.0235 per carton
and overtime

Sunday hours and Holiday \$.0353 per carton
premium, if applicable

Effective January 7, 2007
through December 31, 2007

Straight-time \$.0239 per carton
and overtime

Sunday hours and Holiday \$.0359 per carton
premium, if applicable

5.5 Hourly rates. Except for drivers who receive piece rate for packed commodities, all other employees shall be paid at the hourly rates below. For the piece-rated drivers only, the hourly rate shall be a minimum hourly guarantee. For the bag machine operators, the hourly rate is paid in addition to the piece rate.

A. DRIVERS AND MACHINE OPERATORS:

Effective January 1, 2003
through January 3, 2004

Straight-time \$12.75 per hour

Overtime/Holiday \$19.13 per hour
premium, if applicable

Effective January 4, 2004
through January 1, 2005

<u>Straight-time</u>	\$13.00 per hour
<u>Overtime/Holiday</u> <u>premium, if applicable</u>	\$19.50 per hour

Effective January 2, 2005
through December 31, 2005

<u>Straight-time</u>	\$13.25 per hour
<u>Overtime/Holiday</u> <u>premium, if applicable</u>	\$19.88 per hour

Effective January 1, 2006
through January 6, 2007

<u>Straight-time</u>	\$13.50 per hour
<u>Overtime/Holiday</u> <u>premium, if applicable</u>	\$20.25 per hour

Effective January 7, 2007
through December 31, 2007

<u>Straight-time</u>	\$13.75 per hour
<u>Overtime/Holiday</u> <u>premium, if applicable</u>	\$20.63 per hour

5.6 Trailer Premium. When a driver pulls a trailer loaded with vegetables to or from a field, he shall receive a one dollar (\$1.00) per hour premium. If the employee pulls such trailers over two (2) hours in any one day, the employee shall be paid the premium for all hours worked in such day. The premium only applies where more than one vegetable cargo unit is involved.

5.7 Long Hauling. When trucks and harvesting equipment are moved by an employee of the Company from one area to another in which this contract prevails, the Company shall pay contract rate as well as subsistence of twenty-five dollars (\$25.00) for each twenty-four (24) hours (over ten (10) hours of work in each day), with overtime after eight (8) hours of work in any one day. Truck drivers shall have the option to lay over at any point at which he has completed ten (10) hours of work or driving.

It is understood and agreed by the Union that the Company, in its sole discretion, shall continue to utilize long-haul drivers to do this work.

5.8 Employees who move during a shift from a piece rate job to an hourly job, or the reverse, shall receive compensation computed at the rate applicable to each such job on a daily basis. When a driver hauls on two piece rate jobs in a day, the hourly and piece rate earnings for each job shall be computed separately.

5.9 When a driver is required to load and move packed lettuce from one vacuum cooler to another location, the load and the move from one vacuum cooler to the other location shall be paid at the applicable piece rate as provided herein. If the required load and movement of packed lettuce is at the end of a driver's work day, the move will be paid at the hourly rate in addition to any hourly or piece rate earnings for the day.

5.10 Upon request, an employee's daily record of hourly and/or piece rate earnings shall be furnished to the employee so requesting, at the time the employee receives his next check.

5.11 Piece rate shall be determined daily.

5.12 Overtime. All time worked in excess of eight (8) hours per day, Sunday through Saturday, shall be compensated at the applicable overtime rate set forth in paragraphs 5.3, 5.4, and 5.5.

5.13 No overtime premium shall apply on any piece rate.

5.14 Saturday Premium. Any employee who performs work on Saturday shall receive a premium of ten dollars (\$10.00), irrespective of hours worked. This provision shall not apply to call time.

5.15 Sunday Premium. All hourly work performed for the first eight (8) hours on Sunday shall be paid for at one and one-half (1½) times the employee's straight-time hourly rate set forth in paragraph 5.5.

5.16 Moving Expense and Guarantee. Each seniority employee shall be paid the sum of seventy-five dollars (\$75.00) and guaranteed forty (40) hours straight-time rate of pay for each move out of the employee's area of residence; except that, if Huron is not the employee's area of residence, the sum of one hundred twenty-five dollars (\$125.00) shall instead be paid for each move to Huron from either Salinas or Yuma. The employer shall notify an employee at least forty-eight (48) hours prior to the time he is required to report to a new area. The forty (40)-hour guarantee period begins the day the employee reports to work and shall run for seven (7) calendar days.

5.17 For the purpose of this Section, the employee's area of residence shall be designated as the operating area (as herein defined) within which his address of record is located. If his address of record is not located within any operating area, then the area of residence shall be designated as Yuma/Imperial. The address which appeared on the employer's payroll record

as of October 15, 1985 shall be controlling; except that, for employees hired after October 15, 1985, the area of residence shall be designated as the operating area for which he was initially hired.

5.18 The moving expense and the guarantee shall not apply when the employee's job moves to a different district within the same operating area. The Employer's contrary practice of paying moving expense for some such moves is voluntary and not required by this Agreement, it being understood that the Employer may continue or discontinue this practice within its discretion.

5.19 Employer may use truck drivers from any source during the first seven (7) calendar days of operation in a new operating area rather than calling seniority workers.

5.20 At the exclusive option of the Employer, the Employer may use its own truck drivers as boosters during the first seven (7) days of operation in a new operating area, however, these employees shall waive the moving expense and the guaranteed forty (40) hours straight-time pay which would be otherwise applicable.

5.21 The employee shall be paid the sum of seventy-five dollars (\$75.00) at the conclusion of the season for a move to his area of residence, so long as the last operating area is not the area of residence, in which case no moving expense applies. An employee who was working as a booster shall not receive the moving expense in any event.

5.22 In no event shall the Company be liable for moving expenses or the forty (40)-hour guarantee as a result of any employee's exercise of any of the seniority rights to "bumping" as provided in this Agreement. This applies to employees "bumped" as well as to the higher seniority employee who makes the move.

5.23 Moving expenses shall be paid to the employees by separate check in advance of the move.

5.24 Operating Areas and Districts. For all purposes of this Agreement, the following locations shall be defined as individual "districts," "operating areas," and "divisions" of the Company.

<u>Operating Area</u>	<u>District(s) Included in the Operating Area</u>
<u>A. Northern Division</u>	
1. Salinas	Monterey County, California Santa Clara County, California San Benito County, California Santa Cruz County, California
<u>B. Southern Division</u>	
2. Yuma/Imperial	Imperial Valley, California Yuma/Welton, Arizona
3. Eloy	Eloy/Morana, Arizona
4. Huron	Huron, California

5.25 Beginning of Harvest. For all purposes of this Agreement, the "first seven (7) calendar days of operations" refers to the first seven (7) days of the harvesting operation for each commodity in the particular district. All terms of this Agreement shall be applied in accordance with this meaning.

SECTION 6 - PHYSICAL OR EYE EXAMINATION

6.1 The Employer may elect to have employees take a physical or eye examination as directed by the Company. The cost of the examination will be paid for by the Employer. The employee may select a doctor from a panel of three doctors designated by the Employer.

SECTION 7 - HOURS

7.1 All truck drivers shall be paid from the actual starting time until released; and shall be paid a minimum of two (2) hours where no work is provided, and a minimum of five (5) hours if required to start to work; provided, however, that these minimums shall not apply if Company is unable to give at least five (5) hours work because of rain, frost, or other Acts of God, government condemnation of crop, strikes or other threats to employees or property, or other causes beyond the control of the Company.

7.2 At the end of each day the Company shall communicate the check-in time for the next work day. The Company may require the employee to check-in with the Company, by telephone or otherwise, at fixed times and places to determine the starting time, and up to two (2) times prior to the actual starting time.

7.3 Any starting time may be rescinded by the Employer by notification to the employee prior to the time for reporting for work.

7.4 Starting time shall, unless otherwise specified by the Company, commence at the packing shed, barn, or garage, as the Company directs.

7.5 There shall be no split shifts for any truck driver.

SECTION 8 - LUNCH PERIOD

8.1 Drivers and bag machine operators shall be entitled to an unpaid meal period of one-half (1/2) hour in which to eat lunch at approximately the middle of each work day.

8.2 The parties agree that the nature of the work is such that an employee may not always be able to take a duty-free lunch break. In such case the employee shall work an on-the-job meal period that shall be paid by the Employer.

8.3 Drivers will not take a lunch break while their truck is loaded with produce unless so directed by the Company.

8.4 In the event that the bag machine operator is required by the Employer to work through his lunch period, he will be paid for that on-duty meal period.

SECTION 9 - DISPATCH RULES/TRUCK DRIVER POLICY

9.1 The Company will maintain its dispatch rule of "first in, first out" to the extent reasonably possible. Any changes in these rules shall be subject to acceptance by the majority of the employees of the Company and shall thereafter be binding on the Company and its employees.

Any grievance or dispute regarding new dispatch rules or the application thereof shall be referred to Section 21, Grievance and Arbitration Procedure of this Agreement.

9.2 In the event the Company changes its current truck driver policy, the Company shall deliver a copy thereof to the Union within a reasonable time prior to the effective date of such rules. The Union and the employees acknowledge that the Company's current policy is set forth in Appendix "B" of this Agreement.

SECTION 10 - SENIORITY

10.1 Acquiring Seniority. A new employee shall work under the provisions of this Agreement as a probationary employee and shall be employed on a thirty (30) working day trial basis within a consecutive ninety (90) day calendar day period with the Company during which period he may be discharged without further recourse. After the thirty (30) working day period described above, the employee shall be placed on the applicable seniority list. Seniority shall then begin as of (a) the date of hire, or (b) commencement of the first date of employment within the ninety (90) calendar day period herein referred to, whichever is later. Upon attainment of seniority, an individual shall be considered a seniority employee. There shall be no responsibility for rehiring probationary or temporary employees if they are laid off prior to obtaining seniority.

10.2 Transfer. An employee who does not have seniority in both Divisions will not be required to transfer to the other Division, unless such transfer was an express, written condition of his employment.

10.3 Operating Area Seniority Lists. There shall be two (2) seniority lists for the Company, one for the Northern Division and one for the Southern Division. For employees covered by this Agreement, seniority with the Employer within either Division shall be cumulative from one district to the other within the same Division. Seniority in the Southern Division shall cover the Imperial Valley, Yuma/Welton, Eloy/Morano and Huron districts. Seniority in the Northern Division shall cover the Monterey County; Santa Clara County, Santa Cruz County, and San Benito County districts. Newly hired employees shall not attain seniority in a Division until they have completed thirty (30) working days of employment in that Division within the ninety (90) day period. A current copy of such lists shall be furnished to the Union

upon request. Any employee may voluntarily give up his seniority on either list and maintain his seniority on the other list, provided he notifies the Company to maintain his name on such other list. Employees who are hired by the Company after they break seniority under paragraph 10.7 below shall be considered new employees for all purposes of this Agreement. A copy of the seniority list shall be mailed to the local Union office.

10.4 Release From Area. A seniority employee may request to be released from his employment with the Company to protect his seniority with another employer in another area of operation provided that the Company has a sufficient number of qualified, currently working, seniority employees remaining in the job classifications to perform the work as directed by the Company. The Company shall not be required to recall from layoff another employee in order to accommodate any request for release.

10.5 Recall and Layoff. All permanent jobs shall be filled and all recalls from layoff shall be made from Division's seniority list, and thereafter permanent vacancies shall be filled from the list in the same order, provided that persons having seniority are capable of performing the work in a manner satisfactory to the Employer. No employee will be offered a job more than once. Similarly, layoffs from work shall be made in the reverse order of classification seniority with due consideration being given to the ability of the employee laid off and to the ability of the remaining employees to perform the work in a manner satisfactory to the Employer. A right of appeal shall exist as provided in Section 21, Grievance and Arbitration Procedure.

10.6 Vacancies. A "permanent vacancy" means a vacancy in any position which in the Company's estimation requires a full-time Company employee on a regular basis for a period

longer than thirty-one (31) consecutive days; and a "temporary vacancy" refers to all other openings.

10.7 Assignments of Work.

(1) Prior to the commencement of the harvesting season for the first harvested commodity in the particular district, seniority employees by order of seniority shall be permitted to bid into the first harvest he desires to work within his classification. However, no employee currently working in another district may bid for such work.

If the seniority employee is currently working in another district, he is not eligible to work in any other district until his current commodity's harvest has been completed or until, in the Employer's exclusive discretion, the employee's services are no longer required in the commodity, whichever is earlier.

(2) Within the confines of a given district where the employee is currently working, a seniority employee is eligible to "bump" into another job within his classification in that district if work in his current job is not scheduled for the next working day, provided that:

- a. The employee immediately advises the Company of his desire to do so when informed that work in his current job is not scheduled for the next day, and,
- b. In the Company's estimation the employee is qualified to perform the work, and,
- c. The "bumping" right is strictly limited to the higher seniority employee displacing the least senior employee within his classification.

(3) Within the confines of a given district where the employee is currently working, prior to the commencement of each harvested commodity in the particular district, seniority employees by order of seniority shall be permitted to bid into that harvest for work within his classification.

(4) Upon the conclusion of the harvesting season for each commodity in the particular district, seniority within his classification prevails in that district or in other districts where the employee has seniority, but only to the extent that this is not contrary to (1), (2), or (3) above.

10.8 Loss of Seniority. Seniority shall be broken and the employment relationship shall be terminated for the following reasons:

(1) Voluntary quitting;

(2) Discharge for cause;

(3) Failure to report for work under the terms of the seniority provision. If failure to report is due to a bona fide illness, accident, or death in the family, this provision shall not apply, so long as the employee notifies the Company in advance if possible and furnishes documentation of the emergency satisfactory to the Company.

(4) Failure to maintain a satisfactory driving record including, but not limited to: (a) failure to maintain a valid required driver's license in the jurisdiction where the work is to be performed, and/or (b) attaining five (5) or more points for vehicle violations under the Driver Screen, Appendix A, whether or not incurred while working, and/or (c) having been determined by the Company's insurance carrier to be "uninsurable"; or

(5) Layoff by the Company for a continuous period equal to twelve (12) consecutive calendar months, or the length of his Company seniority, whichever is less.

10.9 Seniority Grievances. All grievances relating to seniority shall be made in writing to the Employer within ten (10) calendar days, from the date that the alleged violation first occurred. Any employee failing to do so shall waive his right to bring such matters as a grievance.

10.10 Recall Notice. To protect his seniority, the employee shall furnish the Employer with his proper mailing address. The Employer shall, verbally or by mail or telegram at least ten (10) days prior to the beginning of the annual harvesting season, notify the employee of the approximate starting time thereof. Thereafter, it shall be the duty of the employee to report on the date set, which notice shall be given to him at least forty-eight (48) hours prior thereto by posting on the Company's bulletin board. However, in the event the employee furnishes the Company his telephone number, the Company shall call such number at least forty-eight (48) hours prior to the actual starting date of his employment.

Nothing in this section shall be interpreted to deprive an employee of his seniority status because he arrives later than the date of reporting if he notifies the Employer prior to the date he is to report for work if working for another company, AND IF: (1) in the Employer's sole discretion, the employee's services were not required during the grace period and (2) the employee reports on the date the Employer instructed him to report after the grace period. The grace period herein is on the condition that he brings a certificate from his other employer stating he was so employed and his services were required.

Any employee exercising the right granted under the proceeding paragraph shall waive the payment and guarantee set forth in paragraph 5.16 of Section 5.

10.11 Effect of Discharge. If an employee is discharged for cause by the Company when working in an operating area covered by this Agreement, he shall lose all seniority rights with the Company in all operating areas.

10.12 Discharge Grievance Time Limit. The Employer shall have the right to discharge any employee for insubordination, drunkenness or being under the influence of alcohol, drugs, or controlled substances, failure to perform work as required, or failure to observe safety rules and regulations or Employer's posted rules and regulations. However, any employee who feels that he has been unfairly discharged shall have the right, within five (5) days of his discharge, excluding Saturdays, Sundays, and holidays, to bring the matter as a written grievance. Failure to act within five (5) days excluding Saturdays, Sundays, and holidays, shall waive the grievance.

The Company shall, either at the time of discharge or within five (5) days, excluding Saturdays, Sundays, and holidays, after the discharge, furnish the employee with a written discharge notice stating the reason for the discharge, supervisor's name who discharge the employee, and the time and location of the offense. A copy of the discharge or termination notice shall be sent to the Union.

10.13 Trailers. Whenever possible where trailers are used in hauling of lettuce such trailers shall be offered to the drivers in each crew in order of seniority.

10.14 Driver Screen. The parties have agreed upon the Driver Screen which is set forth in Appendix "A" of this Agreement.

SECTION 11 - BULLETIN BOARD

11.1 The Company will provide bulletin boards for use by the Company and Union placed at the Company office in each operating area upon which the Union may post notices of Union business.

SECTION 12 - MANAGEMENT RIGHTS

12.1 All rights of management in direction of the business, and the exercise of discretion reasonably related thereto, which have not been specifically abridged, delegated, or modified by the Employer under provisions of this Agreement are recognized by the Union as being retained by the Employer.

12.2 All functions, rights, powers, discretion, and authority which is not expressly prohibited to the Employer by the terms of this Agreement are recognized by the Union as being retained by the Employer and to be within the Employer's sole discretion.

12.3 Except as expressly modified or restricted by an express provision of this Agreement, and without being construed as words of limitation, all statutory and inherent managerial rights, prerogatives, and functions are retained and vested exclusively in the Company, including, but not limited to, the rights, in accordance with its sole and exclusive judgment and discretion: to reprimand, suspend, discharge, or otherwise discipline employees for cause; to determine the number of employees to be employed; to hire employees, determine their qualifications and assign and direct their work; to promote, demote, transfer, lay off, recall to work, and retire employees; to set the standards of productivity, the crops or other products to be produced, the volume of production, and/or the services to be rendered; to determine the amount

and forms of compensation for employees; to maintain the efficiency of operations; to determine the personnel, methods, means, and facilities by which operations are conducted; to set the starting and quitting time and the number of hours and shifts to be worked; to use independent contractors to perform work or services; to subcontract, contract out, close down, or relocate the Company's operations or any part thereof; to expand, reduce, alter, combine, transfer, assign, or cease any job, department, operation, or service; to control and regulate the use of machinery, facilities, equipment, and other property of the Company; to introduce new or improved research, production, service, distribution, and maintenance methods, materials, machinery, and equipment; to determine the number, location and operation of departments, divisions, and all other units of the Company; to issue, amend and revise policies, rules, regulations, and practices; and to take whatever action is either necessary or advisable to determine, manage and fulfill the mission of the Company and to direct the Company's employees. The Company's failure to exercise any right, prerogative, or function hereby reserved to it, or the Company's exercise of any such right, prerogative, or function in a particular way, shall not be considered a waiver of the Company's right to exercise such right, prerogative, or function or preclude it from exercising the same in some other way not in conflict with the express provisions of this Agreement.

SECTION 13 - SUCCESSOR CLAUSE

13.1 This Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns. Successors and assigns for the purpose of this paragraph applies to a sale or other transfer of the business and ownership of the Company. A sale of assets, either in whole or in part, which does not involve continuation of the workers of the Company to operate

such sold or transferred business or assets, shall not be subject to the provisions of this paragraph.

SECTION 14 - VACATIONS

14.1 Seniority employees shall be entitled to vacations based upon a calendar year in accordance with the following provisions. Hours worked as a non-seniority employee do not earn vacation benefits, nor count toward vacation benefits.

14.2 Effective on January 1, 2003, and on each succeeding January 1 during the term of this Agreement, seniority employees who maintain unbroken seniority during the entire calendar year shall earn vacation benefits based on the number of employee's hours worked during calendar years 2003, 2004, 2005, 2006, and 2007, respectively, (individually, the "qualifying year"), in accordance with the following Vacation Table:

VACATION TABLE "A"

<u>HOURS WORKED</u>	<u>VACATION DAYS</u>
<u>300 hours to 599</u>	<u>One (1) day</u>
<u>600 hours to 899</u>	<u>Two (2) days</u>
<u>900 hours to 1199</u>	<u>Three (3) days</u>
<u>1200 hours to 1499</u>	<u>Four (4) days</u>
<u>1500 hours to 1799</u>	<u>Five (5) days</u>
<u>1800 hours to 2099</u>	<u>Six (6) days</u>
<u>2100 hours to 2399</u>	<u>Seven (7) days</u>
<u>2400 hours or more</u>	<u>Eight (8) days</u>

