

COLLECTIVE AGREEMENT

BETWEEN

MARIO SAIKHON, INC.

AND

UNITED FARM WORKERS OF AMERICA, AFL-CIO

February 9, 1978 - January 1, 1979

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PARTIES

THIS AGREEMENT and SUPPLEMENTAL AGREEMENTS attached hereto are between MARIO SAIKHON, INC. hereafter called the "Company," and THE UNITED FARM WORKERS OF AMERICA, AFL-CIO, hereafter called "the Union." The parties agree as follows:

ARTICLE 1: RECOGNITION

A. The Company does hereby recognize the Union as the sole labor organization representing all of the Company's agricultural employees (hereinafter called "workers") in the unit set forth in Agricultural Labor Relations Board's certification in Case number 75-RC-26-E(R). In the event the Agricultural Labor Relations Board certifies other employees not here included within the certified unit, such additional employees shall be included under the terms of this Agreement. The term "worker" shall not include office and sales employees, security guards and supervisory employees who have the authority to hire, transfer, suspend, layoff, recall, promote, discharge, assign, reward or discipline other workers or the responsibility to direct them or adjust their grievances or effectively recommend such action, if, in connection with foregoing, the exercise of such authority is not of a merely routine or clerical nature but requires the use of independent judgment.

B. The Company agrees that no business device including joint ventures, partnerships, or any other forms of agricultural business operations shall be used by the Company for the purpose of circumventing the obligations of this Collective Bargaining Agreement subject, however, to the provisions of ARTICLE 37, Subcontracting, and ARTICLE 38, Grower-Shipper Contracts.

C. The Company further recognizes the rights and obligations of the Union to negotiate wages, hours and conditions of employment and to administer this Agreement on behalf of covered workers.

D. Neither the Company nor its representatives will take any action to disparage, denigrate or subvert the Union. Neither the Union nor its representatives will take any action to disparage, denigrate or subvert the Company.

E. Neither the Company nor its representatives will interfere with the right of any worker to join and assist the Union. The Company will make known to all workers that they will secure no advantage, nor more favorable consideration nor any form of special privilege because of

non-participation in Union activities.

F. The Company will make known to all workers, supervisors and officers, its policies and commitments as set forth above with respect to recognition of the Union and will encourage workers in the bargaining unit to give utmost consideration to supporting and participation in collective bargaining and contract administration functions.

ARTICLE 2: UNION SECURITY

A. Union membership shall be a condition of employment. Each worker shall be required to become a member of Union immediately following five (5) continual days after the beginning of employment, or after five (5) days from the date of the signing of this Agreement, whichever is later; and to remain a member of Union in good standing. Union shall be the sole judge of the good standing of its members.

Any worker who fails to become a member of Union within the time limit set forth herein, or who fails to pay the required initiation fee, periodic dues or regularly authorized assessments as prescribed by Union, or who has been determined to be in bad standing by Union pursuant to the provisions of the Union's constitution, shall be immediately discharged upon written notice from Union to Company, and shall not be re-employed until written notice from Union to Company of the worker's good standing status.

B. The Company agrees to furnish to the Union in writing, within one (1) week after execution of this Agreement, a list of its workers giving the names, addresses, Social Security numbers and type of job classifications.

C. The Company agrees to deduct from each worker's pay initiation fees, all periodic dues, and assessments as required by the Union, upon presentation by the Union of individual authorizations signed by workers, directing the Company to make such deductions. The Company shall make such deductions from worker's pay for the payroll period in which it is submitted, provided that it is submitted in advance of the close of the pay period, and periodically thereafter as specified on authorizations, so long as such authorization is in effect, and shall remit monies weekly. The Company shall provide a monthly summary report as soon as possible, but no later than the twentieth (20th) day of the month following the ending date of the previous month's pay period in containing the names of the workers, Social Security numbers, payroll periods covered, gross wages, total hours worked per worker, total number of workers and amount of Union dues deducted during such pay periods from

each worker. Union will furnish the forms to be used for authorization and will notify the Company in writing of dues, assessments and initiation fees within five (5) days of the execution of this Agreement and five (5) days before the effective date of any change.

D. The Company will advise new workers that it is a condition of their employment that they must become and thereafter remain members in good standing in the Union immediately following five (5) continual days after the beginning of their employment. The Company shall furnish workers membership applications and dues checkoff authorization forms as provided by the Union.

E. The Union shall indemnify and hold the Company harmless from and against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of action taken by Company for the purpose of compliance with any of the provisions of the Article.

ARTICLE 3: HIRING

A. The Union shall operate and maintain a facility whereby Company may secure new or additional workers. The Union will notify Company of the address and telephone number of each facility nearest each operation of the Company and the name of the person in charge of the facility.

B. Company recalls of seniority workers shall be pursuant to Section C of Article 4. Workers returning to work on recall shall check in with the Union Steward or other Union representative on the job site to verify the worker's name is on the seniority list before commencing work.

C. Whenever at the beginning of any operating season in any area of operation of Company, the Company anticipates the need for new or additional workers to perform any work covered by this Agreement, the Company shall, at least two (2) weeks prior to the date of anticipated need for such workers, notify the facility of the Union designated in Section A in writing, stating the number of workers needed, the type of work to be performed, the estimated starting date of the work and the approximate duration thereof. The Company shall notify the Union promptly of any change in estimated starting date; however, the Company shall give the Union the exact starting date no later than forty-eight (48) hours prior to the actual date for commencement of the work.

D. In the event, during the operating season in any area of Company operations, new or additional workers are needed to

perform work covered by this Agreement, the Company shall notify the Union facility designated in Section A of the number of workers needed, the type of work to be performed, the date the workers are needed, and whether the work is temporary or permanent. The Union shall be given forty-eight (48) hours notice or as far in advance as possible.

E. When workers are requested of the Union, Union shall use its best efforts to furnish the requested number of workers.

If the Union does not furnish the requested number of workers on the date requested, the Company shall be free to procure needed workers not furnished by the Union from any other source. If the Company secures workers under the provisions of this paragraph, the Company will make available to the Union, in writing within five (5) days thereafter, the names, Social Security numbers, date hired and job classifications of all workers so hired, provided, however, that the Union shall be entitled, acting on its own, to ascertain such information from such workers at any time after twenty-four (24) hours following the hiring of such workers, provided, further, that work is not interrupted. Grievances relating to this paragraph shall be subject to the Expedited Grievance and Arbitration Procedure.

F. When the Company requests workers from the Union facility for jobs which require skills or experience (such as tractor drivers, irrigators) the Union will refer workers who meet the job requirements. Before the Company makes a determination that a referred worker does not meet the job requirement, the supervisor will fully explain the job duties and requirements and give the worker a reasonable time to meet the job requirements. Discharges shall be subject to the procedure of Article 8 - Discipline and Discharge.

G. It is essential that the Union has advance notice of any layoff, so it may plan utmost utilization of available workers. Accordingly, the Company will notify Union seven (7) days in advance of any layoff, or as soon as possible prior to any layoff.

H. In the event that it is necessary to layoff workers before they acquire seniority, it is understood that if such workers are referred or dispatched by the Union to the employer from which they were laid off, that such workers will be given work opportunity by the Company on the same basis as any other non-seniority worker.

ARTICLE 4: SENIORITY

A. After a worker has worked for the Company at least fourteen (14) work days within the preceding ninety (90) calendar days, he shall acquire seniority on the fourteenth (14th) day of work, retroactive to his date of hire within the ninety (90) days. Whenever a commodity or crop season is less than twenty-eight (28) calendar days, a worker shall acquire seniority in that commodity or crop, provided he works one-half (1/2) the number of work days in the season. It is understood that the days prior to acquiring seniority do not establish nor shall be a probationary period. There shall be no layoffs for the purpose of circumventing acquisition of seniority.

B. Seniority shall be lost for the following reasons only:

1. Voluntary quitting.
2. Discharge for just cause.
3. When on layoff fails to report within three (3) working days after being called unless satisfactory reasons are given.
4. When the worker fails to report to work at the termination of a leave of absence or vacation without an approved extension as per ARTICLE 11, Leave of Absence, of this Agreement.
5. When any worker leaves the bargaining unit to accept a supervisory or other position with the Company outside the bargaining unit.
6. Any worker rehired after loss of seniority as provided above shall establish a new seniority date as provided in Section A.

C. In the layoff of workers due to lack of work or at end of the Company's operating season, the worker with the least seniority shall be laid off first, and in recall of workers from layoff, workers with the highest seniority shall be recalled in their order of seniority, and the filling of vacancies, new jobs, promotions within the bargaining unit, demotions, shall be on the basis of seniority, provided, however, that the worker is able to do the work. In such cases, the supervisor will fully explain the job duties and requirements and give the worker a reasonable time to meet the job requirements.

D. Whenever a permanent vacancy occurs in an hourly rated job classification with a rate above the general field and harvesting rate, such vacancy shall be posted on the Company's Bulletin Board in the area of the vacancy. The posting shall be made at least five (5) days before the vacancy is permanently filled. A copy of the posting will

be made available to the Union Ranch Committee. Seniority workers desiring to apply for such position shall sign the posting. Selection and training for those workers applying for the position shall be as set forth in Paragraph C above.

E. The Company, when anticipating the recall of seniority workers, shall notify the worker and the Union, not less than two (2) weeks prior to the estimated starting date of the work and the approximate duration thereof. The Company shall then notify the worker when to report for work, allowing reasonable time to report. All such notice of recall shall be a joint recall bearing the title of the Company and the Union. There shall be no recall by labor contractors. It is understood that the provisions of Article 3, Hiring, Section B, apply to the recalled worker.

F. The Company shall notify the Union within five (5) work days of seniority workers laid off or recalled on a seasonal basis in accordance with this ARTICLE by giving the worker's name, Social Security number, seniority date, job or commodity classification and date of recall or layoff. Grievances relating to this paragraph shall be subject to the Expedited Grievance and Arbitration procedure.

G. Beginning with the signing of this Agreement, and each three (3) months thereafter, the Company shall provide the Union with an up-to-date seniority list showing the name of each worker, his seniority date, Social Security number and job or commodity classification. The Company shall also post seniority lists in a conspicuous place for examination by the workers and the Union Ranch Committee. The Union may review the accuracy of the seniority list and present to the Company any errors it may find on such list. Grievances relating to this paragraph shall be subject to the Expedited Grievance and Arbitration procedure.

H. Seniority shall not be applied so as to displace (bump) any worker of the Company within an established crew, commodity or area.

I. It is understood that the Company and the Union may agree in writing to make deviations from these seniority provisions regarding applications of seniority.

In the event the Union and the Company agree to a local seniority provision different from ARTICLE 4 of the Contract signed herein, the Union and the Company agree to review and revise, if agreed upon, said local provision only, one (1) year after the signing of this Agreement, if either party so requests.

ARTICLE 5: GRIEVANCE AND ARBITRATION PROCEDURE

A. The parties to this Agreement agree that all disputes which arise between the Company and the Union out of the interpretation or application of this Agreement shall be subject to the Grievance and Arbitration Procedure. The parties further agree that the Grievance Procedure of this Agreement shall be the exclusive remedy with respect to any disputes arising under this Agreement, and no other remedies shall be utilized by any person with respect to any dispute involving this Agreement until the Grievance Procedure has been exhausted. Any claim by Union that an on the job conduct by any non-bargaining unit employee is disrupting working relations may be treated as a grievance, provided that such Grievance is specified in detail.

B. The Company shall co-operate to make Union Stewards available to workers wishing to submit a grievance and to make the Grievance Committee of the Union available to perform their functions under this Agreement.

C. Grievances dropped by either party prior to an arbitration hearing shall be considered as withdrawn without prejudice to either party's position on a similar matter in the future.

D. FIRST STEP: Any grievance arising under this Agreement shall be immediately taken up between the Company supervisor involved and the Union Steward. They shall use their best efforts to resolve the grievance. In the event the grievance is not immediately satisfactorily resolved the grieving party shall reduce the grievance to writing and set forth the nature of the grievance. A grievance regarding a discharge of an employee must be filed in writing within five (5) days of the discharge. All other grievances must be filed in writing within thirty (30) days of the occurrence of the grievance or thirty (30) days of the discovery thereof.

STEP TWO: Any grievances not resolved in the First Step shall be discussed in a meeting between the Grievance Committee and the Company representative delegated to resolve such matters not later than ten (10) calendar days of the filing of the grievance. If the grievance is not satisfactorily resolved in such meeting, the party receiving the grievance shall immediately give a written response to the other regarding its position including reasons for denial. The failure of the grieving party to appeal to the Second Step within thirty (30) calendar days shall waive the

grievance. A Union representative may fully participate in the grievance meeting.

STEP THREE: If the foregoing fails to produce settlement, the matter shall be referred to the arbitrator for the area within thirty (30) days. The arbitrator shall consider and decide the grievance referred to him. In cases where more than one (1) grievance is referred to arbitration in an area, the arbitrator may hold consecutive hearings to expedite hearings. The arbitrator shall not have the authority or jurisdiction to modify, add to, or detract from, or alter any provision of this Agreement. Within that limitation, among other things, he shall have authority to award back pay for any loss of earnings from the Company, including the right to revoke any form of discipline including discharge. He shall also have the authority to apply the Agreement and order compliance by all parties within the terms of the Agreement.

The arbitrator in his discretion, may render a bench decision, or may allow briefs, but, in any event, shall issue a decision in writing to the parties within fifteen (15) days after the date of the close of the hearing sessions.

The decision of the arbitrator shall be binding on the Company, the Union and the workers.

All expenses and salaries of the arbitrator shall be borne equally by the parties. Each party shall pay the cost of presenting its own case.

SELECTION OF THE ARBITRATOR: The parties will make a good faith effort to agree on a list of arbitrators for each of the areas listed below. In the event they are unable to agree, and not later than one (1) week (unless there is mutual agreement to extend this time period) after the execution of this Agreement and each (6) months thereafter, if requested by either the Company or the Union, a panel of eleven (11) arbitrators shall be requested from either the American Arbitration Association or the Federal Mediation and Conciliation Service. One (1) panel shall be requested for the Salinas area, one (1) panel for the Ventura and Santa Barbara area, and one (1) panel for the Imperial Valley. Upon request of either party additional lists of arbitrators shall be requested for the other geographical areas.

After receipt of the lists, the parties shall meet to select arbitrators for each area. If the parties cannot agree upon

the selection of arbitrators, then they shall turn to the list of arbitrators received under the procedure of the above paragraph. The person to strike first shall be selected by a coin toss. That party shall strike the first name from each list. The name remaining after each party has struck five (5) shall be the person designated as arbitrator for each area. However, every six (6) months, either party may request a new list of arbitrators for any area and require a new meeting as discussed in this paragraph to select a new arbitrator.

E. EXPEDITED GRIEVANCE AND ARBITRATION: The parties agree that the primary purpose of the grievance procedure is to resolve grievances as speedily as possible and to maintain good relations between the Union, the Company, and the workers.

It is recognized that there are times and there are certain issues that may arise, wherein it is to the best interest of all concerned to have a resolution of the matter more quickly than provided in the above procedure.

Accordingly, it is agreed that grievances specified elsewhere in this Agreement as subject to the expedited Grievance and Arbitration Procedure may, at the request of the grieving party, and with written notice to the other party, be expedited to arbitration.

After such a grievance has been reduced to writing, the grieving party may request and there shall be a Second Step meeting within two (2) workdays and the responding party will immediately provide its answer in writing, if denied, setting forth the reasons for denial. The grieving party may then request, with notice to the responding party, that the grievance be referred to the arbitrator within three (3) workdays from the written responsive answer. If such a grievance is presented to the arbitrator, it is agreed that it will take precedent, as to investigation, hearing date, and issuance of decision over any other case.

F. The arbitrator may make a field examination in any case he deems it advisable.

G. In the event that any dispute causes a work interruption of any kind, the parties agree to make an immediate joint effort to end such interruption which may include contacting the arbitrator. The arbitrator shall order an end to such interruption, personally, if possible, or by telephone, and shall immediately attempt to resolve the dispute. This in no way alters the obligation or liability of either party

under the Collective Bargaining Agreement.

ARTICLE 6: NO STRIKE CLAUSE

A. There shall be no strikes, slowdowns, boycotts, interruptions of work by the Union nor shall there be any lockouts by the Company.

B. If any of said events occur, the officers and representatives of Union and/or Company, as the case may be, shall do everything within their power to end or avert such activity.

C. Workers covered by this Agreement shall not engage in any strike, slowdown or other interruption of work, because such action is not approved by the Union.

ARTICLE 7: RIGHT OF ACCESS TO COMPANY PROPERTY

A. Duly authorized and designated representatives of the Union shall have right of access to Company premises in connection with conduct of normal Union affairs in administration of this Agreement. In the exercise of the foregoing, there shall be no unnecessary interference with the productive activities of the workers.

B. Before a Union representative contacts any of the workers during working hours, he shall notify the Company that he is on the premises.

C. The Union shall advise the Company of the names of its duly authorized and designated representatives.

ARTICLE 8: DISCIPLINE AND DISCHARGE

A. The Company shall have the sole right to discipline and discharge workers for just cause, providing that in the exercise of this right it will not act in violation of the Agreement.

No worker shall be disciplined or discharged except for just cause.

B. Prior to any discharge or suspension, the Company shall notify the Steward or other Union official and such Union representative shall have the right to be present when formal charges are made, if they so desire; provided, however, if a situation occurs in a remote area, wherein the Company deems it necessary to take action and no Steward or Union representative is available, the Company may take

action and must give written notice within the time limit in Paragraph C below.

C. The Steward or other Union representative shall have the right to interview workers in private.

Within forty-eight (48) hours after any discharge for just cause, the Union representative will be notified in writing the reasons for such discharge.

D. Individual work pace in relation to piece rate, or incentive plan, shall not be conclusive evidence for the purpose of disciplining or discharging a worker. This provision shall not, however, constitute any limitation on any of the Company's rights to discharge or discipline for unsatisfactory work performance. Discharge and other disciplinary actions are subject to the grievance and arbitration provisions of this Agreement.

ARTICLE 9: DISCRIMINATION

A. In accordance with the policies of the Company and the Union, it is agreed that there shall be no discrimination against any worker because of race, age, creed, color, religion, sex, political belief, national origin, language spoken or Union activity.

ARTICLE 10: WORKER SECURITY

A. Company agrees that any worker may refuse to pass through any picket line of another Company and sanctioned by the Union.

B. No worker under this Agreement shall be required to perform work that normally would have been done by employees of another Company who are engaged in a strike sanctioned by the Union.

C. The provisions of this ARTICLE are not limitations in any way on the rights of the Company as set forth in ARTICLE 38, Grower-Shipper Contracts. The provisions of ARTICLE 14C, Health and Safety, also apply.

ARTICLE 11: LEAVES OF ABSENCE

LEAVES OF ABSENCE FOR UNION BUSINESS

A. Any worker elected or appointed to an office or position in the Union shall be granted a leave of absence for a period of continuous service with the Union upon written

request of the Union. Ten (10) days notice must be given the Company before the worker takes leave to accept such office or position or chooses to return to work. Such leaves of absence shall be without pay. Seniority shall not be broken or suspended by reason of such leave.

B. A temporary leave of absence without pay not to exceed three (3) days for Union business shall be granted under the following conditions:

1. Written notice shall be given by the Union to the Company at least two (2) days prior to commencement of any such leave;

2. Such leaves of absence shall only be granted to workers engaged in hoeing and thinning, harvesting and sorting and packing, not to exceed ten per cen (10%) of any such crew;

3. This section shall only apply to Companies whose harvesting operations exceed sixty (60) work days in a calendar year;

4. This Section shall not apply to operations during critical periods such as the first and last weeks of harvest, if it would harm operations.

Other Leaves

C. A leave of absence without pay shall also be granted to workers by the Company upon workers applying to and being confirmed by the Company for any of the following reasons without loss of seniority:

1. For Jury Duty or Witness Duty when subpoenaed.

2. A worker who serves in the U.S. Military and notifies the Company and Union in writing prior to leaving for such service, and reports for work within thirty (30) days after being discharged from such service, shall not lose any seniority, job rights, or other benefits. Upon return from such service, such worker shall be granted a job equal to that he or she would have had with the Company had he or she remained in Company's continued employ, provided, however, any renewal of enlistment beyond the original one will serve to break seniority unless such action violates the Selective Service Act.

3. Up to two (2) years of illness or injury requiring absence from job. The Company may require substantiation by medical certificate or other adequate proof of illness.

4. For valid personal reasons, not to exceed thirty (30) days.

All leaves in excess of three (3) days shall be in writing

on approved leave of absence forms provided by the Company. Such forms shall be signed by the Company representative, the worker requesting the leave, signed by the Company representative, the worker requesting the leave, and the Union Steward or other Union representative to signify receipt of the Union's copy. Leave of absence shall be extended by the Company for a valid personal reason, if a request for such an extension is made by the worker in writing to the Company with a copy to the Union prior to termination of the original leave, provided however, that a request for an extension may be submitted simultaneously with the request for leave of absence for valid personal reasons, if the worker has special circumstances which require additional time.

Leaves of absence schedules, under this section, where more workers have applied for a leave of absence at the same time than can be spared by the Company, shall be allocated on the basis of seniority with the worker having the highest seniority having first preference for that leave or absence. However, where a worker requests an emergency leave, the Union and the Company may agree to his/her leave in preference to that worker over other workers with higher seniority.

Failure to report for work at the end of an approved leave of absence or accepting employment with another employer during an approved leave of absence shall terminate seniority in accordance with ARTICLE 4, Seniority.

ARTICLE 12: MAINTENANCE OF STANDARDS

Company agrees that all conditions of employment for workers relating to wages, hours of work and general working conditions shall be maintained at no less than the highest standards in effect as of this date of this Agreement. Conditions of employment shall be improved wherever specific provisions for improvement are made elsewhere in this Agreement.

The Union and the Company agree that during the negotiations which resulted in this Agreement they have fully negotiated and agreed to the terms of the Company's contributions to the R.F.K. Farmworkers Medical Plan. Said terms of contribution as set forth herein, sets forth the Company's total obligation in respect to a medical plan, and that, therefore, the obligations of ARTICLE 12 do not extend to any medical plan maintained by the Company prior to this Agreement.

ARTICLE 13: SUPERVISORS

Supervisors and other employees not included in the bargaining unit shall not perform any work covered by this Agreement, except for instruction, training and emergencies.

This paragraph shall not be used as a basis for the purpose of avoiding the recall of bargaining unit workers for work they would normally perform.

ARTICLE 14: HEALTH AND SAFETY

A. The Company and Union are interested in the health and safety of employees while working with the Company. It is understood and agreed that it is necessary in the sophisticated farming practices of today that certain agricultural chemicals must be used for the control of pests and growth of the product. Company recognizes that use of certain chemicals may be injurious to farm workers. The use of such chemicals injurious to farm workers must be such so as not to cause injury to employees. Company agrees to make available to Union such records as will disclose the following:

1. Location of field treated with injurious materials;
2. Name of material used by brand name and chemical name and registration number;
3. Date and time material was applied and its formulation;
4. Amount of material applied and its formulation and concentration;
5. Method of application;
6. Applicator's name and address, if any.

B. The Company will comply with all applicable laws relating to the health and safety of farm workers and will not use banned chemicals such as, but not limited to DDT, DDD, DDE, Aldrin and Dieldrin.

C. No worker shall be required to work in any work situation which would immediately endanger his or her health or safety.

D. In accordance with law, there shall be adequate toilet facilities, separate for men and women, in the field readily accessible to workers, that will be maintained by the Company in a clean and sanitary manner.

E. Each place where there is work being performed shall be provided with suitable, cool, potable drinking water convenient to workers. Individual paper drinking cups shall

be provided.

F. Tools, equipment and protective garments necessary to perform the work or to safeguard the health of or to prevent injury to a worker's person shall be provided, maintained and paid for by the Company. Workers shall be responsible for returning all such equipment that was checked out to them, but shall not be responsible for breakage or normal wear and tear. Workers shall be charged actual cost for equipment that is not broken and not returned. Receipts for returned equipment shall be given to the worker by the Company.

G. Adequate first aid supplies shall be provided and kept in clean and sanitary dust-proof containers.

H. When a worker who applies agricultural chemicals is on the Company payroll, one baseline cholinesterase test and other additional tests shall be taken on those workers so employed at Company's expense when organo-phosphates are used and, if requested, results of said test(s) shall be given to an authorized Union representative.

I. Any violation of this ARTICLE shall be subject to the Expedited Grievance and Arbitration Procedure.

ARTICLE 15: MECHANIZATION

In the event the Company anticipates mechanization of any operation of the Company that will permanently displace workers, the Company, before commencing such mechanical operations, shall meet with the Union to discuss training of displaced workers to operate and maintain the new mechanical equipment, the placement of displaced workers in other jobs with the Company, the training of such workers for other jobs with the Company, or the placing of such workers on a preferential hiring list which the Company and Union will use in conjunction with ARTICLE 3, Hiring.

ARTICLE 16: MANAGEMENT RIGHTS

The Company retains all rights of management including the following, unless they are limited by some other provision of this Agreement: to decide the nature of equipment, machinery, methods or processes used; to introduce new equipment, machinery, methods or processes and to change or discontinue existing equipment, machinery or processes; to determine the products to be produced, or the conduct of its business; to direct and supervise all of the employees, including the right to assign and transfer employees; to

determine when overtime shall be worked and whether to require overtime.

ARTICLE 17: UNION LABEL

The parties recognize the value and importance of the Union label. The parties wish to ensure that the public will not be defrauded by a misuse of the Union label. Therefore, the parties agree as follows:

A. Company will make available to the designated Union representatives, at the Union's request:

Labels

1. Trademark registration
2. Printing source
3. Number of labels used.

B. The Union label and Union seal are and shall remain the sole property of the Union. During the term of this Agreement, Company shall be entitled to the use of said label and seal. It is agreed that during the term of this Agreement each shipping package or container, harvested and packed by Union members and shipped by Company shall bear the Union label or seal. In this regard, Company shall not sell, transfer, or assign its right to use said label or seal except upon written permission of Union. The color, size and placement of the label or seal on particular packages or containers shall be determined by the Company.

C. Security Clause. In the event of the Company's misuse of the Union label or seal on packages or units harvested and packed by non-union workers, it is recognized that such misuse will cause damage to the Union. In the event that the Union revokes the Union label or seal, it shall give reasonable notice to the Company and the Company agrees to return same forthwith or if same cannot be returned, then, on request of Union, the label or seal shall be completely obliterated on all packages, containers or units.

D. Following of industry practice with respect to exchange of sizes, mixed cars, private labels or purchase of produce to fill out an order shall not be considered "misuse" of the Union label or seal or a violation of any provision of this Agreement.

ARTICLE 18: NEW OR CHANGED JOB OPERATIONS

In the event a new or changed operation or new or changed

classification is installed by the Company, the Company shall set the wage or piece rate in relation to the classification and rates of pay in APPENDIX "A" and shall notify the Union before such rate is put into effect. Whether or not the Union has agreed to the proposed rate, the Company may put the rate into effect after such notice. In the event such rate cannot be agreed upon mutually between the Union and the Company, the same shall be submitted to the grievance procedure, including arbitration, for determination, beginning at the SECOND STEP. Any rate agreed upon or as determined by the arbitrator shall be effective from the installation of such new or changed operation.

ARTICLE 19: HOURS OF WORK, OVERTIME AND WAGES

DAILY OVERTIME:

1. All hourly workers, except tractor drivers and irrigators, shall be paid a premium of thirty-five cents (35¢) per hour for all hours worked in excess of eight (8) hours in any one (1) day.
2. Tractor Drivers shall be paid a premium of thirty-five cents (35¢) per hour for all hours worked in excess of ten (10) hours in any one day.

SATURDAY OVERTIME:

1. All hourly workers, except tractor drivers and irrigators, shall be shall be paid a premium of thirty- five cents (35¢) per hour for all hours worked in excess of five (5) hours on Saturday.
2. Tractor Drivers shall be paid a premium of thirty-five cents (35¢) per hour for all hours worked in excess of ten (10) hours on Saturday.

SUNDAY OVERTIME:

1. All hourly workers, except irrigators, shall be paid time-and-a-half (1 1/2) their regular rate of pay for all hours worked on Sunday.
2. Cantaloupe harvesters shall be paid time-and-a-half (1 1/2) the regular foot rate for all work performed on Sunday.

B. NIGHT SHIFT PREMIUM:

Night shift shall apply for Tractor Operators Class A and Class B who work a majority of their shift between the hours of 6:00 p.m. to 6:00 a.m. for which night shift, the worker shall be paid a premium of twenty-five cents (25¢) per

hour for all hours worked.

C. There shall be no pyramiding of overtime or night shift premium.

D. Mealtime breaks shall be one-half (1/2) hour and are not compensated for nor counted as hours worked under the provisions of this Agreement.

E. The lettuce ground crews shall not be required to work more than eight (8) work hours, excluding one-half (1/2) hour for lunch in any one (1) day except in emergencies.

F. When a worker performs work in a higher rated job, he shall be paid at the higher rate for all time so worked but shall, in any event, not be paid such higher rate for less than one (1) hour in such day.

G. When a worker is working as a trainee for qualification for a higher rated job, he shall be paid for such training period at his or her regular rate of pay for a time period not to exceed twenty-eight continuous calendar days.

H. Wage rates for specified job classifications are set forth in Appendix "A" attached hereto.

ARTICLE 20: REPORTING AND STANDBY TIME

A. A worker who is required to report for work and does report and is furnished no work shall be paid at least four (4) hours at the worker's hourly rate of pay or the worker's average hourly piece rate earnings based on the preceding payroll week.

If workers commence work and they are furnished less than four (4) hours of work, hourly paid workers shall be paid at least four (4) hours that day at their hourly rate of pay, and piece-rate workers shall be paid at the piece rate earned during the time worked and general field harvesting hourly rate for the remaining time up to four (4) hours that day.

This section shall not apply where work covered by this Agreement is delayed or cannot be carried out because of rain, frost, government condemnation of crop, or other causes beyond the control of the Company.

B. A worker shall be paid for all time he is required to remain on the job at the hourly rate. This shall not apply to piece-rate workers after they commence work.

C. Any call may be rescinded by notification to employees at least six (6) hours prior to the time scheduled for reporting to work.

ARTICLE 21: REST PERIODS

Workers shall have paid rest periods of ten (10) minutes each which, insofar as practical, shall be in the middle of each continuous four (4) hour work period or major fraction thereof.

ARTICLE 22: VACATIONS

Vacation pay shall be granted to eligible workers who qualify for such vacations. Workers shall be eligible in the fiscal year following the first anniversary of continuous employment and annually thereafter for vacation pay and a one (1) week vacation, provided that in order to qualify for vacation pay the worker shall work the hours set forth below in the prior fiscal year. Vacation pay will be the percentage specified below of the worker's gross Company earnings in the qualifying fiscal year.

Hourly Workers - 1,000 and up - 2%

Piece-Rate Workers - 700 and up - 2%

The employee who has qualified for a vacation shall be allowed time off, with the consent of the Company, as specified herein with no loss of seniority.

Commencing January 30, 1977, and thereafter, a worker who has maintained his seniority for four (4) or more consecutive years shall receive double the above vacation benefits.

ARTICLE 23: BEREAVEMENT PAY

To make funeral arrangements and to attend the funeral of a member of the immediate family (father, mother, child, brother, sister, husband or wife, mother-in-law, or father-in-law), the worker who has worked for the Company at least five (5) days, including days off on excused absences, during the two (2) weeks preceding the week of the funeral will be paid what he would have earned had he been working for the Company, not to exceed three (3) days. The Company may require a death certificate or other evidence of death.

ARTICLE 24: HOLIDAYS

A. Commencing with the effective date of this Agreement, Labor Day Thanksgiving Day, Christmas Day, and New Year's Day shall be paid holidays.

Holiday pay shall be the daily average pay earned during the payroll week immediately preceding the holiday.

B. To be eligible for a paid holiday not worked, a worker must work at last five (5) days during the two (2) payroll weeks immediately preceding the payroll week in which the holiday falls, and must work the scheduled workdays both immediately before and after the holiday.

If the next scheduled workday after the holiday is more than five (5) calendar days after the holiday, the requirement for work on the scheduled workday after the holiday shall not apply.

C. Any work performed on the above-listed holidays shall be paid for at the rate of one and one-half (1-1/2) times the regular rate of pay and shall be in addition to the worker's regular earnings on that day.

D. "Citizenship Participation Day" shall be designated as the first Sunday of June. All workers qualifying under "B" above shall receive holiday pay as provided herein.

Upon receipt of proper written authorization from the worker, the Company shall deduct from such worker's wages the pay received for Citizenship Participation Day and shall remit such sum to the Citizenship Participation Committee of the United Farm Workers, AFL-CIO, for allocation as designated by the worker.

E. The Union shall indemnify and hold the Company harmless from and against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of action taken by Company for the purpose of compliance with "D" above.

ARTICLE 25: JURY DUTY AND WITNESS PAY

Workers who have worked at least five (5) days during the two (2) weeks preceding the week in which the following events occur shall receive the benefit of this Article. A worker will be paid jury duty or witness pay for testifying in any legal proceeding not between the parties for any such days of work missed due to the performance of such service. Jury duty or witness pay is defined as the difference between the fees received by such worker for performing such

service and what he would have received had he been working for the Company for each day of service. To receive pay under this ARTICLE the worker must provide Company with a copy of notice summoning him to appear and if so requested, documentary evidence of the amount of fees received for performing such service.

ARTICLE 26: TRAVEL ALLOWANCE

A. When Company furnished transportation is available, workers using such transportation shall receive daily travel allowance based upon the following schedule from the place designated where the worker is told to report for the transportation and the job site:

40 - 64 road miles	-	1/2 hour each way
65 - 89 road miles	-	1 hour each way
90 - 119 road miles	-	1-1/2 hours each way
120 road miles and over	-	2 hours each way

B. When Company furnished transportation is not available and workers furnish their own transportation, they shall receive daily travel allowance as provided above.

C. The travel allowance shall be paid at the worker's hourly or standby rate of pay. Any hours paid under this ARTICLE shall not be counted as hours worked for purposes of computing overtime hours; however, shall be counted as hours worked for all other purposes of this Agreement.

D. Travel allowance will be paid for the trip Salinas to King City: 1/2 hour each way.

ARTICLE 27: RECORDS AND PAY PERIODS

A. Company shall keep full and accurate records, including total hours worked, piece-rate or incentive-rate records, total wages and total deductions. Workers shall be furnished a copy of the itemized deductions, hourly rates, hours worked and total wages each payday, which shall include the workers piece-rate production records. The daily record of piece-rate production for crews paid on a crew basis shall be given to the appropriate Steward upon request.

B. Union shall have the right, upon reasonable notice given to the Company, to examine time sheets, work production or other records that pertain to workers' compensation.

ARTICLE 28: INCOME TAX WITHHOLDING

The Company shall deduct Federal and State income tax in accordance with standard practices with scheduled deductions for workers agreeing in writing to such withholding. Such agreement shall be binding upon the worker during his employment with the Company for the balance of the calendar year and each calendar year thereafter, subject to his written revocation of his agreement prior to the start of each new calendar year.

ARTICLE 29: CREDIT UNION WITHHOLDING

Upon proper written authorization from a worker to the Company, deductions as provided for in such authorization, shall be made by the Company for the Farm Workers Credit Union, and such money and reports shall be forwarded on a monthly basis to the organization at P.O. Box 62, Keene, California 93531, or such other address as designated by the Administrator of the Fund.

ARTICLE 30: ROBERT F. KENNEDY FARM WORKERS MEDICAL PLAN

A. The Company shall, commencing February 1, 1978, contribute to the Robert F. Kennedy Farm Workers Medical Plan, Sixteen and One-Half Cents (16 1/2 ¢) per hour for each hour worked for all workers covered by this Agreement. Contributions due shall be computed on the basis of Sixteen and One-Half Cents (16 1/2 ¢) cents for every hour worked during the preceding monthly payroll period by every worker covered by the Agreement. Contributions due shall be deposited with such bank as designated by the Administrator of the Plan. Said deposits shall be made or mailed not later than the twentieth (20th) day of the month following the ending date of the previous month's payroll period. A summary report in accordance with ARTICLE 33 shall be remitted to Robert F. Kennedy Farm Workers Medical Plan, Post Office Box 92169, Los Angeles, California 90009, or such other address as designated by the Administrator of the Plan.

B. The Company will pay premiums and assure that where workers were covered by any other plan, there will be no lapse of coverage prior to March 1, 1978.

ARTICLE 31: JUAN DE LA CRUZ FARM WORKERS PENSION FUND

The Company shall contribute to the Juan De La Cruz Farm Workers Pension Fund, Fifteen Cents (15 ¢) per hour for each hour worked by all workers covered by this Agreement, commencing February 9, 1978.

The contributions to be made by Company pursuant to this ARTICLE 31 shall be deposited into and remain in an interest-bearing trust account until such time as a formal pension plan has been developed for farm workers by Union and the Internal Revenue Service has issued an advance determination that such plan meets the requirements of Part I of Subchapter D of Chapter 1 of the Internal Revenue Code of 1954. Upon receipt of a copy of such advance determination, Company shall promptly take all actions required to be performed by it in order to cause such impounded contributions to be transmitted to the plan Trustees.

In accordance with ARTICLE 33, the monies and a summary report shall be remitted to the Juan De La Cruz Farm Workers Pension Fund at Post Office Box 39122, San Francisco, California 94139, or such other address as designated by the Administrator of the Fund.

ARTICLE 32: MARTIN LUTHER KING FUND

The Company shall, during the term of this Agreement, contribute to the Martin Luther King Fund, Five Cents (5) per hour for each hour worked by all workers covered by this Agreement, commencing February 9, 1978. Expenditures or investments of contributions shall be solely restricted to those charitable and educational purposes for which federal tax exempt status has been granted to the Fund. The contributions shall not be expended to the detriment of the Company. The Martin Luther King Fund shall obtain and maintain federal tax exemption and all contributions by the Company to the Fund shall be deductible under the Internal Revenue Code.

In accordance with ARTICLE 33, the monies and a summary report shall be remitted to the Martin Luther King Fund, Post Office Box 80762, Los Angeles, California 90080, or such other address as designated by the Administrator of the Fund.

ARTICLE 33: REPORTING ON PAYROLL DEDUCTIONS AND FRINGE BENEFITS

All contributions due herein on the fringe benefit plans shall be computed on the preceding monthly payroll period for every worker covered by the Collective Bargaining Agreement. In conjunction therewith, a monthly summary report will be submitted on or before the 20th of every month covering the preceding monthly payroll for which

contributions for fringe benefits are due. The monthly summary report shall include the employees' names, social security numbers, total hours worked by workers, total number of workers and amount of contributions.

ARTICLE 34: CAMP HOUSING

A. Assignment of available camp housing shall be on a Company wide seniority basis. The Company agrees to maintain records on housing assignments and make such records available to the Union. There shall be no discrimination of assignments because of a worker's race, age, creed, color, religion, sex, political belief, national origin, language spoken or Union activity.

B. During the life of this Agreement, Company shall operate and maintain its camp housing in the same manner as before the execution of this Agreement. If the Company acquires additional housing, the rates to be charged shall be on a level not greater than current rates in the area for similar housing.

C. If any housing is condemned by any government authority, the Company shall not be required to furnish substitute housing. Nothing in this ARTICLE shall be construed as requiring the Company to supply or continue to supply housing for workers.

D. Camp boarding shall be operated on a non-profit basis.

ARTICLE 35: BULLETIN BOARDS

The Company will provide bulletin boards placed at such central locations as shall be mutually agreed, upon which the Union may post notices of Union business.

ARTICLE 36: FAMILY HOUSING

Company and the United Farm Workers of America, AFL-CIO recognize that one of the most serious needs of farm workers, particularly migrant families, who help produce food for the nation, is adequate family housing. It is mutually agreed by Company and Union that they will cooperate to encourage direct governmental action at the Federal, State and County levels to plan, finance and construct public housing in important agricultural locations.

ARTICLE 37: SUBCONTRACTING

The parties understand and agree that subcontracting may be

necessary and proper. Subcontracting may be necessary in areas such as land leveling, custom land work, precision planting, agricultural chemicals and where specialized equipment not owned by the Company is required. It is also understood and agreed that the Company shall not subcontract to the detriment of the Union or bargaining unit workers.

The parties agree that in the application of this Article the following guidelines may be used:

A. Subcontracting is permissible under this Agreement where workers in the bargaining unit covered by this Agreement do not have the skills to operate and maintain the equipment or perform the work of a specialized nature.

B. Subcontracting is permissible under this Agreement where the Company does not have the equipment to do the work being subcontracted. When a Company does subcontract pursuant to the terms of this provision, any workers of the subcontractor who actually operate or maintain the equipment shall not be covered by the terms of this Agreement. However, any workers of the subcontractor, other than those who actually operate or maintain the equipment, who work on the subcontracted job shall be covered by the terms of this Agreement.

C. Company will notify the Union in advance of any subcontracting.

ARTICLE 38: GROWER-SHIPPER CONTRACTS

It is recognized by Company and Union that various types of legal entities are used by growers and shippers in the agricultural industry, including partnership, joint venture, and other legal contractual arrangements, in the growing, packing, harvesting and selling of agricultural crops. Neither the Company nor the Union shall prevent the Company from entering into these legal arrangements by any of the provisions of this Agreement, nor will the Company subvert the Union by entering into these legal arrangements. In addition, and whenever it is possible for the Company to perform the work of weeding, thinning or hoeing, the Company will do so, it being the intent to provide jobs for bargaining unit workers.

In the event the Company enters into a partnership, joint venture, or other legal contractual relationship with a grower and/or shipper for the growing, packing, harvesting or selling of a crop, Union agrees not to interfere with or prevent in any manner the growing, packing, harvesting or

selling of any of the crops in which Company may have such an interest; provided such partnership, joint venture, or other legal contractual relationship was entered into by Company prior to any economic action by Union against any other party to the partnership, joint venture, or other legal contractual relationship, and it is understood the filing of a petition under the Agricultural Labor Relations Act does not constitute interference under this paragraph.

The protection given by Union to Company under the provisions of this Article shall not be operative for a period in excess of the crop year or twelve (12) months, whichever is less, or in the event there are economic or other sanctions by the Union against any party to the partnership, joint venture or other legal contractual relationship at the time of entry thereof.

ARTICLE 39: LOCATION OF COMPANY OPERATIONS

The Company shall provide the Union, upon request, the exact locations of the Company's agricultural operations for use by Union representatives pursuant to ARTICLE 7 of this Agreement, Right of Access.

ARTICLE 40: MODIFICATION

No provision or term of this Agreement may be amended, modified, changed, altered or waived except by written document executed by the parties hereto.

ARTICLE 41: SAVINGS CLAUSE

In the event any portion of this Agreement shall become ineffective as the result of any applicable local, state or federal law, only that portion of this Agreement so affected shall be ineffective; in no event shall the fact that a portion of this Agreement be not applicable or illegal in accordance with such laws, render the remainder of this Agreement ineffective or work a termination.

ARTICLE 42: SUCCESSOR CLAUSE

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 ARTICLE 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 Article.

By this ARTICLE, the parties seek to define contractual rights and do not waive any statutory rights.

ARTICLE 43: DURATION OF AGREEMENT

This Agreement shall be in full force and effect from February 9, 1978 to and including January 1, 1979. This Agreement shall automatically renew itself upon expiration of this Agreement unless either parties shall have given notice in writing to the other party sixty (60) days prior to the expiration, requesting negotiations for a new Agreement, together with thirty (30) days prior written notice to the State Conciliation Service. During this sixty (60) day period all terms and conditions of this Contract shall remain in full force and effect.

Executed this 9th day of February, 1978.

FOR: UNITED FARM WORKERS
OF AMERICA, AFL-CIO

FOR: MARIO SAIKHON, INC.

BY: Cesar E. Chavez
Gilbert Padilla
Marshall Ganz
Jesus Reyna
Guillermo Duran
Richard Sanchez
Ramon R. Torres
Jesus Solano
Jose Lene
Lucio Padilla
Miguel Carrillo R.

BY: Mario Saikhon
Gail Frote

JOB DESCRIPTIONS

TRACTOR OPERATOR "A"

1. Precision planting, precision application of agricultural chemicals and/or fertilizers, precision border driving, motor grading in building roads and building ditches and/or listing. 2. An employee so classified shall receive the rate of the classification for all time worked including time, if any, in classifications carrying a lesser rate of pay. 3. Operator may be required to make minor equipment adjustments and routine maintenance on equipment.

TRACTOR OPERATOR "B" AND MISCELLANEOUS EQUIPMENT OPERATOR

Includes all other tractor operations and equipment operators except for those activities listed in classification TRACTOR OPERATOR "A" or other tractor driver classifications. When an employee is required to perform any task covered by a higher rated job except for minor equipment adjustments and routine maintenance during the course of a workday, he shall be paid at the rate of the higher rated job for the time worked on such job on such day.

GENERAL FIELD AND HARVESTING WORKER

The classification covers general field harvesting and miscellaneous duties not otherwise covered by other wage classifications or new or changed operations that may be subject to ARTICLE 18: NEW OR CHANGED JOB OPERATIONS.

THIN & HOE

Using the appropriate equipment and method, workers will remove excess plant growth in accordance with the instructions of the Company. Company shall not require the use of the short-handled hoe.

IRRIGATOR

Installs, moves and services the appropriate irrigation systems for the distribution of water to the farming operations as directed by the Company.

LETTUCE CONVENTIONAL GROUND PACK

CUTTERS AND PACKERS: Includes cutting lettuce, selecting, trimming same, placing heads into cartons previously built up.

CLOSER: Applies clamp, folds flaps and secures flaps by stapling or gluing.

LOADER: Places closed cartons on appropriate vehicle. Windrowing is subject to agreement between Company and Union. Transfers empty cartons from hauler to stitcher.

WATER BOY: Water is sprayed or brushed on lettuce before packed carton is closed. Includes minimum housecleaning of bus and field and helping in serving of food.

WATER TRUCK DRIVER: Classification covers driving of truck equipped with a permanently mounted water tank; driver as directed will water dirt roads on the ranch; and may entail

driving on public highways.

Operator may make minor adjustments; operator required to have a state driver's license.

APPENDIX "A"

WAGES

JOB CLASSIFICATION	NOW	7/16/78
GENERAL FIELD & HARVESTING	3.55	3.70
THIN & HOE	3.55	3.55
IRRIGATION:		
IRRIGATOR	3.60	3.75
SHOVELER	3.60	3.75
PIPE LAYER	3.60	3.75
24-HOUR SHIFT RATE	86.40	90.00
TRACTOR DRIVER "A"	4,375.00	4,525.00
TRACTOR DRIVER "B"	4,265.00	4,415.00
LISTING ROW BONUS PER ACRE	.50	.55
LETTUCE CONVENTIONAL GROUND PACK		
2-DOZEN	.5475	.57
2 1/2-DOZEN	.6175	.64
"POLY" BAGGED		
	DOUBLED CUT AND PACK RATE;	
	CLOSERS & LOADERS SAME AS	
	CONVENTIONAL PACK RATE	
WATERBOY	3.61	3.76
WINDROWER	3.55	3.70
CANTALOUPE HARVEST		1978 SEASON
HOURLY (BREAK FIELD)		4.00
PICKERS: RATE PER FOOT (3 FEET HIGH)		5.25
PICKERS: SUNDAY RATE PER FOOT		7.875
TRAILER PULLERS		3.75
WATERMELON HARVEST		1978 SEASON
CUTTERS, PITCHERS, STACKERS		RATES OPEN

NOTICE OF RECALL*

BY

MARIO SAIKHON, INC. & UNITED FARM WORKERS OF AMERICA, AFL-CIO

TO: _____ DATE: _____

SOC. SEC.# _____

SENIORITY DATE: _____

In accordance with the provisions of ARTICLE 4 of the Agreement between MARIO SAIKHON, INC. and the UNITED FARM WORKERS OF AMERICA, AFL-CIO, you are hereby given official notice of recall for re-employment as a
_____.

This work is anticipated to begin on _____ and the estimated duration is approximately _____ working days.

The exact starting date is subject to change. You may obtain the exact starting date by telephoning the Company office at 356-2847 or the Union office at 357-2167.

Failure to report to work in response to this recall will result in your loss of seniority under ARTICLE 4, SECTION C-3.

*NOTICE OF RECALL to be in Spanish.

SUPPLEMENTAL AGREEMENTS

The attached SUPPLEMENTAL AGREEMENT NO. 1, SUPPLEMENTAL AGREEMENT NO. 2: SENIORITY AND ARIZONA SUPPLEMENTAL AGREEMENT are hereby incorporated into and made a part of this COLLECTIVE BARGAINING AGREEMENT between MARIO SAIKHON, INC. and the UNITED FARM WORKERS OF AMERICA, AFL-CIO.

Executed this 9th day of February, 1978.

UNITED FARM WORKERS OF
AMERICA, AFL-CIO

MARIO SAIKHON, INC.

SUPPLEMENTAL AGREEMENT NO. 1

This SUPPLEMENTAL AGREEMENT between MARIO SAIKHON, INC., and the UNITED FARM WORKERS OF AMERICA, AFL-CIO, supplements and, as provided herein, modifies the AGREEMENT between these parties.

1. RE: RECOGNITION

The parties agree to seek a unit clarification decision from the Agricultural Labor Relations Board on the shop mechanics, field mechanics, welders, and any other equipment maintenance personnel.

In the event the ALRB determines that any or all of these employees are included in the bargaining unit described in ARTICLE 1: RECOGNITION of this AGREEMENT, they shall be covered by all terms and conditions of this AGREEMENT, and the parties agree to negotiate wage rates, local issues and applicable seniority provisions for these employees; provided however, that the Company does not waive any rights to judicial review as provided for by the Agricultural Labor Relations Act.

2. RE: HIRING

It is understood by and between the parties that hiring is of major importance. The Union agrees that it will meet with the Company upon request to solve problems that may arise concerning the hiring of employees. The Union agrees to use its best efforts to resolve problems that the Company presents.

The Company will follow the procedures in hiring as described in Article 3: HIRING of this AGREEMENT. It is understood that if the Company calls the Union hiring hall after 4:00 p.m. on the day prior to the day for which workers are requested during the operating season, the Union will indicate their success at dispatching the workers requested. If at that time the Union has not dispatched the requested number of workers, the Company may obtain the additional workers requested from any other source.

3. RE: RECALL OF SENIORITY WORKERS

For purposes of clarification of Article 4: Seniority, Section E, the following applies:

a. At the end of the operating season the Company shall secure the address of each seniority worker for recall

notification.

b. A worker shall notify the Company of any subsequent change in address.

c. Two (2) weeks before the start of any operating season the Company shall notify each seniority worker by postcard of the estimated starting date of the work and the approximate duration thereof, and the Company shall provide the Union with a list of all seniority workers so notified.

d. Four (4) days prior to the actual starting date of work, the Company, as in the past, through its foremen, shall advise seniority workers of the exact starting date of work, if possible.

4. RE: LEAVES OF ABSENCE

It is understood that in the application of ARTICLE 11: LEAVES OF ABSENCE of this AGREEMENT, leaves of absence for valid personal reasons shall be taken only with the consent of the Company.

5. RE: QUALITY OF FIELD OPERATION

The Company and the Union acknowledge that the quality of field operations and produce is of utmost importance to the Company's reputation and ability to obtain a premium for its produce. Union agrees that it will make every effort to encourage high quality workmanship standards in the field through communication with the workers or through other measures mutually agreeable to Company and Union.

6. RE: INTOXICANTS

The Union recognizes the Company's right to establish work rules regarding intoxicants. The Union agrees to co-operate with the Company to prevent intoxication or excessive use of alcoholic beverages, intoxicants or drugs.

7. RE: BORROWING AND LENDING CREWS

The Company shall borrow crews from, and lend crews to, other Companies when necessary to keep up with the harvest. The Company shall not borrow such crews unless there are adequate supplies of lettuce to keep the Company's crews working at capacity. The Company shall use its best efforts only to borrow crews from, and lend crews to Companies who have collective bargaining agreements with the United Farm Workers of America, AFL-CIO.

8. RE: EQUIPMENT

In accordance with the provisions of ARTICLE 14: HEALTH AND SAFETY, Section F of this AGREEMENT, the Company shall provide the following equipment:

a. To each IRRIGATOR, to be replaced as necessary: flashlight, bulbs and batteries, shovel, boots, raingear, and cool can with potable water and ice.

b. To each TRACTOR DRIVER: mask and goggles when working with insecticides, and all necessary tools.

c. LETTUCE HARVESTING CREWS:

To each CUTTER, one knife per season to be replaced upon return of worn or broken knife.

To each CLOSER and LOADER, one pair of gloves per week to be replaced if necessary upon return of worn-out gloves.

9. RE: INJURY ON THE JOB

If a worker is injured on the job to the extent that medical care is required and the worker is unable to return to work, the Company will pay the worker's wages for the day of the injury, based on his or her hourly rate, if the worker is an hourly paid worker, or at the crew's average hourly piece-rate earnings for the day of the injury, if the worker is a piece-rate worker. The Company may require a doctor's statement or other evidence of medical care received.

10. RE: HOURS OF WORK, OVERTIME & WAGES

a. In the application of ARTICLE 19: HOURS OF WORK, OVERTIME & WAGES of this AGREEMENT, "irrigators" are defined to include shovelers and pipe layers.

b. In the application of ARTICLE 19, Section E, it is understood that the normal work day shall not exceed eight (8) hours, and that an "emergency" as used in this paragraph refers to an unanticipated event that occurs once in awhile and not on a daily basis. The Company shall use its best efforts to inform the crews by the end of the sixth hour of work if it is necessary to work more than eight (8) hours.

c. The Company shall continue its past practice regarding hours of work for tractor drivers.

The Company shall use its best efforts to maintain a normal work week of at least five (5) days, eight hours a day for the seniority thin and hoe crew(s) during the thin and hoe operations. The Union recognizes that this section is not a guarantee of hours of work.

d. The daily quitting time for lettuce crew loaders shall be recorded as the time the last box is loaded on the last truck of the day.

11. RE: REPORTING AND STANDBY TIME

a. FROST SEASON: During the frost season, the Company shall advise workers at the end of the day of an approximate reporting time for the following morning based on available frost reports, in a good faith effort to prevent excess waiting time for the workers.

Once the Company has transported workers to the field or worksite, the Company shall pay all waiting time after the first hour when working in the Imperial Valley and after the first two (2) hours when working outside the Imperial Valley. All waiting time shall be paid at the worker's hourly rate.

b. STANDBY FOR ORDERS: When working in Wellton, if asked by the Company to standby to await additional orders, the lettuce harvesting crews shall be paid at the general field and harvesting rate for all waiting time after the first one-half (1/2) hour.

12. RE: VACATIONS

a. A "fiscal year" under the provisions of ARTICLE 22: VACATIONS of this AGREEMENT shall be July 1 through June 30.

b. Vacations shall be paid annually to those workers who qualify under the provisions of ARTICLE 22: VACATIONS of this AGREEMENT, by the 20th of July.

c. It is agreed that the Company shall credit piece-rate workers with all hours worked, including hours worked at the hourly rate, in calculating the vacation qualification of seven hundred (700) hours, in accordance with the provisions of ARTICLE 22: VACATIONS of this AGREEMENT.

d. It is agreed that the 1978 vacation payment made to year-round workers who have three (3) years seniority shall be three percent (3%) of gross Company earnings earned in the prior year.

13. RE: JURY DUTY AND WITNESS PAY

It is agreed that the provisions of ARTICLE 25: JURY DUTY AND WITNESS PAY of this AGREEMENT shall apply only to legal

proceedings in Imperial County, California.

14. RE: TRANSPORTATION AND TRAVEL ALLOWANCE

- a. The Company shall pay one (1) hour travel pay daily at the worker's general hourly rate for the round trip to Wellton. This travel allowance shall not count as hours worked.
- b. The Company shall provide adequate, comfortable transportation to the loaders in each crew from the field to the morning pick-up point at the end of each day.
- c. BUSES: The Company agrees to provide a bus for each harvesting crew in the Imperial Valley, provided that the average weekly number of passengers is at least seventy percent (70%) of the total number of crew members who live in the Calexico-Mexicali area.
- d. The morning departure time for the spring lettuce harvest in Wellton shall be no earlier than 3:30 a.m.
- e. The Company shall designate a regular, fixed departure time from the morning pick-up point for the thin and hoe crews, reasonably related to the scheduled starting time.
- f. In the event the Company begins operating in an area that is twenty-five (25) miles or more from the main ranch in Holtville, the Company shall provide adequate transportation to and from such worksite to each tractor driver.
- g. The Company agrees to provide transportation on the job for irrigators when working by the hour or to reimburse each irrigator at the rate of twenty cents (20¢) per mile per car for each mile traveled on the job between the first and last work sites each day.

15. RE: 24-HOUR SHIFT IRRIGATOR

The Company shall compute benefit contributions under the provisions of ARTICLE 30: ROBERT F. KENNEDY FARM WORKERS MEDICAL PLAN, ARTICLE 31: JUAN DE LA CRUZ FARM WORKERS PENSION FUND, ARTICLE 32: MARTIN LUTHER KING FUND, and under the qualifying provisions of ARTICLE 22: VACATIONS, on the basis of sixteen (16) hours for each twenty-four (24) hour shift.

16. RE: 24-HOUR SHIFT IRRIGATOR RATE

It is understood that should the Union resolve the 24-hour shift irrigator rate in a way more favorable to the employer with any other Produce Company engaged in the growing and shipping of fresh vegetables in the Imperial Valley such more favorable rate shall apply to MARIO SAIKHON, INC.

17. RE: WARNING NOTICES

Any warning notices or "tickets" issued by the Company shall be considered to be automatically protested by the Union.

18. RE: CANTALOUPE FOOT RATE

The 1978 cantaloupe foot rate shall be paid per lineal foot, three (3) feet high, by no more than eight (8) feet wide outside dimension. If the 1977 Rapid Harvest or similar one-and-a-half (1 1/2) foot high trailers are used, the foot rate shall be pro-rated.

19. RE: WATERMELON RATES

The 1978 watermelon harvesting rates are open and shall be negotiated between the parties at the time of the harvest. It is agreed that, in the resolution of these rates, only, the provisions of ARTICLE 6: NO STRIKE CLAUSE of this AGREEMENT shall not apply.

20. RE: PAYDAY

Payday for all workers shall be weekly on Friday.

21. RE: SICK AT WORK

The Company shall have workers who become sick during work hours and who require medical attention transported to the nearest medical facility at the worker's request.

22. RE: THIN AND HOE CREWS

a. There shall be a cool can of clean, potable water, ice during hot weather, and individual paper drinking cups at each check in the field.

23. RE: CANTALOUPE HARVEST

a. The Company shall supply clean, potable water and ice. Cool cans shall be washed out daily.

b. In the event the Company uses the Rapid Harvest trailers during the 1977 season, the Company shall supply

two (2) two-step stands to each crew for use in dumping cantaloupe into trailers. Stands shall be replaced or repaired as necessary to keep in safe condition.

24. RE: TRACTOR DRIVERS

a. The Company shall continue its past practice of providing a cool can, potable water and ice to tractor drivers.

25. RE: IRRIGATION WORK

a. The Company shall not require irrigators to move district checks in order to change water to another field.

b. The Company melon shed in Holtville shall be designated as the morning meeting site for irrigators to get their work assignments and locations if not informed the previous day. The location may be changed, if necessary, by mutual agreement between the parties.

c. The Company shall assign two (2) irrigators to flat (flood) irrigation.

d. The Company recognizes that problems exist regarding the volume of water handled by irrigators, the number of irrigators assigned to specific types of irrigation, and other conditions of work in irrigation. The Company agrees to use its best efforts to deal with these problems, including meeting with irrigators to discuss problems and seek solutions. Specifically, the Company agrees to limit the feet of water assigned to each irrigator to an amount he is able to handle efficiently, considering the ditch and field conditions. The Company further agrees to use its best efforts to resolve any problems relating to the irrigation work immediately as they arise, to the mutual benefit of the Company and the workers.

e. Irrigation work commenced in the a.m. and completed after 10 p.m. shall be treated as a 24-hour shift.

26. RE: LETTUCE GROUND CREWS

a. CREW SIZE: Normally there shall be ten (10) trios in a crew. The Company may increase the size of the crew in an unusual circumstance. In this case, trios added shall be considered temporary and shall be laid off as necessary to keep the regular crew working at capacity. The Company agrees not to employ excessive numbers of trios in crews for the purpose of causing economic detriment to the workers.

- b. The waterboy shall be paid by the Company separately from the crew.
- c. There shall be two (2) extra closing guns in good condition in each crew.
- d. In muddy work conditions, the Company shall use its best efforts to have a caterpillar available in each crew to pull the stitcher and trucks.
- e. Bathrooms shall be maintained in clean condition.
- f. A first aid kit shall be kept available on each stitcher and each bus.
- g. The Company shall supply the crews with cool, clean, potable water, and ice during the hot weather; and shall provide the loaders in each crew with a cool can.
- h. All haul trucks and stitchers used in the Company's fields shall be equipped with back-up warning alarms, and have mufflers covered with cage-type shields and modified to an upward position.
- i. Loaders shall not be required to windrow.

27. RE: TERMINATION DATE

The Union and the Company agree to a termination date of January 1, 1979. However, should the Union execute a contract with a different termination date with any Produce Company engaged in the growing and shipping of fresh vegetables in California or Arizona during the term of this Agreement, the Company reserves the right to change to that newly negotiated date by giving written notice of its desire to exercise such right.

24. RE: RETROACTIVITY

The Company agrees to pay two cents (2¢) per box for each box of lettuce harvested from February 14, 1977 to the end of the Imperial Valley lettuce harvest, to be divided among the trios employed by the Company during this period.

The Company agrees to pay the difference between rates paid and the rates listed in Appendix "A" of this AGREEMENT to all hourly workers for work in the State of California, for the period beginning August 18, 1977 to the present.

Retroactive pay shall be paid to all workers who are entitled to such pay within fifteen (15) days of the signing of this AGREEMENT.

SUPPLEMENTAL AGREEMENT NO. 2

SENIORITY

ARTICLE 4: SENIORITY of this AGREEMENT is applicable to the Company to the extent that it does not differ or conflict with the provisions of this SUPPLEMENTAL AGREEMENT. Wherever this SUPPLEMENTAL AGREEMENT does differ or conflict with this AGREEMENT, this SUPPLEMENTAL AGREEMENT shall apply and will supercede this AGREEMENT.

A. The Company shall maintain a separate seniority list for each of the following:

1. TRACTOR DRIVERS & MACHINE OPERATORS
2. IRRIGATORS
3. SPRINKLER CREW
4. THIN & HOW CREW
5. LETTUCE HARVESTING
 - a. CUTTERS/PACKERS
 - b. CLOSERS
 - c. LOADERS
 - d. WATERBOYS
6. CANTALOUPEs
 - a. PICKERS
 - b. TRAILER PULLERS
7. WATERMELONS
 - a. CUTTER
 - b. PITCHERS
8. MASTER LIST

B. Where applicable, each worker shall have a seniority date with the Company, a seniority date within his or her commodity or crop operation, and a seniority date within his or her classification. The Master List shall be by date of hire with the Company and shall include all workers.

C. A break in seniority in one commodity operation shall not constitute a break in seniority in any other commodity operation. Each worker shall maintain seniority on each list separately until seniority is broken on that list.

D. Lay offs shall be in order of seniority with the worker having the least seniority being laid off first and the

workers with the highest seniority being recalled first.

E. When a worker is promoted, he or she shall have a seniority date-of-entry in the new classification but retain his or her original Company seniority date for other purposes. A promoted worker shall retain his or her seniority date in his or her former classification for a period of thirty (30) days. At the end of this thirty (30) day period, the worker shall either establish a new seniority date from the day on which he or she entered the classification to which he or she is promoted, or return to his or her former classification with his or her original seniority date within that classification.

F. Temporary vacancies, such as those created by a worker's short-term illness, injury or other temporary absence are not subject to posting as described in ARTICLE 4: SENIORITY, Section D. The Company shall, as far as possible, fill temporary vacancies with seniority workers.

G. Workers within a classification who work the entire season or operation in that classification before lay-off, or who have taken a leave of absence in accordance with the provisions of ARTICLE 11: LEAVES OF ABSENCE of this AGREEMENT, shall be placed in seniority order on a seniority list designated "Number One". Workers who work within a classification but leave before work ends within the classification or operation to fill a job in another classification or operation within the Company, shall be placed in seniority order on a seniority list designated "Number Two" for that classification for future recall purposes. Only after all seniority workers on the Number One seniority list have been recalled to work in accordance with the provisions of this AGREEMENT and SUPPLEMENTAL AGREEMENTS, shall workers on the Number Two seniority list be recalled to fill job openings within that classification.

In any event, a worker on the Number One seniority list for any classification shall have first opportunity to full-time work within that classification before any worker on the Number Two seniority list in accordance with all provisions of this AGREEMENT and SUPPLEMENTAL AGREEMENTS.

H. A worker employed by the Company in any classification or commodity operation who wishes to fill an available job opportunity in another classification or commodity operation within the Company shall inform the Company office on forms provided by the Company. Forms shall include the worker's name, address, phone number or other means of communicating with said worker. The Company shall maintain a waiting list of workers by Company seniority date according to the job

classification or commodity operation for which they have designated preference. The Company shall provide the Ranch Committee with an up-to-date copy of each waiting list once a month or upon request. When all seniority workers within a classification have been recalled to work in accordance with the provisions of this AGREEMENT and SUPPLEMENTAL AGREEMENTS, the Company shall fill available job openings within a classification by calling workers in seniority order from the worker waiting list for that classification, provided however, that the worker is able to do the work in accordance with the provisions of ARTICLE 4: SENIORITY, section C of this AGREEMENT. A worker shall be given two (2) days advance notice of the starting date of the job to be filled. A worker who is working for the Company in another classification at the time of the job opening shall have one (1) day from the designated starting date to report to the new job. A worker who is on lay-off from his or her job classification at the time of the job opening shall have two (2) days from the designated starting date to report to the new job. A worker shall establish a date-of-entry seniority in the new classification in accordance with the provisions of this SUPPLEMENTAL AGREEMENT.

Workers with seniority in the Company who are on job waiting lists, shall have preference in the filling of the vacancy before the Company obtains new or additional workers from the Union hiring hall as provided in ARTICLE 3: HIRING of this AGREEMENT. If there are no workers on a waiting list for a classification, or the waiting list has been exhausted, when a job opening occurs, vacancies shall be filled in accordance with ARTICLE 3: HIRING of this AGREEMENT.

LETTUCE GROUND CREWS

I. At the start of each operating season, workers shall be recalled in seniority order within each classification to fill necessary number of crews. Workers who are recalled shall distribute themselves to the crews in which they have seniority. If more workers within a classification wish to be in a crew than can be accommodated, preference for crew shall be granted in seniority order by classification. During the operating season, workers shall be called in seniority order within their classification to fill job openings.

J. If a vacancy occurs for a closer or loader within a crew, after all seniority closers and loaders have been recalled, first preference to fill the vacancy shall be given, respectively, to the closer or loader with the most seniority from the other crews. If no closer or loader from

another crew wishes to fill the vacancy, preference shall next be given to the "extra" with the most seniority from any crew. If no "extra" wishes to fill the vacancy, preference shall next be given to the worker with the highest seniority in the lettuce commodity.

K. If there is not enough work for the crews during the operating season, available work shall be rotated among the crews as follows: 1. While operating in Wellton, work shall be rotated among whatever number of crews have been recalled during the first two (2) weeks of the operation. Rotation shall not include additional crews added on a temporary basis, and 2. While operating in the Imperial valley, work shall be rotated among the steady crews. Rotation shall not include additional crews added on a temporary basis.

L. Except as otherwise agreed, seniority shall not be applied so as to displace (bump) any worker of the Company within an established crew, commodity or area.

IRRIGATORS

M. 24-HOUR shifts shall be rotated among irrigators in order to provide approximately equal work opportunity to all irrigators. The irrigator with the most seniority in his classification shall be assigned number 1, and successive numbers shall be assigned in order of seniority, for purposes of rotation. 24-Hour shift(s) in any given day shall be assigned by number starting with the lowest number in the rotation order. When a pump irrigation shift is required, an irrigator who is unwilling or unable to perform this assignment shall remain on top for next available shift assignment, and the pump assignment shall be given to the next qualified irrigator. If an irrigator does not report to work on a day when he would be assigned a shift according to his number in the rotation, he shall lose his opportunity for shift assignment until the rotation returns to his number.

SENIORITY LISTS

N. Appropriate seniority lists shall be posted upon the signing of this Agreement. The seniority list shall include the name of each worker, his or her Company seniority date, Social Security number and appropriate job or commodity classification and date. The seniority list for year-round workers shall be posted each three (3) months thereafter and the Company shall provide a copy to the local Union field office. The seniority list for each crop operation shall be posted for a period of two (2) weeks prior to the start of,

and at the end of, each operation. The local Union field office shall be given a copy of said seniority lists at the time of posting.

O. Appeals concerning the accuracy of the lists may be made up to two (2) weeks after each posting is completed, provided however, that a worker not on the Company's payroll during such two (2) week period shall have up to ten (10) work days to file a grievance on the accuracy of the seniority list after he or she returns to the Company's payroll; or, if a worker is not recalled, such worker shall have a right to file a grievance on the accuracy of the seniority list upon reasonable discovery thereof. If the dispute remains after two (2) weeks, any unresolved matters relating to the seniority lists may be submitted to the Expedited Arbitration Procedure.

ARIZONA SUPPLEMENTAL AGREEMENT

This AGREEMENT is made and entered into on February _____, 1978, by and between MARIO SAIKHON, INC., herein referred to as "Company", and the UNITED FARM WORKERS OF AMERICA, AFL-CIO, herein referred to as "Union". The parties agree as follows:

The provisions of the COLLECTIVE BARGAINING AGREEMENT between the parties which includes all terms, classifications, and conditions of such AGREEMENT are hereby incorporated and made a part of this SUPPLEMENTAL AGREEMENT.

Where the provisions are modified by this SUPPLEMENTAL AGREEMENT, the SUPPLEMENTAL AGREEMENT provisions shall control.

ARTICLE 1: RECOGNITION

ARTICLE 1: RECOGNITION of this AGREEMENT shall not apply and the following ARTICLE shall apply in its place:

A. The Company does hereby recognize the Union as the sole labor organization representing all agricultural employees employed by the Company in the State of Arizona, herein called "workers", and recognizes and agrees to treat and negotiate with the Union as the sole and exclusive bargaining agent for and on behalf of such workers. The term "worker" shall not include clerical and sales employees, employees covered by existing Union agreements, security employees, and supervisory employees who have the authority to hire, suspend, layoff, recall, promote, discharge, assign, reward or discipline workers, or the responsibility to direct them or adjust their grievances

effectively recommend such action if, in connection with the foregoing, the exercise of such authority is not of a merely routine and clerical nature but requires the use of independent judgement.

With regard to existing Union agreements, Union does not waive the right to challenge such agreements and asserts the applicability of California law. Should such agreements be declared invalid, the Supplemental Agreements regarding Recognition shall apply.

The Company further recognizes the right and obligations of the Union to negotiate wages, hours and conditions of employment and to administer this Agreement on behalf of all covered workers.

B. Neither the Company nor its representatives will take any action to disparage, denigrate or subvert the Union. Neither the Union nor its representatives will take any action to disparage, denigrate or subvert the Company.

C. Neither the Company nor its representatives will interfere with the right of any worker to join and assist the Union. The Company will make known to all workers that they will secure no advantage nor more favorable consideration nor any form of special privilege because of non-participation in Union activities.

D. The Company will make known to all workers, supervisors and officers its policies and commitments set forth above with respect to recognition of the Union and will encourage employees in the bargaining unit to give utmost consideration to supporting and participating in collective bargaining and contract administration functions.

ARTICLE 2: UNION SECURITY

ARTICLE 2: UNION SECURITY of this AGREEMENT shall not apply and the following ARTICLE shall apply in its place.

A. The Company agrees to furnish to the Union in writing within one (1) week after execution of this Agreement a list of its workers, giving names, addresses, Social Security numbers and type of job classifications.

B. The Company agrees to deduct from each worker's pay, initiation fees, all periodic dues, and assessments as required by the Union, upon presentation by the Union of individual authorizations signed by workers, directing the Company to make such deductions. The Company shall make

such deductions from worker's pay for the payroll period in which it is submitted, provided that it is submitted in advance of the close of the pay period, and periodically thereafter as specified on authorizations so long as such authorization is in effect, and shall remit monies weekly. The Company shall provide a monthly summary report as soon as possible but not later than the twentieth (20th) of the month following the ending of the previous month's pay period containing the names of the workers, Social Security numbers, payroll periods covered, gross wages, total hours worked per worker, total number of workers and amount of Union dues due during such pay period from each worker. The Union will furnish the forms to be used for authorization and will notify the Company in writing of dues, assessments and initiations fees within five (5) days of the execution of this Agreement and five (5) days before the effective date of any change.

C. The Union shall indemnify and hold the Company harmless from any and all claims, demands, suits, or other forms of liability that may arise out of or by reason of action taken by Company for the purpose of complying with any of the provisions of this ARTICLE.

D. The Union asserts that the provisions of the Arizona state laws commonly known as "The Right to Work Bill" is unconstitutional and invalid. Should this law be repealed or held invalid, the Union Security clause in this AGREEMENT between the parties referred to above shall apply in place of this ARTICLE.

LETTER OF UNDERSTANDING BETWEEN
 UNITED FARM WORKERS OF AMERICA, AFL-CIO
 AND
 MARIO SAIKHON, INC.

The Union recognizes in the application of Article 17, Union Label, that the Company has the following approximate inventory of lettuce boxes:

Holtville-El Centro:	"Jeff" (regular)	571,060
	"Mario" (regular)	468,914
	"Jeff" (wax)	73,385
	"Mario" (wax)	20,335
	"Little Jeff"	10,160
	2 1/2	2,560
Tacna:	"Jeff" (regular)	141,105
	"Mario" (regular)	34,055
	"Jeff" (wax)	16,531

It is agreed that the Company may exhaust this inventory of boxes before mandatory use of the Union label becomes effective in accordance with the provisions of Article 17 of this Agreement.

Executed this 9th day of February, 1978.

UNITED FARM WORKERS OF
AMERICA, AFL-CIO

MARIO SAIKHON, INC.