Labor Agreement

By and Between

Brede, Inc.

and

Twin City Display Division of

United Foods and Commercial Workers
Union Local 653

April 1, 2016

to

April 1, 2020

Contract #001739
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THIS AGREEMENT, made and entered into this first (1\textsuperscript{st}) day of April 2016, by and between \textit{Brede, Inc.} of Minneapolis, Minnesota, hereinafter known as the \textit{Employer}, and \textit{Twin City Display Division of Local 653}, chartered by the United Food and Commercial Workers International Union, hereinafter referred to as the \textit{Union}.

\textbf{ARTICLE I: Union Security and Cooperation}

1.1 It is the intent and purpose of the parties hereto that this Agreement will promote and improve the industrial relationship between the Union, the Employer and its employees.

1.2 \textbf{Cooperation:} The Union agrees to cooperate to minimize absenteeism and lateness, to prevent waste and destruction and to enforce the terms of this Agreement. The Union further agrees to assist the Employer in enforcing reasonable rules and regulations governing the conduct of employees. The Union and the Employer agree that any infraction of the Employer’s rules may constitute just cause for discharge, subject to the provisions of the grievance machinery contained herein.

1.3 Employee(s) means all workers covered by this Agreement whether male or female; the use of masculine pronouns or job title that could denote sex shall mean all employees.

1.4 The Employer recognizes the Union as the sole collective bargaining agent for all of the employees, hereinafter set forth, employed by the Employer.

1.5 The unit represented by the Union shall include regular full-time employees of the Employer’s convention department, excluding janitorial, carpenters, sign painters, office clerical, sales, art department and supervisory employees as defined in Section 2 of the Labor Management Act of 1947 as amended.

1.6 Where permitted to be required by State Law, it shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union on the effective date of this Agreement shall remain members in good standing and those who are not members in good standing on the effective date of this Agreement shall, on the thirtieth (30\textsuperscript{th}) day following the effective date of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and employed on or after its effective date on or after the thirtieth (30\textsuperscript{th}) day following the beginning of such employment and remain in good standing in the Union. For the purpose of this section, the execution date of this Agreement shall be considered as its effective date. The Union will defend and save the Employer harmless from any claim arising out of actions taken by the Employer pursuant to demands made by the Union under the provision of this Article.

1.7 The Union shall have the right to appoint a Steward whose duties shall be to check
Union Cards and report irregularities to the Union Office. In no instance shall the Steward be discriminated against for discharging such duties, provided such duties do not interfere with the regular performance of his/her work for the Employer, or interfere with the operation of the business.

1.8 Checkoff: Upon receipt from an employee of a duly executed and legally proper authorization assignment, the Employer agrees to deduct from the pay of such employees established monthly dues, initiation fees and uniformly levied assessments as specified by the Union to the Employer. Such monies deducted shall be remitted to the Financial Secretary of the Union on a monthly basis.

The Union agrees that there shall be no liability on the part of the Company for the collection of any unpaid dues which may be due the Union from the employee, who because of absence from work or termination of employment, has no wages payable to him/her at the regular time for dues collections. The Union shall indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken by the Company in reliance upon certified lists furnished to the Company by the Union or dues check-off authorized cards furnished to the Company by the Union or by the employee; or for the purpose of complying with any of the provisions of this paragraph.

**ARTICLE II: No Strike No Lockout**

2.1 The Union will not call or sanction any strike or concerted activity such as sit downs, slow downs or other action which will stop or interfere with production nor will the Employer lock out any or all of its employees during the term of this Agreement. However, a complete or partial reduction of operations by the Employer for economic reasons or other compelling business reasons shall not be considered a lockout.

2.2 In the event there is a strike and/or picketing involving another Employer, employees will continue to work until such time as Local 653 is able to:

1. Verify the strike has been approved by the UFCW International Union;
2. Determine that the strike is a bona fide primary strike and not a secondary boycott or informational picket line;
3. Notify an officer of the Employer that it has made such a determination and the facts on which the determination was based.

2.3 Only after the Union has notified the Employer, as required in Paragraph 2.2, of the existence of a primary strike may the individual Employees covered by this Agreement exercise their right to either cross or refrain from crossing such picket lines.

2.4 The Employer, upon being notified by the Union of the existence of a bona fide primary strike, may poll its Employees in order to determine if any are willing to
cross the picket line.

**ARTICLE III: Grievance / Arbitration Procedure**

3.1 In accordance with the No Strike / No Lockout provisions of this Agreement, the parties recognize that the prompt and expeditious handling and disposition of grievances is greatly to be desired and both parties agree to devote their best efforts to the expeditious handling and settlement of any grievance that may arise in accordance with the following provisions.

3.2A **Defined:** A grievance is a dispute, claim or complaint arising under and during the term of this Agreement, and shall consist only of grievance about the interpretation or application of particular sections of this Agreement and about violations of the Agreement.

3.2B First-year apprentices for their first six (6) months of employment will not have the grievance procedure available to them. First-year apprentices for their first six (6) months of employment will not be subject to the Just Cause requirement in Article 4.1.

3.3 **Procedure:**

**Step 1:** The employee and his/her steward, if desired by the employee, shall discuss the grievance with his/her supervisor within three (3) working days of the occurrence of the grievance.

**Step 2:** Any grievance not resolved by Step 1 may be processed further by reducing said grievance to writing and presenting same to the C.E.O. within five (5) days after the occurrence of the incident giving rise to the grievance. The parties will then meet and attempt to resolve the grievance.

**Step 3:** In the event a satisfactory settlement is not reached in Step 2, the controversy shall be referred to the State of Minnesota Bureau of Mediation and Conciliation Service within ten (10) calendar days. If the grievance is not resolved in this step, it may be referred to Step 4 of the grievance process.

**Step 4:** In the event that the grievance is not resolved in Steps 1, 2 or 3, it may be submitted to arbitration by either party, provided that the grieving party files for arbitration within and no later than twenty (20) days after the completion of the mediation process. Filing is defined as the grieving party making a written request of the Federal Mediation and Conciliation Service to furnish a list of at least five arbitrators.

3.4 **Time Limits:** Failure to follow the time limits of the grievance procedure shall render
a grievance untimely for the Union, the Employer and the grievant(s), which grievance shall be forfeited and not subject to arbitration, unless such time requirements are specifically extended by written agreement.

3.5 Arbitration:

A. The parties shall reduce the list of arbitrators by the commonly accepted procedure of "alternate striking of the names".

B. The arbitrator shall have no right to require any party or employee to perform acts not required by this contract by law.

C. There shall be no appeal of the arbitrator's decision. The arbitrator's decision shall be final and binding on the Union, its members, and the Employer.

D. The fees and expenses of the arbitrator as well as the expenses incurred, if any, relative to meeting place for the arbitration hearing shall be shared by the parties.

E. City, State and/or Federal Agencies will have primary jurisdiction over claims of unlawful discrimination. Therefore, in the event such claims are made, the grievance procedure will be followed up to but not including arbitration, unless otherwise mutually agreed to in writing by the parties.

F. Settlement of Charges: In the event discrimination charges are filed against the Employer, and the Employer, in order to settle such charges, enters into a settlement Agreement with a City, State or Federal Agency, such settlement Agreement will take precedence over any provisions of this Agreement. Further, if the Employer litigates said charges, the outcome of the litigation will be binding upon all parties and will take precedence over any provisions of this Agreement.

ARTICLE IV: Discharge

4.1 The Employer shall not discharge or discipline employees without just cause and shall warn an employee in writing at least once of any offense or series of offenses which, if continued or repeated, will be considered to be grounds for suspension and/or discharge. Upon request of the employee, copies of all written warnings will be provided by the company to the Union and/or the Union's Chief Steward. Warning notices are not reviewable under the provisions of the grievance and arbitration provisions of this Agreement. However, Employees will be given the opportunity to protest the issuance of the warning and give their reasons why they feel it is inappropriate.

First year apprentices in their first six (6) months of employment will not be subject to the just cause requirement for discharge or discipline. First year apprentices in
their first six (6) months of employment who receive any type of warnings, suspensions, or notice of discharge will not be able to have these charges reviewed under the grievance and arbitration provisions of this agreement.

4.2 Notwithstanding the provisions of Section 4.1 of this Article as pertains to written warnings, no pre-discharge warnings shall be required if the cause for discharge are of serious nature. Examples of this are falsification of any Company documents; dishonesty in any form; insubordination; physical or verbal violence or abuse directed toward any other person; unauthorized use, theft, or willful destruction of Company property or other property located on the Employer’s premises or job site; or use of, possession of or being under the influence of controlled substances unlawfully and/or alcohol, while on Company time or property. Such offenses shall be considered cause for immediate discharge.

4.3 Failure to maintain a valid commercial driver’s license to drive company vehicles will immediately result in pay reduction of one (1) classification for the duration of the time the employee is not properly licensed. If after one year the employee still does not have a commercial driver’s license, the employee will be immediately terminated.

ARTICLE V: Pay Periods

The employer agrees to set up and maintain a regular pay day. At the Employer’s option, it may establish a bi-weekly pay period. If the Employer elects to do this, the Employer will make any correction in paychecks within two (2) days.

Effective with the signing of this contract, the pay week will run from 12:01 a.m. Saturday to 11:59 p.m. on Friday.

ARTICLE VI - A: Health and Welfare

The Employer agrees to pay the jointly trusted Health and Welfare Trust Fund, known as the Minneapolis Retail Meat Cutters and Food Handlers Health and Welfare Fund, on behalf of all journeyman and third and 4th year apprentices on the seniority list, as of April 1, 2016, the sum of $193.80; as of April 1, 2017, the sum of $210.65 as needed; as of April 1, 2018 the sum of $220.65 as needed, and as of April 1, 2019 the sum of $230.65 as needed. If the contribution exceeds this amount, the contract may be reopened for the purpose of employee contribution.

The Employer agrees to pay the jointly trusted Health and Welfare Trust Fund, known as the Minneapolis Retail Meat Cutters and Food Handlers Health and Welfare Fund, on behalf of all first and second year apprentices on the seniority list, as of April 1, 2016 the sum of $90.90; as of April 1, 2017 the sum of $116.89 as needed; as of April 1, 2018 the sum of $126.89 as needed; and as of April 1, 2019 the sum of $136.89 as needed. If the contribution exceeds this amount, the contract may be reopened for the purpose of employee contribution.
The Employer will maintain contributions to the Health and Welfare Fund at the following contribution schedule at no cost to the employees except for the following: The third year Health and Welfare increase (April 1, 2018) and the fourth year Health and Welfare increase (April 1, 2019) are subject to the clause in the second paragraph of Article VI-A: Health and Welfare—The April 1, 2018 Health and Welfare increase, if over $.25 (twenty-five cents) per hour based on a 40-hour week, will be taken from the third year increase in wages. The April 1, 2019 Health and Welfare increase, if over $.25 (twenty-five cents) per hour based on a 40-hour week, will be taken from the fourth year increase in wages. If the contribution needed for Health and Welfare in either the third or fourth year exceeds $.25 (twenty-five cents) and the increase in wages agreed upon above, the contract may be reopened by the Company for the purpose of employee contribution.

Contributions for new employees will not be paid until the first of the month following a full thirty (30) days on the seniority list. For the purposes of this Article only, first and second year apprentices will receive individual coverage.

The Employer further agrees to promptly execute and be bound by the existing Trust Agreement or joinder Agreement covering the aforesaid Fund and the amendments thereto.

ARTICLE VI - B: Health and Welfare

Each third year apprentice through master journeyman will be entitled to create a “bank” of up to three hundred sixty (360) hours, which may be used by the employee to maintain required hours for health benefits. Each December 1, the bank will be restored to three hundred sixty (360) “banked” hours for each employee to use that following twelve (12) month period.

Each first and second year apprentice will be entitled to create a “bank” of up to two hundred forty (240) “banked” hours, which may be used by the employee to maintain required hours for health benefits. Each December 1, the bank will be restored to two hundred forty (240) “banked” hours for each employee to use that following twelve (12) month period.

The “bank” will be used to maintain at least thirty (30) hours for each third year apprentice through master journeyman.

Upon termination, the “bank” is voided:

ARTICLE VII: Vacations

Each full-time employee shall receive a paid vacation of: one (1) week after one (1) year of employment, two (2) weeks after three (3) years of employment, three weeks after nine (9) years of employment, four (4) weeks after fifteen (15) years of employment, five (5) weeks after twenty (20) years of employment, using the employee’s anniversary date to determine years of employment. The vacation year will be from January 1 through December 31 of
each calendar year. Vacation will be forty (40) hours per week. In order to qualify for vacation, an employee must work one thousand (1,000) hours in the previous anniversary year.

Master Journeyman (as defined in 12.5 i) will receive for each week of vacation at least forty (40) straight time hours of pay. If their total numbers of hours worked during their previous year divided by fifty-two (52) is greater than forty (40) hours, the hours in excess of forty (40) times the number of weeks due will be paid to them in the form of U.S. EE bonds with a face value equal to the amount due. Hours worked include actual hours worked and hours paid for holidays.

First year apprentices do not get a vacation. Second year apprentices through journeyman will receive forty (40) hours of straight time pay for each vacation week earned.

No employee, in any classification, will be paid any vacation unless they work 1,000 hours in the previous year. If an employee is out on worker's compensation, that time will be paid as eight hours a day, up to forty (40) hours a week towards this qualification.

Vacation shall be taken prior to December 31 of each year.

Given the unpredictable nature of the employee's business, vacations may only be scheduled at times mutually agreeable to the Employee and the Employer. The Employer will provide a form on which Employees will make their requests and their supervisors can indicate their approval.

ARTICLE VIII: Union Leave

An employee with at least one (1) year of seniority who is elected or appointed to a full-time Union office shall be granted a leave of absence for the term of such appointment, to a maximum of 30 days per year. Temporary leaves of absence to attend state or national conventions shall be granted to all Executive Board members and elected delegates of the Union. Leaves of absence for Executive Board members for Union business will be granted as needed. Such members shall give their Employer a minimum of one (1) weeks' notice (except Union emergencies), stating the starting and ending time for such leave.

The Employer shall not be required to give a leave for more than one (1) employee from each unit.

ARTICLE IX: Union Officials

The Employer agrees to permit duly accredited representatives of the Union to visit his shop, establishment, or establishments, job or jobs, at any time during, before or after working hours, provided they call first, whenever reasonably possible, and do not interfere with production.

It is agreed that the Union Steward, the Business Agent of the Union, or its authorized officers, shall be the only ones recognized by the Employer as being authorized to act on,
or in behalf of said Union, in any matter whatsoever under the terms of this Agreement. The Acts, Declarations or conduct of any persons other than the Union Steward, Business Agent, or the elected officers, whether performed or made with respect to said Union or not, shall not be considered to be the Acts of any Agent, or officers of said Union, and their acts shall not be binding upon said Union, nor shall they form the basis of liability of any nature whatsoever on the part of said Union.

ARTICLE X: Separability and Savings

Nothing contained in this Agreement is intended to violate any Federal, State, and/or Municipal Law, rule or regulations made pursuant thereto. If any part of this Agreement is constructed to be in violation, then that part shall be made null and void, and the parties agree that they will, within thirty (30) days, begin negotiations to replace said void part with a valid provision.

ARTICLE XI: Duties, Classifications, Work Rules

10.1 All of the following work shall be performed by employees covered by this Agreement:

   a. The hanging of all decorations where permitted.

   b. Setting and dismantling of all prefabricated displays, hanging of drapes, setting of all convention booths, placement of all furniture and fixtures at conventions, meetings, fairs, sales meetings, exhibits and product presentations.

   c. The handling of customer billing and other administrative duties only as the Employer may deem necessary.

   d. Other duties shall consist of proper handling and storing of all equipment and supplies within the warehouse. This will include the cleaning and maintenance of furniture, rugs and other equipment which is used in this type of work.

   e. The incidental handling of freight at show sites and in the warehouse.

   f. Local 653 will not have the exclusive right to haul decorating equipment.

10.2 Classifications**

   a. **Foreman:** Ability to read floor plans and layout booths. Set up shows. Collecting and billing on out-of-town jobs. Load their own loads. Assume responsibility of each job. Once designated the foreman of a job, s/he will be permitted to finish that job (i.e.: s/he cannot be bumped off the job by someone with greater seniority). A foreman assigned to crews of five (5) or
more employees shall receive an additional one dollar ($1.00) per hour. Foreman assigned to crews of ten (10) or more employees shall receive an additional one dollar and fifty cents ($1.50) per hour. A foreman assigned to crews of twenty-five (25) or more shall receive an additional two dollars and fifty cents ($2.50) per hour.

b. **Master Journeyman:** Ability to read floor plans and layout booths. Set up shows. Collecting and billing on out-of-town jobs. Load their own loads. Journeymen shall be paid according to Wage Schedule A.

c. **Apprentices:** They shall be permitted to perform any duties they are qualified for. Apprentices shall be paid according to Wage Schedule A.

d. i. **Drapery Employees:** Handle and maintain drapery
   d1. The company agrees to maintain one (1) full-time employee in department.

ii. **Rug Room Employees:** All rug room employees

iii. **Panel Systems Employees:** Employees handling panel systems

10.3 **Posting of Job Openings:** When any position becomes available, it shall be posted by the employer. All qualified employees will be eligible to bid for the position. The position will remain posted for a one (1) week period.

**ARTICLE XII: Labor / Management Committee**

11.1 A labor/management committee shall meet when necessary, at either party's request. Representatives from management, union employees, and a union representative will meet to discuss issues directly related to but not limited to the following examples:
   - Improving Communication
   - Training
   - Safety and Health Issues
   - Product Quality Control
   - Improving Employee Knowledge and Skill
   - Job Design
   - Equipment/Protection of Company Equipment

11.2 The Union shall also be allowed to appoint a Chief Steward of the entire shop.

**ARTICLE XIII: Hours**

12.1 Employees shall receive a fifteen (15) minute rest period in each five (5) hour shift as close to the middle of the five (5) hour shift as possible. Employees shall be entitled to a fifteen (15) minute break for any overtime over two (2) hours in each
five (5) hour shift. Employees shall punch the time clock at the start of the day, end of the day, and meal breaks. Employees shall respect fifteen (15) minute coffee breaks. If they abuse it, the time clock will be reinstated.

12.2 In the event employees are told to report to work and are not put to work, they shall receive a minimum of four (4) hours pay. In the event employees are recalled to work, they shall be guaranteed four (4) hours work or pay in lieu thereof. The Employer shall be exempt from the four (4) hour guarantees set forth above where there is a complete stoppage of work and the Employer has not directly or indirectly caused this stoppage and is not paid for it. No employee is guaranteed more than one four-hour minimum per day. This does not mean that the employees would not be scheduled for more than one job per day.

12.3 When employees are sent out of town to work, they will receive in addition to regular rates of pay, transportation, plus hotels, meal and business expenses.

12.4 There shall be no duplicating or pyramiding of overtime or premium pay.

12.5 Employees will be placed in three (3) classifications for purposes of overtime:

i. **Master Journeymen as of 04/01/96**: Overtime at the rate of time and one-half (1½) will be paid for all hours worked in excess of eight (8) hours per day, and for any hours worked before 6:00 a.m. or after 4:30 p.m. or on Saturday. Double time will be paid for any hours worked on Sundays. No employees will be added to this group.

ii. Journeyman and present employees as of April 1, 2008: Journeyman and present employees who become journeymen will be paid overtime at the rate of time and one-half (1½) for all hours in excess of eight (8) hours per day and forty (40) hours per week; also for all hours worked before 6:00 a.m. or after 4:30 p.m., and for hours worked on Saturday and Sunday. Any new employee added to the list of journeymen after April 1, 2008 will be paid time and one-half (1½) for all hours worked in excess of eight (8) hours per day and forty (40) hours per week, and also all hours worked on Saturday or Sunday.

iii. **All employees added to the seniority list after April 1, 2000**: Will be paid time and one-half (1½) for all hours worked in excess of eight (8) hours per day or forty hours per week and all hours worked on holidays.

Drapery and Rug Room employees may agree to a different start time (with permission of the Employer) but will not receive overtime or premium time (whichever applies) unless they work in excess of the hours required by their class of employment.
ARTICLE XIV: Holidays

13.1 First and second year apprentices are eligible for five holidays: Christmas Day, Thanksgiving Day, Labor Day, Memorial Day and one floating holiday. All other employees shall be paid for the following holidays, or days celebrated as such: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Eve Day, Christmas Day, and one additional holiday called a floating holiday, taken on a mutually agreed upon day between employee and management. If called to work on any of the above days, the employee shall be paid in addition to holiday pay, two (2) times the regular hourly rates provided. First and second year apprentices: If called to work on any of the above five holidays, time and one-half (1½) the regular hourly rates provided.

13.2 In order to be eligible for holiday pay, an employee must work the scheduled work day preceding, and the scheduled day following such holiday, unless employee is ill on that day as evidenced by a physician’s report to be promptly supplied to the Employer. In order to be eligible for holiday pay the preceding and following “scheduled work days” must be within seven (7) calendar days of the holiday, except for the Christmas Day holiday which will be paid to all regular employees. If an employee is on vacation during a holiday week, his/her eligibility shall be determined by the scheduled work days for the seven (7) days preceding the start of or following the vacation period.

ARTICLE XV: Seniority

It is agreed that tenure of employment shall be based on seniority. Said seniority shall be figured from the starting date of their most recent continuous employment with the Employer. Overtime work shall be apportioned according to seniority, job requirements, and physical ability.

However, employees that, because of their seniority, were able to refuse to work on a job, may not later bump into that job in order to get overtime. Where there are no qualified and/or physically able employees volunteering for overtime work, the Employer may require employees, by reverse seniority, to complete the work.

Further, all employees whose classification includes driving Company vehicles must maintain driving records that are acceptable to the Employer’s insurance carrier. In the event the insurance carrier finds an employee’s record unacceptable, the employee will have the option to either pay any additional premium or take another position with the Employer, based on his/her qualification.

Employees who progress to the 4th year apprentice will not become journeyman or master journeyman except at the sole discretion of management. Management agrees that there will be a minimum of ten (10) journeymen during the duration of this agreement. All journeymen made after April 1, 1996 will be paid in accordance with Article 12.5 ii. No employee hired after April 1, 1996 will ever be paid under Article 12.5 i.
The Drapery Room and the Rug Room will each maintain their own seniority list. Current workers in the Rug Room may elect to be on the Brede “Display” seniority list, or to remain on their present list. The election must be made within one (1) week of signing this contract.

No future names will be added to these seniority lists.

All employees who drive any Company vehicle must have timely substance testing as required by the Department of Transportation.

**ARTICLE XVI: Wages**

See Schedules “A” and “B” hereto.

**ARTICLE XVII: Pensions**

16.1 The Employer agrees to maintain for the life of this Agreement the established program administered by UFCW Unions and Employers Midwest Health and Pension Fund at the following contribution schedule. It is also understood that the contribution for each employee in the pension plan is capped at 2,080 hours per calendar year, after which no further contributions to the fund are required.

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Employees hired after April 1, 2012:

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16.2 The Company agrees to remit the contributions to the office of the Fund which is located at 1300 Higgins Road, Suite 300, PO Box 1114, Park Ridge, Illinois 60068-7114, and to make such remittance not later than the tenth (10th) day of the month following the month in which the work was performed.

**ARTICLE XVIII: Medical Leave**

In case of accident, injury, pregnancy or illness which renders the employee unable to work, an automatic leave of absence shall be granted for the period of time that the employee is judged by a certified medical authority to be physically unable to work, up to a maximum leave not to exceed 60 days per year.

The Employer reserves the right to require certification by a medical authority of an employee’s physical capability of returning to work.
ARTICLE XIX: Funeral Leaves

In the event of a death in the family--father, mother, wife, husband, brother, sister, son, daughter, father-in-law, mother-in-law, daughter-in-law, or son-in-law--a regular employee shall be entitled to a maximum of three (3) days off with pay to attend the funeral.

In the event of a death in the family of a grandparent, a regular employee will be entitled to one day off with pay to attend the funeral.

Employees are not eligible for Funeral Leave until they complete their six month probation period.

ARTICLE XX: Sick Pay

The Employer shall pay employees six (6) days sick pay per contract year, except first and second year apprentices. First and second year apprentices are not eligible for sick pay.

Each day of sick leave will be paid for on the basis of eight (8) hours straight time pay at the applicable hourly rate. Sick pay will apply to employees who have worked over one thousand (1,000) hours in the previous anniversary year.

Sick leave will be paid to eligible employees beginning on the third (3rd) working day of absence due to sickness or accident except where the employee is hospitalized prior to that date, when it will be paid beginning the date of the hospitalization.

Each contract year, employees not using up all their sick pay will be permitted to carry up to a maximum of twenty-five (25) of their sick days into future contract years. Employees may elect to be paid “½” day’s pay for each day of sick pay accumulated over twenty-five (25) days. No “½” payments may be claimed until an employee has twenty-five (25) days accumulated in his/her “sick bank”, and the payment may be claimed only for days in excess of the regular twenty-five (25) day “bank”. Upon termination, the “bank” will be paid to the employee at ½ days per day accumulated.

ARTICLE XXI: Management Rights

The Company shall maintain its vested and exclusive right to manage the business in all matters not expressly limited in this Agreement and then only to the extent limited.

ARTICLE XXII: Past Practice and Supplemental Agreements

By virtue and because of new management direction and efforts and further because of redrafting of the basic labor Agreement, it is understood that day-to-day changes in operations and production will be occurring as management moves toward a more efficient operation. Such changes and other management actions will conform with and respect the language of the new contract, but will not be confined or limited in any way by past practice or supplemental/side Agreements that may have existed prior to this contract. It is the intent of this contract to create a tiered wage structure.
ARTICLE XXIII: Collective Bargaining Clause

The parties acknowledge that during the negotiations which resulted in the Agreement, each party had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at between both parties after the exercise of this right and opportunity are set forth in this Agreement. Therefore, the Company and the Union, for the life of this Agreement, each waive the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to, or covered in this Agreement, or with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subjects or matter not specifically referred to or covered in this Agreement, even though such subjects or matters may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement. Since it is understood that this Agreement covered all provisions pertaining to wages, hours and working conditions of all employees, it is agreed that other subjects shall not be the subject of collective bargaining during the terms of this Agreement, unless otherwise indicated by the written of both parties.

ARTICLE XXIV: Duration

This contract shall be effective from April 1, 2016 through midnight April 1, 2020, at which time it shall automatically renew itself from year to year, provided, however, that either party may give to the other party not less than sixty (60) days notice, in writing, prior to the expiration date of April 1, 2020 or to annual renewal date of its intention to change or terminate said contract.

It is further agreed that this contract may be reopened for further negotiations with respect to matters concerning competition for comparable work being performed in the local area. Notice to reopen must be made to the union in writing at least thirty (30) days prior to the reopening.

By: [Signature]
Date: 4-20-16

By: [Signature]
Date: 4-14-16

[Company Name]
[Union Name]

[Title]
[Title]
**Schedule A**

All employees in all classifications will receive the following wage increases:

<table>
<thead>
<tr>
<th>Date</th>
<th>Master Journeyman</th>
<th>Journeyman</th>
<th>4th Year Apprentice</th>
<th>3rd Year Apprentice</th>
<th>2nd Year Apprentice</th>
<th>1st Year Apprentice</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 1, 2016</td>
<td>$25.65</td>
<td>$25.95</td>
<td>$24.15</td>
<td>$21.35</td>
<td>$20.35</td>
<td>$19.35</td>
</tr>
<tr>
<td>April 1, 2017</td>
<td>$25.95</td>
<td>$25.95</td>
<td>$24.45</td>
<td>$21.65</td>
<td>$20.65</td>
<td>$19.65</td>
</tr>
<tr>
<td>April 1, 2018</td>
<td>$26.25</td>
<td>$26.25</td>
<td>$24.75</td>
<td>$21.95</td>
<td>$20.95</td>
<td>$19.95</td>
</tr>
<tr>
<td>April 1, 2019</td>
<td>$26.60</td>
<td>$26.60</td>
<td>$25.10</td>
<td>$22.30</td>
<td>$21.30</td>
<td>$20.30</td>
</tr>
</tbody>
</table>

First, second, third year will progress to the next classification only after working 1,500 hours in their respective classifications. Fourth year apprentices will progress to apprentice journeyman at the sole discretion of the management. Journeyman will progress to master journeyman at the sole discretion of management.

**Schedule B**

<table>
<thead>
<tr>
<th></th>
<th>04/01/16</th>
<th>04/01/17</th>
<th>04/01/18</th>
<th>04/01/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drapery Room Employees</td>
<td>$ .50</td>
<td>$ .30</td>
<td>$ .30</td>
<td>$ .35</td>
</tr>
</tbody>
</table>

Current Rug Room employees who are being paid above contract rate will receive:

<table>
<thead>
<tr>
<th></th>
<th>04/01/16</th>
<th>04/01/17</th>
<th>04/01/18</th>
<th>04/01/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rug Room</td>
<td>$ .50</td>
<td>$ .30</td>
<td>$ .30</td>
<td>$ .35</td>
</tr>
</tbody>
</table>

In no case will Rug Room employees progress above the fourth year apprentice rate of pay.

<table>
<thead>
<tr>
<th></th>
<th>04/01/16</th>
<th>04/01/17</th>
<th>04/01/18</th>
<th>04/01/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drapery Employees</td>
<td>$15.54</td>
<td>$15.84</td>
<td>$16.14</td>
<td>$16.49</td>
</tr>
<tr>
<td>Panel Employees</td>
<td>$16.89</td>
<td>$17.19</td>
<td>$17.49</td>
<td>$17.84</td>
</tr>
<tr>
<td>Rug Room</td>
<td>$19.89</td>
<td>$20.19</td>
<td>$20.49</td>
<td>$20.84</td>
</tr>
</tbody>
</table>
Schedule C

First and Second Year Apprentices:
Should be able to:
1. Drive company vehicles
2. Operate forklift
3. Do city desk jobs

Third Year Apprentices:
Should be able to:
1. Read floor plans
2. Set displays
3. Mark floors without supervision

Fourth Year Apprentices:
Should be:
1. Capable of leading small crews in an efficient manner.

Journeymen and Master Journeymen:
Should be able to:
1. Lead larger crews (over 12 men) in an efficient and responsible manner.
Letter of Understanding

A. Any employee on light duty assignment will be paid at one level less than his or her normal rate of pay for the duration of the light duty.

B. Persons requesting a day off must notify the Operation’s Manager by 9:00 am the day prior to the day being requested. The senior employee shall be granted the day off if possible. The company reserves the right to deny any or all requests.

C. Every seniority list employee (except 1st and 2nd year apprentices) will be entitled to sixteen (16) personal days (non-vacation) off per calendar year (January 1st through December 31st) which may be taken (subject to classification and not including foreman) on days when all UFCW Local 653 seniority members are not working. Persons requesting a day off must notify the operations manager by 9:00 a.m. the day prior to the day being requested and fill out the form currently being used (Thursday 9:00 a.m. for Friday and the weekend days). The employee shall be granted the day off if possible. The company reserves the right to deny any or all requests.

D. Uniform Clause: The Employer agrees that if any employee is required to wear any kind of uniform as a condition of continued employment, such uniforms will be provided, free of charge (except shorts), at the standard required by the Employer and on a year round basis. A uniform may include: long pants, shirts and/or a jacket. If the Employer requires any part of the uniform to be worn on a year round basis, then shorts (purchased by the employee) will be allowed from June 1st through September 15th. It is expressly understood that no employee may wear shorts unless they are approved by the Operations Manager beforehand and that no cut-offs or dungarees will be allowed. Blue khaki or Docker shorts will be tried for the first year along with shirts issued by the Employer. It is expressly understood that shorts will not be allowed to be worn if a uniform or any part of a uniform is not required by employer.

The Employer and the Union intend to cooperate fully in administering this Article. This section shall be subject to renegotiation at the end of each contract year and shall be continued only upon the mutual agreement of the Employer and the Union.