

**LABOR AGREEMENT**  
**BETWEEN**  
**SUNRISE BAKERY**  
**AND**  
**UNITED FOOD AND COMMERCIAL WORKERS UNION**  
**LOCAL #1189**



**Effective AUGUST 1<sup>st</sup>, 2013 through JULY 31<sup>st</sup>, 2014**

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**WILSON-MC SHANE INC.**  
**PENSION & HEALTH CARE**  
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THIS AGREEMENT made as of this first day of August, 2013, by and between the Sunrise Bakery of Hibbing, Minnesota, hereinafter referred to as the EMPLOYER, and the United Food and Commercial Workers Union, Local #1189, and chartered Body of the United Food and Commercial Workers International Union, hereinafter referred to as the UNION, AFL-CIO.

**ARTICLE 1**  
**RECOGNITION**

- 1.1 The Employer recognizes said Union as the sole representative of the employees, in the classifications set forth in this Agreement for the purpose of collective bargaining with respect to the hours of labor, rates of pay and working conditions hereinafter specified.
- 1.2 It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union and in good standing on the date of execution of this Agreement shall remain members in good standing, and those who are not members on the date of the execution of this Agreement shall, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its date of execution shall on the thirty-first (31<sup>st</sup>) day following the beginning of such employment become and remain members in good standing in the Union.
- 1.3 The Employer agrees to deduct all union dues and initiation fees from the first paycheck of each month when authorized by the employees through their Union representative and remit the same to the Union at that time.
- 1.4 The Employer agrees, under the contract requirements of paragraphs 1.2 and 1.3 above, to have a new employee complete a Union Membership Application and dues authorization at the time of hiring. The Union agrees that should the Employer take an initial deduction prior to the completion of the employee's probationary period, such amount shall be promptly refunded to the employee by the Union. This provision shall be subject to the letter of interpretation attached hereto and made a part hereof.

**ARTICLE 2**  
**HOURS OF WORK AND OVERTIME**

- 2.1 The normal workweek for full-time employees shall be forty (40) hours to be performed in five (5) days. In the event the Employer finds it necessary to change the present five (5) day week plan, the Employer agrees to notify the Union five (5) days in advance of such change. Days off need not be consecutive.
- 2.2 All hours worked in excess of five (5) days a week shall be considered as overtime and paid for at the rate of one and one-half (1½) times the regular scale of wages.
- 2.3 If an employee is called to work before his/her posted shift, time and one-half (1½) shall be paid for hours worked before his/her regular starting time, except in case of an emergency.
- 2.4 Double time shall be paid for the seventh (7<sup>th</sup>) consecutive shift in the regular workweek.

- 2.5 No employee shall work a split shift. An unbroken rest period of not less than twelve (12) hours must be allowed to all regular employees during the twenty-four (24) hours in any work day, except on weekends and days before a holiday when not less than ten (10) hours must be allowed. Any employee required to report to work in less time than the rest period prescribed shall be paid for such hours of rest lost at the rate of time and one-half (1½) in addition to the regular pay. Thirty-six (36) consecutive hours off will be granted on the day off.
- 2.6 Any employee reporting for work at the start of the regular shift shall be guaranteed four (4) hours of work or four (4) hours of pay.

### **ARTICLE 3** **SENIORITY**

All questions of seniority shall be decided according to the following rules:

- 3.1 A list of employees arranged in the order of their seniority shall be posted in a conspicuous place in the plant. No employee shall be credited with having seniority rights until he/she has completed thirty-one (31) days of steady employment, after which his/her name shall be placed on the seniority list and dated back to the beginning of the thirty-one (31) days. Where two or more employees are employed on the same date, the exact time of hiring shall form the basis for the beginning of the seniority record.
- 3.2 The seniority record of an employee shall be terminated ONLY under the following conditions:
- A. If the employee voluntarily quits.
  - B. By a discharge for proper cause.
  - C. By a layoff exceeding six (6) months. Should a laid off employee be rehired by Sunrise after six (6) months, the employee shall start over on the seniority list, but will be credited with all past service for wages and benefits under the contract.
  - D. If a laid off employee fails to return within one (1) week after receiving a notice from the Employer to return to work.
  - E. By a transfer from the shop of the Employer to another shop owned or operated by the same Employer. In cases where the employee requests the transfer, his/her seniority shall end at the date of transfer. Where the Employer requests the transfer, the employee's seniority rights shall hold in his/her last place of employment for a period of one (1) year.
  - F. By failure to return to work after the expiration date of leave of absence or vacation or illness.
  - G. In the following cases, seniority shall continue to accumulate:
    - a. During a leave of absence for any reason acceptable by the Employer that exceeds a period of six (6) months, the leave can be extended by the Employer to a maximum period of one (1) year.

- b. During leaves of absence for illness or injury, such absence shall be for a period of up to six (6) months renewable upon request for a maximum of one (1) year, provided that once each month after the first six (6) months, the employee notifies the Union office and the Employer, in writing, of their whereabouts and status.

In the case of compensable injury, employees shall be granted a leave of absence for a period of one (1) year. Where necessary, two (2) six (6) month extensions shall be granted provided the employee notifies the Employer, in writing, that such an extension is needed. In no event shall such a compensable leave of absence exceed a total of two (2) years.

If the Employer questions the need for the leave of absence or the employee's ability to return to work, the Employer can request a doctor's certificate. If the Employer still questions the need for the leave or the employee's ability to return to work, the Employer can request that the employee's see a physician of the Employer's choice at the Employer's expense to verify the need for the leave of the employee's ability to return to work.

- c. An employee on the seniority list inducted into military service under the provisions of any Federal Selective Service Training Act which may be or become effective during the life of this contract, or any amendments to said Act hereinafter enacted, or voluntarily enlisting into the military service or Maritime Service of the United States in time of war for the duration of the war, will be considered upon leave of absence and will accumulate seniority during such service and upon termination of such services will be re-employed in line with he/she seniority at the then current rate for such work; provided the employee's has not been dishonorably discharged from such service with the United States Government, and is physically able to do work available; and, further, provided the employee's reports for work within ninety (90) days of the date the employee's is discharged from such service with the United States Government.
- d. In the event an employee is asked to work for the Union, the employee's seniority record shall not be impaired for a period of one (1) year.

3.3 All vacancies and new positions created during the term of this Agreement will be filled on the basis of plant seniority, and the Employer shall post a notice for seventy-two (72) hours when any vacancies occur or new positions are created. The oldest employee in line of seniority signing such posted notice will be given the position if qualified to fill the job regardless of whether it is a higher or lower or same pay rate as the position held by such employee. If the employee's is retained on the position for two (2) weeks, he/she shall be considered qualified and shall receive the scale paid for that position. A two (2) week trial period shall be given to all classifications. Employees failing to qualify shall retain all their seniority and may return to their former position. Employees who reject advancement to which their seniority record entitled them shall retain their seniority rights for all other purposes. Foremen shall be chosen by the Employer and all such promotions shall be made on the basis of ability, although the Employer agrees to give consideration to seniority status.

3.4 In case of layoff, employees, junior in service, shall be laid off first; and in case of re-employment, employees senior in service shall be re-employed first, provided they are capable of performing the work.

Any change in classification made because of vacation, sickness and/or leave of absence which is less than six (6) months shall be considered temporary and shall not change the seniority and/or job status of an employee. New employees may not be hired while any member on plant seniority list is out of work on part-time.

- 3.5 An employee senior in service in years shall have preference on day work in the same classification.
- 3.6 In the event of a dispute arising out of the foregoing rules, the Union shall appoint one (1) member to meet with the Employer and the employee's affected. The Union representative must be employed in the shop in which the grievance arose. In the event the dispute is not resolved, the grievance shall be processed in accordance with the provisions of Article 10.
- 3.7 Supervisory employees, other than owners not included in the bargaining unit under this contract, shall not perform work on any hourly rated jobs under this contract except in the following cases: (1) emergencies such as power failures, floods, etc., where loss of property or material is threatened; (2) in the instruction of employees; (3) when a regular employee is not available or cannot be reached for an assignment.
- 3.8 The Employer will not employ part-time employees in an effort to eliminate hours of work or payment to full-time employees. Part-time employment will be given consideration in filling permanent positions on a basis of seniority as determined by their hiring date and before any new employees are hired.
- 3.9 It is understood that all of the applicable provisions of this seniority Article are subject to the privilege of super-seniority reserved by the owners for themselves and their immediate families to perform present or future jobs in the bargaining unit.

#### **ARTICLE 4** **DISCHARGE**

- 4.1 An employee leaving their position shall give the Union and the Employer one (1) weeks' notice. Failure to give such notice shall result in a forfeiture of vacation pay for a period equal to the time deficiency in giving notice.
- 4.2 The Employer shall give an employee one (1) weeks' notice of discharge, layoff or being placed on part-time basis, or forfeit one (1) weeks' pay, except that dishonesty, drunkenness or drinking on the job shall be cause for discharge without prior notice. The one (1) weeks' notice or forfeiture of one (1) weeks' pay does not apply in the case of closing due to an "act of God" or in the case of termination for just cause.
- 4.3 The Employer shall not discharge any member holding seniority rights without just cause. A member discharged shall be informed in writing of the reasons therefore at the time of their discharge, and a copy there of shall be sent to the Union. Any objection to any discharge must be made in writing within ten (10) days of discharge. A member whose discharge is later found unjustified shall be reinstated and paid for all time lost; provided, however, that the claim for unjustified discharge has been made within the ten (10) day period.

**ARTICLE 5**  
**HOLIDAYS**

- 5.1 Holidays Defined: Holidays under this Agreement shall be: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day. Four (4) days shall constitute a weeks' work in any week in which such holiday may fall.
- 5.2 Computation of Holiday Pay: Regular full-time employees shall receive eight (8) hours of straight time pay for any of the above mentioned days.

Regular part-time employees shall receive holiday pay based upon the average hours worked during the four (4) week period preceding the holidays.

Average Hours Worked Per Week  
During Four (4) Week Period

<u>Previous to Holiday Week</u>	<u>Holiday Pay</u>
1 to 17½ Hours	3 Hours
17½ to 22½ Hours	4 Hours
22½ to 27½ Hours	5 Hours
27½ to 32½ Hours	6 Hours
32½ to 37½ Hours	7 Hours
Over 37½ Hours	8 Hours

- 5.3 Work performed by employees on holidays shall be considered as premium work and such work shall be paid for at the rate of one and one-half (1½) times the employee's regular hourly rate of pay plus holiday pay.
- 5.4 Time paid for but not worked on holidays shall be considered as time worked for the purpose of computing overtime in the workweek.

**ARTICLE 6**  
**VACATIONS**

- 6.1 A All employees who have been employed by the Employer for a period of one (1) year or more shall receive (1) week's vacation with pay. All employees who have been employed by the Employer for a period of two (2) years or more shall receive two (2) weeks' vacation with pay. All employees who have ten (10) years of service with the Employer shall receive three (3) weeks' vacation with pay. All employees who have been employed by the Employer for fifteen (15) years shall receive four (4) weeks' vacation with pay. All employees who have worked one thousand seven hundred thirty (1,730) hours or more in their anniversary year shall be entitled to a full vacation period, based on the average number of hours worked during the previous year. If an employee works less than one thousand seven hundred thirty (1,730) hours in his/her anniversary year shall receive one-tenth (1/10<sup>th</sup>) of their full vacation for each one hundred seventy-three (173) hours worked.

- 6.1 B Effective August 3<sup>rd</sup>, 2008, all employees who have been employed by the Employer for a period of one (1) year or more shall receive one (1) week of vacation; three (3) years of service or more shall receive two (2) weeks of vacation; twelve (12) years of service or more shall receive three (3) weeks of vacation; and twenty (20) years of service or more shall receive four (4) weeks of vacation.
- 6.2 An employee who at the date selected for his/her vacation has less than one (1) year, but six (6) months or more of continuous service with the Employer, shall be entitled to a part of one (1) week's vacation pay equivalent to the part of the preceding twelve (12) months that such employee has been employed.
- 6.3 Full-time employees taking their vacation in holiday weeks shall be given one (1) extra day of eight (8) hours' vacation of pay in lieu thereof.
- 6.4 Vacation pay for all employees shall be based upon the average number of hours worked for each week in the preceding year for each week of vacation to which the employee's is entitled, inclusive of overtime.
- 6.5 Vacations shall, as far as possible, be granted for the period preferred by the employee's, but should the vacation time requested by the employee's interfere with the operation of the business, the Employer and employee will mutually arrange a vacation time as near as possible to the time desired by the employee's that will not interfere with the operation of the business. No employee shall be allowed to take more than one (1) week of vacation during the period of time commencing May 1<sup>st</sup> through September 15<sup>th</sup> of any calendar year. In addition, no employee shall be granted a vacation during any week in which a holiday occurs unless requested thirty (30) days in advance, and it does not disrupt the operation. As between employees requesting the same vacation period, the request of the senior employee shall prevail. Each employee will be notified of their vacation period as far in advance as practicable. The Company reserves the right to make changes in the vacation periods when considered advisable for efficient operation. Vacations for each year must be taken during the year or be forfeited. Vacation pay will be paid at the beginning of the vacation period, if requested. In those stores where problems arise and/or in those stores where mutual agreement can be achieved, a procedure for vacation selection shall be adopted as a matter of company policy.
- 6.6 After ninety (90) days' absence, a vacation shall be prorated according to the time worked during the vacation calculation period (from anniversary to anniversary) provided the employee's has worked six (6) months or more since his/her last anniversary date and has a minimum of one (1) year's seniority.

**ARTICLE 7**  
**SHOP CARD**

- 7.1 The Union Shop Card is the property of the Local Union #1189 at all times, and is loaned to the Employer while this contract is in effect.
- 7.2 In the event the Employer violates any of the sections of this Agreement, the Union reserves the right to withdraw the Union Shop Card.



**ARTICLE 8**  
**WORKING CONDITIONS**

- 8.1 Each employee who works four (4) hours shall receive a fifteen (15) minute rest period. Regular employees shall receive a fifteen (15) minute rest period during the first half and a fifteen (15) minute rest period during the second half of an eight (8) hour shift. If an employee should work twelve (12) hours, the employee's shall receive another rest period of fifteen (15) minutes. Rest periods shall be scheduled by the Employer at reasonable times.
- 8.2 If an employee works more than ten (10) hours, he/she shall be given twenty (20) minutes for lunch with pay.
- 8.3 Time scheduled for the workweek shall be posted one (1) week in advance except in case of an emergency when an employee is unable to report for work and must be replaced by another employee.
- 8.4 No employee shall be charged for breakage, material damage or products damaged except in cases where willful neglect or malicious intent can be reasonably shown.

**ARTICLE 9**  
**WAGES**

- 9.1 If for one-half ( $\frac{1}{2}$ ) or more of the weekly hours an employee is working under more than one of the classifications in 9.3 of this Article, then he/she shall receive the rate of the highest paid classification.
- 9.2 Where a higher scale of wage is paid at the signing of this Agreement than is stipulated in 9.3, such higher scale shall not be reduced.
- 9.3 The following are the minimum wages to be paid employees in the following classifications: (See Appendix "A").

**ARTICLE 10**  
**GRIEVANCE AND ARBITRATION PROCEDURE**

- 10.1 Should a difference arise between the Employer and the Union or employees as to the meaning and application of the provisions of this Agreement, or as to the compliance of either party with any of its obligations under this Agreement, an earnest effort shall be made to settle such under the following procedure by negotiations:
  - A. Between the employee affected and his/her department head, or between the employee affected, the Steward and the department head.
  - B. By the Steward and a representative of the Union and an executive of the Employer, at which time either party may call in an outside representative.
  - C. Any dispute, difference, or grievance relative to the interpretation of, or adherence to the terms of the Agreement which has not been concluded through the above procedure within ten (10) days after reduction in writing in the manner hereinabove provided, the matter

may be referred by either party within three (3) days to a board of arbitration composed of three (3) members, one designated by the Employer, one designated by the Union, and the third to be mutually agreed upon by the representatives of the parties. Should the representatives of the Union and the Employer fail to agree upon a third party within three (3) additional days, the third person shall be appointed as follows: the party initiating the arbitration procedure shall request a panel of five (5) names from the Federal Mediation and Conciliation Service. The neutral arbitrator shall be selected from the list submitted unless the parties mutually agree otherwise. The selection shall be made by alternately striking four (4) names, the party to make the first strike being determined by drawing lots. The remaining name shall be the neutral arbitrator.

- 10.2 The entire matter in controversy as aforesaid shall be referred to this arbitration board for disposition and whatever disposition is made shall be binding upon the Union, employee, and the Employer. However, such board shall not have the power to add to or modify any of the terms or conditions of this Agreement.
- 10.3 The decision of the majority of the Board of Arbitration shall constitute the decision of the Board of Arbitration and be final. Should any expense be involved for the service of the above-mentioned third member of the Board of Arbitration, such expense shall be borne equally by the Employer and the Union.
- 10.4 At any step in this grievance procedure the Executive Committee of the Local Union shall have the final authority, in respect to any aggrieved employee covered by this Agreement, to decline to process a grievance, complaint, difficulty or dispute further if in the judgment of the Executive Committee such grievance or dispute lacks merit or lacks justification under the terms of this Agreement, or has been adjusted or justified under the terms of this Agreement to the satisfaction of the Union Executive Committee.
- 10.5 All grievances must be submitted in writing within thirty (30) calendar days of their occurrence to receive consideration or they are barred.

#### **ARTICLE 11** **STRIKE POLICY**

- 11.1 It shall not be considered a violation of this Agreement for a member of the Union to refuse to walk through a picket line of any strike or locked out plant when the strike is approved, or the lockout is disapproved, by the United Food and Commercial Workers Union, Local 1116, or the Central Labor Body.

#### **ARTICLE 12** **HEALTH AND WELFARE AND PENSION**

- 12.1 All employees who are or become signatory or bound by this Agreement, agree to be bound by the Agreements and Declarations of Trust, as amended, establishing the Northern Minnesota-Wisconsin Area Retail Clerks Pension Fund, copies of which all parties agree and have been furnished to and read by all Employers bound hereby prior to the execution of this Agreement. It is mutually agreed that the provisions of said Agreements and Declarations of Trust and any rules, regulations or plans adopted by the Trustees pursuant thereto shall become a part of this Agreement as though fully written herein. All employees bound hereby irrevocably designate the Employer Trustees of said Fund, and their successors as their representatives for the purpose set forth in said Agreements and Declarations of Trust.

- 12.2 Health & Welfare: Sunrise Bakery has agreed to maintain the present Health & Welfare Program for all full-time employees working thirty two (32) hours per week. The Employer will pay one hundred percent (100%) of the cost of single coverage. **Effective January 1, 2013, the employer will pay four-hundred and thirty-five dollars (\$435) for single coverage.**

Effective January 1, 2014, the Employer will **pay four-hundred and sixty dollars (\$460) for single coverage.**

- 12.3 The Employer will not make Health & Welfare contributions for casual employees, part-time employees working thirty-two (32) hours per week or less, students, extra or call-in employees. Full-time employees that are reduced to part-time by the Employer shall continue to have Health & Welfare contributions (single coverage) made on their behalf by the Employer. The Employer is not required to continue Health & Welfare contributions on full-time employees that request to be reduced to part-time.
- 12.4 In the event of an absence of an employee from work because of injury or illness, the Employer shall continue to make the required Health & Welfare contributions for a period of three (3) months from the date on which the employee's leaves active employment due to injury or illness, or sickness. In the event of leave of absence or military leave or in the event of employees who are laid off or are off because of illness, sickness or injury beyond the said three (3) month period, they shall be permitted to continue coverage as a member of the group by paying in advance the regular monthly contributions as paid by their Employer after the respective date that contributions by the Employer cease pursuant to the provisions hereof, provided that such coverage may be continued only to the maximum period allowed under the rules established by the trustees, or applicable under federal law.
- 12.5 During the times that the employee's covered hereunder are on vacation, the Employer shall continue to pay the necessary contributions to secure coverage for the employees.
- 12.6 Pension: **Effective July 31<sup>st</sup>, 2012, the Employer withdraws from the Northern Minnesota-Wisconsin Area Retail Clerks Pension Fund.**

**Effective August 1<sup>st</sup>, 2012, the Employer agrees to contribute one dollar (\$1.00) per hour to the Employer 401K Plan for the employee. This will be paid monthly to the 401K Plan.**

For the purpose of this section, "hours worked" shall mean all hours worked not in excess of forty (40) hours in any one week by any full-time or part-time employee, and shall include pursuant to said forty (40) hour limitation any holiday or vacation time for which any said employee of the Employer is entitled to straight time pay under the terms of this Agreement.

It is understood that the said Pension Trust and benefits to be provided from the Pension Trust shall conform in all respects to the requirements of the Treasury Department, Bureau of Internal Revenue, and to any other applicable state and federal laws and regulations.

- 12.7 Contributions to the Trust Fund shall be due and payable fifteen (15) days following the end of the preceding month for all employees covered under the collective bargaining agreement, or for whom contributions are required.

The failure of an Employer to pay all amounts due within thirty (30) days following the due date, whether willful or otherwise, shall subject the delinquent Employer to a payment of

liquidated damages of an additional ten percent (10%) of the amount due, plus all costs and reasonable attorneys' fees incurred in connection therewith. Payments and liquidated damages unpaid by the first day of the following month shall be subject to an interest charge on the payments and liquidated damages equal to the prime rate of the bank with which the Fund does its business.

If legal action is taken to recover the amount due the Trust Fund, the delinquent Employer shall also be required to pay all court costs including reasonable attorneys' fees. In addition to the other provisions as herein set forth, any Employer who is delinquent in his payments to the Trust Fund shall make such Employer primarily liable and responsible to its employees or employees' estates for any claim for benefits accruing to such employee or employees' estates which would otherwise be due such employee or employees' estates under the administration of this Trust Fund. The payment of any and all claims shall not operate to relieve such Employer from his liability to make the payments due the Trust Fund, including the liquidated damage payment.

Any Employer who on more than one occasion during any one year becomes delinquent in its payment to the Trust Fund shall be required to post a bond with the Trustees in an amount equivalent to the total contributions which it was obligated to make during the preceding calendar year.

Non-payment by any employer of any contribution or other monies owed to the Fund shall not relieve any other employer from his/her or its obligation to make required payments to the Trust Fund.

- 12.8 In no event shall the provisions relating to Pension Fund set forth herein be subject to or suitable for grievance and arbitration under the terms of this Agreement.

The above paragraphs shall not be applicable when in the judgement of the Trustees, the delinquency results from a clerical error or a bona fide difference or dispute concerning eligibility.

The Employer agrees that applicable payroll records shall be made available for audit to employees of the Health and Welfare Fund and/or the Pension Fund as directed by action of the Board of Trustees of these Funds.

### **ARTICLE 13** **MISCELLANEOUS**

- 13.1 A duly authorized representative of the Union shall be admitted to the Employer's premises during working hours for the purpose of ascertaining whether or not this Agreement is being observed and for collection of dues. Such activities shall be conducted in such a manner as not to interfere with the orderly operation of the Employer's business. Payroll records shall also be made available.
- 13.2 The Employer agrees to furnish and launder at his/her expense all uniforms required by the Employer to be worn by the employee. The Employer shall furnish and launder all aprons.

**ARTICLE 14**  
**SEPARABILITY**

- 14.1 Should any part hereof or any provisions herein contained be rendered or declared illegal by reason of any existing or subsequently enacted legislation or by decree of a court of competent jurisdiction or an unfair labor practice by final decisions of a labor relations board of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereto. Nothing herein shall be construed to replace or abridge the right of either party to appeal to court of administrative decrees or decisions.
- 14.2 In the event that any part or portion of this Agreement is declared illegal, the parties shall enter into immediate collective bargaining negotiations, upon the request of either party for the purpose of arriving at a mutually satisfactory replacement for such part or portion declared illegal.

**ARTICLE 15**  
**DURATION**

- 15.1 One signed copy of this Agreement will be kept by the Union; one copy to be kept by the Employer; one copy to be kept by the Employer's representative, and one to be posted in a conspicuous place in the shop.
- 15.2 This Agreement shall be in full force and effect from August 1<sup>st</sup>, 2013, until July 31<sup>st</sup>, 2014, and shall continue in full force and effect from year to year thereafter, unless sixty (60) days' written notice is given by either party of its intention to terminate or amend said Agreement must be delivered by certified mail or in person sixty (60) days prior to July 31<sup>st</sup>, 2013, or any year thereafter.

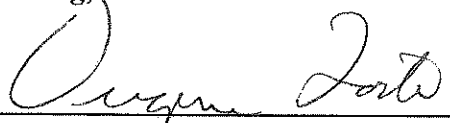
Effective this 1<sup>st</sup> day of August, 2013.

EMPLOYER:

UNION:

**SUNRISE BAKERY**  
**Hibbing, Minnesota**

**UFCW Local #1189**  
**Duluth, Minnesota**

  
\_\_\_\_\_  
Virginia Forti

  
\_\_\_\_\_  
Tom Cvar - Union Representative

Date July 30, 13

Date 7/30/13

**APPENDIX "A"**

**WAGE SCHEDULE**

**SALES, WRAPPERS, FRYERS AND BAKER'S HELPER:**

	<b>7/24/2013</b>
Start	\$ 7.25
1 Year	\$ 7.35
2 Years	\$ 7.45
3 Years	\$ 7.55
4 Years	\$ 7.65
5 Years	\$ 7.75

All red-circled employees shall receive the higher of their red-circled wage rate in the contract for their appropriate length of service.

If the Federal or State Minimum Wage Laws exceed any of the negotiated Wage Rates, the Wage Rates shall be re-negotiated.

## **APPENDIX "B"**

### **SUMMER WAIVER**

It is understood that the Employer may promote part-time employees to temporary full-time status for the summer months on the following basis:

- A. The "Summer Waiver Period" shall extend from May 1<sup>st</sup> until September 30<sup>th</sup>.
- B. Any employee moved from part-time to full-time during the summer months will not be entitled to Employer-paid Health & Welfare payments.
- C. The Employer may hire employees to work hours not requested by regular employees for the "Summer Period" only. There shall be no reduction in the hours of work available to other employees in the shop as a result of the hiring of summer -only employees.
- D. Employees hired for the "Summer Period" only shall receive no benefits under the terms of the contract, including Pension payments, Health & Welfare payments, holidays, vacations or seniority.
- E. Employees hired for the summer period shall be required to belong to the Union on the same basis as other employees and shall be paid at the contract rate.
- F. If a summer-only employee is retained beyond the "Summer Waiver Period", that employee shall be treated as a regular employee for all purposes and that employee's seniority shall date back to the date of original hire with the Employer.

The Employer shall notify the Union, in writing, of any employee placed on summer Waiver and any additional employees hired for the "Summer Waiver Period" only. The Employer will notify the Union within one week after an employee has been hired as a summer-only employee.

NORTHERN MINNESOTA-WISCONSIN AREA RETAIL FOOD  
HEALTH AND WELFARE FUND

PARTICIPATION AGREEMENT

THIS AGREEMENT made and entered into on the 30 day of July, 2013, by and between the Employer and the United Food and Commercial Workers Union, Local 1189, by their duly authorized representatives.

W I T N E S S E T H

WHEREAS, the Union and the Employer have entered into an agreement which provides for participation in the NORTHERN MINNESOTA-WISCONSIN AREA RETAIL FOOD HEALTH AND WELFARE FUND in order to obtain health and welfare benefits for employees represented by the Union and employed by the Employer.

NOW THEREFORE, for and in consideration of the promises and mutual covenants herein contained, and the acceptance of the parties as participants of said Trust Fund, the Union and the Employer hereby agree as follows:

1. The Union and the Employer agree to be bound by, and hereby assent to, all of the terms of the Trust Agreement creating said NORTHERN MINNESOTA-WISCONSIN AREA RETAIL FOOD HEALTH AND WELFARE FUND, all of the rules and regulations heretofore adopted by the Trustees of said Trust Fund pursuant to said Trust Agreement, and all of the actions of the Trustees in administering such Trust Fund in accordance with the Trust Agreement and rules adopted. The Union and the Employer each acknowledge receipt of a copy of said Trust Agreement.

2. The Employer hereby accepts as Employer Trustees the present Employer Trustees appointed under said Trust Agreement and all such past or succeeding Employer Trustees as shall have been or will be appointed in accordance with the terms of the Trust Agreement.

3. The Employer hereby accepts as Union Trustees the present Union Trustees appointed under said Trust Agreement and all such past or succeeding Union Trustees as shall have been or will be appointed in accordance with the terms of the Trust Agreement.

4. In accordance with that certain collective bargaining agreement now in effect between the Union and Employer and which is made a part hereof by reference, the effective date of participation in the Health and Welfare Fund is July 30, 2011  
2013

5. The Employer agrees to make contributions as provided in and required by said collective bargaining agreement and any succeeding collective bargaining agreements to the NORTHERN MINNESOTA-WISCONSIN AREA RETAIL FOOD HEALTH AND WELFARE FUND.

IN WITNESS WHEREOF, said Employer and Union have caused this instrument to be executed by their duly authorized representatives, the day and year first above written.

SUNRISE BAKERY

By:   
Virginia Forte

United Food and Commercial  
Workers Union, Local 1189

By:   
Tom Cvar - Union Representative



**LETTER OF UNDERSTANDING**  
**By And Between**  
**SUNRISE BAKERY**  
**and**  
**UNITED FOOD AND COMMERCIAL WORKERS UNION**  
**LOCAL #1189**

Effective August 1<sup>st</sup>, 2011, all present employees shall be spelled out in a separate "Letter of Understanding" that will not be included in the Contract, but will be signed by the Union and the Employer, and will be as binding as the Contract itself. The Letter will read as follows:

The parties agree that the following employees shall be red-circled with their appropriate wage rate. All red-circled employees should receive the higher of their red-circled wage rate of the rate found in the Contract for their appropriate length of service.

Name

Effective August 2<sup>nd</sup>, 2011

Sunny Simpson

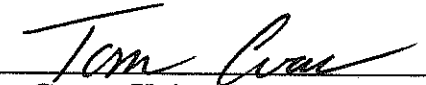
FOR THE EMPLOYER:

By

  
Virginia Fort

FOR THE UNION:

By

  
Tom Cvar – Union Representative