AGREEMENT

PARTIES

This Agreement and Supplemental Agreements attached hereto are between S.K.F. FARMS INC., hereafter called "the Company" and the United Farm Workers of America, AFL-CIO, hereafter called "the Union". The parties agree as follows:

ARTICLE 1. RECOGNITION

A. The Company does hereby recognize the Union as the sole labor organization representing all of the Company's agricultural employees (hereinafter called "workers") in the unit set forth in Agricultural Labor Relations Board's certification in case number 76-RC-4-R. In the event the Agricultural Labor Relations Board certifies other employees not here included within the certified unit, such additional employees shall be included under the terms of this Agreement. The term "worker" shall not include office and sales employees, security guards, designated family employees, and supervisory employees 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 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 agrees that no business device including joint ventures, partnerships or any other forms of agricultural business operations shall be used by the Company for the purpose of circumventing the obligations of this Agreement.

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

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

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

F. The Company will make known to all workers, supervisors and officers, its policies and commitments as set forth above with respect to recognition of the Union, and will not discourage workers in the bargaining unit from giving utmost consideration to supporting and participating in collective bargaining and contract administration functions.
ARTICLE 2. UNION SECURITY

A. Union membership shall be a condition of employment. Each worker shall be required to become a member of Union immediately following five continual days after the beginning of employment, or five days from the date of the signing of this Agreement, whichever is later; and to remain a member of Union in good standing. Union shall be the sole judge of the good standing of its members. Any worker who fails to become a member of Union within the time limit set forth herein, or who fails to pay the required initiation fee, periodic dues or regularly authorized assessments as prescribed by Union, or who has been determined to be in bad standing by Union pursuant to the provisions of the Union's Constitution, shall be immediately discharged or suspended upon written notice from Union to Company, and shall not be reemployed until written notice from Union to Company of the worker's good standing status.

B. Company agrees to furnish to Union in writing, within one week after the execution of this Agreement, a list of its workers giving the names, addresses, social security numbers and type of job classification.

C. Company agrees to deduct from each worker's pay initiation fees, all periodic dues, and assessments as required by Union, upon presentation by the Union of individual authorization signed by workers, directing Company to make such deductions. Company shall make such deductions
from worker's pay for the payroll period in which it is submitted, provided that it is submitted in advance of the close of the pay period, and periodically thereafter, specified on authorization so long as such authorization is in effect and shall remit monies weekly. The Company shall provide a monthly summary report as soon as possible, but not later than twenty days (thirty days for the first three months after the date of execution of this Agreement) after the last pay period in the previous month, containing the names of the workers, social security numbers, payroll periods covered, gross wages, total hours worked per worker, total number of workers and amount of Union dues deducted during such pay periods from each worker. Union will furnish the forms to be used for authorization and will notify the Company in writing of dues, assessments and initiation fees within five days of the execution of this Agreement and five days before the effective date of any change.

D. The Union will furnish the Company with membership and authorization forms. If the Company procures workers from "any other source" as provided in Article 3 the Company will explain the membership and deduction authorization arrangements between the Company and the Union at the time of hiring new workers. The Company will be responsible to cause such workers to sign the membership and authorization forms not later than immediately following five days of the beginning of employment. The Company will immediately give a copy of the authorization form to the worker, retain a copy for its use pursuant to Section C above, and promptly turn over per arrangement the other copy along with the membership application to the Union area office.
ARTICLE 3. HIRING

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

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

C. Whenever at the beginning of any operating season in any area of operation of the Company, the Company anticipates the need for new or additional workers to perform any work covered by this Agreement, the Company shall, at least two weeks prior to the date of anticipated need for such workers, notify the facility of the Union designated in Section A in writing, stating the number of workers needed, the type of work to be performed, the estimated starting date of the work and the approximate duration thereof. The Company shall notify the Union promptly of any change in estimated starting date, however, the Company shall give to the Union the exact starting date no later than twenty-four hours prior to the actual date for commencement of the work.
D. In the event, during the operating season in any area of Company operations, new or additional workers are needed to perform work covered by this Agreement, the Company shall notify the Union facility designated in Section A of the number of workers needed, the type of work to be performed, the date the workers are needed, and whether the work is temporary or permanent. The Union shall be given forty-eight hours notice or as far in advance as reasonably possible.

E. When workers are requested of the Union, Union shall use its best efforts to furnish the requested number of workers, and the Union shall promptly notify the Company if it is unable to comply with any Company request for workers. If the Union does not furnish the requested number of workers on the date and by the time requested, the Company shall be free to procure needed workers not furnished by the Union from any other source. If the Company secures workers under the provisions of this paragraph, the Company will make available to Union, in writing within five days thereafter, the names, social security numbers, date hired and job classifications of all workers so hired, provided however, that the Union shall be entitled, acting on its own, to ascertain such information from such workers at any time after twenty-four hours following the hiring of such workers, provided further, that work is not interrupted. Grievances relating to this paragraph shall be subject to the expedited grievance and arbitration procedure.

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

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

H. In the event that it is necessary to lay off workers before they acquire seniority, it is understood that if such workers are referred or dispatched by the Union to the Company, such workers will be given work opportunity by the Company on the same basis as any other non-seniority worker.
ARTICLE 4: SENIORITY:

After a worker has worked for the Company at least fourteen (14) workdays within the preceding ninety (90) calendar days, he shall acquire seniority on the fourteenth day of work retroactive to his date of hire. Whenever a commodity or crop season is less than twenty-eight (28) calendar days, a worker shall acquire seniority provided he works one-half the number of workdays in the season. It is understood that the days prior to acquiring seniority do not establish nor shall be a probationary period. There shall be no layoffs for the purpose of circumventing acquisition of seniority. Workers who do not acquire seniority as per this section, shall be given preference when hiring new workers; provided, however, that the Company shall not be required to keep any type of records or documents regarding non-seniority workers for the purpose of seniority.

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

1. Voluntary quitting.
2. Discharge for just cause.
3. When on layoff fails to report within three (3) working days after being called unless satisfactory reasons are given.
4. When the worker fails to report to work at the termination of a leave of absence or vacation.
5. When any worker leaves the bargaining unit to accept a supervisory or other position with the Company outside the bargaining unit.
6. Any worker rehired after loss of seniority as provided above shall establish a new seniority date as provided in Sec. A above.
C. The classifications of workers shall be as designated on appendix "A" attached hereto and by this reference made a part hereof. The filling of vacancies, new jobs, promotions or increased work opportunities within the bargaining unit, demotions and reductions in classification shall be on the basis of seniority, provided, however, the worker is able to do the work. In such cases, the supervisor will fully explain the job duties and requirements, and give the worker a reasonable time to meet the job requirements.

D. Whenever there is a layoff in the work force in any job classification, layoffs shall be by seniority order, with the workers with the lowest seniority laid off first.

E. Workers reduced in classification or laid off from any classification upon restoration of work force or recall shall return in seniority order, with the workers with the highest seniority being recalled first to the classification from which they were reduced or laid off. If the case arrives where more than one worker has the same hiring date, the worker with the highest last four digits in his/her Social Security number shall have the higher seniority.

F. Whenever a permanent vacancy occurs in any classification, with a rate above general field and harvesting, such vacancy shall be posted on the Company's bulletin boards. A copy of such posting shall be provided the Ranch Committee and the Union. The posting shall be made at least ten days before the vacancy is permanently filled. Workers with seniority desiring consideration for the higher rated job will so indicate by signing the posting. The senior
worker, in accordance with Section C above, shall be selected for the vacancy and he shall be given a fair opportunity to qualify. If such worker cannot perform the job, he shall return to his former classification and rate and the Company will then select the next senior worker who had signed the posting and he shall be given a fair opportunity to qualify. Selection and training for those workers applying for the position shall be as set forth in Section C above.

The Company will fill temporary vacancies, such as during the posting period or those created by a worker's short-term illness, injury or other temporary absence which are not subject to posting, so far as possible, with seniority workers.

G. The Company shall prepare up-to-date seniority lists, showing the name of each worker, his seniority date, social security number, and job classification, which shall be posted on the Company bulletin board as follows:

the seniority lists (the first of which shall be approved and signed by Company and Union concurrently with the execution of this Agreement and as a condition to the efficacy of this Agreement) shall be posted within five days after the execution of this Agreement and thereafter every three months for a period of two weeks, and the Union shall also be given a copy of each of said seniority lists. All seniority lists, including without limitation the first, shall be prepared from and based on the Company's payroll records. If questions arise concerning the accuracy of the lists the Union and Company have up to two weeks after the posting is completed to resolve the dispute. If the dispute remains after two weeks, any unresolve matters relat-
I. The Company shall notify the Union within five working days of seniority workers laid off or recalled on a seasonal basis, in accordance with this Article by giving the worker's name, social security number, seniority date, job classification and date of recall or layoff. In all recall situations, the Company shall furnish to the Ranch Committee a list containing the name and social security number of each worker recalled who actually reports for work. Grievances relating to this Section I shall be subject to the expedited grievance and arbitration procedure.
J. Seniority shall not be applied so as to displace (bump) any worker Company, except as provided in other Sections of this Article.
ARTICLE 5. GRIEVANCE AND ARBITRATION PROCEDURE

A. The parties to this Agreement agree that all disputes which arise between the Company and the Union out of the interpretation or application of this Agreement or any controversy between the Company and workers or the Union which arise under this Agreement that deals with working conditions, health, safety or benefits, shall be subject to the Grievance and Arbitration Procedure. The parties further agree that the Grievance Procedure of this Agreement shall be the exclusive remedy with respect to any disputes arising under this Agreement, and no other remedies shall be utilized by any person with respect to any dispute involving this Agreement until the Grievance and Arbitration Procedure has been exhausted.

B. All grievances shall be processed during regular working hours. The grievant(s), the Steward(s) and Grievance Committee's function shall be performed without any loss of pay.

C. Aggrieved workers shall have the right, without any loss of pay to be present at each step of the procedure. The Company shall be responsible for making Union Stewards available on request of a worker or group of workers wishing to submit a grievance. The Company will also be responsible for making the Grievance Committee available whenever and wherever their presence is required to perform their functions under this Agreement.

D. At the request of the Union, the Company shall have the supervisor involved present at each step of the grievance procedure.
E. Grievances dropped by either party prior to an arbitration hearing shall be considered as withdrawn without prejudice to either party's position on a similar matter in the future.

F. FIRST STEP: Any grievance arising under this Agreement shall immediately be taken up between the Company's supervisor involved and the Union steward. They shall use their best efforts to resolve the grievance. In the event grievances are not immediately satisfactorily resolved, the grieving party shall reduce the grievance to writing and set forth the nature of the grievance. The Company Supervisor shall, within forty-eight hours, present to the Union Steward his or her written response to the grievance, regarding Company's position including reasons for denial. The grieving party may proceed to the SECOND STEP, provided however, that the grieving party may notify the other party that the grievance must be expedited and presented to the Permanent Arbitrator in accordance with Section P of this Article. A grievance regarding a discharge of an employee must be filed in writing within ten days of the discharge. All other grievances must be filed in writing within sixty days of the occurrence of the grievance or sixty days of the discovery thereof.

G. SECOND STEP: Any grievance not satisfactorily resolved in the First Step within one day, shall within 15 work days thereafter, be discussed in a meeting between the Grievance Committee and the Company's representative designated to resolve such matters. A representative of the Union shall also participate in such meeting unless the
Union representative authorizes the Committee to proceed and so advises the Company. If the grievance is not satisfactorily resolved in such meeting the party receiving the grievance shall immediately give a written response to the other regarding its position including reason for denial. Failure of the grieving party to appeal to the Second Step within sixty calendar days shall waive the grievance.

H. **THIRD STEP:** If the parties cannot resolve the dispute in Step 1 or 2 above, the grievance shall be referred to the Permanent Arbitrator within sixty calendar days. If the Arbitrator shall at any time be unable or refuses or fails to act, or he or she vacates his or her position, the Company and the Union shall immediately select his or her successor or substitute.

I. The Arbitrator shall consider and decide the grievance(s) referred to him or her and in cases where more than one grievance is referred to arbitration, they will be heard at the same hearing. The Arbitrator shall not have the authority or jurisdiction to modify, detract from or alter any provision of this Agreement. The Arbitrator shall have the authority to revoke or modify any form of discipline and in all cases award back pay if he or she so determines for any loss of earnings from the Company. The Arbitrator must render a decision in writing to the parties within fifteen days from the date of the closing of the hearing. The Arbitrator shall have access to Company's property if necessary.
J. Should either party fail or refuse to participate in any steps of the grievance machinery, the grieving party shall have the right to refer the matter to the Arbitrator immediately for his or her consideration in a formal hearing. Such hearing may be ex parte, i.e., with only one side present, provided that the Permanent Arbitrator may temporarily delay an ex parte hearing to permit immediate bona fide efforts to settle an issue without a hearing.

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

L. Decisions of the Arbitrator shall be in writing, signed and delivered to the respective parties. All expenses and salaries of the Arbitrator shall be paid by the losing party. If a question arises as to the losing party, this shall be decided by the Arbitrator hearing the grievance then in dispute. Each party shall pay the cost of presenting its own case.

M. Nothing in this Article shall be deemed to preclude the Trustee/Directors of the Robert F. Kennedy Farmworkers Medical Plan, the Juan De La Cruz Farmworkers Pension Fund, or the Martin Luther King Farmworkers Fund, from enforcing contributions due these funds under this Agreement by means of litigation.

N. The parties agree that Reverend John F. Blethen shall be the initial Permanent Arbitrator. Rev. Blethen or any other Permanent Arbitrator hereafter selected may be replaced upon the request of either party at any time after
such selected Permanent Arbitrator has served for at least six months, and in the event the parties are unable to mutually agree on a new Permanent Arbitrator, the procedures outlined in the next two paragraphs of this Section N shall be applicable, until such time as the parties are again able to agree on a Permanent Arbitrator.

The parties will make a good faith effort to agree on a list of arbitrators. In the event they are unable to agree, not later than fifteen days after the need for such a list arises, if requested by either the Company or the Union, a panel of eleven arbitrators shall be requested from either the American Arbitration Association or the Federal Mediation and Conciliation Service.

After receipt of the lists the parties shall meet to select an arbitrator for each grievance. If the parties cannot agree upon the selection of an arbitrator then they shall turn to the lists of arbitrators received under procedures of the above paragraph. The party to strike first shall be selected by a coin toss. That party shall strike the first name from each list. The name remaining after each party has struck five shall be the person designated as arbitrator for the particular grievance. Every six months either party may request a new list of arbitrators and require a new meeting as discussed in this paragraph to select a new arbitrator.

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

P. The grieving party may invoke an expedited procedure to have unresolved grievances immediately heard before the Arbitrator, but in any event not later than two calendar days after the day on which the grieving party notified in writing the other party that the grievance must be expedited. The parties agree to meet in the time between notification of the invocation of the expedited procedure and the hearing before the arbitrator in an attempt to resolve the grievance. The duties and the authority of the Arbitrator shall be the same as under Section I above. The Arbitrator shall issue a bench decision and will issue a written decision within twenty-four hours of the close of the expedited hearing. The Arbitrator shall have access to Company's property if necessary.
ARTICLE 6: NO STRIKE CLAUSE

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

B. In the event of a breach of this Agreement, the officers and representatives of the Union and/or Company, as the case may be, shall do everything within their power to end or avert such activity.

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

D. Company may discharge or discipline any worker who violates the provisions of this Article 5.

ARTICLE 7: RIGHT OF ACCESS TO COMPANY PROPERTY

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

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

C. The Union shall advise the Company of the names of its duly authorized and designated representatives.
ARTICLE 8 DISCIPLINE AND DISCHARGE

A. The Company shall have the right to discipline and discharge workers for just cause, providing that in the exercise of this right it will not act in violation of the agreement. No worker shall be disciplined or discharged except for just cause.

B. Prior to any discharge or suspension, the Company shall notify the steward or other Union official and such Union representative shall have the right to be present when formal charges are made, if they so desire. Provided, however, if a situation occurs in a remote area wherein the Company deems it necessary to take action and no steward or Union representative is available, the Company may take action and must give written notice within the time limit in paragraph D below. Warning notices shall be valid only if they are issued within forty-eight (48) hours or at the beginning of the worker's next work day after the occurrence of the alleged offense giving rise to the warning, and shall be valid for a period of ten (10) months.

C. The Stewart of other Union representative shall have the right to interview workers in private so long as such interview does not unnecessarily interfere with work requirements.

D. Within forty-eight hours after any discharge for just cause, the Union representative will be notified in writing the reasons for such discharge.
E. Individual performance in relation to piece rate, or incentive plan shall not be conclusive evidence for the purpose of disciplining or discharging a worker. This provision shall not, however, constitute any limitation on any of the Company's rights to discharge or discipline for unsatisfactory work performance.

ARTICLE 9. DISCRIMINATION

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

ARTICLE 10. WORKER SECURITY

A. Company agrees that any worker may refuse to pass through any picket line of another company which is sanctioned by the Union, where the worker's physical well-being is threatened by his so doing.

B. No worker under this Agreement shall be required to perform work that normally would have been done by employees of another company who are engaged in a strike sanctioned by the Union.
ARTICLE 11: LEAVES OF ABSENCE

Leaves of Absence for Union Business

A. Any worker elected or appointed to an office or position in the Union shall be granted a leave of absence for a period of continuous service with the Union upon written request of the Union provided that at no time shall more than five workers be entitled to leaves of absence pursuant to this Section A. Ten days' notice must be given the Company before the worker takes leave to accept such office or position or chooses to return to work. Such leave of absence shall be without pay. Seniority shall not be broken or suspended by reason of such leave.

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

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

2. Such leaves of absence shall only be granted to workers engaged in culture and shall not exceed five percent of irrigator, sprayer, tractor or truckdriver crews, or ten percent of any other crew;

3. This section shall only apply to companies whose harvesting operations exceed sixty workdays in a calendar year;

4. This section shall not apply to operations during critical periods if it would harm operations.

Other Leaves

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

1. For jury duty or witness duty when subpoenaed.

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

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

4. For valid personal reasons, not to exceed forty-five (45) days where prior written notice specifying the reason is given to the Company.

D. All leaves in excess of three days shall be in writing on approved leave of absence forms provided by the Company. Such forms shall be signed by the Company representative, the worker requesting the leave, and by the Union steward or other Union representative to signify receipt of the Union's copy. Leave of absence shall be extended by the Company for a valid personal reason, if a request for such an extension is made by the worker in writing to the Company with a copy to the Union prior to the termination of the original leave, provided, however, that a request for an extension may be submitted simultaneously with the request for a leave of absence for valid personal reasons if the worker has special circumstances which require additional time.
Leaves of absence schedules, under this section, where more workers have applied for a leave of absence at the same time than can be spared by the Company, shall be allocated on the basis of seniority with the worker having the highest seniority having first preference for that leave of absence. However, where a worker requests an emergency leave, the Union and the Company may agree to his/her leave in preference to that worker over other workers with higher seniority.

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

ARTICLE 12: SUPERVISORS

Supervisors and others employees not included in this bargaining unit, other than designated family employees, shall not perform any work covered by this Agreement, except for instruction, training, emergencies, and the type of work which supervisors have historically performed in the past, and where the intent is not to deprive workers in the bargaining unit of work.
ARTICLE 13: HEALTH AND SAFETY

A. The Company agrees to make available to Union upon reasonable request such records as will disclose the following:

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

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

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

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

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

F. Tools and equipment historically provided necessary to perform the work, and protective garments as 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 equipment that was checked out to them, but shall not be responsible for unavoidable breakage or normal wear and tear. Workers shall be charged actual cost for equipment that is not broken and not returned. Receipts for returned equipment shall be given to the worker by the Company.

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

H. Any violation of this Article shall be subject to the expedited grievance and arbitration procedure.
ARTICLE 14. MANAGEMENT RIGHTS

The Company shall have and maintain all rights of management and discretion in all matters, except as specifically and expressly limited or modified by this Agreement.
ARTICLE 15. UNION LABEL

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

B. In the event of the Company's misuse of the Union label or seal on packages or units harvested and packed by non-union workers, Union may revoke the right to use said label. In the event that the Union revokes the Union label or seal, it shall give reasonable notice to the Company and the Company agrees to return same forthwith, or if same cannot be returned then, on request of Union, the label or seal shall be completely obliterated on any package, container or unit.

C. Following of industry practice with respect to exchange of sizes, mixed cars, private labels or purchase of produce to fill out an order shall not be considered "misuse" of the Union label or seal or a violation of any provision of this Agreement.
ARTICLE 16: HOURS OF WORK AND OVERTIME

A. The normal workweek shall be Sunday thru Thursday.

Daily Overtime:

1. All workers, except for Tractor Drivers and Irrigators shall be paid one and one-half (1 1/2) times their regular rate of pay for all work performed after nine (9) hours in any one day.

2. Tractor Drivers shall be paid one and one-half (1 1/2) times their regular rate of pay for all work performed after ten (10) hours in any one day.

6th day of work

1. All workers except for Tractor Drivers, Truck Drivers, and Irrigators shall be paid one and one-half (1 1/2) times their regular rate of pay for all work performed after five (5) hours on the 6th day of work.

2. Truck Drivers shall be paid one and one-half (1 1/2) times their regular rate of pay for all work performed after eight (8) hours on the 6th day of work.

3. Tractor Drivers shall be paid one and one-half (1 1/2) times their regular rate of pay for all work performed after 3:00 p.m. on the 6th day of work.

7th day of work

1. All workers, except for Irrigators shall be paid one and one-half (1 1/2) times their regular rate of pay for all work performed on the 7th day of work. And double time after eight hours.

2. Irrigators shall be paid one and one-half (1 1/2) times their regular rate of pay for all work performed after six (6) hours on the 7th day of work.

B. Meal time breaks shall be one (1) hour and are not compensated for counted as hours worked under the provisions of this Agreement.

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

D. When a worker is working as a trainee for qualification for a higher rated job, he shall be paid for such training period at his regular rate for a time period not to exceed twenty-eight (28)
continuous calendar days.

E. Wage rates for specified job classifications are set forth in Appendix "A" hereto. Said wage rates shall be applicable retroactive to April 7, 1980.

Piece Rates for squash shall be retroactive to June 25, 1980.

Piece Rates for Green Beans shall be retroactive to July 5, 1980.
ARTICLE 17: REPORTING AND STAND BY TIME

A. A worker who is required to report for work and does report and is furnished no work shall be paid at least four (4) hours at the worker's hourly rate of pay or the worker's average hourly piece rate earnings based on the preceding payroll period. If less than four (4) hours of work is provided, hourly workers shall be paid for (4) hours at the their hourly rate of pay, and piece rate workers shall be paid at the piece-rate earned during the time worked and their average hourly piece rate wage based on the preceding payroll period for the remaining time up to four (4) hours that day. This section shall not apply where work covered by this agreement is delayed or can not be carried out because of rain, frost, or government condemnation of crop, or other causes beyond the control of the Company.

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

ARTICLE 18: REST PERIODS

Workers shall be provided two (2) paid rest periods of fifteen (15) minutes each. The morning rest period shall begin at the arrival of the lunch wagon. The afternoon rest period shall begin at 2:30 p.m.
ARTICLE 19: VACATIONS

A. Workers shall be eligible in the year following the first year of continuous employment, commencing on or after April 7, 1980 and annually thereafter for vacation pay and one (1) week of vacation time off, provided that, in order to qualify for vacation pay the worker shall work the hours set forth below in the prior year. Vacation pay will be the percentage specified below of the worker's gross Company earnings in the qualifying year.

B. A worker who has worked one thousand (1000) hours in the prior year with the Company will qualify for an amount equal to two percent (2%) of his total gross earnings as vacation pay.

A worker who has worked nine hundred (900) hours in the prior year, who has two (2) or more years seniority with the Company will qualify for an amount equal to two percent (2%) of his total gross earnings as vacation pay.

A worker who has worked eight hundred (800) hours in the prior year, who has five (5) or more years seniority with the Company will qualify for an amount equal to four percent (4%) of his total gross earnings as vacation pay.

A worker who has worked eight hundred (800) hours in the prior year, who has seven (7) years seniority with the Company will qualify for an amount equal to five percent (5%) of his total gross earnings as vacation pay.

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

ARTICLE 20. BEREAVEMENT PAY

To make funeral arrangements and to attend the funeral of a member of the immediate family (father, mother, mother-in-law, father-in-law, child, brother, sister, husband or wife), a worker who has worked for the Company at least five days, during the two weeks preceding the week of the funeral will be paid what he would have earned had he been working for the Company, not to exceed three (3) days. The Company may request that it be furnished with a death certificate.
ARTICLE 21. HOLIDAYS

A. During the term of this Agreement Memorial Day, 4th of July, Labor Day and Citizenship Participation Day shall be paid holidays. Citizenship Participation Day shall be designated as the last Sunday in August of 1980 and 1981. All workers qualifying under Section B below shall receive holiday pay as provided herein. Upon receipt of proper written authorization from the worker, the Company shall deduct from such workers wages the pay received for Citizenship Participation Day and shall remit such sum to the Citizenship Participation Committee of the United Farm Workers, AFL-CIO, for allocation as designated by the worker.

The Union shall indemnify and hold the Company harmless from and against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of action taken by the Company for the purpose of compliance with this Section A as it pertains to Citizenship Participation Day. Holiday pay shall be the daily average pay earned during the payroll week immediately preceding the holiday.

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

If the next scheduled workday after the holiday is more than five calendar days after the holiday, the requirement for work on the scheduled workday after the holiday shall not apply.
C. Any work performed on the above listed holidays, other than by irrigators, shall be paid for at the rate of one and one-half times the regular rate in addition to holiday pay.

D. When a holiday falls on Sunday, the following Monday shall be observed as a holiday.

ARTICLE 22. JURY DUTY

Workers who have worked at least five days during the two weeks preceding the week in which the following events occur shall receive the benefit of this section. A worker will be paid jury duty in any legal proceeding not between the parties for any days of work missed due to the performance of such service. Jury duty pay is defined as the difference between the fees received by such worker for performing such service and what he would have received had he been working for the Company for each day of service. To receive pay under this provision, the worker must provide Company with a copy or notice summoning him to appear and if so requested, documentary evidence of the amount of fees received for performing such service.
ARTICLE 23. RECORDS AND PAY PERIODS

A. Company shall keep full and accurate records, including total hours worked, piece rate or incentive rate records, total wages and total deductions. Workers shall be furnished a copy of the itemized deductions, hourly rates, hours worked and total wages each payday which shall include the worker piece-rate production records. Company shall furnish upon request daily records for each crew involved in piece-rate production.

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

ARTICLE 24. INCOME TAX WITHHOLDING

The Company shall deduct Federal and State income tax in accordance with standard practices with scheduled deductions, but only for workers agreeing in writing to such withholding. Such agreement shall be binding upon the worker during his employment with the Company for the balance of the calendar year and each calendar year thereafter, subject to his written revocation of his agreement prior to the start of each new calendar year.
ARTICLE 25. CREDIT UNION WITHHOLDING

Upon proper written authorization from a worker to the Company, deductions, as provided for in such authorization, shall be made by the Company for the Farmworkers Credit Union, and such money and reports shall be forwarded on a monthly basis to that organization at Post Office Box 62, Keene, California 93531, or such other address as designated by the administrator of the fund.
ARTICLE 26. ROBERT F. KENNEDY FARMWORKERS MEDICAL PLAN

A. The Company shall, commencing with the effective date of this Agreement, contribute to the Robert F. Kennedy Farm Workers Medical Plan twenty-two (22) cents per hour; commencing on the first anniversary of this Agreement contribute twenty-nine (29) cents per hour for each hour worked for all workers covered by this Agreement. In the event the cost of providing Plan benefits in effect or approved as of May 1, 1977, or approved thereafter by the Board of Trustees of the Plan, shall exceed total hourly contributions and investment income received by the Plan within a given time period, the Company shall increase its hourly contributions to the Plan. Said cost shall include both benefits payments and administrative expenses connected therewith. Where the actuarial consultants to the Board of Trustees of the Plan calculation, and where said cost less said investment income exceeds twenty-two (.22) cents per hour, the Company shall increase its hourly contributions upon notice from the Plan to the amount said cost less said investment income exceeds twenty-two (.22) cents per hour, rounded up to the nearest one-half cent.

Contributions due shall be deposited with such bank as designated by the Administrator of the Plan. Said deposits shall be made or mailed not later than the twentieth day of the month (thirtieth day for the first three months after the date of execution of this Agreement) following the ending date of the previous month's payroll period. A summary report in accordance with Article 29 shall be remitted to the Plan at such address as designated by the Administrator of the Plan.
The Company shall, commencing with the effective date of this Agreement, contribute to the Juan De La Cruz Farmworkers Pension Plan eighteen (0.18) cents per hour for each and every hour worked by each and every worker covered by this Agreement.

In accordance with Article 29, the monies and a summary report shall be remitted to the Plan at such address as designated by the Administrator of the Plan.
ARTICLE 28. MARTIN LUTHER KING FUND

The Company acknowledges the existence of the Martin Luther King Fund and its responsibility to make contributions thereto, as provided in this Article 28. Commencing as of the effective date of this agreement, and continuing for the duration of the contract, the Company shall contribute to the Martin Luther King Fund for each hour worked by all workers covered by this Agreement, six (6) cents per hour. Expenditures or investments of contributions shall be solely restricted to those charitable and educational purposes for which federal tax exempt status has been granted to the Fund. The contributions shall not be expended to the detriment of the Company. The Martin Luther King Fund shall obtain and maintain federal tax exemption and all contributions by the Company shall be deductible under the Internal Revenue Code.

In accordance with Article 29, the monies and a summary report shall be remitted to the Fund at such address as designated by the Administrator of the Fund.
ARTICLE 29. REPORTING ON PAYROLL DEDUCTIONS AND FRINGE BENEFITS

All contributions due hereunder on fringe benefit plans shall be computed on the preceding monthly payroll period for every worker covered by this Agreement. In conjunction therewith, a monthly summary report will be submitted on or before the twentieth of every month (thirtieth day for the first three months after the date of execution of this Agreement) covering the preceding monthly payroll for which contributions for fringe benefits are due. The monthly summary report shall include the employees' names, social security numbers, total hours worked by workers, total number of workers and amount of contributions.

ARTICLE 30. BULLETIN BOARDS

The Company will provide one bulletin board placed at a central location in each area of major operations upon which the Union may post notices of Union business.
ARTICLE 31. 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 land leveling, custom land work, precision planting, agricultural chemicals and where specialized equipment not owned by the Company is required.

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

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

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

C. No subcontracting shall be done where the intent of the Company is to deprive workers in the bargaining unit from performing work.

D. Company shall notify the Union in advance of any subcontracting.
ARTICLE 32. LOCATION OF COMPANY OPERATIONS

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

ARTICLE 33. MAINTENANCE OF STANDARDS

The Company agrees that all conditions of employment for workers relating to wages, hours of work and general working conditions shall be maintained at no less than the highest standards in effect during 1976. Conditions of employment shall be improved wherever specific provisions for improvement are made elsewhere in this Agreement.

The Union and the Company agree that during the negotiations which resulted in this Agreement they have fully negotiated and agree to the terms of the Company's contributions to the Robert F. Kennedy Farmworkers Medical Plan, that said terms of contribution as set forth herein sets forth the Company's total obligation in respect to medical plans and that therefore the obligations of this Article 33 do not extend to any medical plan maintained by the Company prior to this Agreement.
ARTICLE 34 MECHANIZATION

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

ARTICLE 35. NEW OR CHANGED OPERATIONS

In the event a new or changed operation (new or changed classification) is installed by the Company, the Company shall set the wage or piece rate in relation to the classification and rates of pay in Appendix A and shall notify the Union before such rate is put into effect. Whether or not the Union has agreed to the proposed rate, the Company may put the rate into effect after such notice. In the event such rate cannot be agreed upon mutually between the Union and the Company, the same shall be submitted to the grievance procedure, including arbitration for determination beginning at the Second Step. Any rate agreed upon or as determined by the arbitrator shall be effective from the installation of such new or changed operation.
ARTICLE 36. MODIFICATION

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

ARTICLE 37. SAVINGS CLAUSE

In the event any portion of this Agreement shall become ineffective as the result of any applicable local, state or federal law, only that portion of this Agreement so affected shall be ineffective; in no event shall the fact that a portion of this Agreement be not applicable or illegal in accordance with such laws render the remainder of this Agreement ineffective or work a termination.
ARTICLE 38. SUCCESSOR CLAUSE

A. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns. Successors and assigns for the purpose of this article applies to a sale or other transfer of the business and ownership of the Company.

B. Effective as of said sale or transfer, Company shall be relieved of all further responsibility or liability under this Agreement, and such buyer or transferee shall thereupon be liable hereunder.

C. A sale of assets, either in whole or in part, which does not involve continuation of the workers of the Company to operate such sold or transferred business or assets shall not be subject to Section A of this Article.

By this Article, the parties seek to define contractual rights and do not waive any statutory rights.
ARTICLE 39. WAIVER

The parties agree that this Agreement, and all other documents executed contemporaneously herewith, constitute the entire agreement between them governing wages, hours and conditions of employment of the workers covered hereby, during the term hereof, and settles all demands and issues on all matters subject to collective bargaining. The Union is not relying upon any negotiations, representations or promises other than as specifically set forth herein. Accordingly, Union and Company expressly waive the right during the term of this Agreement to demand negotiations upon any subject matter, except as provided in Article 35, whether or not such subject matter has or has not been raised or discussed by either party during the negotiations leading up to the execution of this Agreement.
ARTICLE 40. GENERAL

A. Captions in this Agreement are inserted for convenience only and do not define, describe or limit the scope or the intent of this Agreement or any of the terms hereof.

B. When used in this Agreement and whenever the context so requires the masculine gender shall include the feminine and neuter genders, the singular number shall include the plural, and vice versa.

C. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
ARTICLE 41. COST OF LIVING ALLOWANCE

A. Cost-of-Living Allowance shall apply to all workers herein covered under this Agreement.

This Cost-of-Living adjustments herein provided shall be based on the Consumer Price Index—United States City average for Urban Wage Earners and Clerical Workers (1967=100), published by the Bureau of Labor Statistics hereinafter referred to as the CPI.

B. For each six (.06) tenths of a point by which the Index for January of 1981 exceeds the index for January of 1990, wages shall be increased by adding .01 to the job base rate up to a maximum of fifteen (.15) cents of any worker's base wage as of.

Any such wage adjustment made as a result of an increase in the Index shall become effective on

C. Such COLA adjustment shall be added into the current rate of pay paid for all hours, wages and related benefits for which workers receive pay from the Company, such as overtime, vacations and holidays, etc.

D. If the CPI falls below the Base set forth in this Article there shall be no Cost-of-Living adjustment.
E. No adjustment, retroactive or otherwise, shall be made in pay or benefits as a result of any revision which later may be made in the published figures for the CPI for any month on the basis of which the cost-of-living calculation has been determined.

F. The cost-of-living allowances are dependent upon the availability of the Bureau of Labor Statistics' CPI in its present form and calculated on the same basis as the CPI. In the event the Bureau of Labor Statistics changes the form or the basis of calculating the CPI, the Company and the Union agree to request the Bureau to make available, for the life of this Agreement, a CPI in its present form and calculated on the basis as the Index for December, 1978 (1967=100).
ARTICLE 42:
INJURY ON THE JOB:

If a worker is injured on the job and medical attention by a physician is required, the Company agrees to pay such worker's wages for the balance of the day of the injury. Provided, however, that the worker shall be required to return to work on that day if released to do so by the attending physician. If the worker is required to return to work by the physician, at the Company's discretion, he may be assigned another job position and be compensated at his rate or the new job's rate, whichever is higher, for the balance of that day.
This Agreement shall be in full force and effect from November 1, 1980 to and including July 31, 1982. This Agreement shall automatically renew itself upon expiration of this Agreement unless either of the parties shall have given notice in writing to the other party sixty days prior to the expiration, requesting negotiations for a new agreement. During this sixty day period all terms and conditions of this Agreement shall remain in full force and effect.

The effective date of this Agreement with respect to wages shall be retroactive to 11/1/80 and the effective date of this Agreement with respect to all other articles shall be retroactive to 11/1/80.

Executed on 11/1/80

COMPANY:
S.K.F. FARMS, INC.

[Signature]

UNION
UNITED FARM WORKERS OF AMERICA, AFL-CIO

[Signature]
APPENDIX "A"

Wages

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Piece Rates

**Lettuce**

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APPENDIX B

_________________________________

(COMPANY)

AND

UNITED FARM WORKERS OF AMERICA, AFL-CIO

TO: ___________________________ DATE: ______________

_________________________

WORKER SOCIAL SECURITY NO: ____________

_________________________

SENIORITY DATE: ____________

NOTICE OF RECALL

In accordance with the provisions of Article 4 of the Agreement between ______________________ and the United Farm Workers of America, AFL-CIO, you are hereby given official notice of recall for re-employment as a ______________________

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

The exact starting date is subject to change and shall be confirmed by mail or or about __________. In the event you are not planning to be at your present mailing address, you may obtain this exact starting date by telephoning the Company's office on or after ____________.

Remember to bring your Social Security card on the date you report to work.

Failure to respond to this recall will result to your loss of seniority under ARTICLE 4, Section 3-3.