COLLECTIVE BARGAINING AGREEMENT

BETWEEN

RICHARD’S GROVE & SARALEE’S VINEYARD, INC.

AND

UNITED FARM WORKERS OF AMERICA, AFL-CIO

DECEMBER 1, 2005 TO JUNE 1, 2008
1. RECOGNITION

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 workers of the Employer, and regarding the rights of the Employer to operate its business in the way it deems appropriate. 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 Employer. Both the Employer and the Union hereby pledge that they will cooperate with each other in good faith for the best interests of all concerned.

1.1 PARTIES TO CONTRACT

1.11 EMPLOYER PARTY TO CONTRACT

The Employer entering this Agreement is Richard's Grove & Saralee's Vineyard, Inc., herein called the "Employer."

1.12 OBLIGATIONS OF EMPLOYER AND UNION

The Employer will make known to all supervisors and officers its rights and obligations as set forth below with respect to recognition of the Union. The Union will make known to all workers the rights and obligations of the parties under this Agreement. The Employer shall not interfere with the internal business of the Union. The Union shall not interfere with the operations or business of the Employer.

The Employer recognizes the rights and obligations of the Union as the sole and exclusive bargaining agent to negotiate wages, hours and conditions of employment and to administer this Agreement on behalf of the Employer's workers. The Employer recognizes it cannot make any individual agreements with any workers. The Union recognizes the right of the Employer to operate its business in any way it deems appropriate so long as it is not in violation of this Agreement.

1.13 UNION PARTY TO CONTRACT

The Union entering this agreement is the United Farm Workers of America, AFL-CIO, herein called "Union" or "UFW".

1.14 BASIS FOR RECOGNITION SPECIFIED

The UFW was certified to represent all agricultural workers of the Employer in the state of California by the Agricultural Labor Relations Board on June 7, 2002 in Case Name Richard's Grove & Saralee's Vineyard, Inc., Case Number 02-RC-2-SAL.
RECOGNITION OF UNION IN NEW LOCATION

If the Employer extends its operations in California, this Agreement shall cover agricultural workers employed by the Employer in such locations.

EMPLOYEES EXCLUDED FROM BARGAINING UNIT.

The term "worker" shall not include security guards, interns, exchange students, clerical, office or supervisory employees. Supervisory employees are those who have the authority to hire, transfer, suspend, lay-off, recall, promote, discharge, assign, reward or discipline other workers, or the responsibility to direct them or adjust their grievances, or effectively recommend such actions, 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.

Supervisors may not perform work covered by this Agreement except as follows: (a) supervisors may perform work covered by this Agreement in cases of training, experimentation, emergencies, or where there is a situation that would interrupt work operation or work that they have historically performed in the past; or (b) nine working supervisors, who shall not be part of the bargaining unit, may perform bargaining-unit work.

APPLICATION OF EMPLOYEE HANDBOOK

The terms and conditions of the Employer’s Employee Handbook apply to workers except where the terms therein are inconsistent with this Agreement, in which case, the terms of this Agreement shall govern.

ASSIGNABILITY

All of the terms and provisions of this Agreement shall be binding upon the Employer and its successor and assigns. In the event the business is taken over by receivership or bankruptcy, the terms and conditions of this agreement shall be honored by such trustees and included in appropriate agreement before the court. The Employer nor the Union and its representatives will not take any action to disparage, denigrate, or subvert the Employer or the Union, nor will the Employer promote or finance any labor organization, including any competing labor organization.

UNION SECURITY

UNION SHOP

The Employer will advise any worker that it is a condition of their employment that they must become a member of the Union within ten (10) calendar days of the effective date of this Agreement, or ten (10) calendar days after the beginning of their employment, whichever is later, and to remain a member of the Union in good standing.
2.12 PENALTY FOR FAILURE TO MAINTAIN UNION MEMBERSHIP

Any worker who fails to become a member of the Union within the time limit set forth herein, or who fails to pay the required, periodic dues or assessments as prescribed by the Union pursuant to the provisions of the Union's constitution, shall be immediately discharged or suspended upon five (5) calendar days written notice from the Union to the Employer. The Union shall be the sole judge of the good standing of its members. The Union shall indemnify and hold the Employer 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 related to the Union's actions under this Article 2.12.

2.13 ITEMS AND AMOUNT SUBJECT TO CHECK-OFF

The Employer agrees to deduct from each worker's pay all periodic dues and assessments, as required by the Union and communicated to the Employer in writing. The Employer shall make such deductions according to individual authorizations signed by each worker, directing the Employer to make such deductions. The Employer shall make deductions from the worker's pay for that payroll period in which it is submitted, provided that it is submitted at least five (5) days in advance of the close of the pay period, and periodically thereafter as specified on the authorization so long as such authorization is in effect. The Union shall provide authorization forms for all dues and assessment payroll deductions.

2.14 CHECK-OFF AUTHORIZATION FORMS

The Employer will provide the membership applications and dues check-off authorization forms to new workers not later than ten (10) calendar days following the beginning of employment. Within ten (10) calendar days of hiring new worker(s), the Employer will send the Union any completed membership applications and authorizations for check-off deductions it has received for each worker on the payroll. The Employer will provide the Union with completed membership applications and authorizations for check-off deductions within ten (10) calendar days of the signing of the Agreement for each active worker then on the payroll, and for any worker becoming active after that date.

2.15 ADMINISTRATION OF CHECK-OFF

The Union will notify the Employer in writing of the amount of deductions within two (2) days of the execution of this Agreement and fourteen (14) days before the effective date of any changes.

2.16 TRANSMITTAL OF DEDUCTION TO UNION

Reports shall be provided by the Employer to the Union which include the worker's name, the social security number, and amount of Union dues deducted during such pay period for each worker. The Union represents and warrants that it will take all prudent steps necessary to protect the privacy of the social security numbers and other information provided to it by the Employer, and to protect against identity theft.
Withheld deductions are to be mailed to the Union, Attention: Financial Department, P.O. Box 62, Keene, California 93531, within five (5) calendar days of the day the payroll checks are distributed to the employees. In no event shall the Employer ever be required to calculate or deduct dues or assessments on a retroactive basis.

2.17 INDEMNITY

The Union shall indemnify and hold the Employer 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 in accordance with Article 2 herein.

3. HIRING

3.11 REFERRAL HIRING PROVISIONS

The Employer acknowledges that it is the Union's stated intent to operate a hiring hall in the area of Employer's operations. The Union represents that there is a hiring hall established at 1700 "D" Corby Avenue, Santa Rosa, California, which is open to receive and refer workers from 9 a.m. to noon and 1 p.m. to 6 p.m. Monday through Friday, and 9 a.m. to noon on Saturday, and that an answering machine (phone number 707-528-3039) is available for messages at all times. Based on these representations, when new or additional workers are needed the Employer will inform the Union, at least 48 hours in advance, of the number of workers needed and the type of work to be performed (by classification). The Union shall send only workers qualified for the specified classification(s). The Employer will consider qualified applicants referred by the Union who appear at Employer's premises and complete an application along with other qualified applicants. The Employer will determine in sole, good faith discretion, which applicant is best qualified for the position.

4. SENIORITY

4.1 DEFINITION OF SENIORITY

All workers shall be temporary, at-will employees until they attain seniority. Seniority shall be obtained by working twenty-five (25) calendar days within a one hundred twenty (120) calendar day period. Temporary employees may be disciplined or discharged during the temporary period at will, without just cause and without recourse to the Dispute Resolution Procedure. Upon completion of twenty-five (25) work days within the one hundred twenty (120) calendar day period, the employee shall attain seniority and be placed on the applicable seniority list retroactive to the employee's first day of work within the 120 calendar day period.

Workers are not eligible for fringe benefits until they have attained seniority as described above and meet the specific requirements of each benefit plan.
4.11 WORKERS HIRED THE SAME DAY

In the event that two or more workers are hired the same day the worker with the lowest last four digits of his/her social security number shall have the highest seniority.

4.12 PERIODIC REVISION OF LIST

On the date of the signing of this Agreement and every three months thereafter the Employer will furnish the Union with one (1) copy of a seniority list. The Employer shall maintain all seniority lists by classification in order of seniority. All seniority lists shall include the worker's name, the last four digits of each worker's social security number, and seniority date.

The initial seniority list shall be approved and initialed by both the Union and the Employer and attached hereto.

If a question arises concerning the accuracy of the seniority list, the Union and the Employer shall attempt to resolve the dispute as expeditiously as possible, in accordance with the Dispute Resolution Procedure.

4.13 ROLE OF SENIORITY IN LAY-OFF

Workers having seniority shall be laid-off in accordance with the seniority list for their classification, those having the least seniority being laid off first.

Temporary lay-offs may be by entire crew without regard to individual seniority. Such temporary lay-offs will not be used for more than four (4) work days at a time, nor more than three (3) times per calendar year.

Each worker shall supply, at the time of lay-off, the exact address and phone number where he/she wishes to receive notice of recall and, thereafter, the worker shall be responsible for notifying the Employer in writing of any such change of address or phone number.

Workers who have not been recalled within two (2) years of their lay-off date shall no longer be eligible for recall.

4.14 ROLE OF SENIORITY IN REHIRING

Whenever the Employer recalls workers, the Employer shall recall in order of seniority within the classification, with those with the highest seniority within the classification recalled first.

4.15 LOSS OF SENIORITY

Seniority shall be lost for the following reasons:
Voluntarily quitting;
- Failure to report to work for three (3) consecutive work days without notice or with notice but without just cause;
- Discharge for just cause;
- When recalled following a layoff, failure to timely respond to a recall notice or timely report back to work.
- Failure to report to work at the termination of a leave of absence or vacation without an approved extension or other reasons satisfactory to the Employer. Securing other employment during a leave of absence is not a satisfactory reason.
- Accepting a supervisory position with the Employer.

Every three months the Employer will provide to the Union a list of workers by name, the last four digits of each worker's social security number, seniority date, and job classification, whose seniority was lost during the prior quarter pursuant to this Article 4.15.

4.16 NOTICE OF RECALL

The Employer, at its option, shall give notice of recall either (a) in writing delivered to the worker in person at the time of lay-off, or (b) by First Class mail sent not less than fourteen (14) calendar days prior to the return to work date.

The Employer shall send the mailed notice to the address supplied by each worker at the time of lay-off, advising him/her of the date and time to report for work. The notice shall advise the worker that he/she shall inform the Employer no later than five (5) calendar days before the date set for start of work, (1) by leaving a message on the telephone number listed on the notice, or (2) in writing mailed to 3575 Slusser Road, Windsor, California, 95492 or delivered to 3351 Slusser Road, Windsor, California 95492, that he/she will be returning to work, and that his/her failure to timely notify the Employer that he/she will be returning to work or failure to timely report for work without being excused by the Employer will result in loss of seniority and termination of employment. This procedure shall be the primary recall mechanism.

Upon the Union's written request, the Employer shall make available to the Union the names of all workers given or sent recall notices and the specified starting date(s). The Employer shall make available to the Union, at the Union's written request, any notice of recall that has been returned with Post Office notice of nondelivery.

Whenever there is a recall and not all of the recalled workers timely notify the Employer that they will be returning to work, the Employer may recall additional workers by telephone at least seventy-two (72) hours prior to the estimated starting day of work (secondary recall notice). Workers must respond within forty-eight (48) hours of the recall telephone call in order to be eligible to return to work at the time of this secondary recall notice. Workers failing to respond within the 48 hour secondary recall timeframe shall not lose seniority, but shall not be eligible for recall until the next primary recall occurs.
4.17 POSTING REQUIREMENTS

When the Employer decides to create a new agricultural job outside of the existing classifications or at any rate of pay higher than the then-current rate of pay in the lowest-paid classification, the job will be posted.

4.18 LENGTH OF POSTING; EFFECT

Such posting shall remain on the bulletin board for seven (7) calendar days. All applications must be received within the posting period in order to be eligible. At the Employer’s discretion, the posting period shall be extended for another two (2) calendar days if the Employer receives no qualified applicants during the initial posting. Nothing in this posting provision shall require the Employer to repost a position once the original seven (7) calendar day period has run.

The choice of applicant for the new position, whether a current employee or a new employee, shall be at the sole, good faith discretion of the Employer, who retains the right not to hire anyone if no candidates are deemed suitable by the Employer, in its sole, good faith discretion. The Employer shall consider seniority along with other relevant qualifications and skills when making this determination.

4.19 TRIAL PERIOD AFTER PROMOTION

A worker who is promoted to another job will be given a reasonable period, up to a maximum of fourteen (14) calendar days, to adjust to his/her new duties. If he/she does not perform the job in a satisfactory manner as determined in the Employer’s sole, good faith discretion, he/she shall return to his/her former classification and rate of pay after that period of fourteen (14) calendar days, with no loss of seniority.

4.20 TRAINING

The Union and the Employer recognize the value of training current workers to advance to higher positions in the Company. The Employer agrees to provide on-the-job training for workers in the bargaining unit to help fill expected vacancies in such jobs so the workers will have the opportunity to learn the necessary skills to advance. The Union is invited to suggest in writing specific training programs which it believes will enhance the skills of its members. After giving consideration to any programs suggested by the Union, the Employer will determine the timing and number of any programs, the curriculum to be used, and the timing and number of vacancies. Workers who successfully complete such training and desire consideration for placement in higher job classifications may follow the posting procedure outlined above.

4.21 RESIGNATION AND REHIRE

Workers who desire to terminate their employment shall give their supervisor a minimum of three (3) calendar days advance notice of resignation. All unpaid wages
will be paid within 72 hours, provided that all Employer-issued property is returned in accordance with section 9.13, below.

An employee who quits (which includes walking off the job without supervisor authorization) but does not give the minimum three (3) calendar days notice of resignation is not eligible for rehire for a period of one (1) year from the date of termination. At the sole discretion of the Employer, this may be waived in exceptional circumstances. Employees discharged for just cause are not eligible for rehire.

5. NO STRIKE - NO LOCK OUT CLAUSE

5.11 STRIKE

Employees covered by this Agreement shall not engage in any strike, slowdown, sickout, work stoppage or boycott, or any type of activity which creates the same effect, during the term of this Agreement. The Union agrees that a violation of this Article 5.11 may cause the Employer irreparable harm and injury and that in the event the Union or any worker violates this Article 5.11, the Employer may obtain a temporary restraining order and/or injunctive relief in addition to any relief to which it may be entitled under this Agreement or by law.

5.12 LOCK OUT

The Employer agrees not to engage in any lockout during the term of this Agreement so long as no workers are engaged in any strike, slow down, sickout, work stoppage or boycott during the term of this Agreement.

5.13 UNION

The Union shall use its best efforts to stop any conduct by its members which is in violation of this Article 5.

6. DISPUTE RESOLUTION PROCEDURE

6.11 EXCLUSIVITY

The parties agree that all disputes which arise between the Employer and the Union out of the interpretation or application of this Agreement shall be subject to the Dispute Resolution Procedure. The parties further agree that the Dispute Resolution Procedure shall be the exclusive remedy with respect to any dispute arising under this Agreement.

6.12 PAID/UNPAID TIME

Processing of grievances following the initial communication between the employee and the Union Representative shall be during working time. After the First Step, the aggrieved employee shall have the right to be present at each additional step of the Dispute Resolution Procedure, without loss of pay. In grievances involving more than
one employee, only one such employee shall be present at the Dispute Resolution Procedure. One Union Representative authorized and designated by the Union in advance shall be present throughout each step, when necessary, without loss of pay. A worker who would otherwise be doing piece rate work shall be paid for any time spent processing a grievance at their standard hourly rate of pay.

6.13 TIME LIMITS

The time limits herein specified may be extended only by written mutual agreement of the parties. Failure by the Union to comply with the time limits of the Dispute Resolution Procedure shall constitute a withdrawal of the grievance with prejudice. If the Employer fails to comply with the time limits of the Dispute Resolution Procedure, the grievance shall be granted in favor of the Union. Grievances dropped by the Union or the Employer more than five (5) calendar days prior to mediation are deemed withdrawn without prejudice to their respective positions on a similar matter in the future. Withdrawal less than five calendar days prior to mediation is with prejudice.

6.14 FIRST STEP

Any grievance arising under this Agreement and any alleged unfair labor practice charge (ULP) shall be promptly taken up orally between the Employer Representative and the Union Representative, before any ULP or other grievance step may be commenced. They shall use their best efforts to resolve the grievance or ULP informally. If the grievance or ULP is not resolved in the First Step, the ULP may be filed with the ALRB and the grievance may be referred to the Second Step if the specific nature of the grievance is timely presented to the Employer in writing which specifies the event giving rise to the grievance, the date upon which the event occurred, the names of the persons involved, any witnesses and the specific provision of the Agreement alleged to have been violated. Failure to file and serve a grievance in writing within twelve (12) calendar days from the event giving rise to the grievance or the date upon which the aggrieved party knew or should have known of the occurrence of such event shall constitute a waiver of such grievance. A grievance over a discharge shall be filed and served in writing within seven (7) calendar days from the date of discharge.

6.15 SECOND STEP

Not later than seven (7) calendar days after the written grievance is filed, the Union Representative and the Employer representative designated to resolve such matters shall meet and use their best efforts to settle the grievance. The Employer or Union, as the case may be, shall give a written decision, to the grieving party, including reasons for the decision within four (4) calendar days after the Second Step meeting.

6.16 THIRD STEP

Within ten (10) calendar days from delivery of the written Second Step response, the grieving party may choose to send written notice to the other party of its request for mediation. If no notice is timely given, the grievance is deemed withdrawn with
prejudice. If the parties have not mutually agreed to a mediator, the parties shall request a panel of seven (7) mediators' names from the State Mediation and Conciliation Service. After receipt of the list, the parties shall attempt to agree upon a mediator from such list. If they are unable to agree, names will be stricken from said list in the following manner. The party to strike first shall be selected by a coin toss, and the parties shall alternatively strike names. The name remaining after each party has stricken three (3) shall be the designated mediator.

6.17 MEDIATION

The mediator shall consider and decide only the grievance(s) referred to him/her in accordance with Article 6. The mediator shall listen to both sides, counsel and suggest according to the discussion and evidence of issues presented. The mediator will use his/her best efforts to persuade both parties to come to an agreement. If no agreement has been reached after six (6) hours (or fewer as mutually agreed by the parties) of mediation, the mediator shall issue an advisory opinion. The parties hereto agree to stipulate to that opinion as being final and binding on the Employer, the Union and the employee(s). The mediator shall have no authority to modify, amend, change, alter, or waive any provision of this Agreement. The mediator shall have the authority to affirm, revoke or modify any form of discipline and also to award back pay if he/she so determines. The mediator shall have access to the Employer or Union property as necessary and relevant to the specific grievance, providing no interference with the regular business or operations of either party results.

6.18 EXPEDITED MEDIATION

It is agreed that a grievance may, upon mutual agreement, be expedited to mediation. Under such circumstances, after a grievance has been reduced to writing in accordance with this Article 6, the grieving party may request a Second Step meeting within four (4) calendar days. The responding party shall provide an answer in writing within three (3) calendar days from the close of the grievance meeting. Within three (3) calendar days from delivery of the written response, the grieving party may then request, if the grievance is denied, with notice to the responding party, that the grievance be referred to expedited mediation. If such a grievance is brought to mediation, it is agreed that it will take priority as to holding an investigation hearing and issuance of a decision over any other case. The duties and the authority of the mediator shall be the same as under section 6.17 of this Article 6.

The mediator shall have the authority to issue a bench decision and award and shall submit to the parties a signed and written decision and award within forty-eight (48) hours of the close of expedited hearing.

6.19 MEDIATION EXPENSES

All expenses and fees of the mediator, and the cost of the hearing room, shall be borne equally by the parties if there is an agreed-upon resolution. Each party shall pay the cost of presenting its own case. The fees of any interpreter shall be borne by the party...
requiring the interpreter. In the event that there is no agreed-upon resolution, the expenses and fees of the mediator and the cost of the hearing room shall be borne by the losing party, as designated by the mediator.

7. DISCIPLINE AND DISCHARGE

7.1 DISCHARGE

7.11 GENERAL STATEMENTS OF GROUNDS FOR DISCHARGE

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

7.12 NOTICE TO UNION

The Employer agrees that when an employee is terminated, he/she shall be given a caution notice stating the reasons of the termination. A copy of the letter must be faxed to the Union no later than 48 hours (excluding Saturday and Sunday) after the termination.

7.13 STATUTE OF LIMITATIONS

Notices issued by the Employer imposing disciplinary action for violations of Employer rules or standards shall have no force or effect after twelve (12) calendar months from the date of the violation for which such notice was issued.

7.14 ACKNOWLEDGMENT

The worker shall acknowledge, by signature, the receipt of a written disciplinary notice. Such acknowledgment is not an admission of guilt.

8. LEAVE OF ABSENCE

8.1 RULES GOVERNING LEAVE

The rules regarding leaves of absence are covered in the Employer’s Employee Handbook and, for agricultural workers, also include the terms set forth below.

8.10 FAMILY AND MEDICAL LEAVE

In the event of illness or injury, agricultural employees will be granted leaves of absence in accordance with state and federal law. The provisions of the Employer’s Employee Handbook covering Leaves of Absence shall apply to any request for Family Medical Leave.
8.11 REQUEST FOR PERSONAL LEAVE

A worker shall be granted a leave of absence without pay for up to ninety (90) calendar days after harvest concludes upon written request submitted on the Employer's Leave Request Form at least seven (7) calendar days in advance for bona fide personal reasons, as business conditions allow. The consent of the Employer will not be unreasonably withheld. Multiple leaves which are requested on the same date for the same date of absence shall be granted based on seniority and as business conditions allow. Any other leave will be granted on a first-come, first-served basis, as business conditions allow. Any such authorized leaves shall not constitute a breach of the worker's seniority. Requests for personal leaves of one (1) day or less may be made one day in advance when circumstances justify such short notice. Use of one personal leave in a given year does not eliminate the ability of that employee to apply for and be granted additional personal leaves in that same year, as business conditions allow. It is usually easier for the Employer to grant personal leave after all phases of harvest are completed.

8.12 LONG TERM UNION LEAVE

A worker shall be granted a leave of absence without pay for long term union leave to perform functions on behalf of the Union upon written request submitted on the Employer's Leave Request Form at least thirty (30) calendar days in advance. The leave of absence may be granted for a period of one (1) year, renewable for up to one (1) additional year upon proper application. Such leaves shall be limited to no more than 5% of the agricultural work force at any time. Seniority shall not be broken or suspended by reason of such leave.

8.13 SHORT TERM UNION LEAVE

A worker shall be granted a leave of absence without pay for short term union leave, not to exceed three (3) consecutive working days per request, to perform functions on behalf of the Union upon written request submitted on the Employer's Leave Request Form at least five (5) calendar days in advance. Such leaves shall be limited to no more than three (3) workers at any time. Only one worker from each classification shall be allowed this leave at any given time.

8.14 ELIGIBILITY REQUIREMENTS

Use of a leave of absence for any purpose other than for the reason authorized shall constitute revocation of the leave of absence and cause for discharge. The Employer will comply with all applicable laws regarding reinstatement following approved leaves.

8.15 FUNERAL LEAVE

A worker will be allowed a maximum of three (3) consecutive working days off without pay for time required to be absent from work because of a death in his/her immediate family so long as the request is submitted on the Employer's Request for
Personal Time and the employee timely returns to work following the funeral leave. Workers shall have the option of using any accumulated Personal Time during funeral leave. The term "immediate family" is defined to include the mother, father, brother, sister, spouse, child, mother-in-law, or father-in-law of the employee. The Employer may require a death certificate or other valid evidence of death and proof of relationship of the deceased to the worker as a condition of receiving funeral leave.

8.16 EMERGENCY LEAVE

A worker will be allowed up to seven (7) calendar days emergency leave without pay so long as the request is submitted on the Employer’s Leave Request Form and the employee timely returns to work following the emergency leave. Such leave shall be for reasons such as, but not limited to, death or serious illness in the employee’s immediate family. An emergency leave may be granted in conjunction with personal leave or funeral leave, as business conditions allow. Workers shall have the option of using any accumulated Personal Time during emergency leave.

9. WORKING CONDITIONS AND SAFETY

9.1 SAFETY AND HEALTH

9.12 COMPLIANCE WITH HEALTH AND SAFETY STATUTES

The Employer, the Union and the workers will comply with all applicable laws relating to the health and safety of workers.

9.13 SAFETY EQUIPMENT AND TOOLS

All Employer vehicles and equipment used by and around workers shall be maintained and operated in safe condition at all times. Workers shall at all times comply with this Article 9.

Tools, equipment, safety badges and protective garments necessary to perform the work and/or to safeguard the health or to prevent injury to a worker, shall be provided and maintained by the Employer. Workers shall at all times take all reasonable and prudent steps to consistently and properly protect the health and safety of themselves and other workers and protect the property of the Employer. Workers shall sign receipts, when presented, for any such materials provided to them, and to acknowledge their attendance at any safety or procedural training sessions which they attend.

Workers shall be responsible for returning all such tools, equipment, badges and garments that are checked out to them, but shall not be responsible for accidental breakage or normal wear and tear. Workers shall be charged actual replacement cost of such items that are lost or not returned, except for those that are accidentally broken. Receipts for returned equipment shall be given to the worker by the Employer.
9.14 MEDICAL CARE FOR ACCIDENTS AND INDUSTRIAL ILLNESS

Employer shall make the necessary provisions for the safety and health of its workers and will maintain adequate medical and first aid services to care for accidents and industrial illness occurring while at work. Workers shall notify their supervisor immediately as to any injury and make proper use of such medical and first aid services.

9.15 TRANSPORTATION FURNISHED

Any worker who experiences an industrial injury or illness during working hours and requests transportation to a nearby doctor's office or medical facility shall be provided with transportation by the Employer for the initial post-injury visit.

9.16 SERVICES AVAILABLE TO WORKERS

There shall be adequate toilet facilities in the field readily accessible to workers, that will be maintained by the Employer in a clean and sanitary manner. These may be portable facilities and shall be maintained at the ratio of one for every twenty (20) workers or fraction thereof. Doors on portable toilets shall have latches. Hand washing facilities, soap, and paper towels shall be provided. Workers shall use their best efforts to assist in keeping the facilities used by them clean and orderly.

Each place where work is performed shall be provided with suitable, cool, potable drinking water in a location convenient to workers. Water shall be provided in cool clean cans or equivalent containers. Individual drinking cups shall be provided at all times. Workers shall dispose of used cups properly.

9.17 NO DISCRIMINATION

Neither the Employer nor the Union shall discriminate against any worker in referral, hiring or any other employment or membership practice because of race, disability, age, creed, color, religion, sex, political belief, Union activity, sexual orientation, national origin, or any other protected criteria. It is agreed that this obligation includes, but is not limited to the following: communication with current or potential Union members, hiring, placement, compensation, recruitment, and advertising or solicitation of applicants for referral and employment.

9.18 INDEMNIFICATION

The Union and the Employer shall indemnify and hold the other 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 other in violation of paragraph 9.17.
9.19 MAINTENANCE OF STANDARDS

The Union and the Employer agree that pay and benefit rates shall not be less than those established under this Agreement without the mutual written agreement of the parties.

10. MANAGEMENT AND UNION RIGHTS

10.1 MANAGEMENT RIGHTS

It is the intention hereof that all of the rights, powers, prerogatives, and authorities of the Employer are retained except those specifically abridged or modified by this Agreement including, but not limited, to those set forth in this Article. All management rights not specifically surrendered by this Agreement shall remain with management.

It shall be the exclusive right and responsibility of the Employer to hire, promote, direct, supervise, maintain discipline and efficiency (including assignment, transfer and layoff), to make work and safety rules, to determine the size and number of crews and hours of work and to assess and determine worker performance levels. It shall be the exclusive responsibility of the Employer to determine whether a worker shall be paid on piece rate or hourly rate, so long as the procedures for setting the piece rate described in Article 10.11 below are followed.

It shall be the exclusive responsibility of the Employer to determine the types and amounts of agricultural products, the number of acres to be grown or harvested, the schedules of production, the methods, processes and means of production or harvest and the nature of equipment or machinery used.

The Employer’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.

10.11 NEW/CHANGED CLASSIFICATIONS; PIECE RATES; PAY INCREASES

In the event the Employer chooses to implement a new or materially changed job classification, piece rate or higher wage rate, the Employer will notify the Union in writing ten (10) calendar days before the new or changed classification, piece rate or wage rate takes effect. The Employer will also notify the Union of the proposed wage rate for such new or changed classification(s). If the Union objects, the Union will notify the Employer in writing within seven (7) working days of receiving notice from the Employer of the change and the parties shall meet and negotiate to try to resolve the issue(s). If the parties do not reach an agreement, the matter shall be submitted in accordance with Step Three of the Dispute Resolution Process. Failure to provide timely notice of objection waives the objection. The work will continue under the new conditions and at the rate set forth by the Employer pending resolution of the Dispute Resolution Process. Nothing in this paragraph 10.11 rules out the possibility of retroactivity of any change in the wage or piece rate.
10.2 UNION RIGHTS

10.21 UNION ACCESS TO EMPLOYER PROPERTY

With the exceptions described below, duly authorized and designated representatives of the Union showing adequate identification of their Union affiliation shall have right of access to Employer 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 any workers or the operations or business of the Employer. No contact shall take place during working hours. The Union shall notify the Employer no later than 3:00 p.m. on the day before the day on which the Union will be taking access; provided, however, that access taking place on Monday will be noticed on the preceding Friday. Such notice shall be in writing (fax transmission is acceptable) and shall specify the location (whether at 3351 Slusser Road or the Trenton Road location), times and duration of the proposed access. The Employer shall not move workers’ lunch locations or times in an attempt to deny access to workers. Up to two Union representatives shall have the right to enter each location at any one time for the purposes of contacting workers.

The Employer retains the right to refuse access on days which the Employer or its owners have special events on their property. Such refusal will be promptly communicated to the Union in writing.

Unless the Union obtains permission to use another location from the Employer in advance, such contact shall take place in the parking lot or lunch areas only. All such contact must take place during non-working hours no earlier than when the gates are unlocked or one hour before the scheduled start of the work day (whichever is later), and no later than one hour after the scheduled end of the work day.

10.22 INDEMNIFICATION

The Union shall indemnify and hold the Employer harmless from and against any and all claims, demands, suits, damage or other forms of liability that may arise out of or by reason of the Union’s actions under Article 10.21.

10.23 BULLETIN BOARD

The Employer will supply the Union space for bulletin boards in conspicuous areas at Slusser Road and Trenton Road.

11. HOURS AND OVERTIME

11.1 OVERTIME RULES

Overtime will be worked only when necessary and authorized by a supervisor. Employees are required to work necessary overtime. Overtime pay will be paid at one and one half (1-1/2) times the employee’s regular rate of pay for all hours worked over ten in one day and for all hours worked on the seventh consecutive day worked by that
employee in one work week. Overtime earnings while working by piece rate shall equal at least 1.5 times the piece rate minimum base wage.

Each work week shall commence on Monday and end on Sunday.

12. NON-PRODUCTIVE TIME

12.11 LUNCH PERIOD

Meal time shall be one-half (1/2) hour and not compensated nor counted as hours worked under the provisions of this Agreement. Employer shall not use the meal time breaks for the purpose of moving the workers to another job-site, or for any other work activity.

12.12 REST PERIODS DURING REGULAR SHIFTS

On each shift of the day, there shall be a twenty (20) minute rest period for each four (4) hours worked in the morning and a ten (10) minute rest period for each four (4) hours worked in the afternoon, all without deduction in pay.

12.13 WAITING TIME PAY

All workers shall be paid for all the time required by the Employer to wait on the job. Hourly workers shall be paid their regular hourly rate; piece rate workers shall be paid the piece rate minimum base wage.

12.14 REPORTING TIME

A worker paid on an hourly or piece rate basis who is required to report to work and does report and is furnished no work or less than four (4) hours of work shall be paid for four (4) hours of work. Hourly workers shall be paid their regular hourly rate; piece rate workers shall be paid the piece rate minimum base wage. This section shall not apply where work covered by this Agreement is delayed or cannot be carried out because of rain, frost or other causes beyond the control of the Employer.

12.15 SEVERABILITY

In the event any portion of this Agreement shall become ineffective as the result of any applicable local, state or federal law, only that portion of this Agreement so affected shall be ineffective; in no event shall the fact that a portion of this Agreement be not applicable or illegal in accordance with such laws render the remainder of this Agreement ineffective or work a termination; provided, however that this Section 12.15 may be waived by either party giving written notice to the other to meet and confer on the impact of the change.
12.16 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.

13. PERSONAL TIME PAY

Personal Time is used to provide eligible workers with wages during time missed for vacation, sick, holiday or other time away from the job.

All workers are eligible for Personal Time benefits after they have completed three (3) months of continuous employment. Personal Time may not be used in advance of earning it.

Length of service is determined by accumulating actual time worked by the employee. The time an employee is not working, due to being laid off, injured, etc., is not counted in determining length of service or Personal Time accrual. Employees who resign or are terminated or otherwise lose their seniority and are later rehired will begin to accrue Personal Time three (3) months after their re-hire date, and will not receive credit for any prior service.

Personal Time is accrued based on eight (8) hours per day. Accrual is calculated per completed pay period worked.

<table>
<thead>
<tr>
<th>Complete Months of Active Service*</th>
<th>Accrual Rate Per 12 Months of Active Service</th>
<th>Accrual Rate per pay period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 3 months</td>
<td>0 days</td>
<td>0 hours</td>
</tr>
<tr>
<td>3 months through 47 months</td>
<td>22 days</td>
<td>6.77 hours</td>
</tr>
<tr>
<td>48 months through 83 months</td>
<td>27 days</td>
<td>8.31 hours</td>
</tr>
<tr>
<td>84 months and beyond</td>
<td>32 days</td>
<td>9.84 hours</td>
</tr>
</tbody>
</table>

*NOTE: Workers employed by Sonoma Grapevines, Inc. immediately prior to becoming employed by the Employer in January, 2002 shall, for purposes of Personal Time benefit accrual only, accrue Personal Time based on their combined months of active service at the two companies.

To request time away from work, an employee must complete a “Request for Personal Time” form. Prior approval for time away from work must be obtained from the employee’s supervisor, except in cases of illness or emergency. On the request form, an employee must designate the number of hours wanted for payment for the requested time away from work. The maximum number of hours that can be requested for payment for each day away from work is the maximum number of regular hours that can be worked in one day (e.g. 10 hours).
Requests for time away from work must be submitted to the Payroll Department by Monday of the normal payroll-processing week. The Personal Time pay will be included with the regular paycheck distributed on that Friday. Please note, normal payroll taxes and employee’s portion of benefits will be deducted.

An employee may choose to be paid out a portion of their accrued, but unused Personal Time, but first they must have taken five (5) consecutive days off in that calendar year. An employee may request the pay out and five (5) days off by completing a “Request for Personal Time” form. Prior approval for time away from work must be obtained from the employee’s supervisor.

Requests for Personal Time pay out must be submitted to the Payroll Department by Monday of the normal payroll-processing week and the check will be available that Friday. Please note, normal payroll taxes will be deducted. If applicable, the employee’s portion of benefits will be deducted.

Employees can accrue up to a maximum of 250 hours of Personal Time, after which time an employee must use Personal Time by taking time off or requesting a pay out before additional Personal Time is accrued.

The Employer reserves the right to limit employee’s scheduled time away from work to those periods that do not adversely affect the normal production cycle.

Upon termination, an employee will be entitled to receive any accrued and unused Personal Time benefits.

14. HOLIDAYS

Agricultural workers who have attained seniority are eligible to take the following days off without pay:

- January 1st
- March 31st
- Memorial Day
- July 4th
- Thanksgiving Day
- December 25th

Agricultural workers who do not work on the above days may request to use any accrued Personal Time to be paid for such days off.

15. MEDICAL INSURANCE

Agricultural workers are eligible to participate in the Employer’s group insurance plan, including medical, dental and life insurance (no dependent coverage for life insurance only) on the first day of the month following completion of three (3) months active employment.

12/6/2005
The Employer shall pay one hundred percent (100%) of the premium for worker medical and life insurance coverage, and fifty percent (50%) of the premium for worker dental insurance coverage, if elected by the worker, for the duration of the contract. Workers pay the entire premium for dependent medical insurance, if so elected, and 50% of the premium for dental insurance coverage for the worker, if elected, and 100% of the premium for dependent dental coverage, if elected. The worker-contributed portion of these insurance premiums are subject to change in the event of a change in the Employer’s total insurance benefit package impacting both agricultural and non-agricultural workers. Any worker-paid portions of the premiums must be paid via payroll deduction.

16. 401K PLAN

16. 11 DEFERRAL AND CONTRIBUTION

Workers who have completed one (1) year of service in which they worked at least 1,000 hours and who are at least 21 years old may defer a portion of their compensation into a retirement plan. The Employer will match 100% of that amount, up to 3% of the employee’s total annual compensation, plus 50% of the employee’s deferrals greater than 3% and less than 5% of the employee’s compensation. Both the employee’s contribution and the Employer’s matching contribution are 100% vested immediately. Further information is available in the Notice to Employees dated August 5, 2002 and attached herewith.

17. WAGES

17.11 HOURLY WAGES

Employer shall provide pay raises of 4% effective as of December 1, 2005 and a pay raise of 3% effective March 1, 2007. The wages set forth below shall apply to all agricultural workers hired following the effective date of this Agreement as defined in §19.11 below.

<table>
<thead>
<tr>
<th>Job Classification</th>
<th>Wage Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field Worker I/Viticulture</td>
<td>7.50 – 8.50</td>
</tr>
<tr>
<td>Field Worker II/Viticulture</td>
<td>7.50 – 9.25</td>
</tr>
<tr>
<td>Field Worker III/Viticulture</td>
<td>8.00 – 13.00</td>
</tr>
<tr>
<td>Vinetrainer</td>
<td>8.00 – 11.50</td>
</tr>
<tr>
<td>Landscaper/Horticulture</td>
<td>8.00 – 11.50</td>
</tr>
<tr>
<td>Mechanic’s Helper</td>
<td>8.50 – 12.00</td>
</tr>
<tr>
<td>Mechanic I</td>
<td>12.00 – 15.75</td>
</tr>
<tr>
<td>Mechanic II</td>
<td>15.50 – 18.00</td>
</tr>
<tr>
<td>Mechanic III</td>
<td>17.30 – 20.00</td>
</tr>
<tr>
<td>Technician I</td>
<td>7.50 – 16.25</td>
</tr>
<tr>
<td>Technician II</td>
<td>13.00 – 17.25</td>
</tr>
<tr>
<td>Technician III</td>
<td>16.35 – 19.25</td>
</tr>
<tr>
<td>Truck Driver I</td>
<td>7.50 – 9.50</td>
</tr>
<tr>
<td>Truck Driver II</td>
<td>8.00 – 12.00</td>
</tr>
<tr>
<td>-----------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Truck Driver III</td>
<td>11.00 – 16.00</td>
</tr>
<tr>
<td>Equipment Operator I</td>
<td>7.50 – 8.75</td>
</tr>
<tr>
<td>Equipment Operator II</td>
<td>7.50 – 12.00</td>
</tr>
<tr>
<td>Equipment Operator III</td>
<td>12.00 – 18.00</td>
</tr>
<tr>
<td>Viticulturist</td>
<td>15.00 – 21.00</td>
</tr>
</tbody>
</table>

Agricultural workers in any of the above classifications shall from time to time do picking or any other work needed by the Employer.

18. HARVEST COMPENSATION

18.1 HARVEST 2006 AND 2007

Seventy-five Dollars ($75.00) per ton plus a potential bonus of Five Dollars ($5.00) per ton for grapes inspected and found to be “clean”.

19 DURATION

19.11 TERM OF AGREEMENT

This Agreement shall be in force and effect beginning December 1, 2005 through June 1, 2008. This Agreement shall expire on that date unless either of the parties shall have given notice in writing to the other party at least sixty (60) calendar days prior to the expiration, requesting negotiations for a new agreement, together with thirty (30) calendar days prior written notice to the State Conciliation Service. During this sixty (60) calendar day period all terms and conditions of this Agreement shall remain in full force and effect.
This Agreement is executed on this 9th day of December, 2005

United Farm Workers of America, AFL-CIO

By:

Arturo S. Rodriguez, President

Taniz Ybarra, UFW Secretary Treasurer

Casimiro Alvarez, Regional Manager

Ramon Perez-Cornejo, Committee Member

Jose Luis Ortiz, Committee Member

Carmelo Collado Torres, Committee Member

Saul Martinez, Committee Member

Juan Manuel Rodriguez, Committee Member

Richard's Grove and Saralee's Vineyard, Inc.

By: Saralee McClelland Kunde