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LA MISIÓN

La Alianza de Bear Creek Production y la Unión de Campesinos esta comprometida a la creación de prosperidad y respeto mutuo por medio de la confianza, ideas inovadoras y trabajando como un equipo.



THE MISSION

The Bear Creek/UFW partnership is committed to creating mutual prosperity and respect through trust, innovative thinking and working as a team.

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

THE UNITED FARM WORKERS OF AMERICA AFL-CIO

AND

JACKSON AND PERKINS OPERATIONS, INC.

JULY 1, 2001 – JUNE 30, 2004

PREAMBLE

The Employer and the Union after negotiating in good faith have come to the following understanding covering wages, hours, conditions of employment, and other benefits for the agriculture workers of the Employer. The parties agree that it is their intent and the spirit of this agreement to benefit all phases of agricultural employment, the workers as well as the company. Both the Employer and the Union hereby pledge that they will cooperate with each other in good faith for the best interest of all concerned.

ARTICLE 1 - PARTIES

This agreement is between JACKSON AND PERKINS OPERATIONS, INC. (formerly Bear Creek Production Company) (hereinafter referred to as Company) and the UNITED FARM WORKERS OF AMERICA, AFL-CIO (hereinafter referred to as Union).

ARTICLE 2 - RECOGNITION

- A. The Company does hereby recognize the Union as the sole exclusive bargaining agent representing all of the Company's agricultural workers (hereinafter called "workers") in the unit set forth in Agricultural Labor Relations Board's certification in Case Number 94-RC-8-VI. The term "worker" shall not include security guards, sales and office employees, crew leaders, 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 the 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 further recognizes the rights and obligations of the Union to negotiate wages, hours, and conditions of employment, and to administer the Agreement on behalf of covered workers.
- C. Neither the Company nor its representatives will interfere with the right to any workers to join and assist the Union.
- 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. The Company will make known to all workers, supervisors, and officers, its policies and commitments as set forth above with respect to the recognition of the Union.
- F. The Union agrees that the Company's obligations under this contract shall not prevent the Company from participating in joint ventures, partnership, or any other forms of business operations. Such Company operations shall not be in such forms as will intentionally circumvent the Company's obligations under this collective bargaining agreement.
- G. Union Access to Company Property
 - G.1 Duly authorized and designated representatives of the Union shall have right to access to Company premises covered by this Agreement in connection with the conduct of normal Union affairs in administration of this Agreement, provided that there shall be no interference with the productive activities of the workers.

G.2 Before a Union representative enters the Company's premises to contact any of the workers pursuant to this Article, such representative shall notify the Company of his or her intended presence on the premises and of the duration and number of the proposed contacts. A reasonable number of Union representatives shall have the right to enter the Company's premises at any one time under this Article.

G.3 The Union shall advise the Company of the names of its duly authorized and designated representatives in writing. Such notice shall be effective upon receipt by the Company.

G.4 The Company shall provide the Union, upon request, the exact locations of the Company's agricultural operations for use by Union representatives.

H. Posting and Distributing Information

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 3 - UNION SECURITY

A. Union Shop

A.1. Union membership shall be a condition of employment. Each worker shall be required to be a member of the Union immediately following five (5) continual days after the beginning of employment, or five (5) days from the date of the signing of this agreement, whichever is later; and to remain a member of the Union in good standing.

A.2 The Union shall be the sole judge of the good standing of its members.

B. Authorizations and Checkoff

B.1 Upon presentation by the Union of individual authorization signed by the workers, the Company agrees to deduct from each worker's pay initiation fees, periodic dues, and assessments as directed.

If authorizations are submitted before the close of the payroll period for which the deduction authorization is submitted, the Company will make the deduction for that period and periodically thereafter.

B.2 The Company shall furnish the membership applications and dues checkoff authorization forms to the workers as provided by the Union. The Union will notify the Company in writing of dues, assessments and initiation fees within five (5) days before the effective date of any change.

C. Penalty for Failure to Maintain Union Membership

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

D. Hold Harmless

The Union shall 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 the Company to comply with any of the provisions of this Article.

ARTICLE 4 - UNION REPRESENTATIVE

- A. It is mutually agreed that the prompt adjustments of grievances and the proper administration of the contract is desirable in the interest of sound relations between the workers and the Company.
- B. The Union shall designate a Union representative for a one-year period. This one-year period may be extended upon mutual agreement between the Union and the Company. The Union Representative shall be recognized by the Company as the official representative of the Union, and shall be compensated by the Company while performing his/her duties pursuant to this article at the rate which he/she would have received had they worked at their regular job classification. Union representative shall so conduct his/her affairs so that no overtime work shall be performed.
- C. The Company shall not interfere with or hinder any Union representative in the performance of his/her duties. The Union representative shall not interfere with the Company's operation or the direction of the work force by the supervisors.

ARTICLE 5 - MAINTENANCE OF STANDARDS

The Company agrees that all conditions of employment relating to wage, hours of work, and general working conditions shall be maintained at no less than the highest standards in effect at the time of the signing of this Agreement, and such conditions of employment shall be further improved in accordance with the specific provisions for improvement made elsewhere in the Agreement.

ARTICLE 6 - HIRING

- A. The Company shall not discriminate against any worker in hiring because of race, handicap, age, creed, color, religion, sex, political belief, union activity, sexual preference, national origin, or language spoken. It is agreed that this obligation includes, but is not limited to the following: hiring, placement, recruitment, and advertising or solicitation of employment.
- B. Hiring shall be handled as in past practice. The Company shall make known to the Union those persons authorized to hire new workers. Neither the Company nor its agents shall act in an unjust or arbitrary manner in its hiring practices.
- C. All prospective workers seeking employment with the Company shall fill out and sign an application. Such applications shall be date-stamped when received by the Company.

- D. The Company shall notify the Union in writing on the 15th and 31st of every month of the date of hire, names, social security number, and job classification of all new workers hired.

ARTICLE 7 - SENIORITY

A. Company Seniority

Company seniority reflects length of time worked for the Company with no break in service. Company seniority will be considered to determine benefits such as paid vacation, shift preference and for scheduling of vacations when there is a conflict.

- A.1 Regular workers (1400 hours) in each department or sub-department will be placed in seniority order on a list. Seasonal workers shall likewise be placed on a list in seniority order. Regular workers shall have priority relative to the seniority of all other workers in their respective departments.

B. Departments. (Refer to Article 7.N for Winter Operations Department Designations.)

The Departments are listed as follows:

- | | | |
|------------------|-----------------------|---------------------------------------|
| 1. Two Year | 7. Processing (Sheds) | 13. Packaging |
| 2. Shadehouse | 8. Equipment | 14. Material/Inventory Control |
| 3. Cultural Prep | 9. Package Prep | 15. Farm Crops |
| 4. Tree Rose | 10. Cold Storage | 16. Redi-Plant |
| 5. Tech Services | 11. Equip/Fac. Maint. | |
| 6. Research | 12. Irrigation | |

Note: Company will utilize department 941 (Material/Inventory Control) support staff in conjunction with Non-BU personnel for purposes of Cold Storage inventory audits, cycle counts (validating transactions made by recorders) and full audits.

C. Probationary Period

The first fifteen (15) working days of employment are considered a probationary period. Once a worker has satisfactorily completed this period, seniority will be retroactive to the hire date.

C.1 All newly hired employees will not be eligible for holiday, medical, or pension benefits until they have completed 90 workdays or until the next season's recall, whichever occurs first.

D. Loss of Seniority

Company seniority shall be broken for any of the following reasons:

D.1 Voluntarily quitting, or job abandonment.

D.2 Discharge by the Company for just cause.

- D.3 Job abandonment for failure to report to work within three (3) working days after being recalled from a layoff.
- D.4 Job abandonment for failure to return to work from any approved leave of absence or vacation.
- D.5 Job abandonment for failure to call or report to work for three (3) consecutive workdays.
- D.6 Leaving the bargaining unit to accept a supervisory or other position with the Company outside the bargaining unit, after thirty (30) days.

E. Temporary Reduction in Workforce

In a reduction in workforce occurring due to the end of an operation, the workers with the highest departmental seniority shall be offered the opportunity to continue working first, provided such workers are qualified to perform the work. However, if none of these workers desires to do the work, the Company shall assign, in reverse seniority order within the department, the number of qualified workers required to perform the work. (Refer to Article 19 and Appendix A (Pay for Job Wage Structure))

When a seasonal, temporary, or partial-day reduction in the workforce becomes necessary, layoffs shall be made according to company seniority within the Department. Voluntary layoffs may be allowed if there is another worker willing, qualified, and able to perform the worker's job.

F. Transfers

F.1 Permanent Transfers

All departmental vacancies will be posted and the individual's hire date with the Company will be used to calculate seniority. Each department will have an

established number of employees assigned to that particular department based on the first bi-annual seniority list of April 2001. Only those employees currently working in said operation/department, at the time of a vacancy, will be given the opportunity to sign the bid list. The list will be maintained for the balance of the season or until the list has been exhausted, at which time the departmental vacancy will be re-posted. All employees from outside the department bidding into said operation/department will not be eligible until current bid list has been exhausted. (similar to current posting procedure)

The worker will be merged into the department seniority list on the date that said transaction occurs. Said requests for permanent transfer will be limited to one (1) per twelve-month period. The worker shall have the right to request a return to their previous department for up to 30 calendar days following the transfer, after which the move will become permanent. Should the worker request the foregoing accommodation, it shall nevertheless be counted as the "one per twelve month" transfer.

F.2 Temporary Transfers (Refer to Article 7.N for Winter Operations Temporary Transfers within Related Operations)

It is recognized that the Company has in the past used flexibility in temporarily transferring workers to jobs for short periods of time for efficiency. It is agreed that such temporary transfers can still occur at the Company's direction. During such transfers, the worker's hourly rate will not be reduced if it is a lower paying job. When a temporarily transferred worker performs the work of a higher paid job than his/her normal job, he/she shall be paid at the higher rate. This section

shall not apply to permanent or continuing job openings. Such transferred workers will not bump seniority workers of a particular department.

G. Seasonal Recalls

When anticipating the seasonal recall of seniority workers, the Company shall notify the workers and the Union, in writing, not less than twenty-one (21) days prior to the estimated starting date of the work, and the estimated duration of the work. The Company shall give at least forty-eight (48) hours notice of the exact starting date.

In case of emergencies that require the immediate recall of workers, the Company shall have the discretion to recall workers without regard to the above time limits. However, workers unavailable for work during such unscheduled recall shall not lose their seniority. If less senior workers are recalled, the more senior worker shall be given work as soon as practical after reporting.

The Company shall make available to the Union, at the Union's request, any access of recall that has been returned with Postal Office notice of non-delivery; and, further, will make available to the Union, upon request, any explanation received from a worker related to this failure to report or delay in reporting on the date specified.

G. 1 Jackson and Perkins Operations, Inc. and the United Farm Workers of America, AFL-CIO agree to the following arrangement concerning Process Improvement projects and the participating members. The teams shall be composed of volunteers.

Due to the make-up of the Continuous Process Improvement teams, it is agreed that the members of these teams may be recalled out of seniority order

in order to continue or complete their projects, for a period of approximately 3-5 days.

There exists the possibility that members of Process Improvement teams will be recalled before the beginning of the season in order to complete their projects within a time frame of 3-5 days.

H. Layoffs in Excess of Fourteen Calendar Days

H.1 In the reduction of forces due to a lack of work, which is expected to be in excess of fourteen (14) calendar days, layoffs shall be made on the basis of company seniority within a particular job classification.

H.2 When laying off in the Budding Operation, the Company agrees to follow past practice with regard to the need for the most skilled budders for fresh scion. The most skilled budders, calculated from the previous year's Spring live count, will be offered the work on a voluntary basis. In preparing a list for the purposes of this paragraph, the list shall be a multiple of two times the required amount of budders (e.g., if four budders are required, the list shall be for the eight most skilled budders, and if the top four do not want to work, the next four will be required to do it).

H.3 Any (budder and tier) team that does not meet 85% spring live count in 2 out of 3 seasons will be disqualified from budding program.

I. Notice of Layoff and Order of Recalling. (Refer to Article 7.N.3 for Winter Operation Layoffs/Recalls.)

The Company will notify the Union and the worker as soon as possible prior to any layoff.

The Company shall recall workers from layoff in order of highest company seniority within the classification being recalled.

I.1 Pre and Post Season Recalls/Layoffs in Cold Storage

A pre and post season Cold Storage Crew will be established for the beginning of the season occurring the first week of November and the end of season on or about April 15. The following structure will be for a Pre/Post Season crew:

- Forklift Operators, Recorders and Hang on Tags by seniority***
- All personnel needs will be determined by departmental seniority, since employees have been cross trained to perform General Labor jobs.***

J. Seniority Lists

The Company shall provide the Union with an up-to-date seniority list in March and October of every year providing the name of each worker, his or her date of hire, Social Security number, and job classification.

K. Filling Job Vacancies. (Refer to Article 7.N.4 for Filling Vacancies during Winter Operations)

K.1 A Job Posting Procedure will be established which will be used to fill all job vacancies. The Job Posting Procedure will be as follows:

- a. Announcement of the opening**
- b. Posting of the opening (3 working days)**
- c. Selection of candidate based on the most senior qualified worker on the posting**

- d. If any worker is given a new job as per the above procedure, he/she shall be given the appropriate time to meet the job requirements (Refer to Letter of Understanding Productivity and Efficiency)

Note: The list of candidates who sign the posting will remain in effect for the duration of the operation.

- K.2 A telephone job hotline will be established to advertise job openings as they occur. Individual employees will call a published number which will contain all the current job openings. Interested employee will come to the Administrative office to sign the posting.
- K.3 When vacancies occur in budding, first opportunity should be given to the most senior qualified tier who tied the previous season and whose budder did not return for reasons other than disqualification; then to the most senior qualified tier who signs in the Posting to fill said vacancies.

K.3.A Budding Program (Vacancies for Tier)

Procedure:

- 1. Tier vacancy will be posted.***
- 2. Tiers who are interested in the vacancy should bid for position.***
- 3. Budders will select a Tier from the posting list, giving priority to Tiers who worked the prior budding season, but who currently do not have Budding partner. After qualified Tiers have been given the opportunity for the vacancy, then Budders who were disqualified as Budders the prior season will have the opportunity to be selected as Tiers. This does not apply to Tiers who have been disqualified from Tying Operation.***
- 4. The selected Tier will have a probationary period of five (5) days, or the equivalent of forty (40) hours of work, to maintain constant pace with his Budder partner and meet quality requirements in the Tying Operation.***
- 5. If the new Tier does not meet any of the two (2) requirements listed in section #4 of this agreement, the Budder may choose to exchange his Tying partner with another Tier. This may be done only if the two (2) Budder & Tier teams are in mutual agreement.***
- 6. If no internal candidates are available to fill the Tier vacancy, then the Budder will have the right to select a Tier from outside of the Company.***

K.4 Training Period, Minimum Production and Pay Rates

All budders and tiers filling vacancies will be expected to meet minimums in production and quality per day, within the first 20 working days of training. During this training period they will be paid their individual hourly rate until they are able to bud and tie at least 2200 plants in the 1yr and 2yr crops, 1400 plants in research and 1800 plants in the double-spaced rows. At this time the new budder and tier will be paid the more skilled hourly rate.

All new budders and tiers, whose skill level is judged by management to be adequate, shall be given the option to bud on the regular piece rate basis.

K.5 Disqualification

Any new budder or tier who is disqualified from the budding training program, will be returned to his/her previous position at first opportunity.

If a disqualified employee was on lay off prior to bidding into training position he/she will be laid off and will not be given another training opportunity as a budder or tier .

L. New or Changed Classifications

In the event the Company hereafter establishes within the bargaining unit a new classification or changed classification with new job content substantially and materially different from the existing or previously existing job content, in relation to the classifications and rates of pay in Appendix A and Appendix B, the Company will negotiate the new rate and /or classification with the Union. If agreement is not reached, the matter will be submitted to expedited arbitration.

M. Continuation of Work for New or Changed Classifications

Work shall continue at the rate and under the conditions determined by the Company pending resolution of any such grievance. If it is established that the Company's determination was erroneous because the new job does not establish a fair relationship to other jobs at substantially the same rate of pay within the bargaining unit, adjustments pursuant to arbitration shall be made effective from the time the new job or operation was established.

N. WINTER OPERATIONS

N.1 Purpose:

To establish guidelines within the Labor Agreement that reflect the special needs of the Company and the workforce during our peak harvest and processing season. These guidelines will address and alter many aspects of the labor agreement during our Winter Operations. Winter Operations is defined as the period of time and associated operations between Brush Cutting (October) through Top Removal (January).

N.2 Departmental Designations for Winter Operations

Current Departments:

| | |
|-------------|---------------|
| Two Year | Processing |
| Tree Rose | Cultural Prep |
| Shadehouse | Equipment |
| Maintenance | |

Associated Operations: All operations associated to the Harvest, Planting, Preparation or the support of those functions for all crops including but not limited to: Brush Cutting, Saw Sheds, De-Eyeing, Planting, Re-Planting, Scion Cutting, Deleafing, Equipment Operators, Digging, Processing, all Maintenance, Pruning, Post and Wire, Grading, Shadehouse Operations, Top Removal.

N.3 Layoff/Recall:

All employees who have recall rights to the jobs/operations mentioned above will maintain their rights regardless of their current department designation or

status. During the Winter Operations workers will be laid off and recalled according to department seniority and qualifications. Qualification is defined as having completed the particular scheduled job/operation during the prior season. During the Winter Operations season the workers who work in a particular job/operation during this period/season will have the right to start and finish that job according to department seniority.

N.4 Filling Vacancies:

Workers will not be allowed to vacate their current job to fill a vacancy/job in another operation during this season, *unless the vacancy occurs within the operation where the worker is currently working. A worker who chooses to fill a vacancy prior to a recall will forfeit recall rights to his/her original operation..* Workers who finish their operation or job will be allowed to pursue any other opportunities available to them. In other words, workers may fill vacancies as often as they please as long as they complete their current job assignment.

N.5. Work Schedules:

Both parties agree to meet before the 2002 Winter Operations season to consider the possibility of a work week consisting of four 10-hour days, when necessary, in order to meet production deadlines and provide 40 hours of work to the employees during inclement weather.

N.6 Leaves of Absence:

Leaves of absence for personal reasons will not be granted during Winter Operations except for emergencies, and/or extenuating circumstances upon proper justification received by the company.

N.7 *Temporary Transfers within Related Operations as listed below:*

In an effort to manage our Winter Operations in a more efficient manner both parties agree to create temporary transfers within related operations.

Affected Operations and Managers would be the following:

2 Year Manager

- ♦ *SCION PREP - Scion Cutting, De-leafing, Scion Storage and Equipment Support.*
- ♦ *CUTTING PREP - Brush Cutting, De-Eyeing/Saw Shed, Planting, Re-Planting and Equipment Support*
- ♦ *HARVEST - Digging Crews, Equipment Support and Processing Sheds.*

Tree Rose/Shadehouse Manager

- ♦ *TR HARVEST - TR Pruning, TR Post & Wire Removal, TR Grading, TR Digging, TR Processing.*
- ♦ *TR PLANTING - TR Post & Wire Installation, TR-OR Brush Cutting, TR-OR SawShed, TR-OR De-Eyeing and TR-OR Planting.*
- ♦ *TR TOP REMOVAL*
- ♦ *SHADEHOUSE - Processing and Liner Harvest.*

Farm Crop and Services Manager

- ♦ *Equipment, Irrigation and Farm Crops.*

N.7.A. Temporary Transfer Process and Procedure:

- ♦ *First - Most senior qualified within related operations. Refer to N.7*
- ♦ *Second - Most senior qualified within those operations being managed by each manager. Refer to N.7*
- ♦ *Third - Most senior qualified within Winter Operations refer to Article 7 Seniority (N. Winter Operations) - N.2 Associated Operations.*

Note: Duration of transfer will be at management's discretion based on operational needs. This agreement shall not apply to permanent or continuing job openings. Such transfers will not bump seniority workers of a particular job/department.

N. 8 Close of Season:

At the conclusion of the Winter Operation, all sections outlined in Article 7.N Winter Operations will cease to be in effect.

ARTICLE 8 - TRAINING AND APPRENTICESHIP

The Company will develop on-the-job training programs for workers in the bargaining unit to provide opportunities to learn the necessary skills to fill future vacancies.

The Company will determine the number of programs, the curriculum to be used, and the timing and number of vacancies. Training opportunities will be posted as according to posting procedures outlined in Article 7.K.

Workers who successfully complete such training and desire consideration for placement in higher job classifications will follow the Posting Procedure outlined in the Seniority Article. A committee comprised of two (2) Management members and two (2) Union representatives within a specific operation shall be established to determine if the worker has successfully completed the training and is qualified.

ARTICLE 9 – ISSUE RESOLUTION AND ARBITRATION

- A. The parties to this agreement agree that all employee problems or issues which arise between the Company and the Union out of the interpretation or application of this Agreement shall be subject to the Issue Resolution and Arbitration Procedure. The parties further agree that the Issue Resolution 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 disputes involving this Agreement until the Issue Resolution Procedure has been exhausted.
- B. An issue or problem 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. *Any resolved issue requiring a monetary back-pay or make-whole remedy shall be paid in full within two (2) consecutive payroll periods from the date of resolution.*
- C. Step One: Any employment problem or issue arising under this agreement shall be addressed between the affected employee(s), his/her union representative, and his/her direct supervisor within 2 scheduled work days of the occurrence and they shall use their best efforts to resolve the issue. At this point, if the issue is not satisfactorily

resolved, the party presenting the issue shall reduce the issue to writing and present to the other party within five (5) working days, *(exclusive of Saturdays, Sundays, or Holidays)* setting forth the nature of the issue including discharges.

- D. Step Two: In the event the issue is not satisfactorily resolved in Step One, a meeting will be held within three (3) working days involving the affected employee(s), the employee's crew representative, the direct supervision, the Manager of Labor Relations and the paid Union Representative. If necessary at this stage additional union and company representatives may be consulted and asked to participate in the resolution process. At the conclusion of Step two the party receiving the issue will respond in writing within five (5) working days, *(exclusive of Saturdays, Sundays, or Holidays)* stating its position. *The time limits indicated hereunder will be considered maximum unless, by mutual agreement between the Union and the Company, the time limit of any step of this issue resolution procedure may be extended once (not to exceed 10 workdays) and this extension must be confirmed in writing within the time limit set forth. In the event either party fails to meet the time limits set forth, the issue shall be resolved on the basis of the opposing party's last stated position without setting precedence, and shall not be eligible for further appeal*
- E. Step Three: If the issue is not resolved in Step Two, the party presenting the issue must file within seven (7) working days a written notice to the other party indicating its preference to refer the issue to a third party arbitrator.

F. Arbitration

An arbitrator shall be chosen to consider and decide the issue referred to him/her. The arbitrator shall not have the authority or jurisdiction to modify, add to, detract from, or alter any provision of this Agreement.

G. Selection of the Arbitrator

Not later than one week following the referral to arbitration, the parties shall request a list of seven (7) arbitrators from the Federal Mediation and Conciliation Service. After receipt of the list, the parties shall meet to select the arbitrator. If the parties cannot agree upon the selection of an arbitrator, he shall be selected by lot with the party to strike first being determined by a coin toss. That party shall strike the first name from the list. The name remaining after each party has struck three (3) names shall be the person designated as the arbitrator to fill the vacancy.

H. Arbitration Rules and Procedures

- H.1 The arbitrator shall have access to the work areas of the Company if necessary.
- H.2 Briefs may be submitted by either party following the arbitration hearing.
- H.3 The Arbitrator must render a decision in writing to the parties within fifteen (15) days from the date of the closing of the hearing.
- H.4 Decisions of the Arbitrator shall be in writing, signed, and delivered to the respective parties.
- H.5 The decision of the Arbitrator shall be binding on the Company, the Union and the workers.

I. Arbitration Expenses

The losing party will pay expenses and salaries of the Arbitrator. Each party shall pay the cost of presenting its own case.

ARTICLE 10 - STRIKES AND LOCK-OUTS

- A. There shall be no strikes, work stoppages, slowdowns, boycotts, job or economic action, interruptions of work or other interference with the conduct of the Company's business by the Union, nor shall there be any lockouts by the Company.
- B. If any 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. The Company may discipline or discharge any workers who engage in any of the activities referred to above.
- D.1. The Company agrees that any worker may refuse to pass through any picket line of another company if engaged in a strike sanctioned by the Union.
- D.2. 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.

ARTICLE 11 - DISCHARGE AND DISCIPLINE

- A. Just Cause
 - A.1. The Company shall have the sole right to discipline and discharge workers for just cause. No worker shall be disciplined or discharged except for just cause.
 - A.2. Individual performance in relation to piece rate or incentive plan shall not be conclusive evidence for the purpose of discipline or discharge. This provision,

however shall not 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 Issue Resolution and Arbitration provision of the Collective Bargaining Agreement.

A.3 Individual performance as it relates to mutually agreed upon production standards and quality standards in piece rate operations may result in discipline or disqualification as established. Appendix A shall be modified as according to operations by piece rate. Workers from that operation would not lose Company Seniority.

A.4 Individual performance as it relates to quality and production standards in hourly operations will be mutually agreed upon at a future date in order to have them established.

B. Discharge Procedure

B.1. Prior to any discharge, 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.

B.2. Within forty-eight (48) hours after any discharge for just cause, the Union representative will be notified in writing the reasons for such discharge.

B.3. The steward or other Union representative shall have the right to interview workers in private regarding discharges. The Company will make all attempts to make all discharges after working hours.

ARTICLE 12 - LEAVES OF ABSENCE (Refer to Article 7.N for Winter
Operation Leave of Absence)

A. Eligibility

A leave of absence may be granted subject to the provisions of this Article to workers who have completed the probationary periods outlined in the Seniority Article.

B. Leave Procedure

Except in cases of emergency or illness, all leaves must be requested of the supervisor at least one (1) week in advance of the date the leave is to begin. Such leaves will be without pay. Requests for leaves of absence must be in writing on forms furnished by the Company and signed by a Company Representative, with one copy sent to the Union.

C. Worker's Responsibilities on Leaves

C.1 Any worker who is on leave of absence has the responsibility to notify the Company of his/her current mailing address where he/she may be reached by the Company for legitimate business or emergency purposes. Workers who obtain a leave of absence under false pretenses, or fail to return to work upon expiration of a leave will lose seniority and be considered to have abandoned to have their job.

C.2 Employees who return from a leave of absence for personal reasons will be subject to the following process.

C.2.A If the Leave requested and granted is for seven (7) days or less, the Company shall reinstall him/her to the work they were performing at the time they were granted the leave.

C.2.B If the Leave for personal reasons is for more than seven (7) days, at the return of said Leave the Company will reinstall the worker if a position is available in the worker's operation.

D. Limitations on Leave

Leave of absence without pay shall be granted according to the following guidelines:

| <u>Type of Leave</u> | <u>Maximum Time</u> |
|--|---------------------|
| Personal Reason(s) | 1 Month |
| Medical Leave (Personal or Work Related Doctor's Certificate Required) | 12 Months |
| Family Illness (Doctor's Certificate Required) | 3 Months |

Upon request by the worker, in extenuating circumstances, the Company may grant extensions to the limits specified above. Such requests shall be in writing and sent to the Company and Union prior to the expiration date of the leave of absence.

E. Leaves for Union Business

E.1. If a worker (not to exceed five (5)) is appointed or elected to Conduct Union business, the Company shall, upon ten (10) days written notice from the Union to the Company, grant leave of absence not to exceed one year, which shall be

extended on request, provided the worker shall be continuously conducting Union business. A minimum of ten (10) days written notice will be given to the Company when the worker is to return to work.

E.2. A temporary leave of absence for Union business, without pay and not to exceed three (3) days shall be granted under the following conditions:

E.2.A. Written notice, including name and department shall be given by the Union to the Company. Upon receipt of said notice the Company will agree to grant leave as soon as possible or within three (3) days

E.2.B. Such leaves of absence shall not be granted to more than five (5) percent of the workers currently working in any department/classification.

E.2.C Union leaves shall be without pay and without loss of seniority.

F. Effects of Leaves on Seniority

Seniority shall accumulate during leaves of absence and upon the worker's return within the period of the leave of absence, the worker shall be reinstated without loss of seniority and at the existing scale of wages.

G. Medical Leave

Medical leave shall be extended if a doctor's report indicates a probability that the worker will be able to return to work without restriction.

H. Personal Leave

Scheduled leaves of absence, for personal reasons, 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 of absence. However, where a worker requests an

emergency leave, the Union and the Company may agree to his leave in preference to that worker over other workers with higher seniority.

I. Leave of Absence With Pay

I.1. Jury Duty

When a worker is first notified of a call for jury duty, he or she shall immediately inform the Company in writing of such notification. If a seniority worker serves on a jury, he shall be paid by the Company the difference between the fees he receives as a juror, and what he would have received working for the Company instead of serving on the jury. To receive pay under this article, the worker shall provide the Company with documentary evidence of the amount of the fees received for performing such service.

I.2. Funeral Leave

A worker scheduled to work who suffers a death in his or her immediate family shall be entitled to receive an approved absence up to three days, with pay, for the purpose of attending the funeral and/or making funeral arrangements. By definition, immediate family is the worker's spouse, father, mother, sister, brother, son, daughter, stepson, or stepdaughter, father-in-law and mother-in-law.

The Company will grant any worker who suffers the death of a sister-in-law, brother-in-law, grandparents, or grandchildren, children of sisters and brothers and brothers and sisters of parents of the worker or worker's spouse an approved absence of one day with pay provided the funeral is attended by the worker.

Payment for hourly time loss during a regular workday under this Article shall be at the worker's straight-time rate. Proof of death shall be substantiated by a death certificate.

ARTICLE 13 - HEALTH AND SAFETY

A. Health and Safety Committee

- A.1. There shall be a Health and Safety Committee of worker's representatives.
- A.2. The Committee may participate with the Company in the formulation of rules and practices relating to the use of pesticides, materials, tools, and protective equipment.
- A.3. The Company agrees to make available to the Union such records with respect to the use of pesticides:
 - 1. Location of field to be treated with pesticides, as noted in the weekly schedule.
 - 2. Name of pesticides used by brand name, chemical composition, and registration number.
 - 3. Date, amount of pesticide applied and method of application.
 - 4. Applicator's name and address if applicable.
- A.4. The Company will comply with all applicable laws relating to the use of pesticides.

B. On the Job Injury

- B.1 Whenever a worker is injured on the job to the extent that medical attention is received, the Company agrees to pay a full days' wages for the balance of the

earnings the day of the injury. The balance of pay shall be at the worker's base rate.

ARTICLE 14 - MANAGEMENT RIGHTS CLAUSE

A. It is the intention hereof that all of the rights, powers, prerogatives, and authorities that the Company "has historically exercised" are retained except those specifically abridged or modified by this Agreement; including, but not limited, to: the right to hire, promote, discharge or discipline for cause, and to maintain discipline and efficiency of workers. In addition, the products to be grown or harvested, the schedules of production, the methods, processes and means of production or harvest are solely and exclusively the responsibility of the Company, including the nature of equipment or machinery used and the right to change, discontinue, or modify equipment and machinery. Furthermore, it shall be the responsibility of the Company to direct and supervise all workers, to assign and transfer and layoff workers, to make work and safety rules, and to determine when overtime shall be worked and if required, and to determine the size of crews and hours of work. The Company's failure to exercise the rights reserved to it, or its exercise of them in a particular way, shall not be deemed a waiver of said rights or of its right to exercise them in some other way, not in conflict with the express terms of this Agreement.

B. Direction of Personnel

B.1. Supervisors and other workers not included in this bargaining unit shall not perform any work covered by this Agreement, except instruction, training, emergencies, and the type of work supervisors have historically performed in the

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

This section does not apply to Bargaining Unit Crewleaders.

C. Control of Production

C.1. In the event the Company anticipates mechanization of any operations of the Company or process improvements that will permanently displace workers, the Company before commencing such mechanical operations or process improvements 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 4, Hiring.

C.2 Employees with job related injuries who are no longer able to perform their jobs as substantiated by a doctor's report, may have their names placed on a preferential hiring list (similar to those employees who have been displaced by either mechanization or process improvements) for jobs which they may be better suited for and physically able to perform.

C.3 Operation of Linear Irrigation Equipment

The daily general operation of the Linear Irrigation Equipment shall be considered Bargaining Unit work. However, management shall have the right to continue (as in past practice) to train, adjust, troubleshoot, repair and help operate the Linear Equipment as needed.

ARTICLE 15 - SUBCONTRACTING

The parties understand and agree that the hazards of agriculture are such that subcontracting may be necessary and proper. Subcontracting may be necessary in areas such as, but not limited to, land leveling, custom land work, precision planting, applying agricultural chemicals or pesticides, and where specialized equipment not owned by the Company is required. It is 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 do not have the skills to operate and maintain the equipment or perform the work of a specialized nature, or in an emergency situation.
- 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.
- C. When the Company rents equipment, such equipment will be operated by bargaining unit workers, provided that the bargaining unit workers are qualified to operate such equipment and no other agreements have been made with the Union.

ARTICLE 16 - REPORTING AND REMITTING DEDUCTIONS AND CONTRIBUTIONS

- A. Submission of Dues and Reports to Union

A payroll report is to be submitted monthly. The report shall be mailed on or before the 15th day of each month. The report shall include the workers' names, Social Security

numbers, payroll periods covered, gross wages, total hours worked per workers, total number of workers, and amount of Union dues deducted during such pay periods from each worker. Complete mailing directions and information for such report will be supplied by the Union.

In the event Company has no workers in its employ during any monthly period, Company shall submit to the Union, on forms to be provided by the Union, a certified statement to that effect. Said statement shall be mailed on or before the 15th day of the following calendar month. Company understands and agrees that it shall be deemed delinquent with respect to the Union for any payroll month in which Company has no covered workers in its employ during such month, if said statement is not postmarked on or before the 15th day of the succeeding calendar month. In the event Company decides to go out of business, merge or consolidate with another entity, sell or transfer its assets to another entity, or otherwise make a decision which will result in its ceasing to deduct dues, Company shall, in addition to any other requirements set forth in this Agreement, notify the Union headquarters in writing at least sixty (60) days in advance of the last day on which it will be reporting to the Union, of such business decision. In the event that Company files in bankruptcy or Chapter XI proceedings, it will notify the Union of such action and shall list the Union as a separate creditor qualified as a priority claim pursuant to the Bankruptcy Act.

- B. Submission of Reports and Contributions to Fringe Benefits Plans All contributions due under this Agreement to the Robert F. Kennedy Farm Workers Medical Plan and the Juan De La Cruz Farm Workers Pension Fund shall be remitted monthly. The contributions due to said Fringe Benefit Plans each month shall be computed on the

preceding monthly payroll period for every worker covered by this agreement. The monthly contributions due each plan, for the preceding payroll month, together with a monthly summary report, shall be mailed, on or before the 15th day of each month, to each Plan's depository bank at the lock box address designated by each plan Administrator. Company acknowledges receipt of the designated lock box address for each Plan and agrees that all reports, contributions, statements, notices, or other communications required or provided for under the Agreement, shall be sent to such designated address, unless Company is notified in writing, by the Administrator of any Plan, of a change in such designated address. The Monthly summary reports shall cover the preceding payroll month for which contributions are being remitted and shall include, for each worker being reported, name, Social Security number, total hours worked, total compensation paid such workers, and total contributions due each Plan. Said monthly reports shall also show total number of workers reported, total compensation paid such workers and total hours worked by such workers as well as total contributions being remitted to each Plan. Said reports shall be legible and, where feasible shall list workers alphabetically or in ascending Social Security number order. In the event Company has no workers in its employ during any monthly payroll period, Company shall submit to each Plan, or forms to be provided by Plans, a certified statement to that effect. Said statements shall be mailed on or before the 15th day of the following calendar month. Where the Union report specified in Subsection 1 above contains all of the information required under this Subsection 2, a copy of that report, mailed to each of the Plans at the times and places specified herein, shall constitute compliance with the monthly report requirements to the Plan.

Company understands and agrees that it shall be deemed delinquent with respect to the Plans, for any payroll month in which the required contributions and monthly report, or the required statement that Company had no covered workers in its employ during such month, is not postmarked on or before the 15th day of the succeeding calendar month.

In addition to the monthly summary reports specified above, Company shall also submit, on or before January 31st of each year to the Juan De La Cruz Farm Workers Pension Fund, a report showing the total hours worked, in Connecting Noncovered Service, by each covered worker during the preceding calendar year. Said annual report shall show, for each worker who had one or more hours of Connecting Noncovered Service during the calendar year, such worker's name, Social Security number, and total hours of Connecting Noncovered Service for the year. "Connecting Noncovered Service," shall mean Employment with the Company, which is not Covered Service under the Juan De La Cruz Farm Workers Pension Plan, but which immediately follows or precedes Covered Service with company without an intervening quit, discharge, or retirement, and which occurs while Company is obligated to contribute to the Pension Plan for workers in Covered Service.

Company shall not be entitled to any offsets, credits, refunds, deductions or other form of reimbursement in the event of an overpayment to any Plan except as herein provided.

In the event Company discovers that it has made an overpayment to any Plan, due to a mistake of fact, Company shall promptly notify such Plan of that fact with specifics as to the date or dates of the alleged overpayment(s), and the amount(s) involved. The Company shall submit, together with such notice of the fact that it claims an overpayment was made, such amended monthly report or reports as may be required to

correct the Plan's records. Provided Company so notifies Plan of each overpayment, due to a mistake of fact, within one year of the date the overpayment was made, and provided Plan agrees that an overpayment was made, Plan will either refund to Company the overpayment involved, or authorize Company to take an offset from current contributions due to recover its overpayment, as Plan shall specify; provided, however, that Plan shall be entitled to deduct, from any such authorized refund or offset, the data processing and computer costs incurred by Plan in correcting its records to reflect the adjusted data received from Company. Such data processing and computer costs incurred by any Plan as a result of Company's mistake of fact shall be deemed an additional obligation of Company to Plan under this Agreement. Company shall not be entitled to any refund, credit offset, deduction or other forms of reimbursement for any overpayment, which is not discovered and reported to Plan within one year of the date on which it was made.

In the event Company decided to go out of business, merge or consolidate with another entity, sell or transfer its assets to another entity, or otherwise make a decision which will result in its ceasing to contribute to any Plan for the duration of this Agreement, Company shall, in addition to any other requirements set forth in the Agreement, notify each of the Plans, separately and in writing, at least sixty (60) days in advance of the last day on which it will be reporting and contributing to Plans, of such business decision.

ARTICLE 17 - MEMBERSHIP APPLICATION AND AUTHORIZATION FOR DUES DEDUCTION

Within five (5) days after the signing of the Contract, the Union in cooperation with the Company will receive membership applications and authorizations for dues deductions and Citizenship Participation Day deductions for each worker on the payroll. The Company will be expected to provide time for each worker and the Union to accomplish this task. The Company must take the responsibility for the completion of the above forms for all new hires or recalls within five (5) days of the date of hire or recall. These forms are to be submitted immediately to the address designated by the Union.

ARTICLE 18 - HOURS & OVERTIME

A. Daily and Weekly Overtime

The Company shall comply with all applicable laws governing overtime)

B. Overtime Rules

Overtime shall be offered to workers on a voluntary basis when production schedule allows in order of seniority. If the Company does not get a sufficient number of workers on a voluntary basis, it may assign such work in reverse departmental seniority order. Both parties agree that current arrangements on rotating personnel for Saturday work or overtime will remain in effect and other departments may adopt similar arrangements.

B.1. Processing Sheds

All employees will be given the opportunity for overtime, on a one-time basis, at the start of each season through a posting procedure. Overtime work will be offered to most senior qualified on the bid list. The list will be

maintained for the balance of the season or until the list has been exhausted. All employees bidding into the processing sheds after the initial posting for overtime work and have expressed interest in overtime hours will be added to the bid list for future vacancies.

B.2 Irrigation/Mechanics

Rotation for Weekend work : Weekend work for Irrigators and Mechanics will be based on rotational schedule.

B.3 Equipment – Inclement Weather Schedule:

It is mutually agreed by both parties that work scheduled during inclement will be limited to no more than 60 hours of work per week.

C. Work Week

Each workweek shall commence on Sunday and end on Saturday of the same week.

D. Rest Periods

Workers shall have paid rest periods of fifteen (15) minutes each which insofar as practical shall be in the middle of each continuous four (4) hour work period or major portion thereof.

E. Paydays

Payday shall be every Friday or as otherwise mutually agreed by the Company and the Union.

F. Waiting, Standby, and Travel Time

F.1. If workers commence work and they are furnished less than four (4) hours of work, hourly and piece rate paid workers shall be paid at least four (4) hours

that day at their hourly rate of pay, unless the scheduled work day was less than four (4) hours in order to complete the operation. .

F.2. This section shall not apply where work covered by this Agreement is delayed or cannot be carried out because of wet field conditions, rain, frost, government condemnation of crop, or other causes beyond the control of the Company.

F.3. A worker shall be paid for all the time he is required to remain on the job at the hourly rate.

H. Reporting Pay Guarantees

H.1. 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.

H.2. 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.

H.3. Any call may be rescinded by notification to employees at least two (2) hours prior to the time scheduled for reporting to work. .

I. Time and Manner of Wage Payment

I.1. The Company shall keep full and accurate records, including total hours worked, total wages and total deductions. Workers shall receive a copy of the itemized deduction, hourly rates, hours worked and total wages, including piece rate or incentive rate, each payday. At the end of each pay period, the original foremen's record shall be available at the Company's office where workers may review such records at reasonable times provided this does not interfere with Company business.

I.2. The Company shall deduct Federal and State Income Tax in accordance with scheduled deductions upon the written request of each worker. The request shall bind the worker for the duration of his employment with the Company, subject to written revocation by the worker of the previous request prior to the start of each new calendar year.

J. Uniforms, Tools, and Equipment

J.1. Tools and equipment necessary to perform the work and protective garments required by law 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 tools, equipment, and garments that are checked out to them, but shall not be responsible for accidental breakage or normal wear and tear.

J.2. Workers shall be charged actual cost of equipment that is not accidentally broken and not returned. Receipts for returned equipment shall be given to the worker by the Company.

ARTICLE 19 - HOURLY WAGES AND OTHER FORMS OF PAYMENT

Wage rates and piece work schedules pursuant to this Agreement shall be as set forth in Appendix "A" attached hereto.

Jackson and Perkins Operations, Inc. and the United Farm Workers agree that the following provisions will be in effect for the duration of this Collective Bargaining Agreement.

1. The General Wage Rate for the Company will be \$6.45/hour commencing the date of the Collective Bargaining Agreement *subject to any future state mandated increases.*

2. In the Digging Operation a \$.50 per hour premium will be paid to diggers, strappers and loaders.
3. Minimum wage rates are established for selected skilled positions as listed in Appendix B.
4. Wage rates are set for the Redi-Plant Operation according to the following table:

General Labor - \$6.80 per hour

Semi-Skilled Labor - \$7.33 per hour

Skilled Labor - \$7.84 per hour

5. The United Farm Workers and Jackson and Perkins Operations, Inc. agree to mutually explore gainsharing or other compensation plans which foster improved productivity and provide that workers be financially rewarded for the Company's achievement of predetermined financial goals.

ARTICLE 20 - VACATION

A. Eligibility

For the purpose of vacations all employees who attain 1,000 hours based on a rolling 52-week period will be eligible for vacation.

B. Vacation Accrual

Eligible employees with less than ten (10) complete years of continuous employment from the date they attained regular status will accrue approximately 10 hours of vacation benefit for each full month of employment (.057692 per straight-time hour paid).

Eligible employees with more than ten (10) complete years of continuous employment from the date they attained regular status will accrue approximately 15 hours of vacation benefit for each full month of employment (.086538 per straight-time hour paid).

C. Vacation Pay

Vacation pay will be based on the hours of vacation taken multiplied by the worker's average straight-time hourly rate, including shift differential, if applicable, for the pay period immediately prior to the vacation benefit.

D. Scheduling

Vacation schedules shall be mutually agreed upon, except if more workers, in the judgment of the Company, want a particular vacation period that can be reasonably spared, the worker with the highest seniority shall have first preference for the vacation period.

E. Termination of Employment

An employee who has qualified for vacation benefits and subsequently terminates voluntarily or involuntarily will be paid for the amount of vacation hours accrued at the date of termination, and on the basis of vacation pay described above.

ARTICLE 21 – TRAINING FUND (Pending Legal Approval)

The Company agrees to pay one cent (\$.01) per hour for each hour worked by each non-probationary worker covered by this agreement into a trust fund for the purpose of training the Union Representatives (Stewards) who are employed by Bear Creek Production Company.

ARTICLE 22 - HOLIDAYS

- A. For the purpose of holidays all employees who attain 1,000 hours based on a rolling 52-week period will be eligible for Holiday Pay for the following holidays:

1. New Year's Day
2. Memorial Day
3. Independence Day
4. Labor Day.
5. Thanksgiving Day
6. Christmas Day
7. Floating Holiday (President's Day)
8. Floating Holiday (Good Friday)
9. César E. Chavez Day - March 31)
10. CP Day

- B. All workers not covered in paragraph A of this Article and who otherwise meet the eligibility requirements, shall receive Holiday Pay for the following holidays:

1. New Year's Day
2. March 31st
3. Citizen's Participation Day
4. Thanksgiving Day
5. Christmas Day

- C. Pay

- C.1. Holiday pay shall be the regular hourly rate of pay for the worker times the average number of hours worked for the last 2 days worked prior to the holiday), provided, however, such number shall not be less than eight (8) hours.

- C.2. Any work performed on the above-listed holidays shall be paid for at the regular rate of pay and shall be in addition to the worker's holiday pay on that pay.

- D. Eligibility

To be eligible for a paid holiday not worked, a worker must have worked at least five (5) days during the two (2) payroll weeks immediately preceding the week in which the

holiday falls *and* must work the scheduled work days both immediately before and after the holiday, *unless extended by jury duty, paid funeral leaves, vacation, immigration appointments, immediate family emergency, or Personal Absence Allowance. Partial day due to illness will require medical documentation. Any employee who completes the season within the same pay period of the occurrence of a paid holiday will be eligible. All personal leaves must be pre-approved by department manager/supervisor in writing 2 work days prior to the absence.*

E. Holidays During Vacations

Workers shall be paid holiday pay by the Company for holidays occurring during a vacation period and will extend their vacation period to include a paid holiday occurring on a day consecutive to the vacation period.

F. Citizenship Participation Day

F.1. The Union shall indemnify, defend 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 the Company for the purpose of compliance with this section.

F.2. The third Sunday of November of each year during the term of this Agreement shall be designated as "Citizenship Participation Day." All workers on "Citizenship Participation Day" who qualify under Section B above shall receive eight (8) hours' pay at their regular straight time hourly rate based upon the preceding payroll week. Such eight (8) hours pay shall be in addition to any pay due to the worker if he is required to work on Citizenship Participation Day. Upon receipt of proper written authorization from the workers, the Company

shall deduct from such worker's wages the pay received for Citizenship Participation Day and the Company shall remit such sum to the Citizenship Participation Day and the United Farm Workers of America, AFL-CIO, for allocations as designated by the worker. In the event any worker works on Citizenship Participation Day, the Company shall deduct any pay due him or her for working on such day.

ARTICLE 23 - INSURANCE

A. Financing

- A.1. Commencing with the first payroll period beginning (July 1, 2001, the Company shall contribute to the Robert F. Kennedy Farm Workers Medical Plan *One dollar and forty six cents (\$1.460)* per hour for each hour worked by each non-probationary worker covered by this Agreement.
- A.2. In accordance with Article 14B the monies and a summary report shall be remitted to the Plan at such Los Angeles address as designated by the Administrator of the Plan.
- A.3. In the event that the Company files in bankruptcy or Chapter XI proceedings, it will notify the Plan of such action and shall list the Plan as a separate creditor qualified as a priority claim pursuant to the Bankruptcy Act. Notification to the Union or any of the other Plans or Funds shall not constitute compliance with this Article.
- A.4. The place of performance for the Company's obligations with respect to the Robert F. Kennedy Farm Workers Plan shall be the County of Los Angeles, California.

ARTICLE 24 - PENSIONS

A. Financing

- A.1. The Company shall, during the term of this Agreement, contribute to the Juan De La Cruz Farm Workers Pension Plan, ten cents (\$.10) per hour for each hour worked by each non-probationary worker covered by this Agreement.
- A.2. In accordance with Article 14B the monies and a summary report shall be remitted to the Plan at the Los Angeles County lock box address designated by the Administrator of the Plan.
- A.3. In the event that the Company files in bankruptcy or Chapter XI proceedings, it will notify the Plan of such action and shall list the Plan as a separate creditor qualified as a priority claim pursuant to the Bankruptcy Act. Notification to the Union or any of the other plans or funds shall not constitute compliance with this Article.
- A.4. The place of performance for the Company's obligation with respect to the Juan De La Cruz Farm Workers Pension Plan shall be the County of Los Angeles, California.

ARTICLE 25 - MODIFICATION AND DURATION

A. 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.

B. Savings

In the event any portion of this Agreement is abrogated, or made illegal by any local, state, or Federal law, only that portion of this Agreement so affected shall be ineffective; in no event shall the ineffectiveness of one portion of this Agreement terminate the remainder of this Agreement.

C. Waiver

It is agreed that this labor agreement contains the full and complete agreement on all subjects upon which the parties did bargain or could have bargained. Neither party shall be required, during the term of this Agreement to negotiate or bargain upon any other issue. All matters not included in the Agreement shall be deemed to have been raised and disposed of as if covered herein. This Article does not preclude the party's right to mutually agree to negotiate or discuss issues of mutual concern.

D. Duration

D.1. This Agreement with respect to all matters shall be in force and effect from *July 1, 2001 to and including June 30, 2004. At the conclusion of the Fiscal Year 2003 harvesting and processing season, on or about February 1, 2003, the Company and the Union agree to analyze the financial situation of the company, determine if there have been improvements in the productivity and*

*efficiency of the harvesting, processing, cold storage and shipping operations,
and reevaluate the possibility of wage and benefit increases.*

- D.2. This Agreement and any amendments thereof shall automatically renew itself from year to year from the expiration date unless either of the parties shall have given sixty (60) days written notice by certified mail 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.

This Agreement is executed this _____ day of _____, 2001.

Jackson & Perkins Operations

By

Nancy Tait

Nancy Tait

By

Kathleen Purdy

By

Tom Selim

Tom Selim

By

John Aguirre

By

By

United Farm Workers of America, AFL-CIO

By

Alberto Rodriguez

By

TE y

By

Eusebio Velazquez

By

Florentina Alvaro

By

Justen Jarama

By

Jose R. Wata

By

Reberto P. Zamora

By

APPENDIX A

| | Year 1 | Year 2 | Year 3 |
|---|----------|----------|--------|
| Budding 9" Huey & 9" Manetti | \$ 34.00 | \$ 34.00 | \$ |
| Tying 9" Huey & 9" Manetti | \$ 32.50 | \$ 32.50 | \$ |
| Budding 9" Manetti (Double Row) | \$ 44.45 | \$ 44.45 | \$ |
| Tying 9" Manetti (Double Row) | \$ 40.15 | \$ 40.15 | \$ |
| Budding 10" & 18" Tree Roses | \$ 40.13 | \$ 40.13 | \$ |
| Tying 10" & 18" Tree Roses | \$ 36.11 | \$ 36.11 | \$ |
| Budding 24" Tree Roses | \$ 43.71 | \$ 43.71 | \$ |
| Tying 24" Tree Roses | \$ 39.34 | \$ 39.34 | \$ |
| Budding 36" 2 Yr Tree Roses | \$ 45.44 | \$ 45.44 | \$ |
| Tying 36" 2 Yr Tree Roses | \$ 40.90 | \$ 40.90 | \$ |
| Budding 36" Yr Tree Roses | | | |
| - Understock w/ Delagriff | \$ 36.16 | \$ 36.16 | \$ |
| - Delagriff w/ Variety | \$ 40.17 | \$ 40.17 | \$ |
| Tying 36" Yr Tree Roses | | | |
| - Understock w/ Delagriff | \$ 32.05 | \$ 32.05 | \$ |
| - Delagriff w/ Variety | \$ 36.16 | \$ 36.16 | \$ |
| Budding Pears | \$ 36.41 | \$ 36.41 | \$ |
| Tying Pears | \$ 36.41 | \$ 36.41 | \$ |
| Pipe Lay Down/Pick Up | Attached | | |
| Spring Live Bonus Structure | Attached | | |
| Brush Cutting - Stool Block | \$ 12.29 | \$ 12.29 | \$ |
| Brush Cutting - Stool Block (2nd Cut) | \$ 14.00 | \$ 14.00 | \$ |
| Brush Cutting - Field Brush | \$ 14.00 | \$ 14.00 | \$ |
| Breaking Tops - Started Eyes (Single Row) | \$ 5.52 | \$ 5.52 | \$ |
| Breaking Tops - Started Eyes (Double Row) | \$ 6.87 | \$ 6.87 | \$ |
| Breaking Tops - 2 Yr Bush & Climber | \$ 5.52 | \$ 5.52 | \$ |

| | Year 1 | Year 2 | Year 3 |
|---|-----------|-----------|--------|
| De-Eyeing - 9" Manetti | \$ 14.68 | \$ 14.68 | \$ |
| De-Eyeing - 9" Huey | \$ 14.97 | \$ 14.97 | \$ |
| De-Eyeing - Own Root | \$ 11.70 | \$ 11.70 | \$ |
| De-Eyeing - 18" Tree Roses Canes (Mini) | \$ 64.57 | \$ 64.57 | \$ |
| De-Eyeing - 24" Tree Roses Canes (Patio) | \$ 76.27 | \$ 76.27 | \$ |
| De-Eyeing - 36" 2 Yr Tree Rose Canes | \$ 121.90 | \$ 121.90 | \$ |
| De-Eyeing - 3 Yr Tree Rose Delagriff (Field) | \$ 72.74 | \$ 72.74 | \$ |
| De-Leafing - Started Eye Scion | \$ 2.98 | \$ 2.98 | \$ |
| De-Leafing - 2 Yr Bush & Climber Scion | \$ 2.90 | \$ 2.90 | \$ |
| De-Thorning - Started Eye Scion (Spring) | \$ 7.32 | \$ 7.32 | \$ |
| De-Thorning - 2 Yr Bush & Climber (Spring) | \$ 7.45 | \$ 7.45 | \$ |
| De-Thorning - Miniature Scion (Spring) | \$ 8.53 | \$ 8.53 | \$ |
| De-Thorning - 24" Tree Rose (Spring) | \$ 7.42 | \$ 7.42 | \$ |
| De-Thorning - 36" 2 Yr Tree Rose Scion (Spring) | \$ 10.42 | \$ 10.42 | \$ |
| De-Thorning - 36" 3 Yr Tree Rose Scion (Fall) | \$ 9.04 | \$ 9.04 | \$ |
| Planting - Manetti (Single Row) | \$ 4.35 | \$ 4.35 | \$ |
| Planting - Manetti (Double Row) | \$ 5.23 | \$ 5.23 | \$ |
| Planting - Huey for 2 Yr Bush & Climber | \$ 4.35 | \$ 4.35 | \$ |
| Planting - Own Root | \$ 4.79 | \$ 4.79 | \$ |
| Planting - 3 Yr Tree Rose (9" Huey) | \$ 5.30 | \$ 5.30 | \$ |
| Scion Cutting - Started Eyes | \$ 16.00 | \$ 16.00 | \$ |
| Scion Cutting - 2 Yr Bush & Climber | \$ 16.00 | \$ 16.00 | \$ |
| Scion Cutting - Mini Tree Roses | \$ 16.00 | \$ 16.00 | \$ |
| Top Removal -Summer (Single Row) | \$ 6.32 | \$ 6.32 | \$ |
| Top Removal -Summer (Double Row) | \$ 6.24 | \$ 6.24 | \$ |
| Top Removal -Winter (Single Row) | \$ 7.00 | \$ 7.00 | \$ |

NOTE:

For piece rate wages in year 3 of the contract see Article 25, Section D and Article 19.

BUDDING – SPRING LIVE BONUS

| | |
|-----|---------|
| 85% | \$1.50 |
| 86% | \$2.00 |
| 87% | \$3.00 |
| 88% | \$4.50 |
| 89% | \$6.00 |
| 90% | \$12.00 |
| 91% | \$14.00 |
| 92% | \$16.00 |
| 93% | \$18.00 |

Note: Spring Live must be at 85% to qualify for bonus.

PACKAGING

Team Table = 6 people. Hourly rate + bonus when production exceeds quota is 8 hours.

| | |
|-------------------------------------|--|
| 2 Year Rose Assortments (not boxed) | Quota/8 hours = 2900 Bonus = \$18.87 (duration of contract) |
| 2 Year Straight Case (boxed) | Quota/8 hours = 2400 Bonus = \$24.48 (duration of contract) |
| Tree Roses Multi-Pack | Quota/8 hours = 1800 Bonus = \$30.60 (duration of contract) |

PACKAGING PREP

Hourly plus bonus when production exceeds 10,000 units in 8 hour day

Bonus = \$4.35 per 1000 units in excess of 10,000 \$4.35 (duration of contract)

3 INCH PIPE LAY DOWN & PICK UP:

| | |
|--------------------------------------|---------------|
| Piece Rate Pipe Lay Down Open Ground | \$321.12/1000 |
| Piece Rate Pipe Pick-Up Open Ground | \$285.00/1000 |
| Pipe Lay Down Furrow Ground | \$328.00/1000 |
| Pipe Pick-Up Furrow Ground | \$306.00/1000 |

PAY FOR JOB WAGE STRUCTURE

| | |
|----|--|
| 1. | <i>Wages will be in accordance with and as agreed to in Appendix B</i> |
| 2. | <i>For the purpose of wages, all operations not listed in Appendix B will be considered as General Labor, and these will be paid at the Company minimum wage. Together, the Union and the Company will evaluate any proposed additions to Appendix B to determine wage level</i> |
| 3. | <i>The Company will guarantee the individual wage rate of each worker in all the operations to which he or she is recalled in all department of company.</i> |
| 4. | <i>Recalls – In cases where workers are not recalled to their regular recall operation because of staff reduction due to decreased production, or process improvement, these workers will maintain their individual wage rate for purposes of filling a vacancy..</i> |
| 5. | <i>Recalls/Layoffs – Recalls And layoffs to general positions at the beginning or end of season will be done by departmental seniority, and the worker's individual wage rate will remain in effect.</i> |
| 6. | <i>Temporary transfers will be done in accordance with Article 7, Section F.2 using the criteria already established. In cases where temporary transfers work overtime or are transferred to a job that pays higher than the general wage rate, the worker's individual wage rate will remain in effect.</i> |
| 7. | <i>Layoffs – Will continue to occur as in the past, workers with most seniority will continue to perform General Labor jobs, and their individual wage rate will not be affected. In operations listed in Appendix B where a Letter of Understanding exists (i.e. Recorder II or Quality Control) when a worker performs one of these skilled operations and their individual wage rate is less than the rate of the particular position, when they are transferred back to a General labor job their wage will adjust down to their individual rate they had prior to the skilled position.</i> |
| 8. | <i>Vacancies – Workers who bid and fill vacancies will accept the entry-level wage for that particular job. This does not apply to workers who have not been recalled due to reduction of production or reduction in workforce due to a process improvement project.</i> |

APPENDIX B IN CURRENT CONTRACT AND NEW LETTERS OF UNDERSTANDING - JPO/UFW

| | CURRENT CONTRACT |
|--|--|
| CLASSIFICATION | Entry Level Rate |
| Forklift Operator | \$7.25 |
| Recorder I | \$7.00 |
| Recorder II (Cold Storage Dept. only) | 7.75 (Pay per Job) |
| Quality Control (Cold Storage Dept. only) | 7.75 (Pay per Job) |
| Desk Clerk (Cold Storage Dept. only) | 7.75 (Pay per Job) |
| Mechanic (farm) 1 | \$10.20 |
| Mechanic (farm) 2 | \$11.50 |
| Mechanic (farm) 3 | \$13.50 |
| Mechanic (farm) 4 | \$14.28 |
| Mechanic (vehicle) 1 | \$8.00 |
| Mechanic (vehicle) 2 | \$10.00 |
| Mechanic (vehicle) 3 | \$11.50 |
| Welder 1 | \$8.50 |
| Welder 2 | \$10.50 |
| Welder 3 | \$12.00 |
| Class "A" Driver | \$9.50 + (60 day review for \$.50 increase - Pay per Job) |
| Irrigation Maintenance I | \$8.25 |
| Irrigation Maintenance II | \$9.50 |
| Facilities Maintenance I | \$8.25 |
| Facilities Maintenance II | \$9.50 |
| Shed Maintenance I | \$8.25 |

| | CURRENT CONTRACT |
|---|--|
| CLASSIFICATION | Entry Level Rate |
| Shed Maintenance II | \$9.50 |
| Shadehouse Maintenance | \$8.25 |
| Chemical Applicator | \$7.75 |
| Shadehouse Maintenance | \$8.25 |
| Chemical Applicator | \$7.75 |
| Equipment Op.I | \$7.50 |
| Equipment Op.II | \$8.75 |
| Equipment Set-Up I | \$9.50 |
| Equipment Set-Up II | \$12.50 |
| Packaging Bonus (1/2 Original Bonus) | \$9.44/1000 - 2 Yr. Rose Assort. (not boxed) |
| | \$12.24/1000 - 2 Yr. Straight Case (boxed) |
| | \$15.30/1000 - TR Multi-Pack |
| Redi-Plant Maintenance I | \$9.50 |
| Redi-Plant Maintenance II | \$11.50 |
| Redi-Plant Maintenance III | \$13.50 |
| Winter Top Removal | \$7.00/1000 |
| Note: All jobs not listed in Appendix B will be compensated at the current General Labor entry level rate. | |

LETTERS OF UNDERSTANDING

Included in this agreement are the following Letters of Understanding between Jackson & Perkins Operations, Inc. (Employer) and the United Farm Workers of American, AFL-CIO (Union):

| | |
|--|----------|
| Productivity & Efficiency | 1995 |
| Pay for Quality Program | 07/09/96 |
| Bargaining Unit Crew Leaders and Leadperson | 09/22/97 |
| Subcontracting for Non-nursery Crops | 07/01/98 |
| Wage and Level Structure for Welders and Vehicle Mechanics | 11/29/99 |
| Rate Change for Recorder II | 11/08/00 |
| Poly Bag Bonus Structure and Staffing Structure | 02/02/01 |
| Wage Rates for Quality Control | 02/02/01 |
| Entry Level Rate for Class A – Tractor/Trailer Operator | 02/02/01 |
| Top Removal Piece Rate | 02/02/01 |
| Set Wage Rate Level for Equipment | 02/09/01 |
| Irrigation Maintenance Level | 02/09/01 |
| Redi-Plant Maintenance Level | 02/19/01 |
| Establish Entry Rate for Farm Crops Operation | 08/08/01 |

UNITED FARM WORKERS OF AMERICA, AFL-CIO

AND

JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Productivity and Efficiency

It is understood and agreed by and between Jackson & Perkins Operations, Inc. (Employer) and United Farm Workers of America, AFL-CIO (Union) as follows:

1. Productivity and efficiency of operations are mutually beneficial goals of the parties.
2. In order to be competitive in the rose growing industry, both parties agree to cooperate in developing systems and methods, standards of performance, piece rate schedules, improvements in systems and cultural practices, and other means to cut costs and further productivity of the operation. Company will enforce policies, procedures and rules in accordance with the Employee Handbook.
3. Where there is agreement between the parties that a particular operation can be set at a piece rate schedule, such piece rate shall be evaluated by a committee of five (5) Company and five (5) Union representatives. Professional consultants may be utilized if it is felt by either party that they are needed.
- .. Any rate that cannot be agreed upon by the committee shall be submitted to arbitration.
5. The parties mutually agree that commencing with the execution of this agreement the Company and Union will develop and implement minimum daily and end of season standards by November 1, 2002, that will address the following:
 - Productivity
 - Efficiency
 - Quality
 - Training periods

UNITED FARM WORKERS OF AMERICA, AFL-CIO

AND

JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Pay for Quality Program

1. The company will not change the Quality Control Program without communicating those changes to the crew(s) and Union Representation prior to the start of the operation.
2. As stated in the contract, new or changed classification with new job content substantially and materially different from the existing job content shall be negotiated.
3. Daily discipline as it relates to quality measurements or scores will be considered on a seasonal basis. Season ending quality scores will be considered for two consecutive seasons.
4. We will agree to your request of an additional counsel/notice prior to any formal warnings. In other words, the procedure for discipline will be as follows:
 - 2 counsels or notices (when a worker fails to meet the quality standards)
 - Verbal warning
 - Written warning
 - Disqualification from that particular job
5. We have made some minor adjustments to our Quality Standards (see attached). However, we can not make the large adjustments you have proposed because of the negative affects we would see in quality. As we have discussed, a negative affect on quality would hurt all of us (Company, Union, Management and the Membership). In addition we feel these standards are fail and reasonable as demonstrated by the fact that the crews have been able to maintain these standards.

In short, we agree to most of your request, with the exception of the proposed 2% decrease in quality. As we are sure you understand this would not be in the best interest of anyone associated with Jackson and Perkins.

We are confident that this program will now be acceptable. Please respond at your earliest convenience so we can finalize this program and move forward.

PAY FOR QUALITY PROGRAM

| | SEASON \$ | >4% DAILY | >2% SEASON |
|---------------------------|-----------|-----------|------------|
| 1. Brush Manetti | 90.00% | 86.00% | 88.00% |
| 2. Brush Huey | 93.50% | 89.50% | 91.50% |
| 3. De-Leafing | 99.00% | 95.00% | 97.00% |
| 4. Tree Roses De-Eye | 97.50% | 93.50% | 95.50% |
| 5. De-Eye – Both Sheds | 97.50% | 93.50% | 95.50% |
| 6. Hedge De-Eye | 97.50% | 93.50% | 95.50% |
| 7. Scion | 98.00% | 94.00% | 96.00% |
| 8. Planting Both Crews | 99.00% | 95.00% | 97.00% |
| 9. De-Thorning Both Crews | 98.00% | 94.00% | 96.00% |
| 10. Breaking Top | 99.00% | 95.00% | 97.00% |
| 11. Removing Tops | 99.00% | 95.00% | 97.00% |

UNITED FARM WORKERS OF AMERICA, AFL-CIO
AND
JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Bargaining Unit Leadperson and Crewleaders

It is understood and agreed by and between Jackson & Perkins Operations, Inc.(Employer) and the United Farm Workers of America, AFL-CIO (Union) as follows:

That this agreement will become effective when signed and will continue in affect for the duration of the Collective Bargaining Agreement unless modified by mutual agreement of the parties.

1. The Leadperson whose names appear on the attached addendum will form part of the bargaining unit and shall be subject to the terms and conditions of the Collective Bargaining Agreement.
2. As members of the bargaining unit, they will only work the seasons and months that are indicated in the attached addendum.
3. As member of the bargaining unit, they will only be allowed to work in the jobs which are indicated in the addendum
4. As members of the bargaining unit, they will acquire a new seniority date for purpose of filling vacancies (bid book). Their new seniority date will be the date of execution of this letter of understanding.
5. JPO/UFW agree to establish a new classification of Crewleader/Leadeperson within the collective bargaining unit.
6. When the need exists, JPO will have the ability to pull Leadperson from the bargaining unit to perform Crewleader duties. This Crewleader position will be created on an activity basis.
7. JPO will have sole discretion of selecting these individuals, after consulting with the Ranch Committee, before final placement is done.
8. Compensation for Leadperson position will be a minimum of \$8.25/hour. Individuals making a regular hourly wage of \$7.75 or higher will be paid \$.50 above their current individual rate. When conducting the function of a Crewleader a worker's rate will be increased by \$2.00 above their individual rate. These rates will be in effect for the duration of time they perform the Crewleader/Leadperson work. JPO will have sole discretion in disqualifying these individuals, after consulting with the UFW Ranch Committee. Individuals who have been disqualified for the "Crewleader/Leadperson Classification" will return to their original status within the activity.
9. The Crewleader/Leadperson will return to their original status when activity ceases.
10. Layoffs/Overtime and Partial Days – In the event of a Layoff, Overtime Work or Partial Day Work occurs this particular group of bargaining unit workers will have the right to continue to work in their classification prior to becoming BU Crewleader/Leadperson according to their seniority.
11. The Crewleader/Leadperson will return to their original status when activity ceases.

This Letter of Understanding and attachments shall be part of the Collective Bargaining Agreement executed by both parties on July 1, 2001.

UNITED FARM WORKERS OF AMERICA, AFL-CIO
AND
JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Subcontracting for Non-Nursery Crops

The Parties herein reach the following understanding:

With the garlic crop where the harvesting operation is contingent upon the contract agreement, it is understood that the company awarding the contract to Jackson & Perkins Operations, Inc. may need to use its labor to harvest said crop.

This letter shall be in effect for the duration of this agreement signed on July 1, 2001. And will be subject to renegotiations should any questions arise due to applicable regulations, laws or if the parties have the need to look at other crops of the same nature.

UNITED FARM WORKERS OF AMERICA, AFL-CIO
AND
JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Wage and Level Structure for Welders and Vehicle Mechanics

It is understood and agreed by and between Jackson & Perkins Operations, Inc. (Employer) and The United Farm Workers of America, AFL-CIO (Union) as follows:

That this agreement will become effective when signed and will continue in affect for the duration of the Collective Bargaining Agreement unless modified by mutual agreement of the parties.

Company and Union agree upon the following rates and levels for the Positions of Welders and Vehicle Mechanics:

| | WELDERS | VEHICLE MECHANIC |
|-----------|-----------------------------|------------------|
| Level I | Entry Level \$8.50 per hour | \$ 8.00 per hour |
| Level II | \$10.50 per hour | \$10.00 per hour |
| Level III | \$12.00 per hour | \$11.50 per hour |

Criteria used to advance from one level to the next, would be that the candidate must have experience in performing all job functions of current level as well as previous level.

UNITED FARM WORKERS OF AMERICA, AFL-CIO
AND
JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Entry Level Rate for Recorder II

It is understood by and between Jackson & Perkins Operations, Inc. (Employer) and the United Farm Workers of America, AFL-CIO (Union) as follows:

That this agreement will become effective when signed and will continue in affect for the duration of the Collective Bargaining Agreement unless modified by mutual agreement of the parties.

Due to the necessary process changes in Fulfillment and the higher skill set that's now required, the company is proposing the following for the new Recorder II position:

1. Compensation for a recorder II will be a minimum of \$7.75/hour.
2. This will be in affect only as long as they perform recorder II work.

Clarification:

1. If an employee were currently being paid more than the minimum entry-level rate the employee would be paid at the higher rate.
2. Employees who would need to be adjusted to the minimum entry level rate would maintain the new rate as long as:
 - The employee did not bid into a different job classification
 - Or in case of a reduction in workforce the employee accepts a general labor position

Note: This would not include temporary transfers.

UNITED FARM WORKERS OF AMERICA, AFL-CIO
AND
JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Poly-Bag Operation

The Parties herein reach the following understanding:

1) Poly-Bag - Pay Schedule & Team Make-up

- ♦ Team Table = 4 people. Hourly rate + bonus when production exceeds quota in 8 hours.
- ♦ Bonus = (1/2 of original pay schedule - (Data below is representative of half of the original bonus.))

2 Year Rose Assortments (not boxed)

Quota / 8 hours = 2900

Bonus = \$944 (duration of contract)

2 Year Straight Cases (boxed)

Quota / 8 hours = 2400

Bonus = \$1224 (duration of contract)

Tree Roses Multi-Pack

Quota / 8 hours 1800

Bonus = \$1530

, Machine Operators:

- ♦ Rotation - The machine operators will rotate at designated intervals within each packaging table.

3) Table Loaders:

- ♦ Two table loaders will be utilized to provide the machine operators with plants. If production levels are such that less than 3 tables are required, only one table loader will be assigned.

4) Recorder (Scanner) for Redi-Plant and Packaging.

- ♦ Skill Position
- ♦ Pay schedule will be the greater of the two
 - 1) Minimum of \$7.84 or
 - 2) Individual Hourly Rate

UNITED FARM WORKERS OF AMERICA, AFL-CIO
AND
JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Cold Storage Quality Control Entry Level Rate.

The Parties herein reach the following understanding:

1. Compensation for Cold Storage Quality Control will be a minimum of \$7.75/hour.
 2. This will be in affect only as long as they perform Quality Control work.
 3. #2 will not be in affect as it pertains to temporary transfers during the regular season.
-

UNITED FARM WORKERS OF AMERICA, AFL-CIO
AND
JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Entry Level Pay Rate for Class A - Tractor/Trailer Operator

The Parties herein reach the following understanding:

1. Compensation for Class A - Tractor/Trailer Operator will be \$9.50/hour.
 2. Review in 60 days for an additional \$.50 per hour increase.
 3. This will be in affect only as long as they perform this work.
- #3 will not be in affect as it pertains to temporary transfers during the regular season.

UNITED FARM WORKERS OF AMERICA, AFL-CIO
AND
JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Top Removal Pc. Rate

The Parties herein reach the following understanding:

- ◆ Proposed Increase will be from \$6.12/1000 to \$7.00/1000 effective January 8, 2001.
- ◆ Mandatory Pc. Rate for all current employees and new hires.
- ◆ Pc. Rate will be subject to review by the Top Removal Committee with regards to any piece rate adjustment, increase or decrease that will extend through the first year of the new Collective Bargaining Agreement. The established piece rate will be subject for review, as all other current piece rates, for the remainder of the new Contract.
- ◆ Any mandatory temporary transfer to top removal will be paid at their original hourly rate with a production minimum requirement of 3 rows per 8-hour day. (Piece rate is optional).
- ◆ Any voluntary temporary transfers will be mandatory piece rate. A 1-day, hourly, training period for all new employees.
- ◆ Q.C. Minimum Std. - 95% Daily 97% End of Season

Note: Any future Process Improvements, which substantially change the methods and/or conditions of the operation, will be subject for review for any piece rate adjustments.

UNITED FARM WORKERS OF AMERICA, AFL-CIO
AND
JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Equipment Set-Up Levels.

The Parties herein reach the following understanding:

- ◆ Entry Level rates will be as follows:
 - Level 1 - \$9.50
 - Level 2 - \$12.50
- ◆ List of job classification - See Attached
- ◆ Management will have the sole discretion of establishing the number of employees within each level.
- ◆ Level pay will be recognized when the employee has shown an ability to perform 100% of the agreed upon job classifications within the each level.
- ◆ Training and Apprenticeship will be offered to most senior qualified. During the training period said employee will be paid at his/her current individual rate of pay.

UNITED FARM WORKERS OF AMERICA, AFL-CIO
AND
JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Irrigation Maintenance Levels.

The Parties herein reach the following understanding:

- ◆ Entry Level rates will be as follows:
 - Level 1 - \$8.25
 - Level 2 - \$9.50
 - ◆ List of job classification - See Attached
 - ◆ Management will have the sole discretion of establishing the number of employees within each level.
 - ◆ Level pay will be recognized when the employee has shown an ability to perform 100% of the agreed upon job classifications within the each level.
 - ◆ Training and Apprenticeship will be offered to most senior qualified. During the training period said employee will be paid at his/her current individual rate of pay.
-

UNITED FARM WORKERS OF AMERICA, AFL-CIO
AND
JACKSON & PERKINS OPERATIONS, INC.

LETTER OF UNDERSTANDING

Re: Redi-Plant Maintenance Levels.

The Parties herein reach the following understanding:

- ◆ Entry Level rates will be as follows:
 - Level 1 - \$9.50
 - Level 2 - \$11.50
 - Level 3 - \$13.50
- ◆ List of job classification - See Attached
- ◆ Management will have the sole discretion of establishing the number of employees within each level.
- ◆ Level pay will be recognized when the employee has shown an ability to perform 100% of the agreed upon job classifications within the each level.
- ◆ Training and Apprenticeship will be offered to most senior qualified. During the training period said employee will be paid at his/her current individual rate of pay.

UNITED FARM WORKERS OF AMERICA, AFL-CIO
AND
JACKSON & PERKINS OPERATIONS
LETTER OF UNDERSTANDING

Re: Establish entry rates for Farm Cops Operation

It is understood and agreed by and between Jackson & Perkins Operations (Employer) and the United Farm Workers of America, AFL-CIO (Union) as follows:

That this agreement will become effective when signed and will continue in affect for a period of one year (August 1, 2001 through August 1, 2002). If no modifications are required, then this agreement will be extended for the duration of the Collective Bargaining Agreement.

Company and Union agree upon the following rates for the following positions in the Farm Crops Operation:

| POSITION | RATE |
|---------------------|---|
| General Labor | \$6.75 per hour or negotiated entry rate in the collective bargaining agreement |
| Irrigators | \$7.25 per hour |
| Equipment Operators | \$7.25 per hour |

Future increases will be negotiated and set based on agreement by both parties.

The harvest operations of any Farm Crop is contingent upon the contract agreement, it is understood that the company awarding the contract to Jackson & Perkins Operations will use its labor to harvest said crop.

Piece Rate:

Piece rate within Farm Crops Operation will be negotiated between Company and Union.

The number of workers approximately needed to perform Farm Crops Operations is as follows:

- 2 Equipment Operators (Special Classification)
- 3 Irrigators (Special Classification)
- 3 Pipe Movers (Special Classification)
- 2 – 10 Weeding and General Laborers

Vacancies:

Vacancies will be available first to workers who currently are performing these operations, including temporary transfers. If no interest by departmental workers the posting procedure will be followed.

Lay Off/Recalls:

Equipment Operators, Irrigators and Pipe Movers in Farm Crops and Rose Crop Operations will be combine when lay off and recall occur. With the understanding that if a Rose Crop employees accepts a Farm Crops position the worker will accept the established Farm Crops Operation rates.

Temporary Transfers:

Temporary transfers will be available first to workers who currently are performing these operations. Temporary transfers will be done in accordance with Article 5 and 7, Section F.2 of the Collective Bargaining Agreement.

Irrigation Maintenance:

Workers who are currently classified in these operations will continue to maintain irrigation for Rose Crop and Row Crops ground.

Linear Machine:

Workers who are currently classified in this operation will continue to operate the machine to irrigate Rose Crop and Row Crops. Rates currently establish for this classification will not be affected.

Night Irrigation:

This agreement will not affect Night Irrigation Operation. Workers who perform these operations will continue to do Rose Crop and Row Crops Night Irrigation .

Note:

Job will be offered on a voluntary basis to those workers who currently have this classification.

Jackson & Perkins Operations

By: _____

Date: 08-08-01

United Farm Workers of America AFL-CIO

By: _____

Date: 08-08-01