

Workers United
And
Levi Strauss and Company
North American Agreement
And
Local Agreements
Canton, Jackson, MS
Hebron, Hebron, KY
Sky Harbor, Henderson, NV
2016 - 2019

**Canton, MS
Addendum**

LEVI STRAUSS & COMPANY
and
WORKERS UNITED

Canton, Mississippi

June 1, 2016 - May 31, 2019

TABLE OF CONTENTS

LOCAL CANTON AGREEMENT	1
Local Addendum.....	1
Article 1 COVERAGE AND RECOGNITION	2
1.1 Coverage.....	2
1.2 Administrative Requirements.....	2
1.3 Bulletin Board	2
1.4 Union Representative Access.....	3
1.5 Bargaining Unit Work	3
Article 2 CHECK-OFF.....	4
2.1 Deductions.....	4
2.2 Indemnifications.....	4
Article 3 NON-DISCRIMINATION	4
Article 4 SENIORITY AND REDUCTION	
IN FORCE.....	5
4.1 Probationary Period	5
4.2 Departments	5
4.3 Temporary Layoff	6
4.4 Short Term Layoff	6
4.5 Long Term Layoff	10
4.6 Job Bidding	13
4.7 Medical Screening Upon Transfer	15
4.8 Termination of Seniority	15
4.9 Temporary Supervisors	16
Article 5 HOURS OF WORK.....	16
5.1 Notification of Change in Shift Schedules	16
5.2 Overtime & Overtime Pay Rate	17
5.3 Pyramiding	18
5.4 Overtime Notification	18

5.5	Lunch and Rest Periods	19
5.6	Voluntary Overtime Weekday to Weekend	20
5.7	Trained and Qualified	21
Article 6	GRIEVANCE PROCEDURE.....	22
6.1	Definition	22
6.2	Procedure.....	23
6.3	Resolution.....	24
6.4	Extension.....	24
Article 7	ARBITRATION.....	24
7.1	Submission	24
7.2	Arbitrator Selection.....	25
7.3	Arbitrator Authority.....	25
7.4	Non-Arbitrability.....	26
7.5	Extensions	26
Article 8	DISCIPLINE AND DISCHARGE	26
8.1	Just Cause.....	26
8.2	Union Representation.....	26
8.3	Administrative Requirements.....	27
8.4	Discharge Grievances.....	27
Article 9	LEAVE OF ABSENCE.....	27
9.1	Placement after Leave of Absence.....	27
9.2	Leave of Absence Education.....	28
Article 10	HOLIDAYS.....	28
10.1	Recognized Holidays	28
10.2	Eligibility and Pay Rate	28
10.3	Vacation Effect	29
10.4	Work Performed on Holiday	30
10.5	TOPP in Lieu of Pay for Holidays Outside of Work Schedule	30

Article 11	VACATION.....	31
11.1	TOPP Objectives	31
11.2	Eligibility	31
11.3	Payment	32
11.4	Vacation Scheduling	33
11.5	Vacation Cancellations	33
Article 12	ATTENDANCE POLICY.....	34
Article 13	LOCAL PAY ISSUES.....	39
13.1	Bereavement Pay	39
13.2	Shift Differential	40
13.3	Temporary Transfer	40
13.4	Permanent Transfer	41
13.5	Restricted Duty Pay	41
13.6	Jury Duty	42
13.7	Step Progression Increases	42
13.8	New Jobs	43
Article 14	MAINTENANCE APPRENTICE PROGRAM.....	43
Article 15	EMPLOYEE INVOLVEMENT AND TASK FORCES.....	44
Article 16	SEPARABILITY.....	45
Article 17	FLEX TIME.....	45
Article 18	TERM OF AGREEMENT.....	46
	Signature Page.....	47
	ADDENDA.....	48
	Examples of Work Performed on Holidays.....	48

Side Letters..... 48

Cross Training 50

Warehouse Coordinators and Profile Clerk Seniority 51

Warehouse Coordinators and Profile Clerk Pay..... 52

Religious Observance..... 53

LOCAL CANTON AGREEMENT

Local Addendum

THIS AGREEMENT, made and entered into by and between LEVI STRAUSS & CO., (hereinafter referred to as the “Company”) and Workers United (hereinafter referred as the “Union”). Agreements on certain terms and conditions of employment were reached at the 2015 North American Negotiations. The Agreement from these negotiations is incorporated by reference into this Addendum and it shall supersede and be controlling over the Local Addendum on the subjects covered therein, unless otherwise noted.

WHEREAS, it is the intent and purpose of the Company and the Union that this agreement shall promote and improve industrial and economic relationships between the Company and its employees and set forth provisions with respect to wages, hours of work, and conditions of employment covering employees of the Company, and

WHEREAS, it is expected that the representative of both parties to this agreement shall represent in the shop and in all the dealings the cooperative spirit of the Addendum and shall be leaders in promoting that amity and spirit of good will which it is the purpose of this instrument to establish.

NOW, THEREFORE, in consideration of the mutual agreements of the parties hereinafter set forth, the Company and the Union agrees as follows:

Article 1
COVERAGE AND RECOGNITION

1.1 Coverage

The Company recognizes the Union as the exclusive collective bargaining agency for all Warehouse Clerical, Warehouse Production and Maintenance/Technical Service employees at the Company's Customer Service Center, located 501 Denim Way, Canton, Mississippi, but excluding Office Clerical Employees, Technical and Professional Employees, Confidential Employees, Guards, and Supervisors as defined in the National Labor Relations Act, as amended.

Further, for these employees permitted under NRLB law to organize and bargain, the Company agrees they will be permitted to do so as a separate bargaining unit, separate and apart from Warehouse Clerical, Warehouse Production and Maintenance/Technical Service employees.

1.2 Administrative Requirements

The Company shall inform the Union weekly of all new employees hired and employees who are terminated and the reasons therefore. The Company agrees to make available to the Union such payroll and production records as the Union may reasonably require as the collective bargaining agent. Each six (6) months into this Agreement the Company shall provide to the Union a seniority list of employees in the bargaining unit. In addition, the Company shall post such a list at the beginning of each contract year.

1.3 Bulletin Board

The Company agrees that the Union may post non-objectionable notices of Union business on the bulletin board. Except

for notices of regular and special membership meetings, education classes, notices of internal union elections and results of said elections, the CSC Director shall approve all other notices. The CSC Director shall not unreasonably reject such notices.

1.4 Union Representative Access

Union representatives shall have access to the working areas of the warehouse during normal working hours for the purpose of investigating grievances and working conditions and assuring that the provisions of this Agreement are being carried out. It is understood that such representatives, before entering the working areas, shall advise the CSC Director or his representative of his intention to enter the working areas. Access to the working areas shall not unduly interfere with production. At the conclusion of any such visit, the Union representative shall meet with the CSC Director or his representative to discuss the results of the visit.

Should it be necessary for a union steward to investigate a grievance immediately because the facts may disappear, said steward in such an event may clock out with supervisory approval and proceed with said investigation.

1.5 Bargaining Unit Work

Supervisors do not normally perform bargaining unit work. Exceptions to this principle could include:

- a. For brief periods of time to determine operating characteristics of equipment or processes;
- b. When necessary for instruction and training;
- c. To avoid interruption of operations caused by circumstances requiring immediate action. Such circumstances could include unforeseen employee absenteeism, tempo-

rary production imbalance, and unusual operating conditions.

Nothing contained herein shall be interpreted so as to permit work performed by supervisors to reduce the size of the bargaining unit or deny a bargaining unit employee the opportunity to perform bargaining unit work.

Article 2 **CHECK-OFF**

2.1 Deductions

In the manner and to the extent permitted by law, the Company agrees to deduct at such intervals as may be agreed upon by the parties, from the wages of each of its employees who are members of the Union and who have authorized same, the prescribed dues or service fees equal in amount to the dues and initiation fees and to remit the same to the Union. Each authorization shall be in writing, signed by the employee, and shall be delivered by the Union to the Company.

2.2 Indemnification

The Union agrees that it will indemnify and save the Company harmless from any and all claims, suits, judgments, attachments and from any other form of liability as a result of making any deduction in accordance with the foregoing authorization and assignment.

Article 3 **NON-DISCRIMINATION**

Neither the Company nor the Union shall discriminate in any manner whatsoever against any employee or applicant for employment

because of race, color, religion, age, sex, national origin, Veteran status, marital status, sexual orientation, disability or perceived disability, or membership or non-membership in any labor organization. The use of masculine and feminine genders or titles in this Agreement shall be construed as including both genders.

Article 4

SENIORITY AND REDUCTION IN FORCE

**(This Article is a North American subject as to general terms, and Local as to terms so specified)
(U.S. only except as specified)**

4.1 Probation Period

Any newly hired employee shall be considered a trial employee for the initial employment period of sixty (60) calendar days. The company may upon notice to the Union (which notice shall include the reason therefore) extend such period for an additional thirty (30) day period. The Company in its sole discretion may discharge such trial employee and such discharge shall be not subject to the arbitration provisions set forth in the Agreement. If such employee is retained in the employment of the Company longer than said trial period, such employee shall be considered a regular employee and his or her plant seniority shall date back to the last date of hire. Seniority shall be determined by the length of continuous service with the Company.

4.2 Departments

Departments for purposes of the Article shall be Receiving, Sorter Induction, Flex Pack, Shipping, Inventory, Product Integrity, Technical Services, and Retail Departments.

The Warehouse Coordinator job classification will be assigned by department. The Product and Profile Clerk job classification will be placed in the Inventory department.

In no event may an employee displace a qualified employee with more seniority.

4.3 Temporary Layoff

Temporary layoff is defined as a time period of fourteen consecutive calendar days or less.

Should the Company determine that it is necessary to lay off employees due to lack of work, employees may be laid off daily as may be required by job and by shift and within each department according to seniority of employees involved in the affected job, provided that any employee who continues to work during such a period must be able to perform the available work. In such an event and should a regular employee remain in layoff status for more than one (1) complete work shift (one complete day), said employee may displace a contracted labor employee or the least senior trial employee within the department, provided that the regular employee can immediately perform the production and accuracy requirements of the job. The parties shall recognize the option of taking volunteers for temporary layoff where practical and shall endeavor to accommodate volunteers from that classification on other shifts provided the remaining employee is able to perform the work at straight time. Recall shall be by plant seniority within the affected job classification.

4.4 Short Term Layoff

Short term layoff is defined as any layoff that is expected to last or lasts more than fourteen calendar days and less than forty-five days in duration.

Should an employee be subject to a short term layoff due to workload fluctuation, the following guidelines will be used.

1. First, employees without seniority shall be terminated. Next, more senior employees, whose jobs are identified by the Company as being affected by the short term lay-off, may exercise their seniority by displacing the least senior employees within their own department regardless of shift. The employees so displaced from the department may exercise their bargaining unit seniority by displacing the least senior employee in the bargaining unit, provided that any employee who so exercises such displacement action demonstrates that the minimum standards of the new job are performed within the qualifying period. The qualifying period shall be no more than ten (10) working days for all functions with the exception of Inventory Validation Clerk, Lot Management Clerk, Technical Services, Warehouse Coordinator and Product & Profile Clerks. In the aforementioned jobs, the employee must have had prior experience in the job and must be able to immediately perform the job responsibilities in order to exercise any displacement rights. Should an employee exercising displacement rights fail to satisfactorily perform the minimum standards of the job duties within the qualifying period, such employee shall be laid off and placed on the recall list and the employee previously occupying the job shall be returned to the job.
2. Any employee, displaced from their permanent job function as the result of short term layoff shall be reassigned to his former job on his shift in reverse order of layoff should a vacancy in said job on said shift occur, unless said employee voluntarily bids and is awarded another permanent job in which case the employee shall relinquish reassignment eligibility. Should an employee not

accept reassignment to his former job on his former shift, such an act shall be considered a voluntary quit.

3. An employee who is laid off due to a short term layoff procedure set forth above shall be placed on the recall list in order of seniority. At the time of lay-off said employees shall declare for jobs to which they desire to be recalled. As regular vacancies occur they shall be filled in accordance with the following procedures:
 - a) Displaced employees shall be reassigned in accordance with the paragraph 2, above;
 - b) Should there be no such displaced employees, the job shall be posted and bid;
 - c) The vacancy shall be awarded to the most senior qualified and eligible employee who either bid or declared for the vacancy.

Laid off employees may modify any declaration as long as such modification occurs prior to the occurrence of the vacancy. Should an employee not accept a declared for vacancy, for which he is qualified and eligible, such an act shall be considered a voluntary quit. Should an employee be assigned a regular vacancy by virtue of declaration, the employee shall opt to either accept the position as a job bid award or accept the position as a declaration job and retain reassignment eligibility.

In the event that more than one job is vacant that a senior person has declared for, then said employee will have an option to select from those vacancies.

In the event of a short term layoff within a department where employees from another department who possess reassignment eligibility are working in jobs obtained by

declaration, said employee shall be returned to the recall list before employees regularly assigned to the department exercise their displacement rights under Paragraph 1, above.

In the event that a temporary vacancy occurs while there are employees in recall status, such temporary vacancy shall be offered to employees who have declared for such jobs. An employee who is assigned a temporary vacancy by virtue of his declaration shall still maintain his reassignment eligibility. In the event that there are no employees available on the recall list via declaration, the junior qualified employee on the recall list will be assigned the temporary vacancy and maintain his reassignment eligibility. In the event that there are no employees on the recall list who are qualified for the temporary vacancy, it may be offered as temporary employment to a newly hired employee.

4. Should a regular vacancy remain unfilled because no employee bids for or declares for the job, the least senior physically qualified employee on the recall list shall be assigned the vacancy. Should such an employee refuse recall to a job on the shift to which the employee has reassignment rights, such an act shall constitute a voluntary quit.

Should such an employee refuse recall to such a job on some other shift, said employee shall forfeit the right to obtain that job on that shift through bid or recall for a period of six (6) months. An employee recalled under the provisions of paragraph 4 shall opt to either accept the position as a job bid award or accept the position as a declaration job and retain reassignment eligibility.

5. An employee absent for any reason shall have the same rights and privileges as any other employee during short term layoff. Such an employee who desires to retain short term layoff rights and privileges shall leave sufficient job preference information with the Human Resources Office prior to the absence. The employee will be given a copy of such written job preference information. Should an employee not provide such information, the employee will be assigned the job of the least senior employee in the “absent employee” department, subject to the qualifications and seniority of the absent employee.

4.5 Long Term Layoff

Long term layoff is defined as any layoff that is expected to last or lasts more than forty-five calendar days in duration.

Should an employee be subject to a long-term lay-off due to workload fluctuation, the following guidelines will be used:

1. First, employees without seniority shall be terminated. Next, more senior employees, whose jobs are identified by the Company as being affected by a long term lay-off, may exercise their seniority by first displacing the least senior employees within their department, regardless of shift. The employees so displaced by said lay-off, of said department, may exercise their bargaining unit seniority by displacing the least senior employee in the bargaining unit, provided that any employee who so exercises such displacement action demonstrates that the minimum standards of the new job are performed within the qualifying period. The qualifying period shall be no more than ten (10) working days for all jobs with the exception of Inventory Validation Clerk, Lot Management Clerk, Technical Services, Warehouse Coordinator, Product & Profile Clerks and Hostler. In the aforementioned jobs,

the employee must have had prior experience in the job and must be able to perform the job responsibilities within ten (10) working days in order to exercise any displacement rights. The Technical Services Department shall be excluded from the displacement activity of other departments and shall not displace other departments. Should an employee exercising displacement rights fail to satisfactorily perform any portion of the job duties within the qualifying period, such employee shall be laid off and placed on the recall list and the employee previously occupying the job shall be returned to the job.

2. An employee who is laid off due to the job elimination procedure set for above shall be placed on the recall list in order of seniority. At the time of lay-off said employees shall declare for jobs to which they desire to be recalled. As regular vacancies occur they shall be filled using the job bidding procedures of the Agreement except that job-bidding restrictions shall be waived.

Laid off employees may modify any declaration as long as such modification occurs prior to the occurrence of the vacancy. Should an employee not accept a declared for vacancy, for which he is qualified and eligible, such an act shall be considered a voluntary quit.

In the event that more than one job is vacant that a senior person has declared for, then said employee will have an option to select from those vacancies.

In the event that a temporary vacancy occurs while there are employees in recall status, such temporary vacancy shall be offered to employees who have declared for such jobs. In the event that there are no employees available on the recall list via declaration, the junior qualified employee on the recall list will be assigned the temporary

vacancy. In the event that there are no employees on the recall list who are qualified for the temporary vacancy, it may be offered as temporary employment to a newly hired employee.

3. Should a regular vacancy remain unfilled because no employee bids for or declares for the job, the least senior physically qualified employee on the recall list shall be assigned the vacancy. Should such an employee refuse recall to a job on the shift from which the employee was laid off, such an act shall constitute a voluntary quit.

Employees on layoff, when provided the declaration sheet, will update home/ mailing address, phone number, & e-mail address. Employees must indicate at this time which way they wish to be notified, when the opportunity arises to be recalled. Employee has seven (7) days to respond and ten (10) days (including the seven) to return from the time of contact. If employee does not respond within the specified time from which contact is made, this will be considered a voluntary quit.

4. An employee absent for any reason shall have the same rights and privileges as any other employee during long term layoff. Such an employee who desires to retain long term layoff rights and privileges shall leave sufficient job preference information with the Human Resources Office prior to the absence. The employee will be given a copy of such written job preference information. Should an employee not provide such information, the employee will be assigned the job of the least senior employee in the “absent employee” department, subject to the qualifications and seniority of the absent employee.
5. Just prior to and before the expiration of twelve (12) months on layoff status, an employee on the recall list

shall have the right to displace the least senior employee in the warehouse, who is not in Warehouse Coordinator or technical services position. Should such an employee fail to qualify for such vacancy, time worked in an effort to qualify shall not re-establish additional recall rights.

4.6 Job Bidding

It is agreed that should a vacancy occur on a regular job, such vacancy shall be posted on the bulletin board for a period of forty-eight (48) hours. On certain vacancies which require special job related aptitudes, employees may be required to demonstrate that they possess the required aptitudes to qualify for such vacancies. Should an employee successfully bid from another job to the above-described vacancy, then the vacancy in the second job shall be posted if the Company is not experiencing a major change in operations. Any additional vacancy may not be posted. Interested employees must sign their name, current job and clock number on the notice if they want to bid for the vacancy.

An employee must be employed for a least six (6) months to be eligible to bid. In all job bidding instances referenced, any discipline will continue according to the applicable policies, agreements and practices.

An employee shall not be eligible to bid if awarded a bid within the previous six (6) months unless one of the following apply:

1. The bid is for a job of a higher or less classification.
2. The bid is for a new job (newly created).
3. The bid is for a job that is an additional headcount to the current staffing of a department.
4. The bid is for a job on a different shift.

A bid shall be considered awarded once the employee is advised that he is the successful bidder.

Employees on Leave of Absence or Layoff may be notified of the posting of a regular vacancy provided such employee identifies those jobs for which he wishes to be considered. Rules and procedures contained above will otherwise apply.

The most senior employee who meets the eligibility requirements of the preceding paragraph, above, and who meets the reasonable qualifications of the vacancy described above shall be the successful candidate provided the candidate may be required to demonstrate that he possesses the physical capabilities to satisfactorily perform the requirements of the vacancy by successfully completing a physical examination. During the initial period of twenty-five (25) work days on the new job or operation, should the candidate be unsatisfactory, such candidate shall be assigned a job of a similar nature as is reasonable to accommodate. Following the job bid award, should the employee desire not to be assigned the awarded job; the employee will be reassigned to his former job.

Following the job-bid award, the successful bidder will have up to three (3) working days in the new job to decide whether to accept it. Should operational needs prevent three (3) full workdays in the new job, the employee, the Supervisor and the Union Steward of the new department will meet and arrange a schedule to ensure that the employee has an adequate opportunity to try the new job. Should the employee desire not to be assigned the awarded job, he/she will be reassigned to his/her former job.

An employee can exercise the “trial period” option in this Local Agreement (“successful bidder will have up to three (3) working days in the new job to decide whether to accept it”). Employees can exercise one (1) three day trial period every

six (6) months – thus twice a year; however, if this employee exercises a three day trial period and does not accept the job, that employee will not be allowed to exercise a three day trial for one (1) calendar year. This employee is still allowed to bid when one of the four items listed above applies.

4.7 Medical Screening Upon Transfer

Prior to an employee being permanently or temporarily transferred for more than fifteen (15) working days to a job with substantially different physical demands or to a job requiring substantial physical exertion, the Company may require the employee to successfully complete a medical screening. For such screening, the employee may choose from physicians selected by the Company from Physician's Directory included in the Managed Choice Plan. Should an employee being permanently transferred not successfully complete the medical screening, the employee shall be placed in lay-off status subject to recall when another appropriate job or operation is vacant.

4.8 Termination of Seniority

It is agreed that all local agreements in all Workers United facilities shall provide for loss of seniority after twelve (12) calendar months in lay off status.

An employee's seniority shall terminate when he:

- a) Voluntarily resigns;
- b) Fails to return to work on the date and time specified following a period of lay-off;
- c) Fails to return to work on the date and time specified upon the expiration of an approved leave of absence;
- d) Is absent for three (3) consecutive days without notifying the Company;
- e) Is terminated for just cause;

- f) Is in lay-off status in excess of twelve (12) months or for an employee with less than twelve (12) months of seniority, upon completion of a period of lay-off equal to the total period of continuous service since the employee's last date of hire;
- g) Completes the seasonal work for which he was hired, for an employee who was hired for seasonal workload fluctuations;
- h) Retires from the Company.

4.9 Temporary Supervisors

Employees may be temporarily promoted to supervisory positions outside the bargaining unit. Should such an employee be returned to the bargaining unit within six (6) months of appointment, the employee will be placed into his previous job with full seniority rights. Such employees shall have the right to return to their former jobs at any time during the appointment. Further, such appointments will only be made to satisfy operating requirements. The Parties may jointly agree to extend such temporary assignments beyond six (6) months.

Article 5 **HOURS OF WORK**

5.1 Notification of Change in Shift Schedules

The Company will provide at least thirty (30) days notice of a change in shift schedules, except in unforeseen circumstances.

When a new schedule is implemented, the Company agrees to make reasonable accommodation for employees requesting accommodation during the transition to the new schedule to address personal issues.

Shift rotation may be discussed under 5.1 #7 of the North American Agreement.

5.2 Overtime & Overtime Pay Rate

Employees on the eight (8) hours a day, forty (40) hours a week schedule, shall be compensated at the overtime rate of one-and-one-half times the regular rate of pay or average hourly earnings for the week, whichever is greater, for all hours worked, in excess of eight (8) hours in any one (1) work day, and one-and-one-half times their regular rate of pay or average hourly earnings for the week, whichever is greater, for all hours worked on their sixth (6th) day, and shall be paid twice their regular rate of pay or average hourly earnings for the week, whichever is greater, for all hours worked on their seventh (7th) day of their regularly scheduled work week. Any scheduled overtime in excess of ten (10) hours will be considered voluntary unless there are special operating needs.

Employees on the ten (10) hours a day, forty (40) hours a week schedule, shall be compensated at the overtime rate of one-and-one-half times the regular rate of pay or average hourly earnings for the week, whichever is greater, for all hours worked, in excess of ten (10) hours in any one (1) work day, and one-and-one-half times their regular rate of pay or average hourly earnings for the week, whichever is greater, for all hours worked on their fifth (5th) day, and shall be paid twice their regular rate of pay or average hourly earnings for the week, whichever is greater, for all hours worked on their sixth (6th) day or seventh (7th) day of their regularly scheduled work week. Any scheduled overtime in excess of ten (10) hours will be considered voluntary unless there are special operating needs.

Employees on the twelve (12) hours a day, thirty-six (36) hours a week schedule, shall be compensated at the overtime

rate of one-and-one-half times the regular rate of pay or average hourly earnings for the week, whichever is greater, for all hours worked, in excess of twelve (12) hours in any one (1) work day, and one-and-one-half times the regular rate of pay or average hourly earnings for the week, whichever is greater, for all hours worked on their fourth day, and shall be paid twice their regular rate of pay or average hourly earnings for the week, whichever is greater, for all hours worked on their fifth (5th), sixth (6th), or seventh (7th) day of their regularly scheduled work week. Any scheduled overtime in excess of twelve (12) hours will be considered voluntary unless there are special operating needs.

An employee on an eight (8), ten (10) or twelve (12) hours a day schedule shall also be compensated at the overtime rate of one-and-one-half times the regular rate of pay for all hours worked outside of the employee's regular work schedule.

5.3 Pyramiding

No time worked shall be paid for at an overtime-premium rate more than once.

5.4 Overtime Notification

Employees assigned to work overtime shall be obligated to perform said work in the same manner and to the same extent as they are required to perform work on regular time, provided employees receive reasonable notice of required overtime. Absent unusual circumstances, reasonable notice is defined as the employee's lunch break for required daily overtime. For overtime required prior to the start of the shift the next schedule workday reasonable notice is defined as prior to the end of the shift.

For overtime outside of the scheduled work week notice shall be as follows:

- Prior to the end of the shift on the 4th regular workday for required overtime on the 6th or 7th day for a 5 day work schedule.
- Prior to the end of the shift on the (3rd) regular workday for required overtime on 5th, 6th, or 7th workday for a 4 day work schedule.
- Prior to the end of the shift on the second (2nd) regular workday for required overtime on the 4th, 5th, 6th or 7th day for a 3 day work schedule.

The Company agrees that the above notice posted for work outside the regular work week will state the specific hours to be worked on such days.

The Company may revise such scheduled hours, but such revisions will not occur later than 2:00 p.m. on:

- The 5th workday for a 5 day work schedule.
- The 4th workday for a 4 day work schedule.
- The 3rd workday for a 3 day work schedule.

Should overtime be scheduled, the parties agree that preference shall be given to the employees regularly employed on the job or operation working overtime, and insofar as is practicable, the seniority of the employees involved in the overtime work shall be observed.

5.5 Lunch and Rest Periods

For employees on the eight (8) hours a day, forty (40) hours a week schedule, the Company will grant each employee a fifteen (15) minute rest period in the first half and a fifteen (15) minute rest period in the second half of each work shift. The

break in the second half of each work shift shall commence no later than one-and-one-half (1 ½) hours prior to the end of such shift. The lunch period shall not be less than one-half (1/2) hour and shall not be deemed time worked. Should an employee be scheduled to work two (2) or more hours of overtime, such an employee will receive an additional fifteen (15) minute rest period.

For employees on the ten (10) hours a day, forty (40) hours a week schedule, the Company will grant each employee rest periods equal to two fifteen (15) minute rest periods and one ten (10) minute rest period. The parties will agree on the times for these rest periods. The lunch period shall not be less than one-half (1/2) hour and shall not be deemed time worked.

For employees on the twelve (12) hours a day, thirty-six (36) hours a week schedule, the Company will grant each employee rest periods equal to three fifteen (15) minute rest periods. The parties will agree on the times for these rest periods. The lunch period shall not be less than one-half (1/2) hour and shall not be deemed time worked.

On a scheduled six (6) hour day the Company will grant each employee two (2) rest periods of fifteen (15) minute periods. On modified five (5) or four (4) hour day, the Company will grant each employee one (1) rest period of fifteen (15) minutes.

The actual times for lunches and rest periods for the new 10 hours a day and 12 hours a day schedules will be determined near the time the parties implement the new schedules.

5.6 Voluntary Overtime Weekday to Weekend

The Union and the Company agree to offer Weekend Shift overtime. The Company may offer the weekday shifts the overtime in ½ shift increments (6 or 5 hours). Employees may

volunteer and indicate their preference for either ½ shift based on seniority. Employees may sign up for both ½ shifts and work the full shift if there are insufficient volunteers based on seniority and availability. Junior employees from the shift shall be required to work the shifts if there are insufficient volunteers.

Weekend employees may volunteer to work up to two additional hours on the weekend shift if the work is needed and the workstations are available.

Scheduling of Overtime:

1. Current sign-up sheets will remain the same.
2. The selection process will be as follows:
 - Volunteers will be selected in the classification regardless of shift.
 - Trained and qualified volunteers from the dept. which the classification is being selected.
 - Approved trained and qualified employees from outside the classification and dept. who have volunteered.
 - If volunteers do not fill the requirement needed then the work will become mandatory and the least senior employee in the job classification within the department regardless of shift will be assigned.
 - The selection process listed above will take into consideration the agreements regarding work schedules.
3. Employees who sign up must accept the assignment.
4. This agreement will supersede any previous agreements not covered in the current CBA.

5.7 Trained and Qualified

The Company and Union agree to establish and maintain a listing of employees qualified to perform duties outside of their home department.

The company will solicit such employees by posting a voluntary signup sheet which will be reviewed by the LSC to determine the employee's eligibility. If the LSC determines the employee to be qualified, the employee will be considered to be eligible for any and all hours of work.

For those positions requiring use of powered equipment an employee must additionally have a powered equipment license prior to being considered for out of class work by the LSC.

Employees who participate will be required to achieve an eighty (80) percentage of the production standard. Employees will be evaluated over a 4 week period to determine if further training or disqualification is needed. At the request of either party, the LSC will review this process.

Article 6

GRIEVANCE PROCEDURE

(This Article is a North American subject as to general terms, and Local as to terms so specified)

6.1 Definition

For purposes of this Agreement, a grievance is defined as a dispute between the parties as to the Company's interpretation or application of the provisions of the Agreement. It is the aim of this Article to bring such grievances to a speedy and peaceful resolution. Any grievance reduced to writing shall include the specific provision of this Agreement alleged to have been violated and shall include the remedy sought. Failure to include the provision violated and remedy sought shall result in the grievance not being accepted and being returned to the originator for correction of the failure and if resubmitted within twenty-four (24) hours of its return, the grievance shall be deemed to be timely. Once a written grievance is accepted, it may not be modified.

6.2 Procedure

Should a grievance arise, resolution shall proceed in accordance with the following steps:

Step 1: The aggrieved employee shall present his grievance orally to his supervisor within two (2) working days of the occurrence or knowledge of the event which gives rise to the grievance. At the election of the employee and the Union Department Steward, the Union Department Steward may be present. The supervisor shall respond orally to the grievance immediately, if possible, but not later than one (1) working day following the discussion with the employee. Should the supervisor's answer not resolve the grievance, then:

Step 2: Only within the time period of five (5) working days following the answer in Step 1 may the grievance be carried to Step 2 and in the following manner. The grievance shall be reduced to writing and submitted to the Process Leader (or his designated representative) who shall then meet with the Chief Steward and the aggrieved employee within five (5) working days following receipt of the written grievance to attempt resolution. The Process Leader (or his designee) shall respond to the grievance, in writing, within three (3) working days following said meeting. If the grievance is not settled at this step, then:

Step 3: Only within the time period of five (5) working days following the receipt of the Step 2 answer may the grievance be appealed to Step 3 and in the following manner. Provided the appeal takes place within five (5) working days, the CSC Director (or his designated representative), and the International Representative of the Union and the chief Steward shall meet within thirty (30) calendar days of the appeal and attempt settlement. The grievant may be present at said meeting to present his case. The griev-

ant may remain for the entire grievance meeting only by mutual agreement between the Parties. Should the grievance not be resolved, the CSC Director shall respond to the grievance in writing within five (5) working days of the Step 3 meeting.

6.3 Resolution

Should a grievance be resolved at either Step 2 or Step 3, the resolution shall be reduced to writing and signed by both representatives.

6.4 Extension

The time limits set forth above may be extended only by mutual agreement of the parties.

Article 7 ARBITRATION

7.1 Submission

Only those grievances which involve an alleged violation of a provision of his Agreement or an allegation that this Agreement has not been properly interpreted or applied may be carried beyond the Grievance Procedure into Arbitration under this article. No grievance shall be subject to arbitration unless the full requirements of the grievance procedure have been satisfied. Should a grievance not be resolved through the grievance procedure then it may, upon request of either the Company or the Union, be submitted to an impartial arbitrator for a decision provided that written notice of intent to arbitrate is provided by one party to the other within fifteen (15) working days of receipt of the Company's written answer at the last step of the grievance procedure. Failure to comply with this

fifteen (15) working day requirement shall bar arbitration of the grievance. Any such written notice shall include the specific article and paragraph of this Agreement alleged to have been violated and the remedy sought by the party filling the arbitration action.

7.2 Arbitrator Selection

If the name of an impartial arbitrator cannot be agreed upon by the parties within five (5) working days of the receipt of the notice of intent to arbitrate, the grieving party shall petition the federal Mediation and Conciliation Service within one (1) working day and the arbitrator shall be chosen from a list of seven (7) names submitted by the Federal Mediation and Conciliation Service. The selection of the arbitrator shall proceed with the party filing the arbitration action striking a name from the list, then the other party striking a name and then, alternately each party striking a name until one (1) name remains, which name shall be designated the impartial arbitrator. Failure of the grieving party to make timely petition to the Federal Mediation and Conciliation Service or failure of one of the parties to cooperate in making the selection of an arbitrator within thirty (30) calendar days following receipt of the Federal Mediation and Conciliation Service list shall result in forfeiture of the grievance to the other party.

7.3 Arbitrator Authority

The arbitrator thus chosen shall decide the grievance and his decision and award shall be final and binding on all the parties. The arbitrator shall have no authority to alter, add to, or ignore the terms negotiated into this Agreement and he shall not substitute his judgment for that of the Company. The arbitrator shall be limited to finding the facts and to applying those facts to the terms of the Agreement and he shall not add meanings to this Agreement that were not negotiated. Each party

shall bear its own cost, plus one half of the cost of the arbitrator and hearing room expenses.

7.4 Non-Arbitrability

Notwithstanding any of the provisions of this Article, any alleged violation by the Union of Article VIII of this Agreement shall not be subject to the grievance and arbitration provisions hereof.

7.5 Extensions

The time limits set forth above may be extended by mutual agreement of the parties.

Article 8

DISCIPLINE AND DISCHARGE

8.1 Just Cause

The Company may discipline or discharge an employee for just cause. Except for serious violations, including but not limited to theft, drinking of or under the influence of alcoholic beverages or drugs, fighting, and falsifying Company records, employees may be given an opportunity to correct said unsatisfactory behavior through the established progressive discipline procedure.

8.2 Union Representation

Prior to entering into discussions with an employee which may result in discipline, the employee shall be advised of his right to Union representation.

8.3 Administrative Requirements

Should an employee be disciplined or discharged, he shall be given, within twenty-four (24) hours of such discipline or discharge, the reason in writing for the discipline or discharge. A copy of the written reason shall also be provided the Union. Should it be necessary to mail the discipline notice, it shall be mailed by certified mail to the last known address of the employee.

8.4 Discharge Grievances

If an employee desires to protest his discharge as being not for just cause, he must file a grievance in Step 3 in writing within five (5) working days from the date of discharge and such grievance will be handled pursuant to the grievance and arbitration provisions of this Agreement.

In the event an employee has been discharged or disciplined without just cause such employee will be reinstated with or without back pay as may be determined by agreement or by arbitration.

Article 9 **LEAVE OF ABSENCE**

9.1 Placement After Leave of Absence

The parties have a mutual interest in placing a person in an available job, and if it is the same job that the employee vacated, then the employee will maintain his or her seniority, even if it is past the 90 days with no extension having been granted. The parties agree to discuss, on a weekly basis, any leave of absence that is nearing the 90-day mark, and any other leaves.

9.2 Leave of Absence Education

The Company shall provide annual leave education at an all employee meeting. The Company shall develop permanent posters that outline leave procedures and prominently post said posters in the employee cafeteria.

Article 10 **HOLIDAYS**

10.1 Recognized Holidays

Employees with sixty (60) days or more of service shall receive the following fixed holidays, irrespective of the day on which the fixed holiday falls:

New Year's Day	Thanksgiving Day
Martin Luther King Day	Friday after Thanksgiving Day
Good Friday	Christmas Eve Day
Independence Day (July 4)	Christmas Day

For employees on a Monday through Friday, 5 days a week, 8 hours a day schedule, should any of the above fixed holidays fall on Sunday, it shall be observed on the following Monday. Additionally for this group, should any of the above fixed holidays fall on Saturday, it shall be observed on the preceding Friday.

10.2 Eligibility and Pay Rate

The pay for each of the above fixed holidays that fall on a regularly scheduled work day, shall be four (4), eight (8), ten (10), or twelve (12) times each eligible employee's average hourly rate of pay or hourly rate of pay, depending upon each employee's work schedule. Holiday pay will be paid provided

employees work their scheduled workdays before, on and after such holiday. An otherwise eligible employee shall not be ineligible for holiday pay because of absence for the whole or partial day before or after a holiday if such absence is caused by:

- a. Lay-off by the Company within two (2) weeks before a holiday, or a lay-off by the Company commencing with the first scheduled work day after the holiday;
- b. Personal illness leave of absence, provided that the employee performs work on any day during the period of ten (10) working days prior to the recognized holiday;
- c. Serious illness in the immediate family (parent/legally appointed guardian residing with employee, spouse or child) or approved bereavement leave;
- d. Jury duty service;
- e. Personal illness substantiated to the satisfaction of the Company (a doctor's note is sufficient, but is not always necessary);
- f. Union leave.

The pay for fixed holidays that fall on a scheduled day off shall be eight (8) (10) ten, or (12) twelve times each eligible employee's average hourly rate of pay or hourly rate of pay, regardless of each employee's work schedule.

10.3 Vacation Effect

In the event that one (1) or more of the paid fixed holidays fall within an employee's vacation period, said employee shall receive, in addition to vacation pay, the holiday pay provided for above.

If one or more fixed holidays fall within a week for which an employee has scheduled all non-holiday days as vacation days, and the Company schedules work for the holiday(s) in

that week, the employee has the option to receive the holiday pay, not use TOPP and be excused from working the scheduled fixed holiday(s). The employee's absence will count toward the Department's 10% vacation cap.

10.4 Work Performed On Holiday

An employee required to work on any of the fixed holidays set forth above shall be compensated at straight time and be awarded credit to their TOPP bank of four, five, or six hours, depending upon each employee's work schedule (eight, ten, or twelve hour schedule, respectively), on the day after such holiday is worked. There shall be no pyramiding of TOPP credit time with overtime or other premium pay.

10.5 TOPP in Lieu of Pay for Holidays Outside of Work Schedule

Employees have the option to receive 8 hours of TOPP time in lieu of pay for holidays that fall outside of their schedule and are not worked if the following criteria are followed:

1. This applies only if the holiday falls outside the employee's schedule.
2. This applies only if you do not work on the scheduled holiday.
3. The default for compensation is 8 hours of pay and not 8 TOPP hours. TOPP will only be given if it is requested.
4. The TOPP request in lieu of pay must be done two weeks prior to the holiday to allow payroll enough time to process the request. It must be done on a standard agreed upon form. It must be turned into payroll where it will be time stamped and dated. The employee is responsible for maintaining a copy of the request.
5. If a request is made for TOPP hours in the bank rather than 8 hours of TOPP pay and the company deems that

day necessary as a day to work for the employee, the request is null and void.

6. The holidays fall where they are nationally recognized on a calendar basis.
7. The benefit will be either all TOPP time or all pay. There will be no combination of the two.

Article 11 **VACATION**

11.1 TOPP Objectives

To accommodate the new alternative work schedules, the parties have agreed to a new Time Off with Pay Program (“TOPP”) for scheduling paid time off. The objectives of TOPP are:

- To accommodate new alternative work schedules
- To provide employees the opportunity to better balance their working and personal lives
- To provide employees more flexibility in use of paid time off
- To provide employees the opportunity to manage their time off

11.2 Eligibility

Employees begin to accrue their paid vacation on the first month of employment. Probationary employees will accrue vacation hours but will not be allowed to use such hours until the completion of the probationary period. Employees who have completed their probationary period, upon termination, will be paid any unused accrued vacation. The list above reflects the days, (hours), of vacation awarded after the sen-

iority requirements are met, based upon each employee's anniversary date.

Employees will bank their vacation and floating holidays according to the schedule below, on the 1st day of the calendar month.

Effective June 1, 2016

Completed Years of Service (Based on each employee's anniversary date)	TOPP Bank Rate Per Month (Hrs)	Holiday Bank Rate Per Month (Hrs)	Total Bank Per Month (Hrs)	Bank Rate Per Year (Hrs)	TOPP Days Per Year	Floating Days Per Year	Total Days Per Year	Total Allowable Bank/Cap (Hrs)
0-1	2.67	0.67	3.33	40	4	1	5	None
2-4	6.00	0.67	6.67	80	9	1	10	120
5-14	9.33	0.67	10.00	120	14	1	15	180
15-24	12.67	0.67	13.33	160	19	1	20	240
25-29	13.33	0.67	14.00	168	20	1	21	252
30+	16.00	0.67	16.67	200	24	1	25	300

Each anniversary year an employee, with five (5) or more years of service, may elect to buy out up to forty (40) hours of the banked vacation, paid at their current hourly rate or average hourly rate of pay. An employee that has reached the cap amount above will cease banking vacation hours until their bank level falls below the cap by either requesting a pay out or using their banked vacation. In case of layoff, an employee may buy back one additional week.

11.3 Payment

Vacation pay for each week of vacation shall be computed at forty (40) times each employee's average hourly rate of pay.

Upon request, vacation checks shall be paid prior to the beginning of the scheduled vacation period if the Company can accommodate such requests.

11.4 Vacation Scheduling

The parties recognize that due to the impact that vacations have on operations, vacations will be scheduled with management approval and that seniority shall determine an employee's vacation time off rights during the initial vacation scheduling period. Thereafter, vacation time off will be scheduled with management approval as any such requests are made. Employee may request one call in vacation per month and the company shall approve within the 10% procedures.

Subject to the approval of the Company, employees shall have the option of requesting vacation in increments of one hour or more which may be used in the case of temporary lay off, or, in the case of personal circumstances with advance notice. In no instance will an employee be compelled to take vacation with pay.

After an employee has bought out the maximum amount of banked vacation hours, employees have 30 days prior to reaching the cap to request vacation. Such vacation will be granted.

11.5 Vacation Cancellations

PARTIAL DAY VACATIONS:

The Day the Vacation is Scheduled:

- Associate has one hour prior to the start of the vacation. If the associate does not cancel their approved vacation within this timeframe, they will be expected to honor their vacation.

WHOLE DAY VACATIONS:

- Associates are expected to cancel approved vacations prior to one hour of the end of the shift the day before.
- If any associate has multiple consecutive days of vacation, each day of the approved vacation shall be treated

the same as the above prior day's requirements for cancellation. Associate can call in to contact supervisor if they desire to cancel portions of approved vacation that occurs while they are on vacation and not in the building.

- Associates on hold for vacation will be notified by their Supervisor if cancellations create new vacancies.
- An associate who cancels outside of the one hour window will be expected to take their scheduled approved vacation.
- Associates on hold only may contact the Supervisor/Coordinator/Manager if they are off to find out about the status of their on-hold vacation request one hour prior to the end of the shift.

Article 12 **ATTENDANCE POLICY**

The parties hereto acknowledge that the Attendance Policy, as annexed hereto and incorporated herein, has been negotiated by the parties and that any changes to said policy shall be the subject matter of agreement between the parties prior to any such changes being implemented.

CANTON CSC ABSENTEEISM POLICY

The Absenteeism Policy at the Canton CSC is based on a rolling 13 week period. It is designed to accomplish the following major goals:

- a. To provide employees with an attendance Policy that is equitable for both the employee and the Company.
- b. The Policy as outlined will also enable the Canton CSC to meet its Corporate absentee goal of not exceeding 3%.

Recording Infractions:

Each occurrence of absence is counted as that block of scheduled work time that the employee is away from work. (See codes and definition section for a clear understanding of codes.) The following authorized time off situations will not be considered for the disciplinary process:

- a. Vacations, holidays, bereavement days, jury duty, and court summons (to fulfill civic responsibility).
- b. Absence due to a job related injury.
- c. Layoff due to lack of work.

Codes and Definitions:

- a. ***Absence*** – That whole block of scheduled time that an employee is not at work due to a personal illness or that situation wherein an employee completes less than four (4) hours of a scheduled work day.
- b. An absence will be charged for each day missed that is not covered by vacations, holidays, bereavement days, jury duty, court summons (if something caused by employee, they get the infraction).
- c. ***Bereavement*** – Authorized time off for a death in the immediate family as defined by Collective Bargaining Agreement.

Progressive Discipline:

Progressive Discipline will be given to those employees who exceed the limits set forth in the following grid:

13 Calendar Week Period

Partial Absence	Absences					
	0	1	2	3	4	5
0	E	E	S	S	S	N
1	E	S	S	S	S	N
2	E	S	S	N	N	N
3	S	S	N	N	N	N
4	S	S	N	N	N	N
5	S	N	N	N	N	N
6	S	N	N	N	N	N
7	N	N	N	N	N	N

When an employee accrues more than 4½ occurrences (absences and partial absences or a combination) in 13 calendar weeks, the employee will receive a written warning.

When on notice, more than one (1) absence or two (2) tardies (or combination) will cause the employee to go to the next step of discipline.

Progressive Discipline is as follows:

- a. **Written Warning** – given by the immediate Supervisor, Section or Manager.
- b. **Final Warning** – given by the immediate Supervisor or Manager with the approval of the HRM.
- c. **Discharge** – approval of the Human Resource Department, with concurrence of the Manager and Director.

NOTE: If an employee is absent from work when disciplinary action is required, the Human Resource Department or a member of management will notify such employee of the discipline by telephone and/or certified mail. The union will be advised of such telephone calls and will receive a copy of the disciplinary action.

Effective date of ratification, all absence points shall be cleared.

Clearing the Record

1. An attendance infraction drops off thirteen (13) weeks after the infraction occurred.
2. Each time an employee goes on warning, he/she must go thirteen (13) calendar weeks from the date of the most recent infraction with no more than (1) absence or two (2) partial absences or a combination before the record is cleared or the warning status changed. A maximum of two (13) calendar week periods without further discipline shall be required to drop all discipline.
3. The thirteen (13) calendar week period used to clear infractions will be extended by the amount of time an employee is on LOA/ provided the LOA is for thirty (30) or more consecutive calendar days.

Special Notes

1. Multiple consecutive absence days that are documented as occurring due to a personal illness, or illness in the employee's immediate family, will be counted as one (1) infraction. The employee must bring documentation no later than the first day of return.
2. A documented leave early due to personal illness, or illness in the employee's immediate family, which is followed by one or more documented consecutive absences for the same reason will be charged as one absence. The employee must bring documentation no later than the first day of return.

3. If an employee is sent home or to a doctor due to a serious health condition that the Manager deems to need immediate medical attention, the absence will not be counted as an infraction provided documentation from a medical provider is given to management.

Two Excused Hours

Attendance. Employees subject to the Attendance Policy will have up to two (2) hours excused for two (2) consecutive months (one hour each). These two hours excused are not ‘bankable,’ that is, cannot be carried over to another month if not used. They may be combined within one month when scheduled 24 hours in advance. Vacation overrides the 2 hours excused. The combined 2 hour requests will be included in the 10% minimum vacation calculation. The 10% does not apply to Graduation, School Registration, or invoking an excused occurrence must identify that fact at the time of use. (This language incorporates the two hour excused side letter).

Pre-Scheduled Doctor Appointments

Attendance points shall not be charged for up to four (4) follow-up doctor appointments that are prescheduled and substantiated by a doctor’s excuse. The Union and Company shall encourage the employee to schedule the follow-up appointment at the end of the shift or to return to work when the appointment cannot be schedule at the end of shift.

Excused Day (“X Day”)

On January 1, all full-time employees will receive one (1) paid Excused Day to be used during the calendar year. Employees on probation on January 1 will receive the paid Excused Day upon successful completion of their probation. The pay will mirror the employee’s shift schedule. An Excused Day not

used, will be paid out at the end of the year, and may not be carried over.

- Employees may schedule Excused Days in advance.
- Employees may use an Excused Day on a scheduled overtime day, but it will be paid at straight time.
- If employee is taking an unscheduled Excused Day, the employee must notify their supervisor at the start of the shift.
- An employee may use an Excused Day after reporting to work, upon notifying their supervisor.
- Excused Day will not count toward any discipline under the Attendance Policy.
- Excused Day will be taken in full day increments.
- Excused Day may not be pyramided with another paid status, nor used on a holiday.

Article 13

LOCAL PAY ISSUES

13.1 Bereavement Pay (U.S. only)

It is agreed that the Company will pay three (3) days Bereavement Pay without regard to the day upon which the funeral falls for death in the immediate family, defined as parent/designated parent, child, stepchild, brother, sister, spouse, significant other, parents-in-law, grandparents, and grandchild. Local negotiations may provide for defining other relatives and paid time off due to the death of other family members.

At its discretion, the Company may require evidence of death and kinship. No bereavement will be granted unless timely requested by the employee. Bereavement pay shall be paid at the hourly or average hourly rate.

13.2 Shift Differential

The Company and the Union agree that in the event that employees are assigned to work a scheduled second shift that a thirty five (35) cents per hour shift differential shall be paid to such employees for all hours worked on said shift and forty (40) cents per hour shift differential shall be paid to employees for all hours worked on a scheduled third shift and (55) cents per hour shift differential shall be paid to employees for all hours worked on a schedule weekend shift.

13.3 Temporary Transfer

Should the Company determine that it is necessary to temporarily transfer an employee from his regularly assigned job to another job the Company shall first offer the transfer to trained and experienced employees by seniority from a department that has available employees. If there are insufficient employees who want to transfer, the Company shall select the junior trained and experienced employee available for transfer and temporarily transfer such an employee. Employees who are temporarily transferred will work the scheduled shift of the department/area to which he/she has been transferred. The Company shall have the option to return the employee to his/her home department to work his/her full scheduled shift. The Company may temporarily transfer up to ninety (90) days. If the Company needs to exceed the ninety days, or has other projects or special circumstances, the Company shall consult the weekend shift steward, the chief steward on second shift and the local president via e-mail.) Employees assigned to perform premium rate jobs will receive the premium for the time worked in these jobs. Employees will not be entitled to more than one premium for the same hours worked. When the Company temporarily transfers employees for a week, the employees' seniority rights remain in the home department.

Employee may volunteer for overtime in either department but will be considered senior in the home department.

An employee on temporary transfer (daily) may use TOPP for emergency situations that are documented on the next work day, provided the new department to which the employee was transferred is under the 10% cap.

13.4 Permanent Transfer

Should an employee be permanently assigned to a higher paying job classification, such an employee will be placed into the new job to which he is permanently assigned which will provide said employee with an increase in pay. Should an employee be permanently assigned to a lower job classification, such employee's wage rate shall be reduced to the rate for the newly assigned job classification. In the event that an employee permanently assigned to a lower job classification is reassigned his former regular job within six (6) calendar months of being displaced and the employee has not been awarded a job bid since being displaced, such an employee shall be paid at the same rate enjoyed prior to displacement upon such permanent reassignment. Future increases, if any, will be determined by said wage rate for said job classification and time spent in the previous classification shall be credited to determine the date of said increase. In no instance will said wage rate exceed the maximum rate for the newly assigned job classification. Employees assigned to perform premium rate jobs will receive the premium for the time worked in those jobs. Employees will not be entitled to more than one premium for the same hours worked.

13.5 Restricted Duty Pay

Should an employee experience a temporary disability resulting from a medically certified, work related physical illness or

injury, the Company may, subject to the limitations as determined by a physician or surgeon, assign such an employee to restricted duty work. Should such an employee be assigned restricted duty work, such employee's compensation shall be fixed so that the employee will receive net hourly pay equal to 66 2/3% of his/her average weekly wage for the preceding fifty-two (52) week period for all hours worked while in restricted duty. In addition, such employee will receive, from the Worker's Compensation Carrier, added pay equal to 66 2/3% of the difference between the foregoing pay and his/her regular rate of pay. In no event will restricted duty pay exceed said employee's gross, straight time average hourly pay rate.

13.6 Jury Duty

A full time employee who has successfully completed his trial period shall receive the necessary time off for Jury Duty to fulfill such obligation. Such employee shall receive compensation, at his hourly rate or average hourly rate if applicable, less any and all fees received for jury duty service for time lost while seated as a juror, during his normal work day, provided he has submitted satisfactory documentation in advance. To receive compensation for jury duty, the employee shall be required to submit a written document from the court where the employee served as a juror which includes the employee's name, the name of the court, and the amount of said compensation received. Compensation shall be paid on the next payday following the week in which such documents satisfactory as to content are received by the Company. Employees who are required to report to jury duty need not report to work that day regardless of shift. Employees not required to report to jury duty must report to work.

13.7 Step Progression Increases

Should an employee be on leave of absence or laid off for thirty (30) day block(s) of time or more, such an employee shall

have any step progression increases to which he is entitled delayed for the duration of said lay off time.

13.8 New Jobs

In the event that the Company establishes a new job, the parties hereto shall meet and confer with regard to the classification of said job.

Article 14

MAINTENANCE APPRENTICE PROGRAM (MAP)

The parties have agreed to the Maintenance Apprentice Program, the objectives of which are: 1) Provide the Canton CSC with a qualified and flexible Technical Services workforce; and, 2) Provide qualified Technical Services employees with the opportunity to advance their skills and abilities to create career opportunities in the Technical Services field. The parties intend that the attainment of the provisions of the MAP be embraced as a joint responsibility and accountability between the Company, the Union and the Technical Services Department employees. The provisions of the MAP are contained in the document; “The Maintenance Apprentice Program” dated February 14, 1994, annexed hereto and incorporated herein.

The parties agree to jointly review the MAP program during the term of this agreement, to assess its effectiveness in reaching the objectives as stated in the CBA. They will make revisions, as mutually agreed, to the MAP to improve its effectiveness and will update its terms to be consistent with the CASI work system.

Article15

EMPLOYEE INVOLVEMENT AND TASK FORCES

The parties agree to form a partnership in the development and implementation of customer service actions during the term of this agreement to address opportunities, issues and problems as needed. The implementation of such actions shall proceed cooperatively and in accordance with the procedures and concepts outlined below.

The CSC Director and the Union International Representative may agree to form an Employee Task Force, such agreement including the objective(s) of the Task Force. The CSC Director (or his designated representative) shall then without delay meet with the Union Business Agent to commission the Task Force. All issues governing the operation of the Task Force shall be agreed upon, including all parameters, membership, and boundaries under which the Task Force will function. In every Task Force, there shall be a balance between professional Union and Company representatives and Local Union officials shall be part of every Task Force along with appropriate management personnel and other employees affected by the Task Force's potential decisions. Employee Task Force decisions shall always be made by consensus, which means that while a Task Force member may prefer a different decision, such member is able to accept and support the Task Force's decision(s).

Specific objectives and boundaries of every Task Force shall always include improved flexibility of operations, reduced lead times, rapid response, continuous improvement, quality of service and product, cost effectiveness, enhanced safety, and other appropriate boundaries and parameters mutually agreed upon.

Once all boundaries and parameters, objectives, and issues governing the operation of the Task Force are agreed upon, the Task Force shall be established and shall meet from time to time as necessary to complete its work. Once the Task Force completes its work, its decision(s) shall be jointly presented to the affected employees for ratification. The balloting shall be supervised by the Union.

The parties agree that the timely and joint implementation of such actions are necessary to maintain and improve competitive advantage and the cooperative functioning of this employee involvement activity is critical to the success of the Company, the Union and the employees.

Article 16 **SEPARABILITY**

Conflict With Law

If any provision or part thereof of this Agreement is in conflict with any applicable federal or state law or regulation, such provision shall be deleted from this Agreement and shall be deemed to be in effect only to the extent permitted by such law or regulation. In the event that any provision of the Agreement is thus rendered inoperative, such an event shall in no way obligate the Company or the Union to bargain a replacement provision and the remaining provisions shall nevertheless remain in full force and effect.

Article 17 **FLEX TIME**

Employees shall be allowed time off of one to two hours per day for a period of up to 30 consecutive days once every twelve months, when such flex time is needed to address personal issues that cannot be taken care of otherwise.

This flex time shall be separate from any schedule accommodation provided by the Company to employees affected by a shift schedule change.

An employee needing such flex time must notify his/her Shift Manager of his/her need. The Company may request documentation supporting the need for the flex time.

Individuals will be allowed to make up the one or two hours on the same day if they notify the supervisor at the beginning of the shift and work/workstations are available. This make up time shall be at straight time, if the work missed was at straight time.

Employees asking for flex time shall use their excused hours as part of the modified schedule.

These flex hours cannot be combined with vacation time.

The LSC may review this agreement and modify it by mutual agreement.

Article 18
TERM OF AGREEMENT

This agreement shall become effective on June 1, 2016, and shall remain in full force and effect until May 31, 2019.

The Company and Union have agreed to a North American Agreement expiring on May 31, 2019. The parties will commence

negotiations for all four (4) local facilities and the North American Agreement at least sixty (60) days prior.

IN WITNESS WHEREOF, the company and the Union have executed the Agreement by affixing the authorized signatures below.

FOR THE COMPANY



Mark Growth
Director of Operations



Leonard Mack

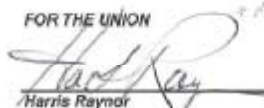


Thomas Maratea

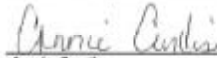


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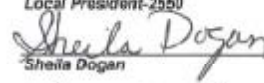
FOR THE UNION



Harris Raynor
Southern Regional Director-SEIU



Annie Curtis
Local President-2550



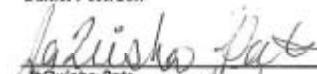
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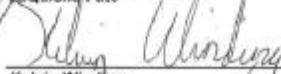
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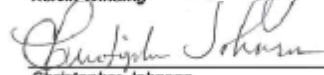
Daniel Peterson



JaQuisha Pate



Kalvin Winding



Christopher Johnson



Cedric Jones



Andy Kennedy

* The parties have negotiated a new local agreement which incorporates & maintains all of the terms of the current CBA except as specifically modified in the attachments. The parties agree that this is subject to Union ratification

Appendix

EXAMPLES OF WORK PERFORMED ON A HOLIDAY

FIXED HOLIDAYS

EXAMPLE 1: An associate on a 5/8 schedule who works a fixed holiday will receive:

- 8 hours of Holiday pay (Article 12.2)
- 8 hours at straight time (Article 12.4)
- 4 hours credited to their TOPP bank (Article 12.4)

EXAMPLE 2: An associate on a 4/10 schedule who works a fixed holiday will receive:

- 10 hours of Holiday pay (Article 12.2)
- 10 hours at straight time (Article 12.4)
- 5 hours credited to their TOPP bank (Article 12.4)

EXAMPLE 3: An associate on a 3/12 schedule who works a fixed holiday will receive:

- 12 hours of Holiday pay (Article 12.2)
- 12 hours at straight time (Article 12.4)
- 6 hours credited to their TOPP bank (Article 12.4)

Appendix

EXAMPLES OF WORK PERFORMED ON A HOLIDAY

FLOATING HOLIDAYS

- 8 hours credited to TOPP bank
- If facility closes, employee may:
 - Request vacation buyout
 - Take time without pay and use TOPP time later
- If facility announces work on a floating holiday, employee may:
 - Request vacation
 - Work at straight time
 - Work and *request vacation buyout*

Side Letter of Agreement
Between Levi Strauss & Co. and UNITE HERE
for the Canton, Mississippi Customer Service Center

Re: Cross Training

During the negotiations for the 2005-08 Canton CSC Local Agreement, the parties discussed the issue of adequate cross training opportunities, with the Company stating it is not against that cross training if there are boundaries. The following was developed as a solution:

- cross training is not just for the sake of cross training;
- cross training will not be all at once for all employees, but a transition over time for all interested; those who are interested will do it in a short time;
- cross training is not to be done when the employee is needed where they are (i.e., at their current home department);
- cross training opportunities to be posted quarterly for volunteers for a limited number of slots; and
- junior employees need to be trained timely to avoid forcing senior employees to go to other jobs.

WORKERS UNITED

DATE

LS&CO.

DATE

**2005 Side Letter of Agreement
Between Levi Strauss & Co. and WORKERS UNITED
for the Canton, Mississippi Customer Service Center**

Re: Warehouse Coordinators and Product Profile Seniority

In the July 29, 2003 Memorandum of Agreement the parties agreed that Warehouse Coordinators and Product and Profile Clerks seniority shall be based on department seniority.

The parties agree that going forward for layoff or reduction in force:

1. Employees currently classified as Warehouse Coordinators or Product and Profile Clerks shall retain their department seniority and shall be considered as the most senior employees in these classifications (“red circled employees”). They shall be ranked accordingly to their department seniority.
2. Employees who bid into these classifications after the effective date of this agreement, shall not have department seniority and instead will have their seniority determined by their warehouse seniority date and will be ranked by their warehouse seniority. They shall be considered junior to “red circled employees”.
3. If a “red circled employee” bids out of his/her Warehouse Coordinator or Product and Profile Clerk position or leaves the bargaining unit, he/she shall lose his/her department seniority.
4. For purposes other than layoff or reduction in force in the Warehouse Coordinators and Product and Profile Clerks positions, warehouse seniority shall apply.

WORKERS UNITED

DATE

LS&CO.

DATE

Side Letter of Agreement
Between Levi Strauss & Co. and WORKERS UNITED
for the Canton, Mississippi Customer Service Center

Re: Warehouse Coordinators and Product & Profile Clerks

1. Warehouse Coordinators shall be paid a \$1.00/hour “Acting Supervisor Premium” for time worked as acting supervisors.
2. Warehouse Coordinators and Product & Profile Clerks are covered by the collective bargaining agreement’s provisions for:
 - (A) sixth (6th) day overtime, and
 - (B) work on a fixed holiday;otherwise the LSC’s “Warehouse Coordinator Agreement” dated September 24, 2003 will continue to be followed.
3. If and when flex time guidelines are agreed to at the LSC for the bargaining unit, then Warehouse Coordinators and Product & Profile Clerks will be covered exclusively for flex purposes by those same guidelines.
4. If the Union notifies the Company that the Warehouse Coordinators and Product & Profile Clerks have decided as a group to give up their flex for daily overtime under the CBA, the Company will agree to that treatment for the duration of the CBA.
5. Warehouse Coordinators and Product & Profile Clerks will be subject to the 8-point factor evaluation process.

These changes are effective upon actual ratification of the 2005-08 Local Agreement.

WORKERS UNITED

DATE

LS&CO.

DATE

**2007 Side Letter of Agreement
Between Levi Strauss & Co. and WORKERS UNITED
for the Canton, Mississippi Customer Service Center**

Religious Observance

Replace Current Canton Leadership Steering Committee agreement with the following

- Day shift employees shall be allowed to work the following schedules to allow unpaid time off for religious observance on Sundays.
 - 2 am to 10am
 - 4am to 10am (with the option of returning for the balance of the shift)
 - 6am to 10am returning to work after attending services (no less than 2 hours) for the balance of the shift. With the supervisor's approval, employees can be released after four hours for the balance of the shift and by seniority, if business conditions allow
 - The Company will notify employees in the event that the schedule is less than eight (8) hours on Sunday.
- On a case-by-case basis, similar accommodations will be considered for employees who have a day of worship on other days of the week or work on other than day shift.
- The parties shall meet to discuss problems with the application of this agreement if it creates undue hardship, including business needs, for either the Company or the employees.

After January 1, 2008 (if the alternative work schedules are in effect), the following will apply:

- Employees may not exercise unpaid time off for religious observance on a day that is part of their normal and regular work shift and/or schedule if the employee bids or is hired on the shift and/or work schedule.

- Employees who are forced on the shift/work schedule shall be allowed to exercise time off for religious observance with the same terms as mandatory overtime. This applies to an employee who has completed the probationary period by date of ratification of the Canton local agreement, working on a work shift/schedule that does not include a Sunday as a regular workday, but is required to bid on a shift/schedule that includes Sunday as a regular work day in order to remain employed because he/she does have the seniority to bid into a job in his/her classification on other non-Sunday work shift/work schedule. This exception will be in place until individual is awarded a job bid on another work shift/work schedule or does not bid on an open position in his/her job classification on a work shift/work schedule that does not involve Sunday as a regular work day.
- Employees volunteering and selected for overtime may not exercise unpaid time off for religious observance.
- Employees working mandatory overtime on a day that is not part of their normal and regular work shift/work schedule may exercise unpaid time off for religious observance under the current guidelines except in extraordinary circumstances as determined by the manager at least by the end of the employee's shift the day prior. In those rare instances, the manager shall discuss the situation with two Union officers on the work shift/work schedule.

WORKERS UNITED

DATE

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DATE

**November 16, 2015 through
May 31, 2019**

HEBRON CSC LOCAL AGREEMENT

between

**CHICAGO and MIDWEST
REGIONAL JOINT BOARD,
WORKERS UNITED**

and

LEVI STRAUSS & COMPANY

TABLE OF CONTENTS

LOCAL AGREEMENT 1

Section 1 RECOGNITION 1

 A. Coverage and Recognition..... 1

 B. Union Representatives 2

 C. Union Security 3

 D. Bulletin Boards 3

 E. Contract Employees..... 3

Section 2 UNION 4

 A. Check Off..... 4

 B. New Hire Notification 4

Section 3 NO DISCRIMINATION 5

Section 4 SENIORITY & REDUCTION IN FORCE..... 5

 A. Probation Period 5

 B. Definition of Seniority 5

 C. Termination of Seniority..... 6

 D. Temporary Promotions Out Of The Bargaining Unit... 6

 E. Job Bidding 6

 F. Temporary Transfers 8

 Cross-Training 8

 G. Lay-off Procedure 9

Section 5 HOURS OF WORK..... 15

 A. Regular Work Hours 15

 B. Overtime Compensation 16

 C. Reasonable Notice of Overtime Work..... 17

 D. Overtime Work Allocation..... 18

 E. Rest Periods 19

F. Bargaining Unit Work.....	20
G. Flex Time	21

Section 6 GRIEVANCE AND ARBITRATION

PROCEDURE	22
A. Grievance Procedure.....	22
Pre-Grievance Conference	23
Step One.....	23
Step Two	24
B. Time Limits.....	24
C. Arbitration.....	25
D. Definition of Grievance	25
E. Arbitrator Selection.....	25
F. Arbitrator Authority.....	25

Section 7 DISCIPLINE & DISCHARGE **26**

A. Company Rights	26
B. Union Representation	26
C. Employee Notification.....	27
D. Grievances.....	27
E. Reinstatement.....	27

Section 8 ATTENDANCE..... **27**

Section 9 HOLIDAYS..... **30**

A. Recognized Holidays	30
B. Holiday Pay.....	30
C. Eligibility Requirements.....	30
D. Vacation Period	31
E. Performing Work On Holidays	31

Section 10 VACATIONS **32**

A. Scheduling of Vacation	32
B. Annual Vacation Accumulation	35
C. Vacation Procedures.....	35

Section 11 LOCAL PAY ISSUES	38
A. Shift Differential Pay	38
B. Bereavement Pay	38
C. Jury Duty Pay	39
D. Excused Time Off	39
Section 12 TERM OF AGREEMENT	41
Appendix A: ACCURACY PROCEDURES	43
Appendix B: VARIOUS SIDE LETTERS.....	44
FMLA Leave	44
Training.....	44
Weekend Volunteer Overtime.....	44
October and November Overtime	45
Appendix C: EARNED HOUR	46
Appendix D: RESTRICTED DUTY	48
Appendix E: ELECTRONIC SECURITY DEVICES	49
Appendix F: LWL LANGUAGE.....	50
Appendix G: RETRO-FIT IMPLEMENTATON	51
Appendix H: INCLEMENT WEATHER DAY.....	52
Appendix I: PRODUCTION STANDARDS AND TEMPORARY TRANSFERS.....	53

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LOCAL AGREEMENT

THIS AGREEMENT, made and entered into by and between Levi Strauss & Co., hereinafter referred to as the “Company” and the Chicago & Midwest Regional Joint Board, WORKERS UNITED, an SEIU affiliate and its affiliate Local 1899, hereinafter referred to as the “Union.” Agreements on certain terms and conditions of employment were reached at the 2015 North American Negotiations. The North American Agreement from these North American negotiations is incorporated by reference into this agreement and it shall supersede and be controlling over the Local Agreement on the subjects covered therein unless otherwise noted.

WHEREAS, it is the intent and purpose of the parties hereto to promote and improve efficiency at the plant of the Company and continued harmony between the Company and its employees; to establish a basic understanding relative to hours of work, rates of pay and conditions of employment; and to provide for a peaceful method of settling disputes which might arise concerning the application of such understanding.

NOW, THEREFORE, the parties mutually agree as follows:

Section 1 **RECOGNITION**

A. Coverage and Recognition

The Company recognizes the Union as the exclusive collective bargaining agent for production and maintenance/technical services employees in all Chicago & Midwest Regional Joint Board, WORKERS UNITED, an SEIU affiliate and its affiliate Local 1899 organized facilities, at the Company’s establishment located at 3750 North Bend Road; Hebron, KY and 3720 Langley Drive, Hebron, KY; excluding office clerical employees, technical and professional employees, confi-

dential employees, guards, supervisors, coordinators and advisors as defined in the National Labor Relations Act.

For those employees permitted under NLRB law to organize and bargain, the Company agrees they will be permitted to do so as a separate bargaining unit, separate and apart from Production and Maintenance/Technical Services.

B. Union Representatives

The Company will recognize and deal with such representatives of the employees as the Union may elect or appoint. After notification to the Company, national representatives of the Union shall have access to the Company's establishment during working hours for the purpose of carrying on proper Union activities, provided, however, that such activities shall not interfere with the work of the employees.

The Union shall have a reasonable number of stewards on each shift to assure fair representation of all employees and to assure that the stewards handling the grievances are familiar with the problems of the area. Such number of stewards shall not be excessive but in no case will be less than one steward for each main area of the plant per shift.

The Union shall make available to the company a list of all stewards and officers and notify the company of any changes.

Should it be necessary for a steward to leave his/her job to represent an employee or to investigate a problem, the steward shall first notify his/her immediate advisor and shall not be unreasonably denied.

Unless a situation requires immediate attention, it is understood that the department stewards shall optimize the use of breaks and down time to investigate problems so as to not

unduly interrupt their production and/or the production of other employees. It is also understood that when an employee is being disciplined, the Company will advise the employee of his/her right to have a steward present and, unless the employee indicates they do not want a steward present, a steward will be asked to be present at such disciplinary meeting and the chief steward if available will be present for suspensions and discharges.

C. Union Security

Each employee who on the effective date of this Agreement has completed his/her probationary period shall, as a condition of employment, maintain his/her membership in the Union.

D. Bulletin Boards

The Company agrees to provide up to Two (2) bulletin boards to be placed in the warehouse and one (1) bulletin board at the Depot Logistical Center, locations to be determined mutually, for the Union's use in posting of notices of meetings and other proper communications to the members of the bargaining unit. The Union agrees that the Company may review all bulletin material prior to posting, and that no material to which the Company reasonably objects will be posted. It is also agreed that the bulletin board placed at the Depot will be of the same quality as is currently used in the warehouse at the Hebron CSC.

E. Contract Employees

The parties agree that it is desired to avoid the use of contract employees paid by a third party unless there is a sound business reason to do so and that this issue is subject to local decision making. The Company maintains the right to utilize contractors, however it shall be restricted in that LS&CO.

cannot transfer the work of the TS department which results in a reduction in bargaining unit employees.

Section 2 **UNION**

A. Check Off

Each employee who is or who shall become a member of the Union may have his membership dues deducted from his earnings by signing and filing with the Company the form “Assignment and Authorization for Check-Off of Union Dues”, as hereinafter set forth.

The Company agrees to deduct each week from the wages of each employee covered by this Agreement, upon the receipt of the legal written authorization for such deduction, signed by the individual employee, union membership dues (including initiation fees) and Workers United for Political Power Campaign contributions in such amounts as shall be fixed pursuant to the bylaws of the local in which the employees are members and the constitution of the Union.

Each employee hired after the effective date of this Agreement who voluntarily shall, as a condition of employment, beginning on the thirtieth (30th) day following the beginning of such employment, but not before completion of the employee’s probationary period, whichever is the later, acquire and maintain membership in the Union.

B. New Hire Notification

The Company shall advise the union each month as to all new employees hired or terminated.

Section 3
NO DISCRIMINATION

The Company and the Union will continue their policy of no discrimination because of race, color, sex, sexual orientation, gender identity, religion, national origin, age, Vietnam era/disabled veteran status, disability, or other bases, as prohibited by applicable law.

Section 4
SENIORITY & REDUCTION IN FORCE

A. Probation Period

New employee's, temporary employees, and ex-employees hired after loss of seniority shall for the first sixty (60) days be considered as probationary employees and shall have no seniority rights during such period.

The parties agree that the company may hire replacement employees for employees on leave of absence or for special projects, until the special project is completed or the absent employee(s) returns from leave of absence. Such replacement employees will be eligible for benefits and seniority rights after sixty (60) calendar days.

B. Definition of Seniority

Seniority shall be determined by the length of continuous service with the Company since an employee's last date of hire. The Company shall submit a seniority list each three (3) months from the effective date of this Agreement to the Union and shall post the seniority list on the bulletin board at the same time. In addition, the Company further agrees to provide annually to the Union, a listing of bargaining unit employees, detailing said employees' departments and addresses.

C. Termination of Seniority

An employee shall lose his seniority for the following reasons:

1. Voluntary quit;
2. Failure to return to work after lay-off within one (1) week after receiving notice by certified mail to report to work;
3. A lay-off exceeding twelve months;
4. Failure to return to work after expiration of leave of absence;
5. Any other termination for cause;
6. Retirement from the Company.

D. Temporary Promotions Out Of The Bargaining Unit

Employees who on or after the effective date of this Agreement who voluntarily accept a transfer, or promotion, to a job which is not within the bargaining unit shall lose their seniority. However, employees within the bargaining unit may be voluntarily promoted temporarily to jobs outside said unit on a trial basis for a period not to exceed six (6) months without loss of seniority. Employees temporarily promoted shall not have the right to bid for and/or accept bargaining unit positions while on transfer. It is understood that upon reasonable notice, such an employee may elect to return to the bargaining unit prior to the expiration of said six (6) month period. Such period may be extended by mutual agreement between the parties.

E. Job Bidding

All permanent job vacancies shall be posted on the bulletin boards in the facilities for seven (7) calendar days to give employees an opportunity to make application for such jobs. Such vacancies shall be filled by selecting the most senior employee who has the qualifications to do the job except that an otherwise successful bidder who is on leave of absence will

be awarded the vacancy only if such employee is physically able to assume such vacancy when it becomes available. On certain vacancies which require special job-related aptitudes, employees may be required to demonstrate that they possess the required aptitudes to qualify for the position. The qualified and eligible employee with the most seniority who bids such a vacancy shall be the successful candidate.

To be eligible to bid for one of the above described vacancies the employee must be working in his current job at least three (3) months and have no Final Improvement Notice for attendance. Should an employee who is awarded a job bid fail to perform the awarded job satisfactorily, such an employee may be reassigned to his former job or another job. The Company will have twenty (20) calendar days to disqualify an employee, extendable by mutual agreement. During initial period of eight (8) calendar days on the new job, extendible by mutual agreement should the employee desire not to remain in said job, the employee will be reassigned to his former job. The employee must notify his/her supervision on or before the start of the shift (the first hour) at the latest of his/her desire not remain in the position. The employee will then be expected to work the next scheduled shift of the job to which he/she is returning. In either event, the Company will not re post the job vacancy; but, the qualified and eligible next most senior employee who originally bid the vacancy shall be awarded the job.

In the event that an employee develops serious and enduring physical limitations resulting from an accident which prevent the employee from performing the essential functions of the assigned job, the parties hereto shall meet and discuss what, if any, special job assignment consideration such employee may need. The parties may mutually agree to permanently reassign such an employee to a future job vacancy without bidding the vacancy. The parties recognize that any transfer outlined above may limit the exercise of bidding rights by more senior

employees, and therefore, it is agreed that any transfers contemplated above will be considered only for exceptional and bonafide cases.

F. Temporary Transfers

Requests for temporary transfers shall be made of department(s) with available employees. The Company shall determine the selection of employees to be temporary transferred based upon, and in order of importance, qualifications to perform the work, followed by the seniority of the employees involved. For temporary transfers into Flex Pack, the employee must have been trained and worked in Flex Pack within the past year and be able to achieve the production standard of at least 75% with minimal refresher training if needed. For temporary transfers in all other job classifications, the employee must have been trained and/or worked the essential job functions of that job classification within the past three years and be able to achieve the production standard of at least 80% with minimal refresher training if needed. The employee must meet the basic job qualifications. The Company shall solicit volunteers on a daily basis if needed.

Cross Training:

- Company would train only in areas where there was a business need but post opportunities in all departments.
- Company would have the right to transfer from departments based on need or balancing.
- As the need to transfer employees from a department is identified, should there be no senior volunteer; the least senior trained employee (including employees who have gone through refresher training) will be selected.
- Company would post a training signup sheet by shift. Individuals signing-up to be cross-trained would be selected based on seniority with the number selected based on seniority equal to five percent of the individuals

on that shift. The company would in good faith, train the selected individuals within 120 days (contingent on current volumes, business issues, etc.) within the areas that Company designates as having need to temp transfer.

- Individuals who have been selected by Company must cross-train in all areas being designated by Company unless they have already been trained in that area.
- Company will repeat this process every twelve (12) months using the process outlined above.
- Transferring employees must be physically able to perform jobs and meet minimum production standards.

It is understood that employees whose same day temporary transfer (voluntary or forced) shall have the option to work the hours of the home job class or the hours of the job they were transferred to. Employees who have pre-arranged or more than same day temporary transfer (voluntary or forced) shall work the hours of the new classification. Breaks and lunch shall be taken with the new department schedule and meet basic job qualifications.

G. Lay-off Procedure

Due to daily production line balance conditions or daily lack of work conditions, employees may be laid off by seniority, by job classification, and shift. It is understood that under these circumstances, the Company will solicit volunteers for such light work load (LWL) conditions before laying off the junior employees in said classification or laying off the entire job classification due to such conditions. In the event that the Company makes the determination to implement a forced LWL for consecutive days, the Company agrees that it will meet with the Union to seek alternatives to the LWL condition.

The Company and the Union have agreed to the following process of lay-off to address lack of work conditions other

than LWL conditions. The Company shall meet with the Union to explain the rationale, the extent, timing, and duration of the layoff. The Company shall be responsible for determining the type of lay-off to implement and may decide to disregard a category of lay-off and proceed to an advanced lay-off status based upon the conditions existing at the time of the lay-off. In planning any conversion of one lay-off status to an advanced status, the Company will assure that its decisions will result in as minimal disruption to operations as possible and will include an orderly and efficient recall of laid off employees to active employment on a planned basis that will minimize disruptions caused by such recall.

Short Term Lay-off shall be accomplished by soliciting volunteers from the affected job classification before junior employees are laid off. The Company may designate additional employees for Short Term Lay-off status by seniority by job classification, by shift, and such additional employees may then exercise their seniority by displacing less senior employees within the bargaining unit on their shift, provided that any employee who so exercises such displacement actions demonstrates that the minimum requirements of the new job are performed within the qualifying period. The qualifying period shall be no more than five (5) days for all jobs with the exception of Technical Services Department, Warehouse Clerical, Flex Pack, UWC, and other such jobs that the Company and Union mutually agree upon to be exempted jobs. In the Technical Services Department and Warehouse Clerical, the employee must have had prior experience in the job and must be able to immediately perform the job responsibilities (task training to be provided) in order to exercise any displacement rights. The qualifying period for Flex Pack and UWC, shall be two (2) weeks for an employee who worked within the classification within past year; and four (4) weeks for an employee who has not worked within the classification in over one (1) year. The qualifying period may be extended by mutual agree-

ment of the Company and the Union. The Short Term Lay-off shall be for a period of up to the balance of the month plus two additional calendar months. Said period may be extended by mutual agreement of the parties. Should the period of Short Term Lay-off expire and there is no mutual agreement to extend the period of Short Term Lay-off, the laid off employee shall be subject to recall and the Company will implement a Long Term Lay-off.

Long-Term Lay-off shall be accomplished by soliciting volunteers from the affected job classification before junior employees are laid-off. The Company may designate additional employees for Long Term Lay-Off status and those employees may exercise their seniority by displacing less senior employees within the bargaining unit, regardless of shift, provided that any employee who so exercises such displacement actions demonstrates that the minimum standards of the new job are performed within the qualifying period. The qualifying period shall be no more than five (5) days for all jobs with the exception of Technical Services Department, , Warehouse Clerical, Flex Pack, UWC, and other such jobs that the Company and Union mutually agree upon to be exempted jobs. In the Technical Services Department and Warehouse Clerical, the employee must have had prior experience in the job and must be able to immediately perform the job responsibilities (task training to be provided) in order to exercise any displacement rights. The qualifying period for Flex Pack and UWC, shall be two (2) weeks for an employee who worked within the classification within past year; and four (4) weeks for an employee who has not worked within the classification in over one (1) year. The qualifying period may be extended by mutual agreement of the Company and the Union.

Departments are defined as:

Inbound - Outbound

- Receiving Induction
- Turret / RC Truck
- Load (*Shipping*)
- Unload (*Receiving*)
- Palletization / Depalletization
- RAWS
- Carton Breakdown
- Cyclic Associate
- Depot

Order Processing

- Flex-Pack
- Sorter
- Sundries
- At Once / Jackpot
- UWC
- SAWS

Warehouse Clerical

- Clerical

Technical Services

- TS Technician
- Tool Crib Attendant

Should an employee exercising displacement rights fail to satisfactorily perform any portion of the job duties within the qualifying period, such employee shall be laid off and placed on the recall list and the employee previously occupying the job shall be returned to the job. Should such a laid off employee near the period of twelve (12) months in lay-off status, the employee will be entitled to displace the junior employee in the warehouse before exceeding twelve (12) months in layoff status, provided the employee is qualified for and is able to perform the available work within a reasonable amount of training. Should such an employee fail to qualify for such vacancy, time worked in an effort to qualify shall not reestablish additional recall rights. Any such junior employee so displaced shall be subject to short term lay-off or long term lay-off described above.

Any displaced employee shall be reassigned to his former job on his shift should a vacancy in said job on said shift occur within twelve (12) months of his displacement unless said

employee voluntarily bids and is awarded another permanent job in which case the employee shall relinquish reassignment eligibility. Should an employee not accept reassignment to his former job on his former shift within twelve (12) months of his displacement, such an act shall be considered a voluntarily quit.

Under a continuous period of any kind of lay-off, should such period of lay-off exceed twelve (12) calendar months, the employee shall lose all seniority rights and be severed from the employment of the Company. It is understood that failure to return to work on the date for recall or a refusal of recall by an employee to a job classification for which the employee is qualified shall be considered a voluntary quit.

An employee who is laid off due to the job reduction procedure set forth above shall be placed on the recall list in order of seniority. At the time of lay-off, said employees shall declare for jobs to which they desire to be recalled. As permanent vacancies occur, they shall be filled in accordance with the following procedures:

1. Displaced employees shall be reassigned in accordance with the above paragraph.
2. Should there be no such displaced employees, the job shall be posted and bid.
3. The vacancy shall be awarded to the most senior qualified and eligible employee who either bid or declared for the vacancy.

Laid off employees may modify any declaration as long as such modification occurs prior to the occurrence of the vacancy. Should an employee not accept a declared for vacancy, for which he is qualified and eligible, such an act shall be consid-

ered a voluntary quit. Should an employee be assigned a permanent vacancy by virtue of declaration, the employee shall opt to either accept the position as a job bid award or accept the position as a declaration job and retain reassignment eligibility.

In the event of another reduction-in-force within a department where employees who possess reassignment eligibility are working in jobs obtained by declaration, said employees shall be returned to the recall list before employees permanently assigned to the department exercise their displacement rights.

In the event of temporary vacancies which occur while there are employees in a recall status, such temporary vacancies shall be offered to employees who have declared for such jobs. An employee who is assigned a temporary vacancy by virtue of his declaration shall still maintain his reassignment eligibility. In the event there are no employees available via declaration and recall for the temporary vacancy, it may be offered as temporary employment to newly hired employees.

Should a vacancy remain unfilled because no employee bids for or declares for the job, the least senior qualified employee on the recall list shall be assigned the vacancy. Should such an employee refuse recall to a job on the shift to which the employee has reassignment rights, such an act shall constitute a voluntary quit. Should such an employee refuse recall to such a job on some other shift, said employee shall forfeit the right to obtain that job on that shift through bid or recall. An employee recalled through declaration shall opt to either accept the position as a job bid award or accept the position as a declaration job and retain reassignment eligibility.

Just prior to and before the expiration of the twelve (12) months on lay-off status, an employee on the recall list shall have the right to displace the least senior employee in the warehouse, who is not a Technical Services employee. Should

such an employee fail to qualify for such vacancy, time worked in an effort to qualify shall not re-establish additional recall rights.

If at the end of one year from the time of displacement from his former job on his former shift an employee has not been able to achieve reassignment but has been able to remain active in the warehouse by working in temporary jobs by declaration, said employee shall relinquish reassignment eligibility but shall continue to be eligible for jobs by declaration or bid so long as the employee continues to maintain seniority under the provisions of Section 4.

If at the end of one year from the time of displacement from his former job on his former shift, an employee has not been able to achieve reassignment but is working in a permanent job by declaration, said employee shall relinquish reassignment eligibility, and the permanent job obtained by declaration shall become his permanent job and shift.

An employee absent for any reason shall leave sufficient contact information with the Human Resources Office prior to the absence. Should an employee not provide such information, the employee will be assigned the job of the least senior employee in the absent employee's department, subject to the qualifications and seniority of the absent employee.

Section 5 **HOURS OF WORK**

A. Regular Work Hours

The regular hours of work for employees scheduled for an eight (8) hour shift shall not be more than eight (8) hours in any one day or forty (40) hours in any one week. The regular hours of work for employees scheduled for a ten (10) hour

shift shall not be more than (10) hours in any one day or forty (40) hours in any one week. The regular hours of work for employees scheduled for a twelve (12) hour weekend shift shall not be more than twelve (12) hours in any one day, or thirty-six (36) hours in any one week. The schedules will be implemented when the business and operational need arises.

The First Shift shall be that shift which will begin not earlier than 5:00 a.m. nor later than 8:00 a.m. (4:30am to 8:00am for Technical Services) The Second Shift shall be that shift which will begin not earlier than 2:30 p.m. nor later than 5:30 p.m. The Third Shift will be that shift which will begin not earlier than 9:00 p.m. Depot hours begin 5:30am to 9:30am for the day band and between 2:00pm to 6:00pm for the night band. The Weekends First Shift shall begin not earlier than 5:00am nor later than 8:00am (4:30am to 8:00am for T.S.). The Weekend Second Shift will begin not earlier than 3:00pm nor later than 6:00pm. Periodically as dictated by business needs, individuals may volunteer to work outside these band hours. All hours worked on any one day shall be considered as being worked on the shift on which they were begun, except that the hours worked on the Third Shift shall be considered as worked on the day on which the shift ends.

B. Overtime Compensation

An employee shall be compensated at the overtime rate of time and one-half the regular rate of pay or average hourly earnings for the week, whichever is greater for all hours worked in excess of the daily scheduled hours of work in any one (1) work day. An employee shall be paid the overtime rate of time and one-half the regular rate of pay or average hourly earnings for the week, whichever is greater for all hours worked on the first work day following the last work day of an employee's regularly scheduled work week. An employee performing work on the second (2nd) or third (3rd) work day

following the last work day of the employee's regularly scheduled work week shall be compensated at the rate of double time for such hours worked. It is understood that no time worked shall be paid for at an overtime rate more than once.

Employees on the twelve (12) hours a day, thirty-six (36) hours a week schedule, shall be compensated at the overtime rate of one-and-one-half times the regular rate of pay or average hourly earnings for the week, whichever is greater for all hours worked, in excess of twelve (12) hours in any one (1) work day, and one-and-one half times the regular rate of pay or average hourly earnings for the week, whichever is greater for all hours worked on their fourth day, and shall be paid twice their regular rate of pay for all hours worked on their fifth, sixth, or seventh day of their regularly scheduled work week. Any scheduled overtime in excess of twelve (12) hours will be considered voluntary.

C. Reasonable Notice of Overtime Work

Employees assigned to work overtime work shall be obligated to perform said work in the same manner and to the same extent, as they are required to perform work on regular time, provided employees are given reasonable notice of required overtime work. Reasonable notice of overtime work is defined as being posted in writing during the first one-half of an employee's work shift for required overtime at the start of the employee's work shift the following day. On those occasions where the Company posts mandatory daily overtime requiring employees to begin their shift earlier than their normal start time, the Company agrees to pay one-and-one half times the regular rate of pay for the hours worked earlier than the normal start time to any employees forcibly released by the Company prior to the completion of the shift posted as daily overtime. As necessary, the Company will temporarily transfer individuals in an effort to work employees the full posted

shift. If an employee chooses not to be moved into a dept/job but to be released (through Company asking for volunteers), this will be considered voluntary and the employee will not be eligible for the one-and-one half for the hours worked earlier than the normal start time. Employees will also not be eligible for the one-and-one-half pay for the hours worked earlier than the normal start time if they voluntarily leave early for vacation, leave early, attendance occurrence, or other current practices, etc. If the Company does not have enough work available for the remaining employees (after volunteers have been released), then work will be assigned in seniority order with the most junior employees being released. In this situation, where an employee is forcibly released due to a lack of work, the Company will pay one-and-one-half times the regular rate of pay for the hours worked earlier than the normal start time.

For required overtime on work days following the employee's regularly scheduled work week, notice will be provided as follows:

- All Shifts at the Hebron CSC to include the Depot by the middle of the day of the last day of the work week.

When appropriate and in scheduling voluntary overtime work, the Company will offer such work to qualified employees by job classification by shift.

D. Overtime Work Allocation

Should it be necessary to schedule required overtime work where all employees of a particular job classification are not needed, such work shall be assigned on the basis of seniority of the employees in the job classification, the most senior employees enjoying the first right of refusal. It is understood that should an insufficient number of senior employees elect to perform the required overtime work, then the necessary number of

available less senior employees will be required to perform said work. It is understood that an employee on vacation may choose to work weekend mandatory overtime as long as the employee notifies the employee's supervisor by the end of the employee's work shift immediately preceding the weekend mandatory overtime work and may work any pre-approved increment of hours that the employee volunteers to work. Should the Company make the determination to cancel Weekend Mandatory Overtime and there is still a need for overtime the Company will utilize the Weekend Voluntary Overtime Process.

Should it be necessary to work voluntary overtime on the regularly scheduled work week, such work will be offered on the basis of seniority first to the employees in the job classification by shift. Should an insufficient number volunteer, then the work will be offered by seniority to those qualified employees on the shift. Lastly, should an insufficient number still volunteer, then such overtime work will be offered to all qualified employees in the warehouse.

Should it be necessary to work daily voluntary overtime work, such work will be offered on the basis of seniority first to the employees in the job classification by shift. Should an insufficient number volunteer, then the work will be offered by seniority to those qualified employees on the shift.

The Company agrees to post voluntary overtime opportunities for the Weekend Shift when such opportunities are posted for First and Second Shifts.

E. Rest Periods

The Company will grant each employee a fifteen (15) minute rest period in the first half and a fifteen (15) minute rest period in the second half of each work shift. Employees working a ten (10) hour shift shall receive a twenty (20) minute rest peri-

od in the first half and a twenty (20) minute rest period in the second half of each work shift. On a modified six (6) hour day (LWL) schedule the Company will grant each employee rest periods of two (2) ten (10) minute periods.

For employees on the twelve (12) hours a day, thirty-six (36) hours a week schedule, the company will grant each employee rest periods equal to three fifteen (15) minute rest periods. The parties will agree on the times for these rest periods. The lunch period shall not be less than one-half (1/2) hour and shall not be deemed time worked. The actual times for lunches and rest periods for the twelve (12) hours a day schedules will be determined near the time the parties implement the new schedules.

F. Bargaining Unit Work

Advisors, coordinators, and supervisors shall not normally and routinely perform bargaining unit work. Exceptions to this principle could include:

1. For brief periods of time to determine operating characteristics of equipment or processes.
2. When necessary for instruction and training.
3. To avoid interruption of operations caused by circumstances requiring immediate action. Such circumstances could include unforeseen employee absenteeism, temporary production imbalance, and unusual operating conditions.
4. Technical Services personnel will be the sole individuals responsible for restarting equipment, with the exception of CLIP and SAWS, which could be restarted by Technical Services personnel and/or other trained and

qualified warehouse supervision. Training will be conducted by Technical Service personnel.

The parties recognize that supervisors from time to time may perform bargaining unit work. Nothing contained herein shall be interpreted so as to permit work performed by supervisors to reduce the size of the bargaining unit or deny a bargaining unit employee the opportunity to perform bargaining unit work, or permit supervisors to perform bargaining unit work with regularity or extended periods of time. It is agreed that the supervisor, who is about to perform bargaining unit work other than the exceptions noted above, will communicate with the employees in the work area whenever the need to perform bargaining unit work arises so that employees understand the rationale for the performance of such work.

G. Flex Time

To be eligible for Flex Time the employee must have completed the probationary period. The employee must notify their immediate Advisor no later than the previous scheduled workday. The Company may consider same day Flex when same day overtime is scheduled. Documentation may be required. Flex time is limited to six (6) flex schedules per calendar year. Once on a Flex Schedule the Employee is not eligible for another flex schedule until original Flex Schedule is complete. Flex Schedule is limited to a maximum of sixty (60) days. Employees may re-apply. Time made up for flex must be done as previously scheduled with Advisor. Flex Time is on a first come first serve basis. If more than one employee requests to flex at the same time and the Advisor can allow only one person to flex, seniority shall rule. Approval must be obtained from employee's Advisor, as well as the Advisor of the Department that the employee would flex to. If the employee fails to adhere to the new schedule, the appropriate attendance occurrence will be made. If changes occur in the scheduled

flex commitment, the employee must immediately notify the Advisor the day prior to the change. The employee has the option to work the Flex schedule or the regular schedule for weekend overtime hours if approved by the Advisor. On an exception basis, when no work is available in the employee's department, the employee will be released and is not subject to the attendance policy. Shift differential pay is based upon the start hours in the contract. Starting and ending time will be based upon both the availability of the work and the availability of the Advisor/Coordinator.

Section 6

GRIEVANCE AND ARBITRATION PROCEDURE

A. Grievance Procedure

The Company shall prepare and distribute quarterly to the LSC's and to the Union a report on how timely grievances are being processed and at what step of the procedure they are being resolved at each location.

The resolution of grievances shall be handled in accordance with the following administrative principles:

1. The parties shall engage in the joint investigation of the facts of each issue giving rise to the grievance so that all parties are dealing with the same facts giving rise to the grievance.
2. The parties shall engage in problem solving methodologies in the resolution of grievances.
3. The company and union shall monitor grievances to assure that problem solving is taking place at each step of the grievance procedure. When it becomes evident that grievances are being passed on to the next step in unusu-

al numbers by an individual company representative, union representative and/or both the company and union agree to hold a joint meeting with individuals to assure that resolutions are reached at the lowest possible level.

By mutual agreement, the parties may mutually agree to modify the principles, above.

Should any difference or dispute arise between the Company and the Union, or between the Company and an employee, as to the interpretation or application of this Agreement, such dispute or difference shall be considered a grievance and shall be submitted within seven (7) working days from the alleged occurrence or the Union's knowledge of the alleged occurrence in accordance with the procedure outlined below.

Pre-Grievance Conference

Since both the Supervisor and the Steward have received education and training on conflict and problem resolution the employee is encouraged to engage in discussions regarding issues at this conference. Prior to the issue becoming the subject of a grievance, the steward, the employee, and the immediate Supervisor shall have a discussion of the issue and attempt resolution acceptable to the Union and the Company.

Step One

If the Pre-Grievance Conference does not resolve the issue, the grievance shall be submitted in writing to the grievant shift manager within five (5) working days after the grievance arises. Such grievance will be considered at the next scheduled grievance committee meeting. The grievance committee shall be made up of six (6) members: three (3) designees from the Company; and three (3) designees from the Union. If the grievance is resolved

by the committee, it shall be reduced to writing within five (5) days and signed by a representative of each party. If the grievance is not resolved, the Union may appeal the matter to the Facility Director within five (5) working days of the grievance committee meeting.

Step Two

Any grievance not settled at Step One may be considered at a meeting of the Local Vice President, the Union Business Agent, the Human Resources Manager, and the Operations Director. The Operations Director shall provide a response in writing to the Step 2 meeting within five (5) working days of the Step 2 Meeting. If the grievance is resolved, it shall be reduced to writing within five (5) days and signed by a representative of both parties.

At the Union's option, rather than appealing a grievance to arbitration it can file a written request within ten (10) working days of the written response of the Step 2 Meeting to have a mutually agreed member of FMCS meet with the parties to discuss the grievance. If such meeting fails to produce a settlement, then the matter may be submitted to arbitration, upon request, by either party, in writing, addressed to the other party within ten (10) working days from the FMCS Meeting.

By mutual agreement, persons and officers named at the various steps of the procedure, in very unusual circumstances making attendance at the grievance meeting not possible and which cannot be avoided, may name a person to fill in at that particular meeting of the procedure.

B. Time Limits

The time limits set forth in this Article shall not include holidays and non-work days. The time limits above may be

extended by mutual agreement provided such an agreement is confirmed in writing and signed by the parties, but only after mutual agreement has been reached to determine the amount of time.

C. Arbitration

If a specified resolution cannot be reached between the Union and the Company in regard to a grievance, the matter in dispute may be submitted to arbitration upon request, by either party, in writing, addressed to the other party. Such request shall be given within ten (10) working days from the written answer in the Third Step.

D. Definition of Grievance

Grievances within the meaning of the grievance procedure and of this arbitration clause shall consist only of disputes about the interpretation or application of the terms of this Agreement between the Company and the Union.

E. Arbitrator Selection

The Company and the Union shall choose a neutral arbitrator. If they cannot agree upon an impartial arbitrator they shall select an arbitrator from a list of seven (7) to be submitted by the Federal Mediation and Conciliation Service upon request of either party. The decision of the Arbitrator shall be final and binding upon the parties, and such decisions shall be rendered in writing within thirty (30) calendar days after the close of the hearing (unless extended by mutual agreement of the parties).

F. Arbitrator Authority

The Arbitrator shall have no authority to alter, add to, or ignore the terms negotiated into this Agreement. The Arbitrator

shall be limited to finding the facts and to applying them to the terms of this Agreement and he shall not add meanings to this Agreement that were not negotiated. The fees and expenses of the Arbitrator shall be divided equally between the Company and the Union.

Section 7

DISCIPLINE & DISCHARGE

A. Company Rights

The Company may discipline or discharge an employee for just cause. Within seven (7) working days of the infraction which would have resulted in such discipline. Except for serious violations, including but not limited to theft, drinking of or under the influence of alcoholic beverages or drugs, fighting, and falsifying Company records, employees may be given an opportunity to correct said unsatisfactory behavior through the established progressive discipline procedure.

B. Union Representation

Prior to entering into discussions with an employee which may result in discipline, the employee shall be advised of his right to Union representation. The Union is committed to increasing the skills and abilities of Department Stewards and continues its commitment that employee representation shall be accomplished by Department Stewards. It is understood that such representation will continue to increase as those skills increase. It is also understood that when an employee is being disciplined, the Company will advise the employee of his/her right to have a steward present and, unless the employee indicates they do not want a steward present, a steward will be asked to be present at such disciplinary meeting and the

Chief Steward, if available, will be present for suspensions and discharges.

C. Employee Notification

Should an employee be disciplined or discharged, he shall be given within twenty-four (24) hours of such discipline or discharge, the reason in writing for the discipline or discharge. A copy of the written reason shall also be provided to the Union. Should it be necessary to mail the disciplinary notice, it shall be mailed by certified mail to the last known address of the employee.

D. Grievances

If an employee desires to protest his discharge as being not for just cause, he must file a grievance in Step One in writing within seven (7) working days from the date of discharge and such grievance will be handled pursuant to the grievance and arbitration provisions of this Agreement.

E. Reinstatement

In the event an employee has been discharged or disciplined without just cause such employee will be reinstated with or without back pay as may be determined by agreement or by arbitration.

Section 8
ATTENDANCE

Attendance:

An incident (or an absence) is any failure to work each shift, as scheduled, except as provided for in this policy. Incidents are calculated on a rolling twelve (12) month basis using the past active

twelve 12) months. Dead time will include leave of absence except Workers Compensation, involuntary lay-off, and voluntary layoff.

Employees who are unable to report for work, as scheduled, must notify their supervisor or member of management within two (2) hours of the scheduled start time. Failure to do so may result in the discipline described below:

One failure to call in twelve months	First Improvement Notice
Two failures to call in twelve months	Second Improvement Notice
Three failures to call in twelve months	Final Improvement Notice
Four failures to call in twelve months	Will result in termination

Failure to call in an absence for three (3) consecutive days will be considered voluntary resignation.

Numbers of incidents resulting in progressive discipline are as follows:

Three (3) incidents in twelve months	First Improvement Notice
Six (6) incidents in twelve months	Second Improvement Notice
Eight (8) incidents in twelve months	Final Improvement Notice
Ten (10) incidents in twelve months	Will result in termination

Each absence will count as a full incident. Tardy and Partials will be counted as a ½ incident. Working less than half the scheduled shift will count as a full incident (ex: less than four (4) hours

worked on a eight (8) hour shift or less than five (5) hours worked on a ten (10) hour shift will count as a full incident). A Non-FMLA leave of absence will be counted as one (1) incident.

All employees must notify their supervisor/Manager prior to leaving the property during the shift. The exception to this rule is the 30-minute non-paid lunch period. Failure to notify the Supervisor/Manager of leaving the property during the shift will be considered as walking off the job and may result in immediate suspension, pending discharge.

There is no clocking in grace period. Employees without a badge must sign in and show a picture I.D. at the guard desk. The sign in time will be the clock-in time.

The following will not count as an incident:

- Holidays.
- Vacations, Funeral Leave, and Jury Duty (when all conditions relating to the approval of these leaves are met).
- Personal Leave of Absence that is prearranged with their Supervisor/Manager and approved by Human Resources.
- Military Leave.
- Layoff.
- Mandatory Court Appearances (except when court appearance is a result of Employee's actions, pending circumstances with regard to employee's immediate situation or past history).
- Medical Leave of Absence and Family Leave of Absence when confirmed by medical certification.
- LWL's.
- Workman's Compensation.
- Excused Time Off Day.

- Transportation to medical facility by emergency vehicle (i.e. ambulance, fire truck) with documentation from medical provider for the day of transport.

Appropriate documentation may be required for the above incidence.

Section 9 **HOLIDAYS**

A. Recognized Holidays

Employees with sixty (60) days or more of service shall receive the following holidays with pay, irrespective of the day on which the holiday falls:

New Year's Day	Thanksgiving Day
Martin L. King Birthday	Day Before Christmas
Memorial Day	Christmas Day
Independence Day	Day Before New Year's Day
Labor Day	

Holidays shall be observed on the nationally observed day effective 1-1-2010.

B. Holiday Pay

The pay for each of the above holidays shall be equal to the regular scheduled shift hours (8, 10, 12) times each eligible employee's hourly rate of pay.

C. Eligibility Requirements

An employee shall be eligible for holiday pay if he has worked his regularly scheduled workday immediately preceding and

following the paid holiday, except that absence due to the employee's personal illness (unless on leave of absence) or serious illness in the employee's immediate family (parent residing with the employee, spouse and child) shall not cause an employee to be ineligible for holiday pay. With reasonable suspicion, the company may require proof or evidence of such illnesses satisfactory to the Company in order to pay such holiday pay. An employee who is less than one (1) hour late for work on the regular scheduled work day immediately preceding or the day following the paid holiday shall still be eligible for Holiday Pay. An employee who takes a half day or full day vacation the day directly before a Holiday shall be excused from working such Holiday should it be scheduled.

An employee on lay-off status is not entitled to holiday pay unless such employee works any day during the week before, the week of, or the week following the recognized holiday. An employee on leave of absence is not entitled to holiday pay unless the employee works any day during the week of the recognized holiday or any day the week prior to the recognized holiday.

D. Vacation Period

In the event that one of the above paid holidays falls within an employee's vacation period, said employee shall receive, in addition to vacation pay, the holiday pay provided for above, unless said employee timely requests additional time off in observance of said holiday.

E. Performing Work On Holidays

Employees required to work on any of the holidays set forth above shall receive, in addition to their holiday pay, time and one-half for such hours as are worked on said holidays.

Section 10
VACATIONS

A. Scheduling of Vacation

The parties recognize that, due to the impact vacations have on the Company's operations, all vacations shall be scheduled with management approval. In the event that a conflict arises during such scheduling, Classification seniority shall determine an employee's vacation time off rights. The Company may approve the scheduling of vacations in segments of one hour or greater.

Scheduling of yearly vacations will be as follows:

1. Vacation Request Forms Issued to Bargaining Unit Employees – by November 1st.
2. Opportunity for Employees to Ask Supervision Questions Regarding Completion of Request Forms – First Week After Completion of Fiscal Fourth Quarter.
3. Vacation Request Forms Turned into Supervision with a minimum of one alternative included for each week/day requested – One Week After Opportunity to Ask Questions Ends.
4. Annual Department Schedule Completed – by Second/Third Full Week in January.

Using the vacation request forms supervision will first schedule, by seniority, all eligible weeks until all employees have had the opportunity to have full weeks scheduled. Once full weeks are scheduled, supervision will use the vacation request forms to schedule any requested hours and/or day increments by seniority. Employees who have vacation allotted that can-

not be scheduled will be contacted by their supervision in the presence of a union representative. The employee will have forty-eight (48) hours from the time of initial contact to provide supervision with alternative vacation choices. If supervision is not successful in reaching the employee on the initial contact, supervision will make one additional attempt to contact the employee in the presence of a union representative during the forty-eight (48) hour period. If an employee does not provide alternative vacation choices to supervision within forty-eight (48) hours of the initial contact, supervision will then begin scheduling vacation for the next senior employee. When and if the employee who could not initially be reached contacts supervision, the employee will at that time be able to schedule his/her vacation from the time still available. A minimum of ten percent of the job classification rounded to the nearest whole number but no less than one headcount for small job classifications and no less than two headcounts for job classifications with ten (10) to fifteen (15) employees may be on vacation at any time. Half days or more will be considered as one headcount.

Example: twenty-two individuals in a department =
two individuals eligible for vacation

thirty-five individuals in a department =
four individuals eligible for vacation

Employees who take vacation without having the hours to support it could be held accountable under the attendance program. This message will be on the vacation request form.

Excluding the initial (first of the year) vacation schedule process, management will notify employees about the status of their vacation request within one (1) day after submittal. Vacation request forms will serve as confirmation of approval with both parties keeping copies for their files. Employees will

keep their copy in case proof is needed. Any request that is in scheduling conflict or considered unattainable will not be approved and it will be the employee's responsibility to resubmit for alternative dates. Employees must notify management of their intention to cancel vacation before the start of their shift the day before the vacation is to be taken. Management will advise the next most eligible employee when vacation is available due to a cancellation in time for that employee to utilize the cancelled hours and will be considered pre-approved. If an employee cancels vacation and another employee schedules in their place and it doesn't alter vacation headcount, you will not be penalized your bonus hour (if applicable).

When an employee is on vacation the employee will not be responsible for daily overtime posted for the next scheduled day.

Half shift hours taken as vacation on the last day of an employee's scheduled work week will exempt the employee from any mandatory scheduled overtime on the employee's normal days off. Employees who have taken full weeks' vacation will not be responsible, unless they so choose, for mandatory scheduled overtime on the employee's normal days off preceding or directly following the full week vacation.

Employees shall have the right to request same day vacation if they have available days. It is understood that same day requests made within the first half of the shift will be granted subject to the 10% rule. It is also understood that the Company shall have the right to reject same day vacation requests made of the second half of the shift based on Company need. Same day and hourly requests will be scheduled with the employee's department advisor by availability and will be on a first come, first serve basis and should two (2) requests be made at the same time, seniority shall rule.

B. Annual Vacation Accumulation

Vacations will not accumulate from year to year and all vacation pay to which an employee is entitled will be paid to the employee by the end of each anniversary year, whether or not an employee's vacation was scheduled off; except that sixteen (16) hours may be carried forward into the next anniversary year. Payments will be taxed at the applicable tax rate by law.

At any time during the anniversary year and after becoming entitled to a third (3rd) or fourth (4th) week of vacation, an employee may elect to receive vacation pay in lieu of time off for such vacation. In such an event, the employee will receive the vacation pay to which he is entitled and the employee will forfeit the right to time off at a later date during the anniversary year.

C. Vacation Procedures

1. Initial vacation scheduling will start with weeks, then any increment of days/hours as per contract.
2. Vacation request forms should be filled out by the employee and submitted to their departmental advisor.
3. Vacation by department will be approved by headcount – 10% as per contract. ½ days or more will be considered as (1) headcount.
4. Employees who take vacation time without having the hours to support it could be held accountable under the attendance program. It is the employees' responsibility to ensure that they have the time (hours) available. This message will be on the vacation request form.

5. The Company will be responsible for posting and maintaining the weekly vacation hours.
6. Excluding the initial (first of the year) vacation schedule process, management will notify employees about the status of their vacation request within 1 day (if not sooner) after submittal. Vacation request forms will serve as confirmation of approval with both parties keeping copies for their files. Employees will need their copy in case of proof of approval. Any request that is in scheduling conflict or considered unattainable will not be approved and it will be the employee's responsibility to resubmit for alternative dates.
7. Half shift hours as vacation on the last day of an employee's scheduled work week will exempt the employee from any mandatory scheduled overtime on the employee's normal days off.
8. The Company will allow vacation (no less than 10% minimum) during the busy season. The daily amount will be consistent during the month and communicated to employees. The Company will pre-schedule vacation at 10% reduced staffing during lay-off and 10% payroll for same day and call-ins.
9. Employees will be allowed eight (8) vacation cancellations per year, maximum. If the Company requests an employee to cancel their vacation and the employee accepts, then this will not count as a cancellation and will be required to work the OT if scheduled.
10. Employees must notify management of their intention to cancel vacation before the start of their shift the day before the vacation is to be taken.

11. Management will advise the next most eligible employee when vacation is available due to a cancellation in time for that employee to utilize the cancelled hours and will be considered pre-approved.
12. The Company will continue the practice of paying out vacation at the end of the year if not scheduled. Payments will be taxed at the applicable tax rate by law.
13. We will follow contract language contained in side letter clarifying forfeiture of bonus hour. Because this is an earned attendance hour an employee will not lose their hour on vacation cancellation.
14. When you are on vacation you will not be responsible for Daily OT posted for next scheduled day.
15. If an employee cancels vacation and another employee schedules in their place and it doesn't alter vacation head-count, you will not be penalized your bonus hour.
16. Credit for paid time off will be accumulated by anniversary year, and paid off if not used by the end of the employee's anniversary year, except for any earned credit accumulated during the last month of the anniversary year, which will be carried forward into the next anniversary year.
17. Vacations will not accumulate from year to year and all vacation pay to which an employee is entitled will be paid to the employee by the end of each anniversary year, whether or not an employee's vacation was scheduled off: except that twelve (12) hours may be earned forward into the next anniversary year. Payments will be taxed at the applicable tax rate by law.

Section 11
LOCAL PAY ISSUES

A. Shift Differential Pay

Employees assigned to work Second (2nd) Shift shall receive forty cents per hour shift differential for all hours worked on said shift. Employees assigned to work Third (3rd) Shift shall receive forty-five cents per hour shift differential for all hours worked on said shift. Individuals assigned to work a shift that includes Saturday and/or Sunday as part of their regular work week shall receive fifty-five cents per hour shift differential for all hours worked on said shift. It does not include Third (3rd) Shift schedules starting on Sunday evening.

B. Bereavement Pay

It is agreed that the Company will pay three (3) days Bereavement Pay without regard to the day upon which the funeral falls for death in the immediate family, defined as parent/designated parent, child, step child, brother, sister, spouse, significant other, parents-in-law, grandparents, grandchild, brother and sister-in-law.

Employees who have completed their probationary period shall be granted three (3) days bereavement pay in the event of death in their immediate family. At its discretion, the Company may require evidence of death and kinship. No bereavement pay will be granted unless timely requested by the employee.

Should additional time off be needed, the employee can request a personal leave. The Company will grant such leave and allow it to run concurrently with the bereavement leave.

C. Jury Duty Pay

For jury duty service required and performed during normal working hours, the Company will pay the difference between the amount the employee would have earned at the average hourly rate of pay and the compensation received for jury duty for time spent as a member of a jury upon receipt of satisfactory proof of such jury duty service. Such payments shall be paid weekly, provided the employee submits timely documentation of jury duty compensation received, so that proper checks can be prepared. Second and Third Shift employees need not report to their scheduled work shift if they served on the jury during First Shift.

D. Excused Time Off

Employees will be eligible for:

- (One) 1 paid excused day during year one (date of ratification through May 31, 2017)
- (One) 1 unpaid excused day during year one (date of ratification through May 31, 2017)
- (One) 1 paid excused day during year two (June 1, 2017 through May 31, 2018)
- (One) 1 unpaid excused day during year three (June 1, 2018 through May 31, 2019)

for the term of the Collective Bargaining Agreement

Employees may schedule excused days in advance.

Employees may use an excused day on a scheduled overtime day, but will be paid at straight time.

If Employee is taking an unscheduled excused day, the Employee must notify their supervisor at the start of the shift.

Excused days taken will not count toward any discipline under the Attendance Policy.

The use of an Excuse Day will exempt the Employee from the Earned Hour for that week.

Excused Days must be taken in full day increments.

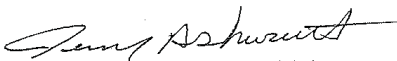
Excused time off will be retained for the life of the Collective Bargaining Agreement.

Section 12
TERM OF AGREEMENT

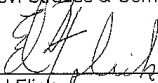
This agreement shall become effective on November 16, 2015, and shall remain in full force and effect until.

The Company and Union have agreed to a North American Agreement expiring on May 31, 2019. The parties will convene notifications for all three (3) local facilities and the North American Agreement at least sixty (60) days prior to May 31, 2019. There will be a single ratification vote for the North American Agreement.


For the Company:



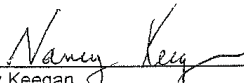
Jerry Ashworth
Facility Director – Hebron CSC
Levi Strauss & Company



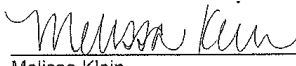
Ed Flick
Human Resources Mgr. – Hebron CSC
Levi Strauss & Company



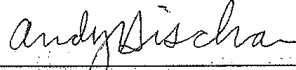
Ray Elfers
First Shift Leader – Hebron CSC
Levi Strauss & Company



Nancy Keegan
Weekend Shift Leader – Hebron CSC
Levi Strauss & Company



Melissa Klein
First Shift Flex Pack Advisor – Hebron CSC
Levi Strauss & Company



Andy Discher
Financial Analyst – Hebron CSC
Levi Strauss & Company

For the Union:

Kathy Hanshew

Kathy Hanshew
Business Representative
Chicago and Midwest Regional Joint Board

Karen Sharp

Karen Sharp
President
Worker's United Local 1899

Danny Baxter

Danny Baxter
Vice-President
Worker's United Local 1899

Fran Conrad

Fran Conrad
Recording Secretary
Worker's United Local 1899

Tammy Carter

Tammy Carter
Financial Secretary
Worker's United Local 1899

Nancy Hawkins

Nancy Hawkins
Sergeant of Arms
Worker's United Local 1899

Sandra Cook

Sandra Cook
2nd Shift Chief Steward
Worker's United Local 1899

Laurie Cole

Laurie Cole
1st Shift Member At Large
Worker's United Local 1899

Rhonda Marksberry

Rhonda Marksberry
1st Shift Chief Steward
Worker's United Local 1899

Jim Lehman

Jim Lehman
2nd Shift Member At Large
Worker's United Local 1899

Steven Poling

Steve Poling
Open Chair
Worker's United Local 1899

Tammy Lockaby

Tammy Lockaby
Open Chair
Worker's United Local 1899

Appendix A, Hebron CSC Local Contract Agreement Between Workers United and Levi Strauss & Company

**Levi Strauss & Co.
Accuracy Procedures**

The Company and the Union agree to add the following Side Letter to the Local Hebron Contract:

- Disciplinary Notice will follow the progressive discipline procedure contained in the Accuracy Policy
- Review of the Accuracy Policy at the LSC prior to implementation in accordance with the boundaries of our local joint decision making subjects

Appendix B, Hebron CSC Local Contract Agreement Between Workers United and Levi Strauss & Company

Levi Strauss & Co. Various Side Letters

The Company and the Union agree to add the following side letter to the local Hebron contract.

FMLA Leave

The Company agrees to publish and distribute guidelines for FMLA leaves (i.e. application process, timing, contact numbers). The Company also agrees to publish and distribute the escalation process for issues that employees are having with the company's third party service provider.

Training

Company agrees to work with Union to establish criteria for individuals who are to be selected for trainers. This criteria will include among other items, seniority.

Company will determine the number of trainers and select the individuals based on the jointly developed criteria.

Trainers (equipment and others) will be eligible for one dollar and fifty cents (\$1.50) per hour for all hours spent training.

Weekend Volunteer Overtime

Day and evening (10 hour) Shift bargaining unit employees who wish to volunteer for overtime on the Weekend (12 hour) Shift will need to sign a volunteer sheet. Volunteers will be required to work Friday and Saturday-Day shift (D10) will be scheduled to work 6:00am to 12:00pm and Evening Shift (E10) will be scheduled to work 12:30pm to 6:30pm.

October and November Overtime

During the busy months of October and November, the Company may post eight (8) hours of voluntary overtime for the Day shift when the Night shift is posted for mandatory overtime.

Appendix C, Hebron CSC Local Contract Agreement Between Workers United and Levi Strauss & Company

**Levi Strauss & Co.
Earned Hour**

The Company and the Union agree to add the following side letter to the Hebron local contract:

Employees, who achieve one (1) week of perfect attendance of scheduled work time will earn a one (1) hour credit to be used as paid time off at a later time. Ground rules for the administration of earned time are:

1. Employees on second or final written warning status for attendance are not eligible for earned credit.
2. Employees laid off for an entire work week are not eligible for earned credit.
3. Any time missed for any reason during a work week will result in an employee not earning credit for that work week., with the exception of absences caused by Jury Duty, Bereavement Leave, and legally required court appearances.
4. Credit for paid time off will be accumulated by anniversary year, and paid off if not used by the end of the employee's anniversary year, except for any earned credit accumulated during the last month of the anniversary year, which will be carried forward into the next anniversary year.

Such earned time may be used by employees and administered like hourly vacation time by employees as paid time off.

Subsequent clarifications:

3/30/98: Employees must work all hours scheduled for the week. Employees who flex their schedules due to unforeseen circumstances are ineligible for the perfect attendance award. This is also true when the supervisor approves vacation pay for these unforeseen circumstances.

4/20/98: Employees who are out all week due to vacation, holiday, bereavement, LWL, lay-off any leave, or any combination of these reasons, are not eligible.

8/2/99. Included in the “exceptions” in point number 3, above, are scheduled, pre-approved vacation, and LWL. Pre-approved is defined as approved by the advisor before the end of previous day’s shift.

8/2/99. Beginning Monday, August 30, 99, vacation time/pay requested for the same day will result in an employee not earning perfect attendance bonus for that week, even if approved for pay by the supervisor.

Earned Hour will be retained for the life of the Collective Bargaining Agreement.

Earned hours apply to incumbent employees as of the date of ratification and do not apply to new hires.

Appendix D, Hebron CSC Local Contract Agreement Between Workers United and Levi Strauss & Company

**Levi Strauss & Co.
Restricted Duty**

The Company and the Union agree to add the following side letter to the Hebron local contract:

Should an employee experience a temporary disability resulting from a medically certified, work, related physical illness or injury, the Company may assign such an employee to restricted duty work. Assignment of such employee to restricted duty work shall not displace another employee from his or her permanently assigned job. Should such an employee shall be paid at the employee's hourly rate, for all hours of work performed on restricted duty work to a maximum of 800 hours.

**Appendix E, Hebron CSC Local Contract Agreement Between
Workers United and Levi Strauss & Company**

**Levi Strauss & Co.
Electronic Security Devices**

The Company and the Union agree to add the following side letter to the Hebron local contract:

It is agreed that the Company, in making the determination of the use of electronic security devices, will fully communicate the existence of such equipment, including their purpose and use, to employees during their orientation. The Company may use data/video obtained from the security cameras for any legitimate business purpose but not limited to: security, theft, prevention, harassment investigations, safety, and vandalism, etc., but will not use data/video obtained to monitor work performance. (i.e. working to standard, accuracy issues, being on method, etc.). The Company agrees to place signs on any inside security cameras, identifying such devices.

Appendix F, Hebron CSC Local Contract Agreement Between Workers United and Levi Strauss & Company

**Levi Strauss & Co.
LWL Language**

1. LWLs are granted to most senior first from the affected department.
2. An employee who does not want LWL shall:
 - a. Remain in the department if sufficient seniority to do so;
 - b. Bump to another position which is being filled by temporary transfer (as long as such temporary transfer was not prescheduled) if sufficient seniority to do so.
3. If an employee does not have sufficient seniority, such employee will be forced LWL.
4. If additional LWLs are requested from a previous impacted department, such requests shall begin based upon seniority where such previous requests stopped.
5. If insufficient LWLs are obtained by 3 above, the company will begin with the most senior from the impacted department and re-solicit by seniority for LWL requests.
6. Should issues arise in regard to LWL which are not addressed per this agreement, such issues will be elevated to the LSC.

**Appendix G, Hebron CSC Local Contract Agreement Between
Workers United and Levi Strauss & Company**

**Levi Strauss & Co.
Retro-Fit Implementation**

When the determination is made in regard to the implementation of new technological systems (retro-fit) at the Hebron CSC, the parties agree that they will meet with the intent to discuss and resolve issues that will impact the workforce as a result of such implementation; i.e. seniority, working hours, loss of pay, work load, transfers.

Appendix H, Hebron CSC Local Contract Agreement Between Workers United and Levi Strauss & Company

**Levi Strauss & Co.
Inclement Weather Day**

Inclement Weather Day – In the event of a severe weather situation which results in 50% or more of the work force on a particular shift not being at work Employees will not be charged with an occasion of absence.

In determining 50% of the work force on a particular shift the Company will use total headcount excluding Temporary Workers and Non-Intermittent FMLA or Extended Medical Leave.

In the event of a severe weather situation which results in 40% or more of the workforce on a particular shift not being at work, employees will be granted a 2-hour grace period for reporting to work without incurring an incident under the attendance policy.

**Appendix I, Hebron CSC Local Contract Agreement Between
Workers United and Levi Strauss & Company**

**Levi Strauss & Co.
Production Standards and Temporary Transfers**

In the event of an increase in progressive discipline as a result of the changes in production standards per Section 4, Paragraph F – Temporary Transfers, the parties agree that they will convene the LSC to meet and discuss with the intent of resolving the issues that are causing the increase in discipline.

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AGREEMENT

between

**Western States
Regional Joint Board**

**Workers United, SEIU
Local 711**

and

LEVI STRAUSS & COMPANY

Sky Harbor CSC

TABLE OF CONTENTS

Article 1	RECOGNITION	1
1.1	Union Representatives.....	1
1.2	Bulletin Boards.....	1
1.3	Bargaining Unit Work	1
Article 2	CHECK-OFF.....	2
2.1	Deductions.....	2
2.2	Indemnification	2
2.3	Information.....	3
Article 3	NO DISCRIMINATION	3
Article 4	SENIORITY	3
4.1	Probation Period.....	3
4.2	Definition	4
4.3	Definition of Departments and Job Classifications ..	4
4.3.1	Coordinators.....	5
4.4	Termination of Seniority	7
4.5	Modification of Work Assignment.....	8
4.6	Daily Workload Balancing	8
4.7	Layoff	9
4.8	Prior Rights	12
4.9	Job Bidding	12
4.10	Medical Screening Upon Transfer	15
Article 5	HOURS OF WORK AND OVERTIME.....	15
5.1	Shift/Configuration Change	15
5.2	Overtime Compensation.....	15
5.3	Reasonable Notice of Overtime Work for Warehouse and Technical Services	16
5.4	Overtime Work Allocation	17
5.5	Rest Periods.....	18
5.6	Lunch Periods.....	20

Article 6	GRIEVANCE AND ARBITRATION PROCEDURE	20
6.1	Definition	20
6.2	Procedure.....	20
6.3	Resolution.....	23
6.4	Extension.....	23
Article 7	ARBITRATION	23
Article 8	DISCIPLINE AND DISCHARGE	24
Article 9	HOLIDAYS.....	25
9.1	Recognized Holidays.....	25
9.2	Holiday Pay.....	25
9.3	Eligibility Requirements	26
9.4	Vacation Period	26
9.5	Performing Work On Holidays	26
Article 10	VACATIONS	27
10.1	Vacation Accumulation	27
10.2	Scheduling of Vacation	28
10.3	Pay Time Off (PTO).....	30
10.4	Emergency Call-in Events.....	30
Article 11	WAGES.....	31
11.1	Shift Differential	31
11.2	Pay for Hostler	31
11.3	Temporary Transfers	32
11.4	Permanent Transfers.....	32
11.5	Restricted Duty.....	33
11.6	Average Hourly Rate.....	33
11.7	Jury Duty Pay - See October 14, 2004 MOU.....	33
Article 12	SEPARABILITY.....	34

Side Agreements to the Collective Bargaining Agreement ...	35
Technical Services - Uniforms, etc.....	35
Associate Time Adjustments.....	35
Martin Luther King Day.....	35
Representational Activity.....	35
Job Descriptions.....	35
Travel Time.....	36
Training.....	36
Temporary Associates - Technical Services	36
Union Representation Guidelines.....	36
MOA Article 7 Non-FMLA Personal Medical Leave.....	38
Side Letter Temporary Employees TS.....	40
Side Letter Additional Warehouse Schedule Option.....	41
Side Letter Additional TS Schedule Option.....	43
Side Letter Alternate Break & Lunch Schedule.....	44
Side Letter Job Bidding & Shift Change.....	45
MOA Seniority Adjustment.....	46
Signature Page.....	48

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ADDENDUM

THIS ADDENDUM made and entered into by and between Levi Strauss & Co., hereinafter referred to as the “Company” and the Western States Regional Joint Board, Local 711, hereinafter referred to as the “Union”.

Article 1 **RECOGNITION**

1.1 Union Representatives

The Company will recognize and deal with such representatives of the associates as the Union may elect or appoint. After notification to the Company, representatives of the Union shall have access to the Company’s establishment during working hours for the purpose of carrying on proper Union activities, provided, however, that such activities shall not interfere with the work of the associates.

1.2 Bulletin Boards

The Company agrees to provide a bulletin board for the Union’s use in posting of notices of meetings and other proper communications to the members of the bargaining unit. The Union agrees that the Company will review all bulletin material prior to posting, and that no material to which the Company reasonably objects will be posted.

1.3 Bargaining Unit Work

Non-bargaining unit associates shall not normally and routinely perform bargaining unit work. Exceptions to this principle could include:

- a. For brief periods of time to determine operating characteristics of equipment or processes.
- b. When necessary for instruction and training.
- c. To avoid interruption of operations caused by circumstances requiring immediate action.

Nothing contained herein shall be interpreted so as to permit work performed by supervisors to reduce the size of the bargaining unit or deny a bargaining unit associate the opportunity to perform bargaining unit work.

Article 2 **CHECK-OFF**

2.1 Deductions

The Company shall deduct from the wages of its associates upon written authorization of the associates, Union dues. The amount deducted pursuant to such authorization shall be deducted weekly and transmitted monthly to the properly designated official of the Union, together with a list of names of the associates from whom the deductions were made. Sums deducted by the Company as Union dues, shall be kept separate and apart from the general funds of the Company.

2.2 Indemnification

The Union agrees to hold the Company harmless in the event that it is required by law to make any restitution of dues which have been deducted and transmitted to the Union in accordance with the provisions of this Article.

2.3 Information

The Company agrees to make available to the Union such payroll and production records as the Union may reasonably require as the collective bargaining agent. The Company shall inform the Union as to all new associates hired. The Company will provide the Union with a copy of all Improvement Notices. In all cases of termination temporary and permanent layoff the associate involved and the Union shall be given a copy of the notice, which shall give the reasons for the action.

Article 3 **NO DISCRIMINATION**

Neither the Company nor the Union shall discriminate in any manner whatsoever against any associate or applicant for employment because of race, color, religion, age, sex, national origin, veteran status, marital status, sexual orientation, disability or perceived disability, or membership or non-membership in any labor organization. The use of masculine and feminine genders or titles in this Agreement shall be construed as including both genders.

Article 4 **SENIORITY**

4.1 Probation Period

New associates and ex-associates hired after loss of seniority shall for the first sixty (60) days (thirty (30) days if hired after 90 days as a temporary worker), of their employment be considered as probationary associates and shall have no seniority rights during such period. By mutual agreement of the parties, the probationary period may be extended an additional thirty (30) calendar days. During the probationary period the

Company may discharge a new associate and such discharge shall not be subject to arbitration.

4.2 Definition

Seniority of current associates shall be determined by the length of continuous service with the Company. Seniority of new associates shall be determined from the latest date of hire. (See North American Agreement, pg. 5, # 6, for definition of “start date” for the purposes of establishing seniority of temporary- to- regular associates).

For the purpose of establishing seniority for associates with the same start date, ties in seniority are broken based on the last four digits of the associate’s social security number. The associate with the highest last four digits will receive first consideration.

Associates whom on or after the effective date of this agreement who accept a regular assignment outside the bargaining unit shall lose their seniority rights.

Associates returning to the bargaining unit or permanently transferring into the bargaining unit shall assume their original date of hire for seniority purposes, upon completion of twelve (12) months employment in the bargaining unit.

Associates who transfer from another Levi facility shall have full Company seniority for purpose of fringe benefits only.

4.3 Definition of Departments and Job Classifications

For non-economic purposes, a department is defined as: Receiving, Shipping, General Warehouse, Support, Maintenance – Level 1, Maintenance Level 2.

For non-economic purposes, a job classification is defined as: Carton Breakdown, SAWS Auditor, Sorter, FlexPac Carton Handler, Carton Handler Sundries, Carton Handler Shipping, Carton Handler Receiving, Cycle Count Associate, FlexPac Operator, Stockpick, T.S. Facilities Maintenance, T.S. Technician, Warehouse Support 1, Consumer Return Analyst, Warehouse Support 2, Warehouse Coordinator, Warehouse Support Coordinator, Warehouse/C.R. Coordinator, Back-up Coordinator, T.S. Parts Administrator.

4.3.1 Coordinators

Guiding Principle

Warehouse Coordinators are assigned to a home department.

Backfills and Overtime:

LS&Co.'s decision to backfill a coordinator's absence or schedule overtime will be based on business needs. Should the company make the decision to backfill a coordinator they may do so in the following manner based on Home Department:

1. The Company will post for a maximum of two back-up Coordinator positions by shift. The selection process for these positions shall follow the existing Coordinator selection language. If a Coordinator is absent these individuals would be used fill in and would receive Coordinator pay for the time they are in this role.
2. If possible, have a qualified coordinator on the same schedule & shift cover multiple departments (example: FlexPac and Sorter). Qualified may be defined as a current or past coordinator in the department within ONE Year and/or has demonstrated the abili-

ty to backfill the department to supervisions expectations.

3. Determine if there is another qualified coordinator on the same schedule that is not required in their home department that could fill in for the absent coordinator or if additional coordinators are needed in a department. If there is more than one qualified coordinator on the same schedule that could be released from their home department, the selection would be based seniority.
4. If a backfill from the same schedule is not possible then the coordinator from the same home department may be sought from the same shift, different schedule (example: backfill a 1A FlexPac coordinator with a 1C FlexPac coordinator).
5. If there is no coordinator from the same Home department and same shift, different schedule available, then qualified Coordinators from the other schedule may be sought and selected by seniority.
6. In the event that the backfill cannot happen with coordinators on the same shift, a coordinator from the same home department on a different shift may be sought (example 1A with a 2A or a 1C with a 2B).
7. If there is no coordinator from the same home department on a different shift, then a qualified individual from a different department on the different shift may be sought and selected by seniority.

DWB:

Coordinators may be granted DWB in conjunction with their home department based on business needs. If two

departments are reduced, through DWB, to low enough levels as determined by the Company, Coordinators qualified in both departments may be granted DWB by seniority.

PTO and Layoff:

For the purpose of PTO and layoff, Warehouse Coordinators will be treated as one job classification (excludes Warehouse Support Coordinator & Warehouse/C.R. Coordinator).

Cross-Training

By January 15 each year the Company will post a cross-training sign-up for Coordinators who may sign-up to be cross-trained in other departments. The Company agrees that they will complete the cross-training in a minimum of one selected Department no later than July 31 of that same year.

No Coordinator shall be authorized by a Manager or Supervisor to administer any discipline to another Levi's associate.

4.4 Termination of Seniority

An associate shall lose his seniority for the following reasons:

- a. Voluntary quit;
- b. Failure to return to work after layoff within seven (7) calendar days after receiving notice by certified mail to report to work;
- c. A layoff exceeding twelve months for associates with twelve (12) or more months of service. Associates with less than twelve (12) months of service shall lose seniority when the layoff exceeds the days of service;

- d. Failure to return to work after expiration of leave of absence;
- e. Any other termination for cause;
- f. Retirement from the Company.

4.5 Modification of Work Assignment

In the event that an associate develops permanent physical limitations resulting from an accident/illness which permanently restricts the associate from performing the essential functions of the assigned job, the parties hereto shall meet and discuss what, if any, special job assignment consideration such associate may need. The parties may mutually agree to permanently reassign such an associate to a future job vacancy without bidding the vacancy. The parties recognize that any transfer outlined above may limit the exercise of bidding rights by more senior associates, and therefore, it is agreed that any transfers contemplated above will be considered only for exceptional and bona fide cases. Should the provisions of this paragraph be exercised, such action shall be reduced to writing and signed by the Union, the Company and the associate.

The parties agree that the Union and the Company will cooperate in making accommodations under the Americans with Disability Act.

4.6 Daily Workload Balancing

For daily layoffs due to light workload, temporary workers will be removed from job classifications where light workload exists and re-deployed.

If necessary, re-deploy regular associates to open positions in their department for which they are qualified.

If necessary, make regular associates aware of other positions in the warehouse, currently being staffed by temporary workers so that they may be redeployed to those positions or give them the option to volunteer for daily layoff.

If unable to get enough volunteers, release all temporary workers first, layoff of regular associates will be by seniority order.

The definition of qualified is a regular associate who has requested training on the job that the temporary worker is performing except for equipment operator, coordinator, and technical services jobs.

Should the above language become obsolete or impossible to administer, based upon the changing needs of the Company, the Company and the Union will meet to develop alternative language that provides for both the needs of the Associate and the needs of the Company.

For the purpose of DWB, daily shall mean the 24-hour period following each day's allocation.

4.7 **Layoff**

- **Short Term Layoff** is defined as a temporary period of lack work expected to last thirty (30) calendar days or less. A specified date of return will be given when possible, but in no case longer than thirty (30) calendar days.

Such Short Term Layoff will be accomplished by:

1. Management will determine the number of associates needed in each Job Classification, shift, and schedule.
2. Temporary workers will be released first.

3. Volunteers in each affected Job Classification will be sought for the layoff. If more associates volunteer than needed, the layoff will be accomplished by seniority. In either case, the remaining associates with- in the Job Classification may be reassigned as needed, with 24 hours notice.
 4. Probationary Associates will be released, unless there were a sufficient number of volunteers.
 5. If there are insufficient volunteers, then the least senior associate in the Job Classification will be released for the period of the Short Term Layoff, not to extend beyond thirty (30) calendar days.
 6. The remaining associates within the Job Classification may be reassigned as needed, with 24 hour notice.
 7. Associates that volunteer or are involuntarily laid off will return to their same shift, Job Classification, and schedule, at the end of the Short Term Layoff.
- **Long Term Layoff** is defined as an extended period of lack work conditions expected to last more than thirty (30) calendar days, and/or after successive and continuous period(s) of Short Term Layoff, the parties may agree to convert the Layoff from Short Term to Long Term.

Such Long Term Layoff will be accomplished by:

1. Management will determine the number of associates needed in each Job Classification, shift, and schedule.
2. Temporary workers will be released.
3. Probationary Associates will be released.
4. Identify surplus associates by seniority within the Job Classification.
5. For warehouse associates selected for layoff who have more seniority than associates who remain,

they may displace the least senior associates within the warehouse provided they are qualified. Warehouse clerical will follow this step as a separate group.

6. Technical Services associates will be laid off by Job Classification seniority. Displaced Technical Services associates can bump into a lower grade Technical Services position or into the warehouse, provided they are qualified.
7. All associates being displaced will be given their choice of the available opening(s) by seniority, or may select the layoff. Should openings still exist; the least senior associate(s) remaining in the displaced pool will be assigned to the open positions.
8. Associates not affected by the layoff, will have a form on file, indicating their shift and schedule preference for any openings that may exist within the Job Classification. Such preference will be awarded in seniority order. It is the associate's responsibility to keep all shift and schedule preference forms up to date. Associates that do not have a preference form on file will either remain in their current schedule or be reassigned depending on need.
9. Associates who are laid off will be placed on indefinite layoff, not to exceed twelve (12) months, at which time their seniority will be terminated without further benefits.
10. Associates who are displaced and reassigned to a different classification based on qualifications and seniority will be given up to a fifteen (15) day trial period to meet the job-training curve. The Department Steward will be notified if the associate is going to be displaced to layoff. Associates who are reassigned due to a reduction in the work force will be eligible to bid immediately.

Recall Rights

- Associates will either be given a specified return date at the time of layoff or will be recalled by seniority into any position for which they are qualified before hiring new associates.
- Associates who are recalled will have two (2) days from the date of receipt of the recall notice to notify the Company of intent to return to work and five (5) calendar days to report for work from date of receipt. In cases of extraordinary circumstances, the company and union will mutually have the right to extend these time limits.
- Failure to respond to recall will be taken as a voluntary quit and will result in termination of employment.

For the purpose of this section, the definition of qualified is that an associate has the ability to perform the available work with a reasonable amount of training.

4.8 Prior Rights

Prior to declaring vacancies in a classification, a single opportunity to return to a former classification will be granted in seniority order, for associates who were involuntarily transferred by the Company, within the past twelve (12) months.

4.9 Job Bidding

It is agreed that should a vacancy occur on a job, such vacancy shall be posted on the bulletin board for a period of five (5) working days such that associates on all schedules have the opportunity to sign and a copy will be given to the Chief Steward. For job vacancies, bids will be awarded to the most senior qualified associates who sign the bid, irrespective of that associates current classification, shift, or schedule.

If it becomes necessary to re-distribute the current associates in a job classification across different shift/schedules, the Shift Change Bid will be awarded to the most senior associate(s) within the classification.

On certain vacancies which require special job related aptitudes and knowledge, associates may be required to demonstrate that they possess the requirements for such vacancies.

Should an associate successfully bid from another job to the above-described vacancy, such successful bid may not be revocable.

The vacancy in the second job may be posted at the Company's option. Any additional vacancy will not be posted.

Interested associates may sign their name, or in their absence, designate a proxy. Should the designated proxy sign the bid, it shall include the bidding associate's name, with the name of the proxy written next to the bidding associate's name. The bidding associate or designated proxy will include the current job and clock number on the notice if they want to bid for the vacancy.

An associate must meet the following eligibility requirements to bid(s) either in or out of the bargaining unit:

- Employed for at least ninety (90) days (unless on temporary layoff);
- Performing the minimum requirements (acceptable production, quality and accuracy attainment);
- Not on second written warning status for reasons other than attendance;
- Not on final warning status for attendance or any other reason;

- Not awarded a bid within the previous six (6) months (except for associates bidding for a shift change or work schedule within the Job Classification). A bid shall be considered awarded once the associate is advised that he is the successful bidder.

Note: Technical Service shift/schedule-change opportunities will be posted by the Company as they become available. The opening will be filled according to the bidding eligibility requirements and based on the seniority of the technical service associates that signed the bid.

The most senior associate, regardless of classification or department, who meets the eligibility requirements of the preceding paragraph, above, and who meets the reasonable qualifications of the vacancy described above shall be the successful candidate if they are active at the time of the awarding the bid provided the candidate may be required to demonstrate that they possess the physical capabilities to satisfactorily perform the requirements of the vacancy by successfully completing a physical examination.

Once the bid is accepted, during the initial period of three (3) work weeks on the new job classification, should the candidate be unsatisfactory, such candidate shall be returned to prior job. However, for Technical Services, once the bid is accepted, during an initial period of forty-five (45) work days on the new job classification, should the Company consider the candidate to be unsatisfactory, such candidate shall be returned to his/her prior job classification. During the time period of five (5) working days following placement in the job, should the associate desire not to be assigned the awarded job, the associate will be reassigned to his former job classification. In either event, the Company will not re-post the job vacancy; the qualified and eligible next most senior associate who originally bid the vacancy shall be awarded the job classification.

It is understood that a vacancy is not created within the meaning of this Article when substantial expansion in operations occurs or automated equipment is introduced, although the company may post such positions.

4.10 Medical Screening Upon Transfer

Prior to an associate being permanently or temporarily transferred for more than fifteen (15) working days to a job with substantially different physical demands or to a job requiring substantial physical exertion, the Company may require that the associate successfully complete a medical screening. Should an associate being permanently transferred not successfully complete the medical screening, the associate shall be placed in layoff status subject to recall when another appropriate job or operation is vacant.

Article 5

HOURS OF WORK AND OVERTIME

5.1 Shift/Configuration Change

The Company will provide a five (5) working day notice to the Union and affected associates when moving an associate to a different shift or shift configuration, unless waived by the associate.

5.2 Overtime Compensation

The Company will provide overtime pay for hours worked that exceed the Associates regular scheduled work hours. Regular scheduled work hours can be either: 8 hours for 5 days; 10 hours for 4 days; or 12 hours for 3 days.

- Associates working extended hours in addition to their regular scheduled 8, 10 or 12 hour work day – A rate of

one & one-half time their rate of pay will be paid to the Associate.

- Associates scheduled to work on the 1st day after their regular scheduled work day – A rate of one & one-half times their rate of pay will be paid to the Associate.
- Associates scheduled to work on the 2nd, 3rd or 4th day after their regular scheduled work day – A rate of two times their rate of pay will be paid to the Associate.

Any associate who's been scheduled or volunteers to work daily overtime on a regularly scheduled work day will be paid overtime for these hours if the Company does not allow them to work the full scheduled shift for that day.

(The agreed upon maximum hours that an associate can be scheduled to work is 12 (twelve) hours, however, in the case of an emergency, associates may be held over for a short period beyond their regular 12 (twelve) hour schedule. Associates shall be compensated at the overtime rate of one and one-half times the regular rate of pay for all time worked during the hold over period.) When there is an emergency in the building the Company will meet with the Chief Shop Steward about the emergency.

5.3 Reasonable Notice of Overtime Work for Warehouse and Technical Services

Notice for daily overtime will be given by twelve (12) noon for associates on the first shift, and nine (9) pm for associates on the second shift.

Notice for required overtime to be done on a scheduled day off, will be given by the end of the shift, the day before the last day of the associate's workweek.

Associates assigned to overtime work shall be obligated to perform said work in the same manner and to the same extent as they are required to perform work on regular time, provided associates are given reasonable notice, by posting notice within the time periods as described above. Such notice shall include the anticipated starting and ending times of such over- time work. If such notice is not given, overtime will be voluntary.

5.4 Overtime Work Allocation

When it becomes necessary to schedule overtime, the Company will determine whether the overtime will be voluntary or mandatory. Overtime work will be assigned in the following order based on the number of associates needed to meet workload requirements. If at any time the need for additional staffing or extended periods of overtime exist, alternate means of staffing may be utilized.

1. If it is determined that all associates from a specific job classification & shift/schedule, are not needed for scheduled overtime, then work will be offered on the basis of seniority within the job classification & shift/schedule.
 - a. If an insufficient number of associates elect to perform the overtime work, then the necessary number of available less senior associates within the job classification & shift/schedule will be mandated.
 - b. For voluntary overtime affecting multiple schedules that overlap on the same shift, associates by classification/schedule, will be combined in seniority and selected for overtime by seniority.
 - c. In the case of overtime on a scheduled day off, volunteers will make their interest known by signing the Volunteer Overtime Sheets that are posted weekly.
2. After mandatory overtime has been scheduled, if additional associates are needed, then the work will be offered

by seniority to those qualified associates in other job classifications, on the same shift/schedule.

3. If additional support is still needed, the entire shift/schedule will be mandated.
4. If sufficient coverage cannot be accomplished through the preceding steps, then qualified volunteers may be solicited from other schedules within the same shift.

Should it be necessary for technical services to work mandatory overtime, the Company agrees to accept technical service volunteers from other schedules/shifts provided the Company is not responsible for contacting, soliciting, or locating volunteers or notifying associates from other shifts of the overtime opportunity.

Associates who wish to work mandatory overtime while on scheduled vacation may do so if they contact their supervisor at the time of overtime posting.

For the purposes of overtime, Technical Services and Coordinators will not be permitted to work outside their job classification unless all Levi Strauss Bargaining Unit Associates have had the opportunity to work first. Overtime should then be offered to Technical Services and Coordinators based on their seniority.

(Technical Services shall be paid at the higher Coordinator wage rate for purpose of performing overtime work in a regular warehouse position.)

5.5 Rest Periods

During each regular workday, all associates scheduled to work will be entitled to two (2) fifteen minute breaks; associates

whose work schedule is ten (10) hours a day will be entitled to an additional ten (10) minute break and associates whose work schedule is twelve (12) hours a day will be entitled to an additional fifteen (15) minute break.

Overtime Breaks:

When two (2) or more hours of daily overtime (i.e. extended hours) is worked, each associate will be granted an additional 5 minutes of break time added to one (1) paid break. When four (4) or more hours of daily overtime is worked, each associate will be granted an additional 10 minutes of break time added to one (1) paid break or five (5) minutes of break time added to two (2) paid breaks. If scheduled overtime is cancelled, bringing the daily overtime worked below two (2) hours, the regular straight time break schedules will apply. Similarly, if scheduled overtime is cancelled bringing the daily overtime worked below four (4) hours, but remains above two (2) hours of daily overtime, only the additional five (5) minutes will apply.

Associates on an eight (8) hour schedule:

The Company will grant each associate a fifteen (15) minute rest period near the middle of the first half of the shift, and a fifteen (15) minute rest period near the middle of the second half of the shift.

Associates on a ten (10) hour schedule:

The Company will grant each associate a fifteen (15) minute rest period near the middle of the first four (4) hours of the shift, the second ten (10) minute rest period near the middle of the second four (4) hours of the shift, and the third fifteen (15) minute rest period at the end of eight (8) hours of the shift.

Associates on a twelve (12) hour schedule:

The Company will grant a fifteen (15) minute rest period near the middle of the first four (4) hours of the shift, the second

fifteen (15) minute rest period near the middle of the second four (4) hours of the shift, and the third fifteen (15) minute rest period near the middle of the third four (4) hours of the shift.

Technical Services will continue the practice of utilizing rest periods during the shift in the current manner.

5.6 Lunch Periods

The Company will grant each associate a lunch period near the middle of their shift. Whether the lunch will be paid or unpaid will be determined by schedule.

Article 6

GRIEVANCE AND ARBITRATION PROCEDURE

6.1 Definition

Should any difference or dispute arise between the company and the Union, or between the Company and an associate, as to the interpretation or application of this Agreement, such difference or dispute shall be considered a grievance and shall be handled in accordance with the procedure outlined herein.

6.2 Procedure

Should a grievance arise, resolution shall proceed in accordance with the following steps:

Step 1: The Grievance shall be discussed, within five (5) scheduled working days of either the occurrence, or when the associate had knowledge of the event, thereof, by the associate involved with his/her immediate supervisor for his/her job or operation, or his/her designee, in an attempt to settle the matter. The Department Steward may or may

not be present at the election of the aggrieved associate and said steward. The supervisor involved shall give an oral answer with respect to the grievance immediately, if possible, but not later than two (2) scheduled working days following the discussion. If the oral answer given by the supervisor does not settle the issue then the associate and/or the Department Steward may proceed with the next grievance step.

A failure by the Company to respond in the assigned timeframe shall allow the grievance to be moved to the next step.

Step 2: Within five (5) working days following receipt of the oral answer provided for in Step 1, the Department Steward and/or the Chief Steward may present the grievance in writing – with a grievance number assigned by the Union – to the Shift Manager or designated representative. The Shift Manager, or designee, shall then meet with the aggrieved associate, the Department Steward, and the Chief Steward within five (5) days following receipt of the written grievance and shall attempt to settle the matter. The Shift Manager will respond in writing within five (5) working days. If the grievance is not settled at this step, the associate, Department Steward / or the Chief Steward, may proceed to the next grievance step. A failure by the Company to respond in the assigned timeframe shall allow the grievance to be moved to the next step.

Step 3: Within the time period of five (5) working days following the receipt of the written answer provided for in Step 2, the Union Business Representative may present the grievance in writing to the Director, Customer Service Center (or his/her designated representative), and will conduct a meeting within fifteen (15) working

days of receipt of the grievance to discuss the matter and attempt a settlement. The aggrieved associate, the Union's Business Representative, the Chief Steward and the Department Steward may be present. If a settlement is reached, it shall be reduced to writing and signed by the Director, Customer Service Center, or designee and the Union Business Representative.

If the Grievance is not settled, a written and signed decision setting forth the Director, Customer Service Center, or designee's position and the reasons therefore, shall be submitted by the Director, Customer Service Center, or designee to the Union Business Representative within five (5) working days following the meeting. A failure by the Company to respond in the assigned timeframe shall allow the grievance to be moved to the next step.

Mediation

If the matter is not resolved at the Third (3rd) Step of the grievance procedure, the parties may mutually agree to mediate the grievance or dispute. Such mediation shall take place within thirty (30) days after the Step three (3) answer, unless the parties mutually agree to extend the period. Should a resolution not be reached, then the parties can proceed to arbitration as provided in Article 8.

Information Request

The Union Steward or Chief Steward may request information related to a grievance or for investigation purposes. The Company shall provide such information within 5 working days. If there is a delay or the information is not available the Company shall meet with the Chief Steward to inform when the information will be made available.

6.3 Resolution

Should a grievance be resolved at either Step 2 or Step 3, the resolution shall be reduced to writing and signed by both representatives.

6.4 Extension

Failure by the Union to process the grievance in the manner prescribed or within the time limitations outlined will automatically void the grievance. The time limits set forth above may be extended only by mutual agreement of the parties.

Article 7 **ARBITRATION**

Either the Union or the Company may request arbitration of a grievance or dispute, in writing, at any time during a period of thirty (30) calendar days following the meeting under Step 3 or mediation if selected, of the Grievance procedure Article 6. Upon such timely request, the arbitration shall proceed as follows:

The Company and the Union shall choose a neutral arbitrator. The arbitrator thus chosen shall decide the matter and his decision and award shall be final and binding upon all the parties. The arbitrator shall have no authority to alter, add to, or ignore the terms negotiated into this Agreement. The arbitrator shall be limited to finding the facts and to applying them to the terms of this Agreement, and he shall not add meanings to this Agreement, that were not negotiated. All other matters are to be resolved by negotiations between the parties. Each party shall bear its own costs plus one-half of the cost of the neutral arbitrator.

Article 8
DISCIPLINE AND DISCHARGE

No associate covered by this agreement shall be discharged or disciplined without just cause. The Company however, shall continue to have the right and authority to discipline and discharge associates for just cause.

Prior to entering into discussion with an employee which may result in discipline, the employee shall be advised of his right to a Union representative.

Grievances and disputes, alleging improper disciplinary action or designated as Class Action must be filed with the company, in writing, at Step 2 of the Grievance Procedure, within five (5) working days after the issuance of a notice concerning said disciplinary action or relevant event.

Grievances and disputes, alleging improper discharge must be filed with the company, in writing, at Step 3 of the Grievance Procedure, within five (5) working days after the issuance of a notice concerning said discharge.

All other matters will follow the established grievance steps as provided.

Failure to file a timely grievance will cause the associate to forfeit any right or claim to reinstatement or back pay.

If the grievance or complaint, concerning disciplinary action or discharge, cannot be adjusted by mutual agreement between representatives of the Union and the company, said grievance or complaint shall be submitted to arbitration in accordance with the Article providing therefore.

Copies of all disciplinary or termination notices will be provided to the Union Steward and Chief Steward by copy or email and a hard copy in the Union mailbox

Article 9
HOLIDAYS

9.1 Recognized Holidays

Associates with sixty (60) days or more of service shall receive the following fixed holidays with pay, irrespective of the day on which the fixed holiday falls:

New Year's Day	Thanksgiving Day
Memorial Day	Christmas Eve Day
Independence Day	Christmas Day
Labor Day	New Year's Eve

For associates on a Monday through Friday, 5 days a week, 8 hours a day schedule, should any of the above fixed holidays fall on Sunday, it shall be observed on the following Monday. Additionally for this group, should any of the above fixed holidays fall on Saturday, it shall be observed on the preceding Friday.

In addition to the fixed holidays above, associates will be eligible for one and one half (1.5) floating personal holidays, which is part of the bank of Holiday and Vacation hours, and are included in the calculations.

9.2 Holiday Pay

The pay for each of the above fixed holidays will be based on the hours normally worked on the associates shift (four (4), eight (8), ten (10), or twelve (12) hours).

9.3 Eligibility Requirements

An associate shall be eligible for fixed holiday pay if he or she has worked not less than seven (7) hours of his or her regularly scheduled workday immediately preceding and following the paid fixed holiday. As an exception, an absence due to the associate's personal illness (unless on leave of absence) or a serious illness in the associate's immediate family (parent residing with the associate, spouse and child), will not cause an associate to be ineligible for fixed holiday pay. With reasonable suspicion, the Company may require proof or evidence of such illnesses satisfactory to the Company in order to pay such fixed holiday pay.

An associate on layoff status is not entitled to fixed holiday pay unless such associate works any day during the week before, the week of, or the week following the recognized fixed holiday. An associate on leave of absence is not entitled to fixed holiday pay unless the associate works any day during the week of the recognized fixed holiday or any day the week prior to the recognized fixed holiday.

9.4 Vacation Period

In the event that one of the above paid fixed holidays falls within an associate's vacation period, said associate shall receive, in addition to vacation pay, the fixed holiday pay provided for above, unless said associate timely requests additional time off in observance of said fixed holiday.

9.5 Performing Work On Holidays

Associates required to work on any of the fixed holidays set forth above shall receive, in addition to their fixed holiday pay, time and one-half for such hours as are worked on said fixed holidays.

Article 10
VACATIONS

10.1 Vacation Accumulation

Associates begin to accrue their paid vacation on the first month of employment. Probationary associates will accrue vacation hours but will not be allowed to use such hours until the completion of the probationary period. Associates who have completed their probationary period, upon termination, will be paid any unused accrued vacation. The list below reflects the days, (hours), of vacation awarded after the seniority requirements are met, based upon each associates anniversary date.

Associates will bank their vacations and floating holidays according to the schedule below on the first day of each month of each year of the Agreement.

Each anniversary year an associate, with five (5) or more years of service, may elect to buy out up to forty (40) hours of the banked vacation, paid at their current hourly rate or average hourly rate of pay. An associate that has reached the cap amount above will cease banking vacation hours until their bank level falls below the cap by either requesting a payout or using their banked vacation.

Completed Years of Service (Based on each Associate's Anniversary Date)	Vacation Bank Rate Per Month	Holiday Bank Rate Per Month	Total Bank Per Month	Bank Per Year	Total Allowable Bank/Cap
1	2.67 hrs	1.00 hrs	3.67 hrs	44 hrs	None
2-4	6.00 hrs	1.00 hrs	7.00 hrs	84 hrs	120 hrs
5-14	9.33 hrs	1.00 hrs	10.33 hrs	124 hrs	180 hrs
15-24	12.66 hrs	1.00 hrs	13.66 hrs	164 hrs	240 hrs
25-29	13.33 hrs	1.00 hrs	14.33 hrs	172 hrs	252 hrs
30+	16.00 hrs	1.00 hrs	17.00 hrs	204 hrs	300 hrs

10.2 Scheduling of Vacation

Associates may schedule time off with pay in accordance with guidelines of ten (10%) percent by classification, by shift, by schedule. Note: Temporary workers will not be included in “scheduled” head count for PTO.

Each December-January, the Company will administer the Annual PTO Request process. PTO will be scheduled by seniority, classification, shift and schedule. After the completion of the annual sign-up, PTO will be scheduled on a first come, first serve basis. The Company is responsible to administer the Annual PTO request process; however, it is each associate’s responsibility to submit requests to Management prior to leaving on any type of extended absence that will affect the entire sign-up process. If the associate does not submit a request prior to leaving, they will be bypassed in the sign-up process and will be granted PTO on the post sign-up basis of first come, first serve.

Additional associates may request and be approved for time off with pay if the ten (10%) percent, by classification, by shift, by schedule has not been reached or workload permits.

When multiple schedules overlap on the same shift, each schedule will have its own separate 10% PTO pool. Associates from one schedule will not have access to using the allotted PTO for another schedule.

Associates may split PTO, but the Company is not required to exceed 10% at any given time during the shift. Associates who split PTO are required to come back to work if the requested time does not extend to the end of their scheduled shift. Associates, who do not return, will receive an attendance point consistent with the Attendance Policy.

When mandatory overtime has been posted for days that are regularly scheduled off, associates will be allowed to request PTO for the last half of the last regularly scheduled workday preceding or the first half of the first regularly scheduled workday following the mandated overtime (if PTO is still available according to the 10% rule) with the intent of not working the scheduled mandatory overtime (referred to as “last half, first half”). Anyone taking PTO during the “last half, first half” to get out of mandatory overtime will be included in the 10% allotment of PTO on the scheduled day as well as included in the available 10% on all overtime days taken off. Associates who wish to work mandatory overtime on days they are scheduled off, due to approved “last half, first half,” may do so if they contact their supervisor at the time of posting. On the day chosen to work, the associate is expected to report to work at the scheduled start time and remain at work for the full work day. Tardiness or early departures will fall under the guidelines of the Attendance Policy and will require the use of PTO (if still available within 10%), E-Days or Occurrences. On the day the associate communicates that he or she will be present for mandatory overtime, his or her reserved PTO slot within the 10% rule will be made available for anyone else that wants to request PTO.

Requests for time off with pay must have prior approval with the exception of time off with pay taken in lieu of DWB. If prior approval is not given, the associate will receive an attendance point consistent with the Attendance Policy. However, the associate may request that the time be paid.

Once banked, vacation may be taken in one (1) hour or greater increments, and shall be paid at the associate's hourly rate. Associates can use PTO in less than one-hour increments in lieu of DWB at end of scheduled shift.

After an associate has bought out the maximum amount of banked vacation hours in Section 10.1 above, associates have 30 days prior to reaching the cap to request vacation. Such vacation requests will be granted.

During a Family Medical Leave of Absence, associates may have the option to use vacation benefits.

10.3 Pay Time Off (PTO)

All associates shall have the opportunity to cancel scheduled PTO with 24 hours notice, prior to the use of said PTO, as is the current practice.

10.4 Emergency Call-in Events

Four (4) emergency call-in events (either full or partial days) at the employee's request:

- 1 Paid E-day
- 3 Unpaid E-days

2 of these days may be divided in half.

Article 11 **WAGES**

11.1 Shift Differential

Associates working a second shift schedule will be paid an extra thirty-five (\$0.35) cents per hour during the scheduled second shift. This amount will be increased to forty (\$.40) cents per hour effective June 1, 2017. Associates working a third shift schedule will be paid an extra forty (\$0.40) cents per hour for all hours worked during the scheduled third shift. Associates working the current weekend shift, hired after April 21, 2009 will receive a total shift premium of fifty-five (\$.55). This amount will be increased to sixty (\$.60) cents per hour effective June 1, 2018. Associates working a new alternative schedule will be paid an additional twenty (\$0.20) cents per hour for all hours worked during that schedule. A new alternative schedule is a newly established schedule that includes a Saturday or Sunday as part of the regular work week. It includes the existing Sunday through Thursday schedule. It does not include third shift schedules starting on Sunday evening.

Shift differential will be included for purposes of calculating PTO and holiday pay for associates who are regularly scheduled to work second shift, third shift, or new alternative schedules.

11.2 Pay for Hostler

An associate whose routine job duties include work as a hostler will be paid a \$.50 per hour for all hours worked on his/her shift in his/her department. Associates who are temporarily assigned to perform hostler work will be paid a \$.50 per hour for all work done as a hostler, provided that no more than one (1) associate per shift will be paid \$.50 per hour for hostler work.

11.3 Temporary Transfers

Should the Company determine that it is necessary to temporarily transfer an associate from his regularly assigned job to another job, the Company will ask for volunteers and select the most senior qualified associate for transfer and temporarily transfer such an associate. The least senior associate will be selected if no one volunteers. Should an associate temporarily be assigned to a higher paying job classification, such an associate will be placed into the Step in the wage progression of the new job to which he is temporarily assigned which will provide said associate with an increase in pay. Should an associate be temporarily transferred to a lower paying job, the associate will be paid the higher of the base rates for all hours worked.

11.4 Permanent Transfers

Should an associate permanently be assigned to a higher paying job classification, such an associate will be placed into the Step in the wage progression of the new job to which he is permanently assigned which will provide said associate with an increase in pay. Should an associate permanently be assigned to a lower job classification, such associate's wage rate shall be reduced to the comparable step in the newly assigned job classification. However, should an associate change job classification, but remain at the same labor grade, they shall retain their current hourly rate and step progression if applicable. Further increases, if any, will be determined by said wage progression for said job classification. Time spent in the previously assigned job classification since the last step progression increase, shall be carried forward, and credited to the newly assigned job to determine the date of the next step progression increase, if any.

11.5 Restricted Duty

Should an associate experience a temporary disability resulting from a medically certified, work related physical illness or injury, the Company may assign such an associate to restricted duty work. Assignment of such associate to restricted duty work shall not displace another associate from his or her permanently assigned job or assigned job. Should such an associate be assigned restricted duty work, such an associate's compensation shall be fixed so that the associate will receive net hourly pay equal to the associate's base rate plus shift differential, if any, not to exceed said associate's gross average straight-time hourly rate, for all hours worked during the 12 week period immediately preceding the injury. This average will be paid for restricted duty work to a maximum of ninety (90) working days per injury and aggravation thereof.

11.6 Average Hourly Rate

For purposes of this Agreement, Average Hourly Rate is defined as the average hourly rate of an associate's earnings based on his or her straight-time earnings to include shift differential and premium pay, for his or her regularly designated job, or assigned job, earned in the previous 12 weeks (rolling average).

11.7 Jury Duty Pay – See October 14, 2004 MOU

For jury duty service required and performed during the associate's regular schedule and normal working hours, the Company will pay the associate their hourly rate of pay for time spent as a member of a jury upon receipt of satisfactory proof of such jury duty service.

Article 12
SEPARABILITY

If any provision or part thereof of this Agreement is in conflict with any applicable federal or state law or regulation, such provision shall be deleted from this Agreement or shall be deemed to be in effect only to the extent permitted by such law or regulation. In the event that any provision of this Agreement is thus rendered inoperative, the remaining provisions shall nevertheless remain in full force and effect.

SKY HARBOR – UNITE LOCAL 711
Side Agreements to the Collective Bargaining Agreement

Technical Services – Uniforms, etc.

- Technical Service associates will be issued uniforms, tools and be provided a safety shoe allowance not to exceed \$90.
- Worn or broken tools will be promptly replaced in accordance with all the safety requirements of the department.

Associate Time Adjustments

- If supervisors adjust associates time, they will notify the associate.

Martin Luther King Day

- Associates will be able to request vacation or personal leave for Martin Luther King Day. Requests will be granted based on workload and by seniority within the department.

Representational Activity

- Time spent off the job by stewards engaged in representing members will be paid for according to guidelines developed by the parties.

Job Descriptions

- Current job descriptions will be updated to reflect the job content.

Travel Time

- The Company has agreed that all associates can use the clock located in Flex Pac when clocking in and out for lunch.

Training

- The Company and the Union agree that job skills training for production associates is in the best interest of all parties and will assist the facility in meeting customer needs. The LSC will be responsible to review the training selection process and recommend adjustments as deemed appropriate. Associates selected to serve as Trainers shall receive an additional \$1.50 per hour on their base for all hours spent training.

Temporary Associates – Technical Services

- The parties agree to the use of temporary associate for technical services as set forth in the attached September 19, 2005 Side Letter.

Union Representation Guidelines

Union Representation Guidelines for Associates, Supervisors and Managers

When an associate needs to see their steward during work time, the associate will advise their supervisor/manager of such a need. The supervisor/manager will then contact the steward and arrange an appropriate time that fits the scheduling needs of the team.

- The steward and associate will **not** be required to meet during their lunch or break time.

- Once the time has been arranged for the associate and the steward to meet, the associate and the steward will clock out of department and into meeting pay.
- The supervisor/manager will arrange a meeting on the same day, or as reasonably possible, as the request for Union representation is made. Should the issue contain facts that would disappear by delaying the request for Union representation, the supervisor/manager will set up the meeting immediately.
- The request for Union representation and the success of the department should have equal consideration by the associate, the steward and the supervisor/manager.
- This agreement may be modified from time to time, by mutual agreement.

MEMORANDUM OF AGREEMENT

LEVI STRAUSS & CO

and

UNITE-HERE

Local 711

May 4, 2004

Article 7 (National Agreement, Ratified February 4, 2004)

Non-FMLA Personal Medical Leave

A Personal Leave of Absence may be used for a non-FMLA qualifying medical condition if the employee provides certification from a physician that the leave was necessary due to the non-FMLA qualifying medical condition. Leave in this section is defined as three (3) days or more.

While the Company will determine staffing levels based on business and operational need, the Personal Medical Leave of Absence will not be included in the 10% cap used for scheduling vacations and other leaves.

At the employee's option, any accrued paid vacation time may be used during an approved non-FMLA personal medical leave.

Decision:

- Must be certified for three (3) or more consecutive calendar days as described above.
- Leave must be certified by a physician that the leave is necessary due to the non-FMLA qualifying medical condition.

- Each three day or more leave under this provision will count as one (1) point under the attendance policy.
- Employee will follow the same procedure as when applying for a leave under the Leave of Absence certification process as described under the national agreement.
- Covers the employee only.

Side Letter - Temporary Employees – Technical Services

September 20, 2007

To: Barbara Mejia
Secretary Treasurer
WSRJG
920 S Alvarado St
Los Angeles, CA 90006

SIDE LETTER

The parties agree that Article 1 of N.A.A. also allows the use of temporaries for Technical Services subject to the terms of this Article. The parties mutually agree to meet in the LSC to develop guidelines concerning the use of temporaries in Technical Services.

DATED: _____

WESTERN STATES REGIONAL JOINT BOARD, LOCAL 711

By _____
Barbara Mejia

DATED: _____

LEVI STRAUSS & CO

By _____
Brian Wehner

SIDE LETTER AGREEMENT

Levi Strauss & Co. and Western States Regional Joint Board Local 711

Created: March 31, 2009

Additional Schedule Option: 3 days/12 hrs week schedule

- New "Warehouse" employee schedule options of 3 days/12 hrs per week.
- A trial period will be implemented effective Tuesday April 21, 2009 through Monday, November 30, 2009. Following the trial period, a vote will be conducted on amending the collective bargaining agreement to include this schedule.
- Premium Pay for the 3 days/12 hrs schedules:
 - All new hired employees who are assigned or transferred to the 3 days/12 hrs schedule (voluntary or involuntary) after April 21, 2009 will receive a total shift premium of \$0.55/hr.
 - The total shift premium for the 3 days/12 hrs shift for all current employees as of April 21, 2009 is \$1.10/hr.
 - Current employees as of April 21, 2009 that "bid" into the 3 days/12 hrs shift prior to December 31, 2009 will receive a total shift premium of \$1.10/hr.
 - Current employees as of April 21, 2009 that are "transferred" into the 3 days/12 hrs shift prior to December 31, 2009 will receive a total shift premium of \$1.10/hr.
 - Current employees as of April 21, 2009 that "bid"/"transferred" to the 3 days/12 hrs shift after December 31, 2009 will receive a total shift premium of \$0.55/hr.
- Company 3 Days/12 hrs Schedule Options:
 - Option 1.
 - Regular 12 ½ hrs schedule (unpaid ¼ hr. lunch)
 - Break Schedule
 - 1st break 15 minutes
 - 2nd break/lunch 30 minutes (un-paid)
 - 3rd break 15 minutes
 - 4th break 15 minutes
 - 5:00 a.m. to 5:30 p.m. each day
 - Or option 2.
 - Straight 12 hrs schedule (company paid ¼ hr. lunch)
 - Break Schedule
 - 1st break 15 minutes
 - 2nd break/lunch 30 minutes (paid)
 - 3rd break 15 minutes
 - 5:00 a.m. to 5:00 p.m. each day
 - The 3 Days/12 hrs schedule may operate Friday-Sunday or Saturday-Monday. The initial schedule will operate Saturday-Monday but will be subject to change to Friday-Sunday based on any future company need.

LEVI & CO. SKYHARBOR – WESTERN STATES REGIONAL JOINT BOARD,
LOCAL 711

SIDE LETTER
OF AGREEMENT

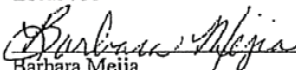
TECHNICAL SERVICE – ALTERNATING 3 & 4 DAY WORK WEEK SCHEDULE

The parties agree to add the "Alternating Week Schedule" to Article 5 of the N.A.A., Scheduling. The alternating week schedule for Technical Services will consist of, and be called, the:

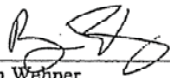
1. (Shift A and B) 3 day: Twelve (12) hours a day, three (3) consecutive days, followed by the 4 day: Twelve (12) hours a day four (4) consecutive days.
2. The A and B schedules will alternate from week to week. The schedules will start on Sunday. Schedule C and D will start Wednesday the first week and Thursday the second week alternating weekly.
3. The 3 day Shift will receive thirty-six (36) hours of straight time compensation under schedule "B" for Technical Services.
 - a. All time worked for the 4th day will be paid at time and one half.
 - b. All overtime compensation under Article 5 of the Local Agreement in regards to the, 5th, 6th, and 7th day on the # 3 schedule remain double time.
4. The 4 day Shift will earn forty (40) hours of straight time compensation and eight (8) hours of overtime at the rate of one and one half times hours of compensation, under schedule "B" and this Side Letter.
 - a. All overtime compensation under Article 5 of the local Agreement on regards to the 5th, 6th, and 7th day for schedule #4 remain double time.
5. Sunday Days and Sunday Nights (A & B) will work 3 days (Sunday, Monday, Tuesday) and will be off for 4 days (Wednesday, Thursday, Friday, Saturday) followed by a Sunday start day 4 day work week.
6. Wednesday Days and Wednesday Nights (C & D) will be off for 3 days (Sunday, Monday, Tuesday) and will work 4 days (Wednesday, Thursday, Friday, Saturday) followed by a Thursday start day, 3 day work week.

Should the "Alternating Week Schedule" not accommodate the needs of the Company or the Bargaining Unit, both parties agree to meet to discuss the issues of this Side Letter of Agreement.

Western States Regional Joint Board,
Local 711


Barbara Mejia
Regional Secretary Treasurer

Levi Strauss & Co.


Brian Wehner
Director of Henderson CSC & Retail
Logistics

Date: 2-8-10

Date: 2-16-10

SIDE LETTER

ALTERNATE BREAK & LUNCH SCHEDULE

1st. Shift Production

1ST. Break – 25 minutes

- Receiving Induction, UWC, Sorter Induction, Shipping Group 1.
- Flex Pac Even Side, Shipping Group 2.
- Flcx Pac Odd Side, Receiving Dock.

2nd. Break – 30 minutes

- Receiving Induction, UWC, Sorter Induction, Shipping Group 1.
- Flex Pac Even Side, Shipping Group 2.
- Flex Pac Odd Side, Receiving Dock.

2nd. Shift Production

1ST. Break – 25 minutes

- Receiving Induction, Receiving Dock, UWC, Sorter Induction, @once, Shipping Group 1.
- Flex Pac, Saws, Shipping Group 2.

2nd. Break – 30 minutes

- Receiving Induction, Receiving Dock, UWC, Sorter Induction, @once, Shipping Group 1.
- Flex Pac Even Side, Shipping Group 2.
- Flex Pac, Saws, Shipping Group 2.

T.S. Straight 12 hour Shifts

1st. Break 15 minutes

2nd. Break 30 minutes

3rd. Break 15 minutes

***Note: There are NO changes for associates on an 8-hour schedule. Associates on an 8.5-hour workday will remain on their current lunch and break schedule, clock in and out for lunch, and are able to leave the property when clocked out for lunch. Please see your supervisor with any questions.

Barbara Neija
UNITEHERE

1-1-2007
Date

BB
LS&Co.

1-1-2007
Date



LEVI STRAUSS & CO.
881 SANDHYTE AIRPORT DRIVE
HENDERSON, NY 03051

June 15, 2007

To: Barbara Mejia
Secretary Treasurer
UNITE HERE!
920 So. Alvarado Street
Los Angeles, CA 90057

SIDE LETTER

Section 4.8 of Henderson Local Contract- Job Bidding

Two scenarios exist that can cause an associate to choose to move from their current classification/shift/schedule to a different classification/shift/schedule.

The first scenario is a job opening. This is caused by a need to increase total headcount in a classification or to replace a position created by the departure of an associate. In this scenario, a Job Bid will be posted per current procedures and will be awarded to the most senior qualified person(s) who sign the bid, irrespective of that associates current classification, shift, or schedule.

The second scenario exists when there is a business need to re-distribute the current associates in a job classification differently across shifts/schedules. On this scenario, and Shift Change Bid will be posted per current procedures and the position will be awarded to the most senior associate within the classification, who signed the Shift Change Bid.

Date: 6/20/07

UNITEHERE!

By: [Signature]

Levi Strauss & Co.

By: [Signature]

Side Letter - Job Bids and Shift Changes 1

MEMORANDUM OF AGREEMENT
Between
LEVI STRAUSS & CO
&
UNITEHERE

Article 1 (North American Agreement, Temporary Employees, Section 5 & 6)

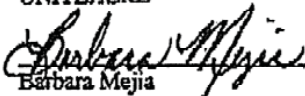
The North American Agreement dated July 1, 2007 through May 31, 2010, Article 1, Temporary Employees, Section 5 & 6 shall only apply to employees that were hired by the company and worked 90 days as a temporary employee in the calendar year 2007 and completed 90 days of work as of ratification.

Below is a list of employees that need to have their seniority date adjusted to their actual date of hire:

James Capangpangan
Kenneth Veal
Edward Brinkley
Jerald Brown
Billy O'Dell
Gilbert Chavez
Gerri Johnson
Dacia Hall
Patricia Armstrong
Ignacio Mendoza
Angelina Peoples

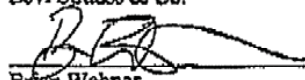
Please sign below indicating that this memorandum reflects the agreement.

UNITEHERE



Barbara Mejia
Regional Secretary Treasurer

Levi Strauss & Co.



Brian Wehner
Director, Henderson CSC

Hotline Usage Modification Effective: 12-1-15

The hotline process is being modified to capture the follow two events only:

- The schedule for shift has been changed for the following day . Next day schedule changes must be announced before the end of the shift.
- Need Volunteers for the next day

Management Role:

Two Hotline greetings

1. **Greeting 1** is the Default Greeting (Please report to work at your normally scheduled time an no volunteers are required
2. **Greeting 2** will be changed to reflect the need for the next day
 - Scheduled was changed for the next day and the associates were informed of the change before they left for the day
 - Volunteers are needed for the next day


Associate Responsibility

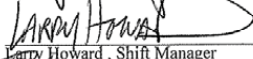
- Call the hotline if they were off or left work early the previous day
- Call the hotline if they signed the volunteer sheet for over time

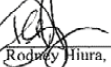
In witness whereof the, the parties have executed this agreement by affixing the authorized signatures below:

FOR THE COMPANY

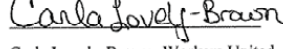

Robert Tillman, Facility Director



Randy Staniszewski, SR - HR Manager

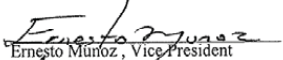

Larry Howard, Shift Manager


Rodney Hiura, Finance Manager

FOR THE UNION


Carla Lovely-Brown, Workers United


Tom Mulligan, President


Ernesto Muñoz, Vice President


Jessica Quinn, Secretary


Audreen Connors, Steward


Elaine Martinez, Chief Steward

NORTH AMERICAN AGREEMENT

WORKERS UNITED

and

LEVI STRAUSS & CO.

2015

Ratified: November 16, 2015

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TABLE OF CONTENTS

NORTH AMERICAN AGREEMENT.....	1
Ratification Of North American Agreement	1
Article 1 COVERAGE AND RECOGNITION	1
Temporary Workers	2
Part-time Employees.....	4
New Facilities and Third-Party Relationships.....	4
Article 2 CHECK-OFF.....	6
Workers United For Political Power	6
Article 3 LABOR-MANAGEMENT PARTNERSHIP.....	6
Local Joint Decision Making	7
Above the CSC Level Joint Decision Making.....	9
CSC Annual Operating Plan Process	11
Orientation Of New Employees	11
Union Building	12
Local Negotiations Process	14
Educational Assistance	14
Article 4 SENIORITY AND REDUCTION IN FORCE	14
Severance Pay.....	15
Downsizing and/or CSC Closure	16
Job Security	17
Article 5 SCHEDULING.....	18
Article 6 GRIEVANCE PROCEDURE.....	20
Article 7 LEAVES OF ABSENCE.....	21
Attendance	21
Family Leaves of Absence	21
Application-Certification.....	21
A. Duration	21
B. Eligibility.....	24
C. Notification.....	24
D. Intermittent FMLA Leave.....	24
E. Job Return Rights	25

Personal Leave Of Absence.....	25
Non-FMLA Personal Medical Leave	26
Short Term Union Leave Of Absence	26
Performing Other Work While On Leave	26
Temporary Assignment Leave Of Absence	27
Article 8 VACATION.....	27
Article 9 LIFE INSURANCE AND MEDICAL BENEFITS.....	28
Life Insurance	28
Medical Benefits.....	30
Contributions	32
Vision Care	34
Retiree Medical Insurance	34
Eligibility	34
Plan Design for Retirees (Under and Over Age 65)	35
Plan Design For Under Age 65 Plan	35
Plan Design for Over Age 65 Plan	36
Contributions For The Under Age 65 Plan	36
Contributions For The Over Age 65 Plan	37
COBRA Subsidy Upon Retirement.....	37
Eligibility.....	37
Benefit.....	38
Health Care Education.....	38
Continuation of Coverage.....	38
Extended Medical Coverage for Reduction in Force.....	39
Article 10 WEEKLY DISABILITY BENEFIT PLAN...	39
Eligibility Requirements.....	39
Benefit Pay Parameters.....	40
Daily Payments.....	40
Benefits Excluded.....	40
Benefit Amount (US Only).....	41
Certificate of Disability	41
Article 11 EMPLOYEE RETIREMENT FUND	41

Article 12 EMPLOYEE LONG TERM INVESTMENT AND SAVINGS PLAN..... 43

Article 13 SUPPLEMENTAL UNEMPLOYMENT BENEFITS..... 44

Eligibility Requirements..... 45

Benefit Amount..... 46

Article 14 HEALTH & SAFETY..... 46

Health & Safety Committee 46

Ergonomics 48

Health and Safety Training..... 48

Worker’s Compensation 48

Above the CSC 49

Wellness and Environmental Committees..... 49

Article 15 DRUG AND ALCOHOL PROGRAM..... 50

Article 16 NEW WORK AND TECHNOLOGY SYSTEMS..... 51

Article 17 WAGES 51

Shift Differential..... 51

Wage Rates 51

Jobs With Premiums 53

Bereavement Pay (U.S. Only) 54

Paid-Time Off..... 54

Holiday Bonus 55

Article 18 PRODUCTION STANDARDS..... 55

Article 19 TERM OF NORTH AMERICAN AND LOCAL AGREEMENT ADDENDA.... 57

Work Stoppages (U.S.)..... 58

Signature Page..... 60

Appendix 1– U.S. Facilities..... 61
Side Letter – Levi Strauss & Co. Hebron..... 62
Voluntary Separation and Buyout Program..... 63
Memorandum of Agreement 66
Retrofit Scheduling Project 67
Cost of Living Adjustment 68
Educational Assistance..... 69
 Eligibility 69
 Program Benefit..... 69
 Procedure 70
Memorandum of Understanding 71

NORTH AMERICAN AGREEMENT

The following represents the understandings and agreements reached by and between Levi Strauss & Co. “the Company” and the Chicago Midwest Regional Joint Board, the Southern Regional Joint Board, the Western States Regional Joint Board which are all affiliated with Workers United, an affiliate of SEIU (together “the Union”) during their 2015 North American Negotiations. This master agreement represents all agreements negotiated between the parties and supersedes the previous 2012 North American Agreement and all Memoranda of Understanding. With the exception of those issues so noted, these agreements apply to all U.S. Company Owned and Operated locations represented by, the Union, and the agreements contained in this document shall supersede and replace all local agreements on these subjects unless otherwise noted. Local negotiations shall be conducted where indicated herein and may also address bargaining subjects outside the scope of this Agreement, and will be appended to this Agreement.

Ratification Of North American Agreement

The method of ratification of the North American agreement and local addenda will be determined by the Union. A meeting time and an opportunity to vote will be provided on-site during the employee’s shift, subject to local practice and agreement.

Article 1

COVERAGE AND RECOGNITION

**(This Article is a North American subject,
including “part-time” employees)**

The Company recognizes the Union as the exclusive collective bargaining agent for warehouse clerical, warehouse production and maintenance/technical services employees in all U.S., Workers United organized facilities, excluding office clerical employees,

technical and professional employees, confidential employees, guards, and supervisors as defined in the National Labor Relations Act. The Company recognizes the Union as the exclusive bargaining agent as provided for in the local agreement

For those employees permitted under applicable law to organize and bargain, the Company agrees they will be permitted to do so as a separate bargaining unit, separate and apart from warehouse clerical, warehouse production and maintenance/technical services.

Temporary Workers

1. The Employer may employ temporary* workers. Such temporary workers may be hired at any time during a calendar year as necessitated by business requirements. Should any temporary worker be employed for longer than 90 days worked in a calendar year, then such worker shall thereafter be deemed covered by the terms of the Agreement and to have fulfilled 30 days of their probationary period required of newly hired employees per the local terms.

The Employer, upon request or monthly, whichever is later, will provide the Union with a list of names, start dates, department, shift and total accumulated hours worked in the calendar year for each temporary employee as of the issuance of the report.

2. The Employer will not use temporary workers while regular employees are on involuntary short-term, long-term, or (in Canton) temporary lay off. Daily layoffs shall be subject to the local agreements under the following conditions: 1. the parties agree that employees will not be able to bump a temporary worker on another shift and/or schedule not working in the building at that time; 2. the parties agree that regular employees will be considered

trained and qualified if they have requested training on the job that the temporary worker is performing except for equipment operator and technical services (or maintenance) jobs.

3. *Overtime.* Temporary workers shall not be given the opportunity to work overtime until all regular employees on the same shift who are trained and qualified for the available work first are given the opportunity to take such overtime.
4. Temporary workers shall be subject to transfer out of their job before regular employees who are trained and qualified for the available work are involuntarily transferred.
5. Once a temporary worker becomes a regular full-time employee they will not be subject to a probationary period as defined in the agreement and they will be hired at the agreed upon sixty (60) day rate. The temporary worker's start date as a regular employee will be their new hire date for all purposes.
6. The Company agrees to constrain by CSC, the use of temporary workers no more than the equivalent of 10 percent during the period January thru June and 20 percent during the period of July through December.

Temps who are hired to fill a full time position, their hours as a temp will be deducted from the reported temporary hours.

The Company will provide the Union with a monthly report of the total hours worked and the total hours there were worked by temporary workers by CSC.

7. Temporary workers shall be paid no higher than the entry level rate of pay for the classification or job to which they are assigned.
8. All other issues involving temporary workers not addressed herein shall be subject to local decision making.

Part-time Employees

(This article is a North American Subject)

Whether or not part-time employees may be used at each CSC shall be decided by mutual/joint agreement at the local level.

All terms and conditions of employment for part time employees (including benefits) shall be determined by mutual/joint agreement at the local level.

New Facilities and Third-Party Relationships

The Company's right to determine the methods and process for distribution shall be restricted in that LS&CO. cannot transfer LS&CO. controlled Value Added Services currently done in U.S. CSCs to another vendor in the U.S.

The Company shall:

- Meet with the Union and consider the Union's recommendations regarding new third-party relationships similar to pool points;
- Meet with the Union to discuss opening a new cut, sew, finishing or distribution facility or moving an existing one covered under this Agreement more than 10 miles from its current location;
- Provide quarterly written reports to the Union specifying type of work performed and the volume of work performed and the reason for the performance of such work

at any pool points and third party facilities in the U.S. currently existing or newly established and in Canada in the event it newly establishes a pool point; and

- Upon reasonable advance notice to the Company, use its best efforts to make arrangements for Union representatives designated by the Union to tour pool points or other third party distribution operations to insure compliance with the covenants of this section. The Union will be responsible for the costs of such visits.

If, during the term of this Agreement, the Company opens a new Company owned and operated cut, sew, finishing or distribution facility in the U.S., the Company will:

- Not oppose the Union's attempt to organize the employees of the facility, but rather will be neutral and will issue to its employees a statement of neutrality; and
- Recognize the Union as the exclusive collective bargaining representative for the employees in an appropriate bargaining unit if the Union obtains authorization cards signed by a majority of the employees in the bargaining unit.

The Company and Union shall meet and agree upon the terms of the card check process, which shall be conducted by a neutral third party or other mutually agreed process.

If both the Company and Union determine that a cut, sew, finishing or distribution facility should be lawfully accreted to an existing bargaining unit, the Company will negotiate with the Union the labor standards and conditions for such facility.

Except as explicitly limited by a specific provision of this Agreement, there are no restrictions on the Company's right to close, partially close, open, relocate, buy sell, or lease distribution facilities and make decisions regarding third-party logistics relationships.

Article 2
CHECK-OFF

(This Article is a North American subject)

WORKERS UNITED FOR POLITICAL POWER

(Applies to U.S. Only)

The Company shall provide for payroll deduction for all employees who voluntarily authorize such a deduction as a contribution to the Workers United for Political Power Campaign Committee (PAC), OR ANY SUCCESSOR THERETO. All payroll deductions to the Union's PAC shall be based on written authorization cards signed by the employee.

The Company shall make the deduction for the Union's PAC for each payroll period or other designated work period worked by the employee who has authorized the deduction. The Company shall promptly transmit the amounts deducted from employees' paychecks for the Union's PAC, in a separate transmittal from dues/service fees, to an address designated by the union, accompanied by a CD or other computer-readable list of the names, addresses, and last four digits of social security numbers of all employees for whom a PAC deduction was made together with the date and amount of that deduction.

Workers United shall indemnify, defend, and save the Company harmless against any and all claims, demands, suits, or other terms of liability that shall arise out of and by reason of an action taken by the Company in reliance upon PAC payroll deduction cards submitted to the Company.

Article 3
LABOR-MANAGEMENT PARTNERSHIP

(This Article is a North American subject)

The Union and the Company have executed a Partnership Agreement which, among other things, provides for a vision of joint decision

making on matters governing the business of the CSC and a commitment to the success of the Partners. The parties agree that the achievement of full joint decision making at the local level continues to be a desirable objective.

In order to make the Partnership agreement more effective for the Union and the Company, the parties agree during the term of this Agreement to jointly assess and develop an action plan and training for the Leadership Steering Committee(LSC) members in order to build the skills and knowledge that will enable them to bring forth ideas, prevent and solve problems, be accountable for their actions, and hold each other accountable for their commitments.

The action plan will set forth a realistic number of specific, measurable, achievable actions to be taken by the LSC over time during the term of this Agreement.

The parties, in making such an Agreement, believe that the development of joint decision making will be evolutionary in nature. Such decision making will only increase over time as the skills, knowledge and business literacy of the Partners achieve levels necessary for effective and efficient joint decision making. Therefore, the parties will jointly design and develop the appropriate training and allocation of resources. Such training shall be delivered jointly whenever possible, delivered by experts when required, and will always be subject to evaluation.

Local Joint Decision Making

The facility will form the LSC to accomplish this vision. The LSC will determine those subjects which will be included in joint decision making. Should a subject not be named as being within the bounds of joint decision making, decision making rights around that subject are reserved to the Company, including the management of the facility, the direction of the work force, and the right to suspend, discipline or discharge employees for just cause, except as

limited by this Agreement or subsequent decisions made in accordance with the National Partnership Agreement.

In the event that there is a change in local leadership, the list of subjects within the bounds of joint decision making shall be reviewed and updated by the LSC, as those subjects relate to the skills, knowledge and business literacy of the newly appointed local joint leadership.

The LSC shall have the responsibility to provide any new member of the Committee with full information and any necessary education and upskilling required in order to give the new member the opportunity for full participation in the Committee.

The LSC will review the list of decision-making subjects for possible updating and expansion annually, so that, long term, the evolution of full joint decision making will be achieved. When that process is completed, the LSC will communicate the subjects of joint decision-making to the Union and the Company at the Regional Level.

The LSC may address business, community and/or employee issues. In doing so, the LSC may charter local task forces and shall establish the objectives, boundaries and parameters for these Task Forces, which shall include:

1. Decisions shall always be made by consensus, which means that while a particular person may prefer a different decision, that person is able to accept and support the decision;
2. Discipline matters shall be out of bounds;
3. The National Partnership Agreement shall be out of bounds; and

4. The Local Union shall determine how employees shall ratify Task Force decisions.

Whether a Task Force is chartered or not, any change impacting wages, hours, working conditions or benefits must be addressed by the LSC and/or bargained with the Union and will require union ratification that includes education of affected employees prior to ratification as part of the process. Where practical, the parties may conduct joint education prior to ratification. The Union may continue to exercise institutional oversight in the approval and chartering of Task Forces.

Above the CSC Level Joint Decision Making

In accordance with the joint decision making concept contained in the Labor-Management Partnership Agreement, the Company and the Union have an interest in providing a structure to facilitate joint decision making at the facility level. To that end, above the CSC level leadership, both Company and Union, will support the Partnership and allocate available resources toward LSC action plans and training plans.

It is further agreed by the parties that a steering committee will be convened above the CSC level. This steering committee will have participation from employees at all sites by including one local union representative, one union staff designee, and one management employee from each CSC. The Vice President of Distribution, or designee, and the Union President, or designee, from the Union shall also attend.

The understanding of the parties is that the above plant LSC will typically be held quarterly at the facility and rotate among them, unless the parties agree otherwise.

The primary purpose of this steering committee is to resolve issues of interest at all sites and to monitor LSC effectiveness. The follow-

ing principles will continue to apply to decisions to be made by the steering committee:

1. Keep the focus of decision making on CSC issues at the CSC level.
2. Before an issue can be considered for such joint decision making, the parties must agree that common interest in the issue exists.
3. In order for a local issue to be considered by the steering committee, the subject of the issue must have been declared by the LSC as being within bounds of local joint decision making.
4. For an issue to be considered by the steering committee, the issue must support business and union strategies.

Both parties recognize that such joint decision making neither supplants nor replaces the Grievance Procedure.

When CSC issues are decided by the steering committee, the resolution of such issues will apply at all CSCs. The steering committee should also ensure appropriate communications are made regarding these decisions to all facility LSCs and leaders from labor and management.

The parties may meet and determine how to allocate the cost of such initiatives and programs.

The Company will pay lost time for employees to attend the above the CSC level steering committee meetings, and employees may use Union Business to prepare for such meetings.

CSC Annual Operating Plan Process

It is agreed that the LSC will develop and implement a plan to assure the evolution of employee and local union leadership participation in an annual business planning process so as to continually grow literacy regarding capital investments, budgeting, CSC loading, and resource options.

To that end, the LSC will conduct an assessment to identify and prioritize key issues, (education/training, benefits, health and safety, ergonomics) develop action plans, and determine resources needed for inclusion in the facility annual operating plan. They will also be responsible for implementing, measuring and evaluating the effectiveness of all plans with regular reporting to regional leadership of both organizations.

Orientation Of New Employees

The Company and the Union agree to review and revise the new employee orientation process to better introduce new employees to the negotiated nature of wages, hours and benefits, as well as an introduction to the Union.

Information about the Partnership and the Union Contract shall be presented jointly to new employees. Union Membership Cards shall be given to all new employees along with other paperwork.

New management employees shall receive Partnership and Union orientation, jointly provided by the Company and the Union.

In addition, the Union shall be provided with a table in the CSC Cafeteria to distribute information for employees about the Union during lunch and break periods.

Union Building

It is agreed that the Company and the Union have a common interest in building an effective union at the local level so that full joint decision making as contemplated by the Partnership Agreement can be achieved. It is recognized that two elements are key to the achievement of this objective:

1. A strong, knowledgeable union to represent and involve employees; and
2. A management that understands and supports the local union's role, responsibilities, accountabilities and development.

To achieve these objectives, a jointly developed strategy which includes the following elements should be undertaken:

1. Implement the strategy through the joint design and delivery of the education of local union leadership and employees.
2. Implement various management education initiatives which result in greater management understanding and support for the union's role, responsibilities, accountabilities and development.
3. Perform periodic joint evaluations of the strategy.
4. The Company agrees to fund the cost of the following initiatives:
 - Two (2) Union Council Meetings each year of the Agreement
 - One (1) Leadership School during the term of the Agreement

- One (1) Health & Safety Leadership Training Course each year of the Agreement with joint planning and participation. The training shall be held at one of the CSCs each year and shall rotate among the CSCs.
- One (1) union building activity each year which shall be jointly planned by the local LSC, such as a cook-out or “Join the Union Day”, or similar activity.
- A labor-management conference, to be held annually on the first day of Union Council meeting, for the purpose of discussing upcoming strategic issues in Distribution.
- The Company will pay lost time for delegates to the Union convention according to the formula set by Union for attendees, which could be one (1) or two (2) per facility.

Union has the option to arrange the schedule, content and staffing of these meetings provided that it does not result in additional cost and notice of such change is in sufficient time to ensure inclusion in the annual operating plan.

In addition the Company shall continue to fund:

- The cost of North American Negotiations
- The cost of U. S. Local Negotiations
- The cost of translating and printing Local Agreements

Weekly Local Union leadership meetings, details of which will be decided locally

The Company agrees to include the Union logo on company provided shirts and uniforms for employees who wish to wear it.

Upon request, the Union will be given access to Company facilities before and after hours to conduct membership drives, provided that these activities do not interfere with the work of the employees.

Local Negotiations Process

It is agreed that the Company will pay for employee lost time incurred in U.S. and Canadian local negotiations. It is anticipated that this lost time should amount to approximately forty (40) hours, but it is agreed that if negotiations continue beyond forty (40) hours the Company will pay for additional lost time at the table and in caucus as long as both parties consider the negotiations to be productive.

Educational Assistance

The Company commits to an educational tuition reimbursement program that would provide enhanced opportunity for employees to receive assistance in developing their skills and knowledge. A formal tuition reimbursement policy and procedure has been developed and will be administered at each of the CSC facilities – North America.

Article 4

SENIORITY AND REDUCTION IN FORCE

(This Article is a North American subject as to general terms, and Local as to terms so specified)

Reduction-In-Force is defined as a severance of employment with the Company where there is no reasonable expectation that an employee will be recalled to employment within the next twelve (12) months. Events which could trigger a Reduction-in Force include elimination or substantial reduction of a department (with “substantial” being 50% or more of the department), subcontracting

or outsourcing work currently performed at a CSC, technological change, process flow improvement, expiration of Long Term Lay Off, and CSC Closure. Should it be determined that a Reduction-In-Force is necessary, employees will be terminated on the basis of seniority, with the parties recognizing the option of volunteers, provided that the remaining employees have the qualifications and ability to perform the available work with a reasonable amount of training. Since no recall to employment is anticipated, any employee so affected shall be entitled to the benefits provided for in this Agreement in the Article entitled Severance Pay.

The Company will make the initial decision on whether to cause an event which could trigger a Reduction-in-Force. It is anticipated by the parties that local decision making processes will result in joint decisions on Reduction-In-Force. However, should such decisions not be possible within a reasonable period of time, including the alternative of joint region decision making efforts, then the Company will decide the issue of Reduction-In-Force.

It is agreed that all local agreements in all Union facilities shall provide for loss of seniority after twelve (12) calendar months in lay off status.

Severance Pay

Although the parties do not contemplate it, should it become necessary to permanently reduce the workforce the Company promises to provide at least two (2) weeks notice to such employees and the Union of said lay off. The following severance benefits will be provided to those employees permanently laid off without recall rights:

- One (1) week severance pay for every complete year of service, with a minimum of one (1) week severance pay provided employees, except the first year of service may not be completed through leave of absence or layoff.

- Employees will receive any accrued but unused vacation pay at the time of the layoff.
- Medical insurance coverage will be continued beyond the date of termination in accordance with the schedule of required COBRA premium waiver as described in the Article on Health Insurance. Should any employee desire to continue coverage, the employee will be required to pay the full cost of the COBRA premium to continue such coverage.
- An employee who experiences maternity expenses for which eligibility occurred prior to lay off shall have such expenses covered through delivery. The Company may require evidence satisfactory to the Company to verify that pregnancy occurred prior to lay off.
- In the event of a substantial permanent lay off the Company shall provide individual employment counseling, notice of job opportunities within the community, and community services referral to employees who may be severed from employment with the Company.

The acceptance by an employee of severance pay shall mean that all other benefit accumulations cease at the time of lay off and the employee, if re-employed, will be considered a new employee unless such rehire occurs within one (1) year of lay off, in which event the employee will be reinstated with full seniority and benefits provided that any unused severance pay will result in the employee being considered a new, probationary employee.

Downsizing and/or CSC Closure

At least once a year, or when either party to this Agreement otherwise perceives a threat to the survival of a CSC or department, the parties will meet and determine if such a threat exists.

While there are no job guarantees, the parties agree that:

1. The nature of and the reason for such a threat will be discussed;
2. The parties will promptly meet and strive to find alternate solutions aimed at preserving jobs. These solutions should include full examination of sourcing decisions, measurement assumptions, opportunities for improvement and any other appropriate actions, and
3. Adequate time and resources consistent with business conditions and the parties stated values will be made available to examine, plan and implement alternatives to facility closures. The Company commits to supporting the values and principles they have brought to previous negotiations around CSC closings and downsizing.

Job Security

The Company commits to keep open and operational each of the current three (3) U.S. facilities for the duration of this North American Agreement. Nothing in this commitment alters the Company's rights with regard to determining shifts and staffing needs.

In the event that the Company cannot keep this commitment and a facility closure will occur during the term of the North American Agreement, the Company will meet with the Union to discuss the effects of the closure and also agrees that it will provide four (4) weeks of severance pay per complete year of service to affected employees. This severance amount will not apply if a closure is caused by an Act of God or natural disaster. This job security provision expires and does not carry over after May 31, 2019 absent specific written agreement.

Article 5
SCHEDULING

*(This Article is a North American subject
except as noted below)*

1. In the event the Company has a need for overtime on the weekend over and above the hours scheduled for regular and temporary employees on that shift, the Company will post a sign-up sheet for overtime that allows regular employees to volunteer for extra hours on the weekend from other shifts.
2. Each facilities' LSC will be responsible for addressing downturns or shortages of work as it affects scheduling.
3. Employees with two (2) or more years of seniority as November 1, 2009 will not be required to work a Saturday or Sunday shift at straight time rates.
4. Employees who show up for work but who are involuntarily released before finishing fifty (50) percent of their scheduled shift will be paid fifty (50) percent of their scheduled shift.
5. After the initial schedules are set, further changes to the schedules will be resolved through the LSC. Provided, however, that if the LSC is unable to resolve the scheduling issues within sixty (60) calendar days, the issue will be resolved through the parties above the facility process between the appropriate Union representative responsible for Levi's North American distribution facilities (currently Noel Beasley) and the corresponding Levi representative responsible for Levi North American distribution facilities (currently Rich Kuether). For Rexdale, in the event the parties cannot resolve scheduling issues within sixty (60) days, the matter will be referred for

decision to the appropriate Union representative responsible for Levi's North American distribution facilities (currently Noel Beasley) and the corresponding Levi representative responsible for Levi North American distribution facilities (currently Rich Kuether).

6. Once the new schedules are established, employees will select their work schedule, including shift, by seniority, within job classification. Employees would be required to select an available job based on seniority and skills. Employees covered by paragraph 3 above, will be allowed to take a voluntary layoff if the only available shift is one that requires Saturday or Sunday work at straight time rates. An employee with less than two (2) years seniority as of November 1, 2009 or newly hired, who does not select an available shift, will be deemed to have resigned.
7. The parties agree that the following issues, although not limited to, will be negotiated at the local level, except where expressly addressed in North American Agreement: schedule implementation dates, overtime notification, overtime pay (except those modified to provide for straight time Saturday/Sunday schedules), overtime distribution and balance, share the work issues, start times and the number of times an employee's shift can be changed, job/shift bidding and shift premiums, voluntary layoffs due to scheduling issues, lunches and breaks, flextime, holiday schedules and advanced notification of employee's shift changes or shift configuration changes.
8. In the event the Company makes the determination to change the schedule currently being worked by a department or shift, the Company will be required to give the Union (through process of the LSC) and impacted

employees notice of no less than 30 calendar days of such change.

The Company will have the right to change the schedule affecting a shift no more than two (2) times within twelve (12) calendar months. However, the Company may change the schedule of a department one additional time within a twelve (12) calendar month period in exceptional circumstances and after consulting with the LSC.

Article 6

GRIEVANCE PROCEDURE

(This Article is a North American subject as to general terms, and Local as to terms so specified)

If the parties agree that the current grievance procedure is not responsive to the needs of the facility, the parties may review the Grievance Procedure for possible changes. In this event, the following requirements are to be adhered to:

- Resolve issues close to the problem.
- Keep the grievant involved at all steps in resolution.
- Framework to be worked towards is joint issue resolution.
- Facility designs its own resolution procedure.
- The LSC reviews grievances to identify and address systemic issues and to review the effectiveness of the grievance procedure.
- Supervision/management/union leadership should be jointly trained in problem solving techniques, the collective bargaining agreement and the grievance process. This training shall be done at least annually to educate new leaders and/or update all leaders on changes.
- The Company agrees to use the grievance tracking model used in Hebron without listing names of grievants.

Article 7

LEAVES OF ABSENCE

(This Article is a North American subject)

Attendance

The parties agree that attendance shall be negotiated locally, including the rolling 12-month window, which is not changed by this Agreement.

Family Leaves of Absence

Application - Certification

All requests for Family Medical Leave must be in writing. In cases of Leave for medical reasons, the Company may require proof or evidence of illness or physical disability, including certification by a licensed physician or surgeon to substantiate any Leave request.

Personal Illness/Injury and Other Family Medical Leave

A. Duration

A Family Medical Leave of absence may be granted to an employee upon written request not to exceed twelve (12) calendar weeks, during any twelve (12) month period, for serious personal illness or accident. This twelve (12) month period is measured backward from any approved Family Medical Leave. Upon request, the Company may extend such Leave of Absence for additional periods of thirty (30) calendar day period or periods up to a maximum of twelve (12) months. The additional leave i.e. thirty (30) calendar day periods, up to a maximum of 12 months, that may be granted under this Article may not be consumed on an intermittent basis.

A Family Medical Leave of Absence may be granted to an employee upon request not to exceed twelve (12) calendar weeks, during any twelve (12) month period, for serious illness or accident suffered by the employee's immediate family, (parent, child, spouse). Such Family Medical Leave also may be granted for placement of a child into an employee's family due to birth, adoption or a foster care arrangement. The Company may extend such leaves of absence for additional period(s), up to a maximum leave period of twelve (12) months. The additional leave i.e. thirty (30) calendar day periods, up to a maximum of 12 months, that may be granted under this Article may not be consumed on an intermittent basis. The twelve (12) month period will be a rolling twelve (12) month period measured backward from any approved Family Medical Leave.

A Family Medical Leave of absence may be granted to an employee upon request not to exceed twelve (12) calendar weeks, during any twelve (12) month period for qualifying exigency" for military operations arising out of a spouse's, child's, or parent's active duty or call to active duty ("Military Emergency Leave"). A "qualifying exigency" under Military Emergency Leave includes activities such as: (1) short-notice deployment; (2) military events and related activities; (3) child care and school activities; (4) financial and legal arrangements; (5) counseling; (6) rest and recuperation; (7) post-deployment activities (up to 90 days following termination of active duty status); and (8) additional activities as agreed to by the Company and the employee on a case-by-case basis. This twelve (12) month period is measured backward from any approved Family Medical Leave. Upon request, the Company may extend such Leave of Absence for additional periods of thirty (30) calendar day period or periods up to a maximum of twelve (12) months. The additional leave i.e. thirty (30) calendar

day periods, up to a maximum of 12 months, that may be granted under this Article may not be consumed on an intermittent basis.

A Family Medical Leave of absence may be granted to an employee upon request not to exceed twenty-six (26) calendar weeks, during any twelve (12) month period for a spouse, child, parent or next of kin (nearest blood relative of an individual) who is an Armed Forces member with a serious injury or illness incurred in the line of duty while on active duty that may render the individual medically unfit to perform his or her military duties (“Military Caregiver Leave”). This twelve (12) month period is measured backward from any approved Family Medical Leave. Upon request, the Company may extend such Leave of Absence for additional periods of thirty (30) calendar day period or periods up to a maximum of twelve (12) months. The additional leave i.e. thirty (30) calendar day periods, up to a maximum of 12 months, that may be granted under this Article may not be consumed on an intermittent basis.

For Military Caregiver Leave, the 12-month period begins on the first day of the leave taken for this purpose, and ends 12 months later, regardless of the timeframe of any other leave. If all of the 26 weeks of leave are not taken during the 12-month period, the remaining amount does not carry over to the next 12 month period. Military Caregiver Leave may also count as FMLA “Family Care Leave” depending on the circumstances of the family relationship, but is counted first as Military Caregiver Leave. In no case may the total amount of FMLA-qualifying leave exceed 26 weeks in the 12-month period measured from the first day of Military Caregiver Leave.

At the employee's option, any accrued paid vacation time off may be used during an approved Medical Leave of Absence.

B. Eligibility

Eligibility for Family Medical Leave of Absence will be the same as the Federal Law guidelines: 1,250 hours worked as an employee within the last 12 months and twelve (12) months worked at the Company as an employee (not required to be consecutive).

C. Notification

Pursuant to the Family Medical Leave Act, an eligible employee wishing to take leave under this Article, must furnish the Company with reasonable notice so that work may be planned. Such notice will be required when the employee has advanced notice of the need for the leave. If the event necessitating the leave is foreseeable, the employee must provide at least two weeks' advanced written notice before leave is to begin. If two weeks' advanced written notice is not possible, notice must be given as soon as practicable.

If the event necessitating leave qualifies as Military Emergency Leave, the employee must provide the Company with as much notice of the need for the leave as is reasonable and practicable under the circumstances.

D. Intermittent FMLA Leave

Use of intermittent FMLA Leave will require recertification every six (6) months to the extent allowed by law.

E. Job Return Rights

1. Fitness for Duty

In order for an employee to return to work from a Personal Illness Leave of Absence, such employee must present the Company with a physician's release from the medical provider who treated the employee which authorizes the employee to return to work. An employee returning from Leave of Absence shall provide the Company with adequate notice of the date of return so that the Company may make adequate operational plans for the employee's return.

2. Job Rights

An employee granted a Leave of Absence under this Article shall be returned to the same job or operation if vacant, provided the employee is returned to work within ninety (90) calendar days of the commencement of his/her Leave. Any time associated with Vacation shall not be counted. However, the parties may jointly agree to extend such ninety (90) calendar day period on a case-by-case basis. In the event that a Leave of Absence and any extensions thereof exceed ninety (90) calendar day period, the employee will be assigned to an available job or position of a similar nature as is reasonable to accommodate.

Personal Leave Of Absence

A Leave of Absence for personal reasons may be granted by the Company. Requests for such Personal Leaves of Absence will be given due consideration, but the Company does not obligate itself to grant Leaves of Absence for personal reasons.

Non-FMLA Personal Medical Leave

A Personal Leave of Absence may be used for a non-FMLA qualifying medical condition if the employee provides certification from a physician that the leave was necessary due to the non-FMLA qualifying medical condition. This provision does not affect whether or not an absence is excused under the local attendance policy, and this issue shall be decided locally. Leave in this section is defined as three (3) days or more.

While the Company will determine staffing levels based on business and operational need, the Personal Medical Leave of Absence will not be included in the 10% cap used for scheduling vacations and other leaves.

At the employee's option, any accrued paid vacation time may be used during an approved non-FMLA personal medical leave.

The Company agrees with oversight of the NASC to conduct on an annual basis, a standardized education on leaves and processes for all employees. In addition this education shall be part of New Hire Orientation for all newly hired employees.

Short Term Union Leave Of Absence

Leaves of absence of reasonable duration shall be granted to a reasonable number of employees who may be selected to act as representatives of the union, as delegates to conventions, conferences and/or other appropriate union activities. The Union agrees to give the Company adequate notice in writing, listing such representatives and the reason for the leave.

Performing Other Work While On Leave

An employee on Leave of Absence for personal physical disability or serious illness may perform work for another employer provided

that such an employment relationship commenced not less than thirty (30) calendar days prior to the commencement of the Leave of Absence and further provided that such employment does not prolong or cause the Leave of Absence to be extended.

Temporary Assignment Leave Of Absence

Employees within the Bargaining Unit may be temporarily promoted to jobs or operations outside the Bargaining Unit or employment with the Union on a trial basis for a period not to exceed six (6) months without loss of seniority. In special circumstances, such six (6) month period may be extended by mutual agreement of the parties provided such extension is granted at least two (2) weeks prior to the expiration of such Leave. Temporary Assignment Leave for trial employment with the Union will be considered Personal Leave for purposes of benefits.

Article 8 **VACATION**

(This Article is a North American subject as to general terms, and Local as to terms so specified)

Guidelines governing accrual may vary from site to site; however, the following charts are intended to reflect the current and future vacation allotment at all U.S. sites.

Effective June 1, 2012 - U.S.:

Years of Service	Vacation Allotment equal to:
1st Year	4 days or 32 hours
Years 2-4	9 days or 72 hours
Years 5-14	14 days or 112 hours
Years 15-24	19 days or 152 hours
Years 25-29	20 days or 160 hours
Years 30 or over	24 days or 192 hours

For a Family Medical Leave of Absence, it is agreed that employees may have the option to use accrued but unused vacation benefits.

The guidelines for vacation, including carry over, use, and payment of unused days will be developed locally.

Scheduling guidelines for employees' individual days will be developed locally.

The parties agree that vacation pay for U.S. will be paid at the employee's base wage, including any applicable premium for employees regularly assigned to a premium job consistent with past practices.

Article 9

LIFE INSURANCE AND MEDICAL BENEFITS

(This Article is a North American subject.)

The Company shall make available, in the U.S. only, the following insurance and medical benefits coverage:

Life Insurance

1. Eighteen Thousand Dollars (\$18,000) group life insurance as set forth in the Plan, with premium paid by the Company.
2. Effective 1-1-2017, Nineteen Thousand Dollars (\$19,000) group life insurance as set forth in the Plan, with premium paid by the Company
3. Effective 1-1-2018, Twenty Thousand Dollars (\$20,000) group life insurance as set forth in the Plan, with premium paid by the Company.

4. Additional increments of Ten Thousand Dollars (\$10,000), up to a maximum of \$50,000 life insurance coverage will be available to each employee, provided evidence of insurability requirements are met, at the employee's option at their cost. Effective, 1-1-2017, an additional increment of Ten Thousand Dollars (\$10,000) up to a maximum of \$60,000, Life Insurance Coverage will be available to each employee, provided evidence of insurability requirements are met at the employee's option at their cost. Said costs will be reset annually based on experience. The Company agrees to withhold such cost per week through payroll deduction.

5. Dependent life insurance in the following amounts will be available to each employee at the employee's option at their cost. Said costs will be reset annually based on experience. The Company agrees to withhold such cost per week through payroll deduction:

Dependent	Coverage	Effective 1/1/2017
Spouse	\$12,000	\$13,000
Dependent Child	\$6,000	\$7,000
Infant (less than 6 months old)	\$2,000	\$3,000

Medical Benefits

	Managed Choice 2015/2016	2017	2018	2019
	Network/ Non-network	Network/ Non-network	Network/ Non-network	Network/ Non-network
Deductible	\$450/\$850 EE \$750/\$1250 Fam	\$550/\$950 EE \$850/\$1350 Fam	\$650/\$1050 EE \$950/\$1450 Fam	\$750/\$1150 EE \$1050/\$1550 Fam
Out-of-pocket	\$2000/\$3800 EE \$3800/\$6700 Fam	\$2100/\$3900 EE \$3900/\$6800 Fam	\$2200/\$4000 EE \$4000/\$6900 Fam	\$2300/\$4100 EE \$4100/\$7000 Fam
Co-insurance	20%/45%	20%/45%	20%/45%	20%/45%
Preventive	No charge/ Deductible and 45%	No charge/ Deductible and 45%	No charge/ Deductible and 45%	No charge/ Deductible and 45%
Office visit	\$25 Primary; \$35 Specialist/ 45% NN	\$30 Primary; \$40 Specialist/ Ded and 45% NN	35 Primary; \$45 Specialist/ Ded and 45% NN	\$40 Primary; \$50 Specialist/ Ded and 45% NN
Out-patient	20%/45%	Deductible and 20%/ 45% NN	Deductible and 20%/ 45% NN	Deductible and 20%/ 45% NN
In-patient	20%/45%	Deductible and 20%/ 45% NN	Deductible and 20%/ 45% NN	Deductible and 20%/ 45% NN
ER	\$75 copay; Deductible and 20%/45%	\$100 copay; Deductible and 20%/45%	\$125 copay; Deductible and 20%/45%	\$150 copay; Deductible and 20%/45%
RX	\$50 Deductible Retail: \$10/\$30/\$45 Mail order: Double retail for 90 days	\$50 Deductible Retail: \$15/\$35/\$50 Mail order: Double retail for 90 days	\$50 Deductible Retail: \$20/\$40/\$55 Mail order: Double retail for 90 days	\$50 Deductible Retail: \$20/\$40/\$60 Mail order: Double retail for 90 days
Employee Contribution %	23% EE 32% Fam	23% EE 32% Fam	23% EE 32% Fam	23% EE 23% EE

	Value PPO 2015/2016	Value PPO 2017	Value PPO 2018	Value PPO 2019
	Network/ Non-network	Network/ Non-network	Network/ Non-network	Network/ Non-network
Funding	\$500 EE/ \$1000 Fam	\$500 EE/ \$1000 Fam	\$500 EE/ \$1000 Fam	\$500 EE/ \$1000 Fam
Deductible	\$1500 EE/ \$3000 Fam	\$1500 EE/ \$3000 Fam	\$1500 EE/ \$3000 Fam	\$1500 EE/ \$3000 Fam
Out-of-pocket	\$4000 EE/ \$8000 Fam	\$4000 EE/ \$8000 Fam	\$4000 EE/ \$8000 Fam	\$4000 EE/ \$8000 Fam
Co-insurance	20%/30%	20%/30%	20%/40%	20%/40%
Preventive	No charge/ Deductible and coins	No charge/ Deductible and coins	No charge/ Deductible and coins	No charge/ Deductible and coins
Office visit	Deductible and coins	Deductible and coins	Deductible and coins	Deductible and coins
Out-patient	Deductible and coins	Deductible and coins	Deductible and coins	Deductible and coins
In-patient	Deductible and coins	Deductible and coins	Deductible and coins	Deductible and coins
ER	Deductible and coins	Deductible and coins	Deductible and coins	Deductible and coins
RX	\$50 Deductible Retail: \$10/\$30/\$45 Mail order: Double retail for 90 days Non-network: No coverage	\$50 Deductible Retail: \$10/\$30/\$45 Mail order: Double retail for 90 days Non-network: No coverage	\$50 Deductible Retail: \$10/\$30/\$45 Mail order: Double retail for 90 days Non-network: No coverage	\$50 Deductible Retail: \$10/\$30/\$45 Mail order: Double retail for 90 days Non-network: No coverage
Employee contribution %	21% EE 30% Fam	21% EE 30% Fam	21% EE 30% Fam	21% EE 30% Fam

Wellness

The Company will continue to offer the bargaining unit members a Wellness Program that includes opportunity to earn annual credits to be applied toward contribution costs for medical benefits the following year. The company will identify the wellness provider and determine program requirements.

Health Care Reform/Affordable Care Act

- The parties hereto recognize the passage of Health Care Reform, the Patient Protection and Affordable Care Act (“PPACA” or the “Act”) may impact health benefits provided by LS&Co. Accordingly, the parties agree to reopen this Agreement when necessary for the sole purpose of negotiating health benefit modifications to either/or 1) comply with legislative mandates 2) address impact from penalties and taxes (whether direct or indirect), which may include but not be limited to required contributions for health benefits, and/or 3) to address alternative methods for providing health benefits (e.g., through the National Health Fund).

Group Medical Insurance shall include the following:

Dental Plan	Orthodontia, child only, maximum \$1,500 1/1/2017
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Contributions

Required employee contributions shall be paid weekly through payroll deduction. Subsequently, the Company will announce new rates in November of each of the following years during the normal open enrollment period, to be effective the following January 1. The 2016 employee contribution amount follow:

2016 Medical Contributions

Managed Choice Plan Employee Contribution Amounts

	2016 Weekly Cost
Employee Only	\$42.53
Employee and Child(ren)	\$123.61
Employee and Spouse	\$95.65
Employee and Family	\$164.59
Employee and Spouse w/Surcharge	\$250.29
Employee and Family w/Surcharge	\$291.27

Value Plan PPO Employee Contribution Amounts

	2016 Weekly Cost
Employee Only	\$28.64
Employee and Child(ren)	\$84.70
Employee and Spouse	\$65.37
Employee and Family	\$113.04
Employee and Spouse w/Surcharge	\$178.13
Employee and Family w/Surcharge	\$206.46

Other Provisions

- The Company will continue to offer a Health Care Spending Account.
- The Company will continue to offer a Dependent Care Assistance Program (DCAP).

Vision Care

For employees, the vision benefit provides an annual eye exam with a \$10 co-pay. Effective 1-1-2013 coverage is extended to eligible dependents covered under the LS&Co. medical plan.

Employees and their eligible dependents covered under the LS&Co. health plan will continue to have access to the materials discount.

Plan	Benefits
Vision Plan	\$50 up front frame allowance then 20% discount on remainder

Retiree Medical Insurance

The retiree medical insurance benefit is subject to the rules, regulations and provisions embodied in governing plan documents. The parties agree to amend or replace the plan(s) as outlined below. This provision covers active employees and those who retired during the term of current agreements. It supercedes any other agreements, including local agreements.

Eligibility

- Current employees may be eligible for Retiree Life and Medical benefits if they meet two criteria by November 30, 2005:
 - (1) they are a minimum age of 40; and
 - (2) their age and their years of service in whole numbers equals 55. To receive this benefit, an employee must have reached the minimum age of 55 with at least 15 years of service (early retirement) when they leave the company.

- Current employees, who are not age 40 by November 30, 2005, will not be eligible for Retiree Life and Medical benefits.
- Current employees, who are age 40, but whose age and years of service do not equal 55 or more by November 30, 2005, will not be eligible for Retiree Life and Medical benefits.
- Employees hired after December 31, 2003 will not be eligible for retiree life or medical regardless of their age and number of years of service when they leave LS&CO.

Plan Design for Retirees (Under and Over Age 65)

- The plan design changes of the medical benefit will be the same as we are introducing for active employees, except that there will be a \$50 annual per person prescription drug deductible and the co-payments at a member retail pharmacy (for up to a 30-day supply) will be:
 - \$10 for generic drugs;
 - \$30 for preferred brand name drugs and;
 - \$45 for non-preferred brand name drugs.
- Co payments for prescription drugs obtained through mail order (90-day supply) will have the following co-pays
 - \$20 for generic drugs;
 - \$60 for preferred brand name drugs and;
 - \$90 for non-preferred brand name drugs.

Plan Design For Under Age 65 Plan

The plan design for under age 65 will be the same design as the active plan design above, except that prescription drug coverage shall be as described in the section above.

Plan Design for Over Age 65 Plan

The plan design for the over age 65 plan shall include prescription drug coverage only (as described above) and will not have a Medicare Supplement.

Contributions For The Under Age 65 Plan

The maximum amount that LS&CO. will contribute towards retiree medical coverage in the under age 65 plan effective April 1, 2004 is as follows:

Years of Service At Retirement	Retiree Pays	LS&CO. Pays	Then Retiree Pays
15-19	25% of projected cost	75% of projected cost until the amount LS&CO. pays reaches \$5,500	100% of any amount that exceeds \$5,500
20-24	20% of projected cost	80% of projected cost until the amount LS&CO. pays reaches \$6,000	100% of any amount that exceeds \$6,000
25+	15% of projected cost	85% of projected cost until the amount LS&CO. pays reaches \$6,500	100% of any amount that exceeds \$6,500

Contributions For The Over Age 65 Plan

The maximum amount that LS&CO. will contribute towards retiree prescription drug coverage in the over age 65 plan effective April 1, 2004 is as follows:

Years of Service At Retirement	Retiree Pays	LS&CO. Pays	Then Retiree Pays
15-19	25% of projected cost	75% of projected cost until the amount LS&CO. pays reaches \$1,800	100% of any amount that exceeds \$1,800
20-24	20% of projected cost	80% of projected cost until the amount LS&CO. pays reaches \$1,900	100% of any amount that exceeds \$1,900
25+	15% of projected cost	85% of projected cost until the amount LS&CO. pays reaches \$2,000	100% of any amount that exceeds \$2,000

COBRA Subsidy Upon Retirement

A COBRA Subsidy shall be paid to certain retirees as follows:

- Eligibility:
To be eligible for the COBRA Subsidy upon retirement, an employee must:

- (1) be an active employees hired on or before December 31, 2003 who is not eligible to receive retiree medical upon retirement (as described above); and
- (2) be at least age 55 with 15 years of service at retirement.

- Benefit:

A COBRA Subsidy of \$458.33 shall be paid monthly (\$5,500 annually) upon retirement for a period of 18 months.

Health Care Education

- One education session per year to be delivered by HR and developed by subject matter experts to increase understanding of plan benefits and how to use benefits. This session, to be delivered on Company time, will provide time for Q&A and will include information regarding patient rights around Specialist referrals, internet and 800# prescription plan utilization.
- Two refresher programs per year at lunch and after work on appropriate topics will be made available.
- A mechanism for tracking problems employees experience utilizing their medical plan will be established so that the Benefits Department in San Francisco will be alerted of problems as they occur.

Continuation of Coverage

It is understood that the insurance coverage provided above shall be continued during periods of employee leave of absence from work due to personal illness, provided that any required contributions are made. Employees on leave of absence for any other reason shall have insurance coverage for the balance of the month plus one (1) additional month provided that any required contributions are made, at which time to continue the insurance coverage the

employee will be required to pay the full required monthly premium for the insurance coverage.

Extended Medical Coverage for Reduction in Force

It is agreed that in the event that an employee experiences a Reduction In Force lay off, medical insurance coverage will be continued beyond the date of termination in accordance with the following schedule of required COBRA premium waiver provided the employee continues to pay the required contribution:

Length of Service	COBRA Premium Waiver
Less than 1 Year	1 Month Waiver
1 Year, Less Than 5 Years	4 Month Waiver
5 Years, Less Than 10 Years	6 Month Waiver
10 Years, Less Than 15 Years	9 Month Waiver
15 Years, Less Than 25 Years	12 Month Waiver
More than 25 Years	18 Month Waiver

Article 10

WEEKLY DISABILITY BENEFIT PLAN

(This Article is a North American subject)

This Article applies to the U.S. Employees shall be eligible to participate in the Weekly Disability Benefit Plan subject to the rules, regulations and provisions embodied in said Plan.

Eligibility Requirements

Each full time regular employee with one (1) or more years of continuous service with the Company is eligible for the Weekly Disability Benefit Plan. Such employee must be prevented from performing any and every duty pertaining to their occupation as a result of a non-occupational injury or illness.

Benefit Pay Parameters

The weekly benefit will commence with the first (1st) day of a period of disability caused by accidental injury and with the eighth (8th) day of a period of disability caused by a disease. It is understood that disability payments may be made without regard to the established waiting period for physician required therapy for accident and/or physical illness on a daily basis. The weekly benefit is payable throughout the remainder of the period of disability, but not more than twenty-six (26) weeks during any single period of disability, nor in any event for a period of more than twenty-six (26) weeks in any twelve (12) consecutive months. Successive periods of disability separated by less than two (2) weeks of continuous covered employment shall be considered as one (1) continuous period of disability

Daily Payments

It is understood that disability payments may be made at employee option on a daily basis without regard to the established waiting period for a non-work related accident and/or physical illness for which time away from work will be required for a program of therapy required by a physician or surgeon.

Benefits Excluded

No benefits will be payable for:

- Any day on which the employee is not under the care of a physician or surgeon; a period of care shall not be considered to have started until the employee has been seen and treated personally by the physician or surgeon.
- Any day on which the employee is performing work for compensation or profit, except that an employee may perform work for another employer if the employment rela-

tionship commenced not less than thirty (30) calendar days prior to the commencement of the Leave of Absence and provided that such employment does not prolong nor cause the Leave of Absence to be extended.

Benefit Amount (US Only)

Currently the weekly benefit payment is paid at a flat rate of \$300.00 for a maximum of 26 weeks. Effective 6-1-2016, the weekly benefit payment will be paid at a flat rate of \$320.00, for a maximum of 26 weeks. Effective 6-1-2017 the weekly benefit payment will be paid at a flat rate of \$340.00, for a maximum of 26 weeks. Effective 6-1-2018 the weekly benefit payment will be paid at a flat rate of \$360.00, for a maximum of 26 weeks.

The parties agree that the weekly benefit amount will be prorated at the rate of one (1) day for treatment associated with chronic illness.

Certificate of Disability

The Company may require proof of injury or illness, including a certification from the physician or surgeon who treated the employee. In addition, the Company may require the employee to be examined by a physician or surgeon designated by the Company.

Article 11

EMPLOYEE RETIREMENT FUND

(This Article is a North American subject)

The employer shall contribute to NATIONAL RETIREMENT FUND, per employee for each compensated hour at the following rates:

Effective Date	Rate for Each Eligible Employee
June 1, 2016	\$0.75 Hourly
June 1, 2017	\$0.78 Hourly
June 1, 2018	\$0.81 Hourly
June 1, 2019	\$0.84 Hourly

The Employer shall be required to contribute for new employees after one (1) year of bargaining unit employment.

The Employer agrees to contribute for each eligible employee covered by this Agreement the sums (as negotiated by the parties) to the National Retirement Fund for the purpose of providing retirement benefits under the National Retirement Fund, or such new merged or consolidated plan as may be adopted by the Trustees. Said contributions shall be submitted monthly with a report of the employee data required by the Trust Fund, on the format prescribed by the Trust Fund, no later than the fifteenth (15th) day of the month following the month for which contributions are to be made.

In the event the Employer is in arrears in the payment of contributions, it shall be liable for late fees, interest and liquidated damages as established by the Trustees, legal fees, court and/or arbitration costs, and audit and other expenses incidental to the collection of said delinquency.

The Employer and the Union agree to be bound by the Agreement and Declaration of Trust of said National Retirement Fund as may, from time to time be amended, and they do hereby designate as their respective representative on the Board of Trustees, such Trustees, named in said Agreement and Declaration of Trust, as Employer and Union Trustees, together with their successors selected as provided therein, and agree to be bound by all procedures established and actions taken by the Trustees, pursuant to said Trust Agreement. Any provision in this Agreement that is inconsistent with the

Agreement and Declaration of Trust, or the Plan of Benefits, rules or procedures established by the Trustees, shall be null and void.

For the purposes of determining eligibility for the retirement benefits under the Levi Strauss & Co. Employee Retirement Plan (the "Plan"), in accordance with Section 2.91 (vesting) and Section 3.1 (membership) of the Plan, but not for purposes of determining the amount of retirement benefits under Section 4 (benefit calculations) of the Plan, or service requirements there under shall include participation as a Participant of the National Retirement Fund or any predecessor fund.

This reciprocity provision shall become effective for the Plan participants who work at least one (1) hour of service in covered employment on or after the first day of the calendar month immediately following the ratification of the 2007-2010 North American Agreement, and only shall apply with regard to participation in the National Retirement Fund occurring on or after January 1, 2008 as provided in Article 11 of the 2007-2010 North American Agreement.

Article 12
EMPLOYEE LONG TERM INVESTMENT
AND SAVINGS PLAN

(This Article is a North American subject)

This Article applies to the U.S. Eligible employees shall be entitled to participate in the Employee Long Term Investment and Savings Plan subject to the rules, regulations and provision embodied in the governing Plan.

The parties agree to amend the Plan as follows:

- a) Allow new hires to join the plan after six (6) months of service; however, the Company matching contribution will not be given until such employee completes a year of service.

- b) The maximum contribution will be maintained at 15%, and employees will be allowed to make a “catch up” contribution, as provided by the IRS code and ERISA, to the maximum legal limit if they make a 15% contribution. The remaining language in the Plan remains unchanged.
- c) Employees will be permitted to contribute between 1% to 15% of their weekly pay without restrictions as to the amount of pay received that week. The Company will continue to match \$.50 on the dollar up to 10% of weekly pay as provided in the 401(k) plan. Effective, 6-1-2014, the Company will match \$.50 on the dollar up to 11% of the weekly pay as provided in the 401(k) plan.
- d) To change the default option from a money market fund to a balanced fund.

The parties further agree to:

- Provide information on video tapes that employees may take home to view
- Promote the toll free phone and internet site of Fidelity investments
- Provide materials in English/Spanish
- Provide training to employees about this plan when they become eligible to participate.
- The Company agrees to hold orientation meetings and establish a special enrollment period to allow employees to realign their contributions.

Article 13

SUPPLEMENTAL UNEMPLOYMENT BENEFITS (SUB)

(This Article is a North American subject)

This Article applies to the U.S. It is agreed that for CSCs, the qualifying events to make otherwise eligible employees entitled to SUB

payments are technological change, the addition or removal of a major product line from the CSC, or the entire lay off of the CSC from receiving through shipping for at least five (5) consecutive work days.

Eligibility Requirements

Eligible employees shall be entitled to the Supplemental Unemployment Benefit Plan (SUB). The Plan provides compensation to an employee who experiences Short Term Lay Off and Long Term Lay Off for qualifying reasons and who the Company intends, at some future date to recall to employment. To receive such benefits, an employee's lay off must be the result of technological change, the addition or removal of a major product line from the Center, or the entire lay off of a department for at least five (5) consecutive work days.

To be eligible for SUB benefits, the following eligibility requirements must be met:

1. The employee must have six (6) months or more service;
2. The employee must have applied for and be signed up for State Unemployment Insurance Compensation, unless an employee does not have a sufficient period of employment or earnings covered by State Unemployment or has exhausted State Unemployment Benefits;
3. The employee must have satisfied a one (1) week SUB waiting period during the previous fifty-two (52) weeks (such week may be accumulated on a daily basis), such week unrelated to and independent of the State Unemployment waiting period;
4. The employee must be laid off and subject to recall;

5. The employee must request and not have exhausted benefits; and,
6. Employee must make application for SUB benefits within two (2) weeks after the week for which an employee is seeking a benefit and provide requested documents within established time frames.

Benefit Amount

After the one (1) week SUB waiting week period (which may be accumulated on a daily basis) is satisfied, the benefit shall be paid weekly and shall be of an amount that, when added to the employee's State Unemployment Insurance Benefit, will equal ninety percent (90%) of the employee's quarterly average to a maximum number of payments of twenty-six (26) such payments in any twelve (12) month period.

In addition, it is agreed that the SUB Plan Document and the Summary Plan Description will be modified to assure consistency with the principles above.

Article 14

HEALTH & SAFETY

(This Article is a North American subject (U.S.))

The Company shall make reasonable provision to assure the safety and health of employees during their hours of work. The Company and Worker's United Union are jointly responsible for the development of health and safety programs and strategies.

Health & Safety Committee

The Company and the Union will form a CSC Health & Safety Committee comprised of and co-chaired by both Union and

Company representatives. Each facility, in their LSC, will determine the total number of representatives required and the goal will be to allow for a representative from each department or shift. This committee will meet monthly and both co-chairs shall be present at all meetings. Should there be a compelling reason to cancel these meetings, both co-chairs will meet to mutually discuss and make that decision. The Committee shall review relevant Company health and safety records and information, make constructive recommendations to the LSC to improve health and safety conditions and practices, and assist in developing and implementing Company training programs. Training programs shall include improving skills of the Health & Safety Committee to analyze data and to target prevention. The Health & Safety Committee will develop tools to measure the effectiveness of training initiatives and actions.

The co-chairs will also have the joint responsibility to report out on Health & Safety issues at employee meetings as well as reporting to the LSC on a quarterly basis.

The health and safety strategy will be part of the CSC's annual operating plan i.e. time for training, ergonomics mats or other safety supplies.

The parties shall jointly develop terms of office for Health & Safety Committee members to ensure continued leadership and participation. The Occupational Health Nurse will serve on the Health & Safety Committee either in a permanent position or an ad hoc position. The LSC shall periodically review and evaluate committee membership, to ensure committee effectiveness, representative coverage from departments/shifts, and participation. The LSC will create ways to recognize participation in the Health & Safety Committee.

The LSC, with the Health & Safety Committee, is responsible and accountable for understanding and communicating the roles and responsibilities for Health and Safety for union leaders and management.

Ergonomics

The parties agree to partner in joint implementation of the Ergonomics Program. The CSC ergonomics team shall determine which jobs are having a high rate of injuries and target those jobs for reassessment of methods and workstations. Flex-Pac operations and other jobs that have had significant changes will be evaluated.

The LEAP or similar ergonomics program shall be conducted reviewed at each distribution facility on an annual basis.

Stress management programs will be offered through the Employee Assistance Program.

Health & Safety materials shall be provided in both English and Spanish.

Health and Safety Training

No employee shall be assigned to any job for which he has not been adequately trained in the safe method and operation thereof. No individual or team will be penalized for participating in health and safety activities.

Worker's Compensation

In addition, the parties agreed that the prevention of injuries and appropriate care for injured employees is one of our priorities. The Company's claims management philosophy is:

- Every employee is advised of and receives workers' compensation benefits due in a timely fashion in accordance with state workers' compensation statutes;
- All employees are assured of our commitment to return them health and work at the earliest possible date through medical case management;

- Every employee is advised of and clear about restricted duty policies;
- The third party administrator reviews each claim for compensability and non-compensable claims are denied in accordance with state workers' compensation laws;
- Rehabilitation is aggressively pursued for injured employees who can become functional for a modified job or be retrained for alternative duties; and
- Claims are appropriately administered with a goal of minimizing litigation.

An employee shall have the option of deciding whether or not to have a Company Occupational Health Nurse present during a doctor's examination in occupational injury and illness cases.

Above the CSC

Health and safety programs and initiatives entered into by the Company and the Union apply across locations, regions, or Company-wide, the parties may meet and determine how to allocate the cost of such development.

The Company agrees to continue funding the cost of annual Health & Safety training for Local Union Health & Safety leaders. Managers shall participate in the training. Sharing best practices should be part of the agenda at these trainings.

Wellness and Environmental Committees

There will be two (2) new committees to cover the important topics of 1. Wellness and 2. Environment going forward in each CSC.

Article 15
DRUG AND ALCOHOL PROGRAM
(This Article is a North American subject)

The Company and the Union express their joint determination to deal cooperatively with the problem of substance abuse in the workplace. The following testing is in place to support this goal.

Testing methods will be determined by the Company with the Company utilizing national Department of Health and Human Services (HHS) drug testing guidelines and state standards related to alcohol intoxication as a reference. Testing refers to tests for both drugs and alcohol.

1. Testing in the event of any industrial accident or incident which causes injury, property damage, or production loss. The definition of property damage is a loss of \$500 or more incurred as a result of a single incident.
2. Testing for any person reporting a work related injury that seeks outside medical treatment.
3. Employees who voluntarily seek treatment in advance of any action by the Company for violation of the Substance Abuse Policy will not be disciplined.
4. A positive test result will be handled in accordance with the existing Company Rules and Regulations.
5. The Company and the Union shall jointly monitor the use of “last chance agreements” and address concerns about how they are utilized through a joint process.

Article 16

NEW WORK AND TECHNOLOGY SYSTEMS

(This Article is a North American subject)

Prior to the introduction of new technology or work system into the facility which displaces workers, the parties agree:

- To jointly examine options prior to the final decision and discuss the Union's role in technology introduction. The final decision regarding the introduction of technologies into the facility resides with the Company, except as otherwise agreed to or provided by the parties under the Partnership Agreement.
- To jointly plan to train workers so they can fill newly created jobs.
- To jointly plan to use attrition rather than lay off whenever possible to implement reductions.
- To jointly develop outplacement assistance where needed.

Article 17

WAGES

*(This Article is a North American subject,
with local issues as specifically provided.)*

Shift Differential

Shift differential is a local issue.

Wage Rates

1. All current active U.S. employees shall maintain their current wage rate. Effective June 1, 2016, such employees shall receive a wage increase of \$0.40 per hour. Effective June 1, 2017, such employees shall receive a wage increase of \$0.40 per hour. Effective June 1, 2018,

such employees shall receive a wage increase of \$.35 per hour.

2. The Company will establish the initial pay rate for new U.S. employees. After 60 days of employment, these employees will be paid the 60 day rate, and Maintenance Level 1 and 2 will be paid the 90 day rate after 90 days, as set forth in the table in paragraph 4A below.
 - a. All such employees who have completed 60 calendar days of employment on or before June 1, 2016, shall receive a wage increase of \$0.40 per hour on that date. All such employees who have completed less than 60 calendar days of employment as of that date, shall receive a wage increase of \$0.40 per hour from and after the day of completing 60 calendar days of employment.
 - b. All such employees who have completed 60 calendar days of employment on or before June 1, 2017, shall receive an increase of \$0.40 per hour on that date. All such employees who have completed less than 60 calendar days of employment as of that date, shall receive a wage increase of \$0.40 per hour from and after the day of completing 60 calendar days of employment.
 - c. All such employees who have completed 60 calendar days of employment on or before June 1, 2018, shall receive an increase of \$0.35 per hour on that date. All such employees who have completed less than 60 calendar days of employment as of that date, shall receive a wage increase of \$0.35 per hour from and after the day of completing 60 calendar days of employment.

3. All wage rates in this North American Agreement will be applied as stated, notwithstanding and in lieu of any local agreement or practice concerning other wage rates or concerning the timing of wage adjustments.

(A) U.S. Facilities

All jobs/classifications will be assigned to one of the departments listed below. The U.S. classification-department breakdown is attached as Appendix 1.

Department	Start Rate	60 Day Rate
Receiving		\$10.00/hr.
Shipping		\$10.00/hr.
General Warehouse	Hire Rate to be	\$10.00/hr.
WH Support	established by	\$10.00/hr.
Maintenance-Level 1	the Company	\$16.00/hr.
Maintenance-Level 2		\$21.00/hr.
Coordinators		\$14.00/hr.

4. Employees who show up for work but who are involuntarily released before finishing fifty (50) percent of their scheduled shift will be paid fifty (50) percent of their scheduled shift.

Jobs With Premiums

U.S. Facilities

Employees regularly employed in certain jobs, including use of power equipment or warehouse support, which are specifically identified with asterisks in the attached Appendix 1, will receive a premium of \$.50 per hour. The premium rate will be retained by them until they are reassigned to a non-premium rate job. Employees assigned to perform those premium rate jobs will receive the premium for the time worked in those jobs. Employees will not be entitled to more than one premium for the same hours worked.

The Company agrees to pay TS training premium of \$1.50 per hour to TS associates selected by the agreed upon local process to provide training for an initial three week training period for newly hired TS associates. The TS Manager may approve an additional week of training if needed. The Company and Union agree that after this designated period, ongoing training is part of the job responsibilities and duties for individuals in the TS Department.

Existing employees who are awarded a Coordinator position will receive the greater of a \$2.00 increase to their existing pay or the existing 60 day rate.

Premium pay rates will be used in overtime calculations for employees working in premium pay jobs. Premium pay rates will be used for calculating PTO, vacation and holiday pay for employees regularly performing premium pay work consistent with past practice. Employees temporarily transferred or otherwise not regularly performing premium pay work will not have the premium used in calculating PTO, vacation or holiday pay.

Trainers in jobs with premium pay will be paid any training pay (amount to be determined locally) and the premium.

Bereavement Pay (U.S. Only)

It is agreed that the Company will pay three (3) days Bereavement Pay without regard to the day upon which the funeral falls for death in the immediate family, defined as parent/designated parent, child, step child, brother, sister, spouse, significant other, parents-in-law, grandparents, and grandchild. Local negotiations may provide for defining other relatives and paid time off due to the death of other family members.

Paid-Time Off

The parties agree that this subject is a local issue. Any local deliberations of the issue could be part of a reward or hours of work

design. Any locally developed design should not adversely affect costs or productivity.

The parties agree to reopen one or all the local agreements for the sole purpose of addressing the implications of any federal paid sick leave law required for implementation during the life of this contract.

Holiday Bonus

If this agreement is ratified by November 30, 2015, the Company agrees to pay a Holiday Bonus to all full time employees who have completed their probationary period in the amount of \$1,000. This Bonus will be paid out no later than Friday, December 18, 2015.

Article 18

PRODUCTION STANDARDS

(This Article is a North American Subject)

The parties recognize that reasonable production standards based on accepted principles and practices of industrial engineering involving time and motion studies may be established. Furthermore, the parties agree that said production standards may be modified given changes in methods, equipment, materials or conditions that give rise to modifications in standards.

The Company may establish disciplinary standards for employees who fail to meet production standards. An employee's performance relative to the production standard will be based on the most recent three (3) week period where the employee has worked at least twenty (20) hours per week on standard in their home department or at least twenty-five (25) clock hours in their home department. An employee will be notified the first week that triggers a review and will be measured by that week and the next two weeks. The hours in any week in which an employee works less than twenty (20) on

standard hours in their home department or twenty-five (25) clock hours in their home department will not count as a week.

The Company will follow established progressive discipline for violations of the production standard. Discipline will be imposed if an employee fails to achieve 95% of the established standard.

Discipline issued for failure to meet productivity standards will remain in effect for eight (8) weeks provided the employee remains discipline free in the eight (8) weeks following that discipline. After eight (8) discipline free weeks, the discipline drops one level. After sixteen (16) discipline free weeks, all discipline for productivity will drop. Discipline issued for failure to meet productivity standards will not be cumulative with discipline issued for other rule violations or misconduct.

New or materially modified standards, are subject to challenge within thirty (30) days of issuance or within six (6) months of issuance as part of a disciplinary challenge. Thereafter, any disciplinary challenge cannot include a challenge to those standards.

A disciplinary challenge will be governed by the time limits in the local contracts. Such challenges to the standard or discipline imposed will be processed through the grievance procedure in place in the respective local agreements of the parties.

Upon request, the Union shall be provided with information including, but not limited to, time and motion studies, allowance factors, methods, conditions, etc., used by the Company to establish (or modify) a production standard. Furthermore, the Union may, at its expense and with reasonable advance notice to the Company, conduct (or have conducted) time and motion studies of any disputed standard.

In any challenge to the standard, the Union shall bear the burden of proof to establish the challenged rate created an unreasonable work load. While the arbitrator will have the authority to rule on whether a standard established created an unreasonable workload, the arbi-

trator will not have the authority to impose a new standard on the Company. Any standard(s) established will remain in effect during the time any grievance challenging the standard(s) is pending.

In challenges to discipline for failure to meet production standards, the Company shall bear the burden of proof to establish just cause for the discipline. In disciplinary cases, the arbitrator shall have the authority to reinstate and make whole a terminated employee, make whole a suspended employee and negate any discipline imposed upon such employees if the arbitrator finds there was no just cause for the discipline.

The current production standards will end when the new production standards are implemented.

On a one time only basis, the Company will drop all productivity-related discipline when the initial new standard methodology is implemented in an employee's job classification.

Article 19

TERM OF NORTH AMERICAN AGREEMENT AND LOCAL AGREEMENT ADDENDA

The Company and the Union have agreed to this North American Agreement, expires May 31, 2019.

Locally agreed terms will be addenda to this North American Agreement. Each Local addendum will be subject to the North American expiration date of May 31, 2019. If any local negotiation does not result in a final agreement, the unresolved local issues will be referred to the parties' North American representatives for resolution.

Work Stoppages (U.S.)

No Work Stoppages. During the term of this North American Agreement, the Union will not authorize, cause or engage in any strikes, work stoppages or slowdowns for any cause whatsoever, or any concerted effort or activity of any nature whatsoever resulting in interference with production, and any such activities shall be in violation of this Agreement.

No Lockouts. The Company will not cause or engage in any lockout of its employees during the term of this North American Agreement.

Union Responsibility. Should a strike, work stoppage, slowdown, or other interference with production occur in violation of this Agreement which is not caused, authorized, assisted, or recognized by the Union or its agents in any way, the Union shall not be liable to the Company for damages caused thereby, provided that the Union, upon notification by the Company of such violation, shall immediately issue a written statement to the employees participating in such actions that these actions are not authorized by the Union and directing the employees to cease such actions and return to their respective jobs. The Union will report to the Company within twenty-four (24) hours after notification that it has taken this action to cause any such work stoppage to cease.

Discipline. The Company may discharge or otherwise discipline any employee (whether individually or in a group) who has violated this Agreement regarding work stoppages. Any employee so discharged or otherwise disciplined shall have recourse under any applicable grievance and arbitration procedures only as to the issue of fact as to whether or not the employee caused, instigated or participated in such violation. The parties agree that the fact that some employees and not all employees participating in the violation were discharged or otherwise disciplined shall not be held to be grounds for reinstatement or a reduction of the discipline imposed.

No Discussion of Dispute. Should there be a violation of this Agreement regarding work stoppages, there shall be no discussion or negotiation regarding any difference or dispute until normal work has been resumed, except by mutual agreement of the parties.

Scope of Pledges Against Work Stoppages. The parties agree that these provisions concerning work stoppages in the North American Agreement shall immediately upon ratification supercede any local agreement at any CSC, and shall continue to be binding and in effect at all CSCs subject to this North American Agreement, regardless of whether any local agreement is reopened, subject to negotiation, or has expired without a new local agreement having taken effect.

The No Strike No Lockout provisions regarding work stoppages in this North American Agreement will be in effect and binding as to all CSCs covered by and subject to this North American Agreement.

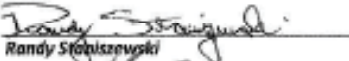
SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement by affixing the authorized signatures below:

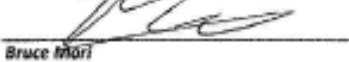
For the Company



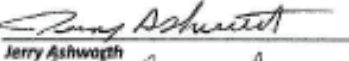
Richard Kuether
Vice President-Distribution LS&Co.




Randy Stalszewski



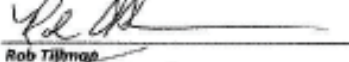
Bruce Mori



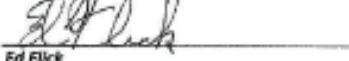
Jerry Ashworth



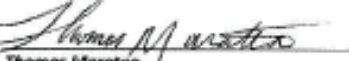
Mark Growch



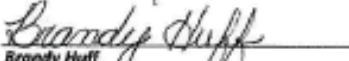
Rob Tillman



Ed Flick



Thomas Maratea

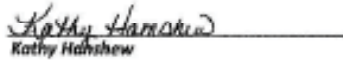


Brandy Huff

For the Union



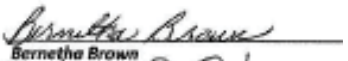
Noel Beasley
President-Worker's United-SEU



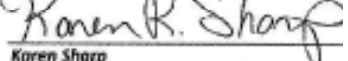
Kathy Hahshew



Carla Lovely-Brown



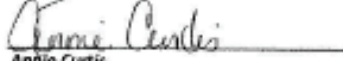
Bernetha Brown



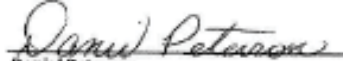
Karen Sharp



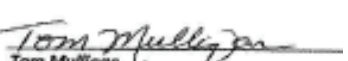
Danny Baxter



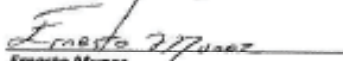
Annie Curtis



Daniel Peterson



Tom Mulligan



Ernesto Munoz

Appendix 1 – U.S. Facilities

Department	Hebron	Canton	Sky Harbor
Receiving	<ul style="list-style-type: none"> - Carton Breakdown - Palletization* - RAWS - Unload* - Turret/RC Truck* - Receiving Induction - Depot* 	<ul style="list-style-type: none"> - Carton Breakdown* - Receiving Freight Handler* - Hi-Lo* - Receiving Induction 	<ul style="list-style-type: none"> - CH-Receiving* - Carton Breakdown
Shipping	<ul style="list-style-type: none"> - Load* 	<ul style="list-style-type: none"> - Scan Clerk* - Shipping Freight Handler* - Hostler* 	<ul style="list-style-type: none"> - CH-Shipping*
General Warehouse	<ul style="list-style-type: none"> - UWC - Sundries* - SAWS - Jackpot/At Once* - Sorter - Flexpack 	<ul style="list-style-type: none"> - At-Once* - Sorter Induction - Flexpack Operator - Flexpack Researcher* - UWC - SAWS - Sundries Freight Handler* 	<ul style="list-style-type: none"> - CH-Flexpack - CH-Sundries Operator* - Flexpack Sorter - SAWS - Audit Stockpick
Support	<ul style="list-style-type: none"> - Clerical** - Cyclic** 	<ul style="list-style-type: none"> - Inventory Accuracy Specialist** - Vendor Compliance** - In-house Inventory Specialist** - Product and Profile Clerk** - WH Coordinator** - Lot Management Clerk** - Cyclic Clerk** 	<ul style="list-style-type: none"> - WH Support 1** - Consumer Returns Analyst** - Warehouse Support 2** - Warehouse Coordinator** - Back-up WH Coordinator - WH Support Coordinator** - WH/CR Coordinator** - TS Parts Administrator** - Cycle Count Associate**
Maintenance - Level 1	Mechanic	Technician 1 Technician 2	Technician
Maintenance - Level 2	Technician	Technician 3 Technician 4	Facilities Maintenance

*eligible for shipping/power equipment premium

**eligible for warehouse support premium

Note: Individuals in trainer roles will continue to receive premium pay per the guidelines outlined in the local agreements.

The Company and the Union agree to retain and date for historical record the following side letter:

SIDE LETTER – LEVI STRAUSS & CO. HEBRON

The Parties agree to the following for Hebron:

1. The Company agrees that it will not propose the elimination of the “earned hour” benefit in the 2007 local Hebron negotiations.
2. Following ratification of this North American Agreement, the parties agree that jobs which have been designated as premium jobs will be bid and filled according to the provisions of each local agreement. It is further agreed, however, that employees who, at ratification, hold a job which is designated as a premium job, will not have their job put up for bid unless there is a permanent vacancy, e.g., as a result of said employees leaving as a result of a separation buyout, bidding to another job, etc.

The Company and the Union agree to retain and date for the historical record the following side letter:

Levi Strauss & Co.
Voluntary Separation and Buyout Program (U.S.)

The Company will provide a voluntary separation and buyout program to employees in all facilities, U.S. In return for voluntary separation from employment, eligible employees choosing to take advantage of the program will receive (less applicable withholdings) a payment based on the following schedule. Seniority is measured from your most recent hire date and is measured as of date of ratification.

0 - 6 months seniority:	\$3,500
6 - 24 months seniority:	\$7,000
24+ months seniority:	\$10,000 lump sum or 2 weeks pay (80 hours at current base pay, not including protected, red circled or grandfathered amounts) per complete year of continuous service, whichever is greater. Base pay is defined as the top of the wage scale progression (or the progression level the employee is paid on June 30, 2007). Employees electing the buyout still will be eligible for the buyout of protected, red-circled or grandfathered pay described in the Seniority Based provision.

The program is open to all employees. Payments will be made in U.S. dollars.

The following process and conditions apply to the program:

- This program applies to employees employed on the date of ratification of the agreement.

- Within 30 days after ratification of the North American Agreement, the Company will provide a seven (7) day window period during which interested employees may elect to participate. Interested employees will complete a form indicating their election to participate and must provide it to the CSC HR Manager by the close of the window period. This election is irrevocable. Employees with less than two years seniority must elect the buyout or transition pay; they cannot receive both.
- The Company will determine how many employees have elected to participate by job classification, and how many employees may separate from job classifications on what dates.
 - The dates of separation by job classification will be posted for a period of seven (7) days. Employees who have elected to participate in the program may select or volunteer for listed separation dates in their job classification by signing up on the posted sheet.
 - If there are more volunteers for a specific date and job classification than can be released, based on the Company's decision regarding staffing needs, selection will be based on Company seniority. Employees who cannot be released on the date they selected will be pooled with employees who signed for the next available date in that job classification, and considered for separation on that date by the same process.
 - If there are fewer volunteers for a separation date in a job classification than the number that could be released, based on the Company's decisions regarding staffing needs, the remaining slots for that date and job classification will be selected in reverse Company seniority from the employees who elected the buyout but may have signed for a different date.
- All individuals who have elected the buyout will be released by December 31, 2007.

- If an otherwise eligible employee elects to participate and receives a scheduled separation date, to remain qualified to receive benefits under the program the employee must remain employed until released by the Company without being separated for cause.
- The buyout payment is conditioned on the participating employee signing a General Release.
- Employees with less than two years of service as of June 30, 2007 who elect the buyout will keep their current wage rate in effect on the date of ratification until released.

MEMORANDUM OF AGREEMENT

The Company has initiated a long-term strategic plan to retrofit the US CSCs with new material handling equipment (MHE) and a new warehouse management system (WMS). The Company and the Union have agreed to establish a Joint Task to minimize the challenges, stress, and uncertainty that accompany such a significant change.

The goal of this task force will be to deliver timely solutions for immediate Sky Harbor project needs within the established timeline, while also ensuring these proposals can be roll-out in each subsequent retrofit CSC.

This task force will allow Company and Union representatives from the US CSCs to partner in the development of solutions and proposals for open discussions regarding specific Sky Harbor Retrofit activities and to support a smooth transition at all three (3) US CSC.

This Task Force members shall develop and adopt a charter reflecting goals and objectives that furthers these goals while respecting the parties' current agreements.

This Task force shall provide reports and recommendations to the North American Council for their consideration on a timely, periodic basis.

Side Letter on CSC Retrofit Project

The parties agree that short-term and long-term layoffs related to the ongoing CSC Retrofit Project at Hebron, Canton, or Sky Harbor could be considered qualifying events for Supplemental Unemployment Benefits (SUB) under Article 13 of the North American Agreement.

Such qualifying events would be related to abnormal/unexpected/unplanned disruptions during start-up and “go live” activities at the facilities. For purposes of clarity, substantial volume may be migrated to the other facilities on a temporary basis. Therefore, when this volume is returned to affected facility this would be considered a planned event and this side letter would not apply.

Cost of Living Adjustment

The Union and the Company agree to include the following side letter in the 2012-2016 North American Agreement

On June 1, 2014, there shall be a cost of living adjustment computed as follows: If the 12-month average Consumer Price Index (CPI-W - 1982-84 = 100) from April 2013 through March 2014 is in excess of 3.0% of the 12-month average CPI-W from April 2012 through March 2013 then an increase shall be applied in cents per hour to all bargaining unit employees then current hourly rate and contract's classification wage rates equal to the following formula: The percentage that the point increase is over the year-over-year 12-month average shall be multiplied by the total warehouse actual average straight time hourly rate for all three U.S. facilities in effect on April 1, 2012, with a maximum of ten (10) cents per hour.

The same procedure will be used for June 1, 2015, utilizing 12-month average CPIs from April 2013 through March 2014 and April 2014 through March 2014, respectively.

Educational Assistance

The company will provide a tuition reimbursement program to support professional/career growth and/or “trade-related” education.

Eligibility

- Individual must be working at LS&Co. for six months or more as a fulltime employee.
- Employee must have good job performance, evidence by no active 2nd or final improvement notices, good attendance record, and employee involvement is preferred.
- Employee must be enrolled in an accredited institution.
- Course must be scheduled outside of the employee’s normal work schedule and not interfere with his/her job performance.
- Course/class must be:
 - o Related to job performance
 - o Applicable to the current job
 - o Applicable to the next career step within LS&Co.
- Employee must initially pay for course/class out of pocket. (Employees receiving scholarships and/or grants of any source are eligible for tuition assistance for the portion that exceeds the grant)
- Employee must successfully complete course/class and provide documentation of a passing grade (“C” or better).
- Employee must, submit completed application at least 30 days before the start of course/class for Company approval.

Program Benefit

1. Employee may receive a maximum tuition reimbursement of 80%, up to \$1000.00 per course. The employee is financially responsible for tuition exceeding \$1000.00. Note: Books, supplies, tools, parking fees, and other related costs are ineligible for reimbursement.

2. Employee may receive reimbursement up to two (2) courses in a fiscal year.
3. Total Tuition Reimbursements per U.S. facility may not exceed \$25,000 budget per fiscal year. Reimbursement is subject to first come, first served basis until fiscal budget is depleted.

Procedure

1. Request application form from Human Resources.
2. Submit completed application, along with documentation of payment and course/class grade, to local Human Resources within 90 days of completing course/class. Note: failure to include necessary documentation will delay reimbursement or result in non-reimbursement.
3. Approval of tuition reimbursement will be determined within 30 days.
4. Upon approval, reimbursement will be issued as soon as reasonably possible.

Reimbursement determination is at sole discretion of Human Resources and the Facility Director's discretion. Each submission will be reviewed on a case by case basis. Appeal process is the V.P. of Distribution for final determination.

Completion of program does not guarantee a job promotion or wage increase. However, LS&Co. will give consideration for employees who have completed programs and shown self-improvement initiative.

10-18-12

Memorandum of Understanding

The parties agree to work together to address the serious problem of regular full time employees working less than the hours that should be available to them through their established work schedules. This will be done within the framework of the LSC of each CSC. The Company will establish metrics for each CSC that will be maintained by the Company and reviewed on a regular basis by each LSC. The parties will develop jointly tactics and strategies to accomplish the objective of full work weeks for regular full time employees. Additionally should there be unexpected retrofit issues related to the use of temploary workers or the percentage amount of temporary workers utilized, the LSC will address these as well. Each LSC shall provide regular updates to the North American Steering Committee and the North American Concil on these issues. If an LSC cannot devlop consensus regarding resolution of an issue or issues, the matter will be referred for resolution to Richard Kuether and Noel Beasley or their designees or successors.

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