

AGREEMENT

Between

**DARLING NATIONAL L.L.C.
(Inedible Plant)**

and

**UNITED FOOD AND COMMERCIAL WORKERS
INTERNATIONAL UNION, AFL-CIO, CLC
LOCAL NO. 7**

EFFECTIVE: January 1, 2010 to December 31, 2012

CONTENTS

<u>Article</u>	<u>Title</u>	<u>Page</u>
	Agreement	1
1	Recognition	1
2	Successors	1
3	Union Shop	2
4	Check Off	2
5	Management	3
6	Reporting for Work	3
7	Call Back	4
8	Hours of Work - Overtime	4
9	Holidays	5
10	Guaranteed Work	6
11	Rest Periods	6
12	Seniority	7
13	Plant Visitation	8
14	Vacations	8
15	Wage Scales	9
16	Discharge	9
17	Grievance and Arbitration	10
18	Clothes Changing Time	11
19	Insurance Plan	11
20	Leave of Absence	12
21	Paycheck	13
22	Bulletin Board	13
23	Equipment	13
24	Jury Duty	13
25	Funeral Leave	14
26	Night Premium	14
27	First Aid	14
28	Lunch Period	15
29	Picket Line	15
30	No Discrimination	15
31	Contracting Out Maintenance Work	15
32	Term of Agreement	15
	Appendix "A" (Wage Scales)	
	Appendix "B" (Pension Plan)	
	Letters of Understanding	

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**UNITED FOOD AND COMMERCIAL WORKERS
INTERNATIONAL UNION, AFL-CIO, CLC
LOCAL NO. 7**

EFFECTIVE: January 1, 2010 to December 31, 2013

AGREEMENT

THIS AGREEMENT, made by and between DARLING NATIONAL L.L.C., 5701 York Street, Adams County, Colorado, hereinafter referred to as the "Company," and LOCAL UNION NO. 7 of the UNITED FOOD AND COMMERCIAL WORKERS, affiliated with the American Federation of Labor-Congress of Industrial Organizations, hereinafter referred to as the "Union".

ARTICLE 1 RECOGNITION

The Company recognizes the Union as the sole collective bargaining agency for all production and maintenance employees at the Company's plant located at 5701 York Street, Adams County, Colorado, except for office and clerical employees and supervisory employees with authority to hire, promote, discharge, discipline or otherwise effect changes in the status of employees of effectively recommend such action.

ARTICLE 2 SUCCESSORS

It is expressly understood and agreed that this Agreement shall be binding upon the Company and the Union. In the event the Company sells or leases its business, all terms and conditions of said labor Agreement shall be assumed by the purchaser of the business. Such Article shall only operate in conformity with applicable law.

**ARTICLE 3
UNION SHOP**

All present employees covered by this Agreement and coming under the jurisdiction of the Union, as set forth in the Recognition Clause, Article 1, shall, as a condition of employment, become members of the Union on the thirty-first (31st) working day following the date of their last employment, and shall remain members in good standing during the term of this Agreement. All new employees covered by this Agreement and coming under the jurisdiction of the Union, as set forth in the Recognition Clause, Article 1, shall, as a condition of employment, become members of the Union on the thirty-first (31st) working day following the date of their last employment, and shall remain members in good standing during the term of this Agreement. "Good standing," for the purpose of this Agreement, is interpreted to mean the payment of tendering of initiation fees and periodic Union dues.

Those employees who maintain a non-member status or change their status to a non-member status and are covered by the terms of this Agreement shall be required to pay, as a condition of employment, an initial service fee (unless an initiation fee has already been paid), and a monthly (or otherwise) service fee in an amount not to exceed the amount of full member initiation fees and monthly dues to the Union for the purpose of aiding the Union in defraying costs in connection with the Union's obligations and responsibilities as the exclusive bargaining agent of the bargaining unit herein.

**ARTICLE 4
CHECK OFF**

The Company agrees, during the life of this Agreement, to deduct from the net earning due an employee on the first pay period of each month, the monthly dues only on a check-off authorization form as outlined below. Said authorization must be properly executed by the employee and presented to and accepted by the Company. All provisions contained in said form are agreed to by the Company and the Union and made a part of this Agreement.

The Company agrees to remit such deduction to the Secretary-Treasurer of the Union ten (10) days after the first pay period of each month. Upon written notice from the Union that a Union employee is thirty (30) days in arrears in the payment of his Union dues, the Company will discharge the Union employee unless within fifteen (15) days from the date of said written notice said employee shall pay and fully discharge his indebtedness to the Union.

VOLUNTARY CHECK-OFF FORM

_____, 20__

I hereby certify that United Food and Commercial Workers, AFL-CIO, Local Union No. 7 is my designated collective bargaining representative and I hereby voluntarily authorize and direct

_____ (the Company) to deduct from any earnings due me on the _____ pay period in such sums as may be established from time to time by said Local Union in accordance with the Constitution and laws of the Union and applicable provisions of State and Federal laws, and pay same to said Union. This authorization may be revoked by me at any time upon thirty (30) days of written notice to the Company and the Union, or upon termination of my employment.

This authorization shall be subject to any limitation required by law or regulation of any authorized governmental agency.

Employee

ACCEPTED:

_____ (Company)

By _____
(Not valid until signature checked and authorization accepted by the Company.)

The Company agrees to make weekly Credit Union deductions and remit monthly to the Local 7 Credit Union Office upon written authorization of an employee.

**ARTICLE 5
MANAGEMENT**

The management of the plant and the direction of the working forces, including the right to hire, suspend or discharge for proper cause, or transfer, and the right to relieve employees from duty because of lack of work or for other legitimate reasons, and the right to transfer or assign employees on a temporary basis without regard to jurisdictional lines, is vested exclusively in the Company.

**ARTICLE 6
REPORTING FOR WORK**

Whenever employees are scheduled to work or have been notified to report for work and, upon arrival at the plant, find no work available, such employees shall be paid for four (4) hours

at the hourly rate for their job. If the employees begin work, but work less than four (4) hours, through no fault of their own, such employees shall be paid for a minimum of four (4) hours.

The above provisions shall not apply when work is not available by reason of an Act of God or circumstances beyond the control of the Company.

ARTICLE 7 CALLBACK

Any employee who has completed his work and has left the plant premises and is, after having left the plant premises, called to perform work within twenty-four (24) hours from his regular start of such day of work, shall be paid for all time worked pursuant to such recall at time and one-half (1½) his regular rate and will be guaranteed a minimum of four (4) hours at time and one-half (1½) his regular rate.

ARTICLE 8 HOURS OF WORK - OVERTIME

Overtime at the rate of time and one-half (1½) the employees' base hourly rate of pay for their classification of work shall be paid under the following conditions:

- (a) For all hours worked in excess of the forty (40) hours per week, exclusive of the lunch periods.
- (b) For all hours worked in a day in excess of eight (8) hours, exclusive of lunch periods.
- (c) For all hours worked on Saturday and/or Sunday, provided the employee works all hours made available by the Company during the workweek, or is excused during the workweek because of
 - (1) sickness confirmed by a doctor's excuse,
 - (2) on-the-job injury, or
 - (3) excused absence when arranged by the employee with the employee's supervisor prior to the absence.

Hours not worked because of a disciplinary action shall not be counted as hours worked for Saturday and/or Sunday overtime.

It is understood and agreed, however, that overtime penalties will not be paid twice for daily and weekly overtime hours worked.

Employees must give the Company at least twenty-four (24) hours of notice that they will not be able to work any overtime the next day should the Company determine that overtime must be worked.

All regular full-time employees shall be given the opportunity to work on Saturdays, Sundays and holidays prior to the employment of probationary or part-time employees. It is further understood and agreed that all regular full-time employees shall be given the opportunity to work all available hours during the workweek prior to the employment of probationary or part-time employees.

Sunday work shall be offered to employees by seniority by classification. If a sufficient number of employees do not accept the overtime by seniority, the Company can require junior employees who are qualified to do the work. For the purposes of equalization of overtime, an employee who turns down overtime shall be credited as having worked the hours offered.

Employees will be notified by Friday, noon, when the Company schedules work on Saturday or Sunday. Notification shall be posted in the employees' lunchroom, CG room and time clock area.

ARTICLE 9 HOLIDAYS

The following days are recognized as holidays under this Agreement: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day and two personal holidays which may be taken with seven (7) days' advance notice in writing to the Company and written approval. All Holidays mentioned above shall be celebrated on the day designated by the Federal government.

All employees covered by this Agreement shall receive eight (8) hours of compensation at their straight-time hourly rate of pay for unworked holidays above mentioned, including holidays occurring on Saturday.

Employees laid off for lack of work the week prior to the holiday week and recalled during the holiday week will receive holiday pay.

In the event that any of the above-mentioned holidays should fall on Sunday, the following Monday shall be observed as the official holiday. Holidays falling on Saturday shall be observed on the preceding Friday.

Absence without leave or through claimed sickness which has not been confirmed by a reputable physician on the regularly scheduled workday preceding and the day immediately following any of the above-mentioned holidays will result in cancellation of holiday pay.

Employees who work on any of the previously enumerated holidays will be compensated for hours worked at time and one-half (1½) their hourly rate of pay, in addition to the eight (8) hours of compensation at the straight-time rate which the employee shall receive for an unworked holiday.

Employees who are absent because of illness or injury and who are receiving compensation under the Workmen's Compensation Act or weekly indemnity under the Weekly Indemnity provision of this Agreement will be considered as working. The Company will pay the difference between what the employee receives under Workmen's Compensation and/or under the Weekly Indemnity provision. In no case will an employee receive more than eight (8) hours of pay at his straight-time rate for any holiday. This paragraph shall only operate for the twelve (12) month period subsequent to the injury or illness which led to the receipt of weekly indemnity or workmen's compensation.

Hours paid for but not worked on a holiday, except holidays occurring on Saturday for which the employee receives eight (8) hours of pay at straight-time, will be counted as hours worked for the purpose of computing weekly overtime; however, if the holiday is worked, only hours worked in excess of eight (8) hours will be used in computing overtime in excess of forty (40) hours since the employee has been credited for eight (8) hours on the holiday whether such holiday is worked or is not worked.

ARTICLE 10 GUARANTEED WORK

The weekly guarantee for all regular full-time employees shall be forty (40) hours of work at forty (40) hours of straight-time pay. The guarantee is to be fulfilled within the workdays of Monday through Friday, exclusive of lunch periods, not limited to straight-time hours.

Holidays (eight (8) hours), whether worked or unworked, will be counted in fulfilling the forty (40) hour workweek guarantee.

An employee who is tardy or is excused from work for a part of a day or a part of a week for any reason, shall have his guarantee reduced by the number of hours of work which he missed by such absence.

An employee who does not report for work on a day or days of the workweek for any reason or who is discharged for cause or who voluntarily quits, shall have his guarantee reduced by the amount of work which he could have secured if he had reported for work.

ARTICLE 11 REST PERIODS

The Company and the Union recognize that rest periods will be taken in accord with the needs of the business. An employee working a full workday can take a fifteen (15) minute rest

period during the first (1st) half (½) of his shift and a fifteen (15) minute rest period during the second (2nd) half (½) of his shift.

ARTICLE 12 SENIORITY

Seniority shall be on a plant-wide basis. Layoffs and re-employment will be based on length of continuous service, provided that the individual can perform the job to the satisfaction of the management, and provided, further, that this will not be used for the purpose of discrimination against any employee.

No seniority shall accrue to any employee during the first thirty (30) working days of employment with the Company, but any employee who is retained after thirty (30) working days of service shall have his seniority date back to the first day of his employment.

In the event an employee within the bargaining unit accepts a supervisory position which is excluded from the bargaining unit, he shall maintain his seniority in the bargaining unit for a period of ninety (90) days.

Management layoffs or absence due to sickness or injury away from the plant do not break seniority rights up to a period of six (6) calendar months and shall not interrupt the continuity of their employment.

Employees who are discharged for cause or who voluntarily quit shall forfeit their seniority and vacation rights, and if subsequently reemployed, shall have the status of a new employee.

All seniority granted employees under the terms of this Agreement shall be subject to the rights granted by law to the employees volunteering, called or conscripted for active military service under the National Guard Act of 1940 and the Selective Service Act of 1942, and any additions or amendments thereto, or rulings and interpretations thereof by any authorized court or agency.

When a vacancy occurs in the plant or a new job classification is established, notice shall be posted on the bulletin board, and employees within the plant will be given an opportunity to bid on the vacancy or new job. Employees shall have forty-eight (48) hours, exclusive of Saturdays, Sundays or holidays, in which to declare their desire to be considered for such vacancy or new job. It is recognized, however, that seniority will prevail provided the employee can perform the job to the satisfaction of the Company.

The Company will post on the bulletin boards on January 1 and July 1 of each year a plant seniority list of all regular and full-time employees and furnish one (1) copy to the Union.

If an employee works four (4) hours or more in a higher rated classification, such employee shall receive the higher rate for the entire day.

ARTICLE 13 PLANT VISITATION

A representative of the Union shall have access to the plant for the purpose of investigating conditions therein, under the terms of this Agreement, and to adjust any grievances or complaints herein. Before entering the plant, such representative must call at the office of the official designated by the Company and secure permission. Conferences between Union representatives and an employee and/or employees shall be so conducted so that there shall be no interference with or interruption of the Company's production.

ARTICLE 14 VACATIONS

The Company will grant one (1) week of vacation with pay to all employees who have been in the continuous service of the Company for one (1) year preceding the period in which the vacation is to be taken. The Company will grant two (2) weeks of vacation with pay to all employees who have been in continuous service of the Company for a period of three (3) years preceding the period in which the vacation is to be taken. The Company will grant three (3) weeks of vacation with pay to all employees who have been in the continuous service of the Company for a period of eight (8) years preceding the period in which the vacation is to be taken. The Company will grant four (4) weeks of vacation with pay to all employees who have been in the continuous service of the Company for a period of fifteen (15) years preceding the period in which the vacation is to be taken.

Vacation pay shall be based on the total average hours worked in the preceding calendar year, but shall not be less than forty (40) hours per week.

The right to determine the vacation period shall rest with the Company so as to insure the continuous and proper operation of his business. Seniority will generally govern in the granting of vacations.

The last hiring date of the individual employee shall determine his eligibility for vacation. Vacation shall be taken at any time after the employee's anniversary hiring date but prior to his next anniversary hiring date. Vacations shall not be cumulative.

In case of a leave of absence granted an employee, his anniversary hiring date for the purpose of determining eligibility for vacation shall be changed by adding to it the period of his absence on leave. The vacation week shall be the same as the payroll week and all vacations shall start on the first day of the payroll week.

The Company may give vacation pay in lieu of an employee taking vacation time off with pay if mutually agreed on. Vacation pay shall be paid immediately preceding each employee's vacation period. Employees wishing their vacation pay in advance of their vacation shall make such request in writing at least two (2) weeks in advance of their last work date prior to their taking vacation. In cases of emergency, employees may request and receive their vacation pay within two (2) days of written notice to the Company.

The number of hours worked in a week or Weekly Indemnity or Workmen's Compensation pay received in a week will constitute a week of work. Where any of the holidays set forth in Article 9 occur during the employee's vacation period, the employee shall be paid for that holiday or his vacation may be extended one (1) day. This paragraph shall only operate for the twelve (12) month period subsequent to the injury or illness which led to the receipt of weekly indemnity of workmen's compensation.

The Company will post a vacation schedule on January 1 of each year. Employees will be required to indicate their vacation preference by April 1 of that year.

Employees who have not chosen their vacation period by April 1 as provided above will be allotted vacation periods at the discretion of the Company.

Employees' vacation times will be approved and announced by the Company by the fifteenth (15th) of April. The vacation week shall be the same as the payroll week and all vacations shall start on the first (1st) day of the payroll week. Vacation pay will be paid the employee on the last day of work prior to starting of his vacation period. The Company reserves the right to reschedule vacations if business conditions necessitate.

It is understood and agreed that when a vacation schedule has been established, the schedule cannot be changed for any employee unless requested by either the Company or the employee, and said changes mutually agreed upon by the Company and the employee.

ARTICLE 15 WAGE SCALES

The wage scales and classifications shall be set forth in Appendix "A", attached hereto and by this reference made a part hereof.

ARTICLE 16 DISCHARGE

No employee covered by this Agreement shall be suspended, demoted or dismissed without just and sufficient cause. Sufficient cause for discharge shall include among other reasons, dishonesty, negligence, incompetence, insubordination, theft, sabotage, intoxication while on duty or refusal to perform any reasonable work, service, or labor when required to do so by the Company. Any employee claiming unjust dismissal, demotion or suspension must make

his or her claim therefor to the Union and the Company within three (3) days after such dismissal, et cetera; otherwise, no action will be taken by the Union. Action on the claim must start within twenty-four (24) hours after filing.

It is understood and agreed that investigations on discharge as set forth herein will be handled through the Grievance Procedure as provided in Article 17 of this Agreement.

If it is found that an employee has been unjustly discharged, he or she will be reinstated with full rights and will be compensated for his or her wages for the period of suspension, dismissal or demotion, but nothing herein shall prevent the parties from modifying this provision, if the circumstances justify such action.

Investigation, grievance procedure and settlement of any claim on discharge must be completed within ten (10) days after the filing of such complaint with the Union.

ARTICLE 17 GRIEVANCE AND ARBITRATION

A Grievance Committee of not more than three (3) employees shall be designated by the Union to represent the employees in the bargaining unit. Grievance Committeemen shall be allowed such time off as is reasonably required.

The grievance procedure shall be established as follows:

- (a) Grievance discussed between aggrieved employees and the foreman in the presence of the appropriate Grievance Committeeman. Answer in twenty-four (24) hours.
- (b) If not settled, then grievance must be reduced to writing and discussed between Grievance Committee and management. Answer in forty-eight (48) hours.
- (c) If not settled, then grievance discussed between Grievance Committee, representative of the International and management. Answer in forty-eight (48) hours.

In the event that a dispute, difference or grievance cannot be satisfactorily settled through the grievance procedure above outlined, there shall be no lockout, strike or stoppage of work, and the Company and the Union shall submit the matter for decision to a Board of Arbitration to be constituted as hereinafter set forth.

- (a) The Company and the Union each shall select an arbitrator within forty-eight (48) hours, and the two (2) thus chosen shall select a third impartial arbitrator, and the three (3) thus chosen shall constitute the Board of Arbitration to hear and to

determine the matter in dispute or controversy, and a finding or award of the said Board shall be final and conclusive upon the parties hereto.

- (b) Should the two (2) arbitrators chosen by the parties pursuant to Section (a) above be unable to agree within forty-eight (48) hours after their selection upon a third member of the Board of Arbitration, then, and in that event, the third impartial arbitrator shall be chosen from a list of five (5) arbitrators submitted by the Federal Mediation and Conciliation Service upon the written request of the two (2) arbitrators, and a finding or award of the said Board shall be final and conclusive upon the parties hereto.

It is understood and agreed between the parties that the Board of Arbitration constituted as set forth in Item (a) or (b) above shall not have the power to add to, subtract from or modify any of the terms of this Agreement.

Each party shall bear the expenses of its own arbitrator, but the expense of the third arbitrator shall be shared equally between the Company and the Union.

ARTICLE 18 CLOTHES CHANGING TIME

Employees will be compensated fifteen (15) minutes per day for clothes changing time. Employees should change into their work clothes prior to punching in and punch out prior to changing out of their work clothes.

ARTICLE 19 INSURANCE PLAN

INSURANCE PLAN. Effective January 1, 2010, the Company shall contribute 80% of the cost of the insurance each month to maintain the benefits in effect after May of 1991 on behalf of each employee in the bargaining unit who, on the first day of each month, has been employed for two (2) calendar months or more and who elects to enroll. The remaining twenty percent (20%) shall be borne by the employee and will be deducted through payroll deductions. The due date is the 10th of each month. Such payments shall be made into a fund known as Rocky Mountain UFCW Unions and Company's Health Benefit Fund, which will have for its purpose the providing of health and welfare benefits for eligible employees working for the Company under the terms and conditions of this Agreement. The nature, type and extent of the health and welfare benefits to be provided shall be such as the Trustees in their discretion shall determine and which are in accordance with the Trust Agreement.

If the premium cost increase of health insurance from 2011 to 2012 is less than 7%, then either party may open the contract for the purpose of discussing transferring any savings to pension. Notice must be given 15 days after January 1, 2012 to reopen the contract.

Trust Fund Trustees. The Trust Fund is to be jointly administered by an equal number of Trustees representing the Company and the Union.

Employee Eligibility. Employees are eligible for benefits under this Plan on the first day of the month following three (3) consecutive months of employment. It is understood that the Board of Trustees is authorized to establish a lag month under the above eligibility requirements if deemed necessary. Under certain circumstances, when an employee fails to continue to qualify for eligibility, the employee may be allowed, as outlined in the eligibility rules and regulations as established by the Board of Trustees and amended from time to time, to make self-payment to be eligible for continued coverage.

Continuation of Coverage While Disabled. All coverage shall remain in effect for the month following the month or period, if any, of two (2) weeks for each year of service with the Company, whichever is greater, in which an employee is absent because of occupational or non-occupational illness or injury.

ARTICLE 20 LEAVE OF ABSENCE

An employee may, on his or her written request to the foreman of the department, and for good and sufficient reason, be granted a leave of absence without loss of seniority but without pay, for a period of fourteen (14) days, but not to exceed thirty (30) days, with the privilege of renewal at the discretion of the Company. Leaves of absence shall not be used for the purpose of extending the particular employee's vacation unless he has secured the approval of the Company at least two (2) weeks prior to taking said vacation, and shall not be used for the particular employee to seek or obtain other employment. An employee desiring leave of absence shall check with the Company regarding insurance coverage during such leave of absence.

An employee having at least one (1) year of service with the Company will be granted a leave of absence without pay at any time during pregnancy on doctor's recommendation and extending for ninety (90) days after the birth of the child. The employee shall give notice in writing to the Company at the time her leave of absence is granted, indicating whether or not she intends to return to work after childbirth. Failure to report by the end of the ninety (90) day period will result in cancellation of seniority rights. Where an employee returns to work by the end of the ninety (90) day period, she shall be employed with the same seniority at the same hourly rate of pay she was receiving at the time the leave of absence was granted.

**ARTICLE 21
PAYCHECK**

The check with which the Company pays the employees will state all deductions, hourly rates, hours worked, straight-time and overtime. Additionally, there shall be available direct deposit of payroll on a voluntary basis. It is understood and agreed that the employees shall be paid on a weekly basis.

**ARTICLE 22
BULLETIN BOARD**

The Union shall be privileged to post bulletins having to do with the Union's official business on the bulletin board provided by the Company. Before doing so, however, they must first secure the approval of the plant superintendent.

**ARTICLE 23
EQUIPMENT**

The Company agrees to furnish one (1) pair of gloves per week, one (1) pair of boots each twelve (12) month period, and all necessary safety equipment as required. Equipment is provided on an as needed basis and the Company can establish a control system to prevent misuse.

**ARTICLE 24
JURY DUTY**

When an employee is called for jury service, he or she shall be compensated for time lost from his or her job at his or her regular hourly rate less the compensation received for jury duty, excluding transportation expenses, but in no case more than eight (8) hours per day or forty (40) hours per week, Monday through Friday.

Employees shall not be expected to report for work on their job if they are required to report for jury duty in the morning and afternoon. In the event they are excused from jury duty prior to noon and are not required to report back after noon, they should report for work as soon as possible after being released from jury duty and work all hours available.

An employee working on the night shift who is called for jury duty and who reports and serves on the jury shall not be required to report on his regular night shift. However, he should, if at all possible, inform the Company as to whether or not he is or is not serving on the jury.

If an employee is excused and does not serve on the jury, he or she will be required to work his or her regularly scheduled shift.

**ARTICLE 25
FUNERAL LEAVE**

When a regular full-time employee is absent from work because of the necessity of arranging for and attending the funeral of a member of his immediate family, the Company will pay him for eight (8) hours at his regular rate of pay for each day of absence up to a maximum of three (3) workdays for a funeral in the State of Colorado and up to a maximum of three (3) workdays for a funeral outside Colorado. Employees may receive an additional seven (7) days of unpaid funeral leave for any funeral out of the country, provided that:

- (a) The employee is on the active payroll on the date of the death of a member of his immediate family, and
- (b) The employee notifies his supervisor of the purpose of his absence not later than the first day of such absence, and
- (c) Payment will be made for a day of absence only if such day is one (1) of the three (3) days during which the gang in which the employee is employed did work and on which the employee would have worked had it not been for the absence, and
- (d) The employee shall furnish proof satisfactory to the Company of the death, his relationship to the deceased, the date of the funeral, and the employee's actual attendance at such funeral.

For purposes of this paragraph, a member of an immediate family means only the employee's spouse, child, step-child, mother, father, sister, brother, grandmother, grandfather, grandchildren, mother-in-law, and father-in-law.

**ARTICLE 26
NIGHT PREMIUM**

Employees working what is considered to be the second shift shall receive ten cents (10¢) over their regular rate; employees working what is considered to be the third shift shall receive twenty cents (20¢) over their regular rate..

**ARTICLE 27
FIRST AID**

The Company shall furnish and maintain a first aid station in the plant at a location accessible to all employees.

**ARTICLE 28
LUNCH PERIOD**

There shall be established (non-paid) lunch period of thirty (30) minutes for all employees. The day operator and night operator will receive one-half (½) hour of pay in addition to his regular day of pay when and if he works through his lunch period.

**ARTICLE 29
PICKET LINE**

No employee shall be discharged or threatened for refusing to cross or work behind any primary picket line established by any labor organization at the Company's premises, nor shall the Union be deemed to be in violation of this Agreement if its members choose to honor any such picket line.

**ARTICLE 30
NO DISCRIMINATION**

The Company and the Union recognize that they are required by law not to discriminate against any person with regard to employment or Union membership because of his or her race, creed, religion, color, sex, age, national origin, age, handicap or ancestry and hereby declare their acceptance and support of such laws. This shall apply to hiring, placement, upgrading, transfer or demotion, recruitment, advertising or solicitation for employment, training during employment, rates of pay or other forms of compensation, selection for training, layoff or termination, application for and admission to Union membership.

**ARTICLE 31
CONTRACTING OUT MAINTENANCE WORK**

The Company has the right to subcontract maintenance work and to determine what work is to be assigned to the contractor. However, before contracting maintenance work that bargaining unit employees are qualified to perform, the Company will solicit bargaining unit employees to perform the work. If there are not sufficient employees with the necessary qualifications who are willing to perform the work in the time needed, the Company may contract out the work.

**ARTICLE 32
TERM OF AGREEMENT**

This Agreement shall be in effect from the 1st day of January, 2010, and shall remain in effect through the 31st day of December, 2012, and shall continue in full force and effect from year to year thereafter unless the Agreement is terminated or changed pursuant to the following conditions:

- (a) If either party elects to terminate the Agreement such party shall, on a date not less than sixty (60) days prior to the expiration date of the Agreement, give notice

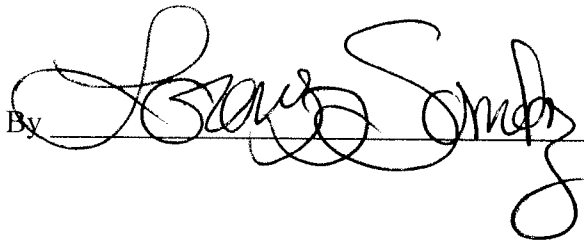
to the other party of intention to terminate, and by such action the Agreement shall, for all purposes, terminate as of the expiration date of the Agreement.

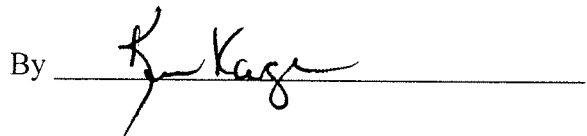
- (b) If either party elects to change any of the provisions of the Agreement, such party shall, on a date not less than sixty (60) days prior to the expiration date of the Agreement, give written notice to the other party specifying the changes desired. Changes in the Agreement shall be limited to those outlined in writing and all items of the Agreement not specifically set forth in the written notice shall be regarded as automatically renewed. Negotiations shall begin within sixty (60) days prior to the expiration date of the Agreement, unless mutually agreed otherwise.
- (c) In the event that either party shall notify the other party of his desire to change the terms of the Agreement pursuant to the above paragraphs, then, and in that event, the other party shall have ten (10) days from the date of the receipt of the written notice to serve a notice upon the notifying party specifying any changes that may be desired.

IN WITNESS WHEREOF, the parties above-named have signed their names and affixed the signatures of their authorized representatives this 5th day of March, 2010.

UNITED FOOD AND COMMERCIAL
WORKERS UNION LOCAL NO. 7, AFL-CIO

DARLING NATIONAL L.L.C.

By 

By 

APPENDIX "A"

WAGE SCALES. The wage scales shall be as follows:

<u>Classifications</u>	<u>1/3/10</u>	<u>1/2/11</u>	<u>1/1/12</u>
Utility	13.51	13.76	14.01
Vacation Relief	13.76	14.01	14.26
Operator	14.02	14.27	14.52
Maintenance	14.48	14.73	14.98

NEW HIRE PROGRESSION

Hire date to 1st anniversary year	\$1.00 less than bid job
1st anniversary year to 2nd anniversary year	50¢ less than bid job

All new hires after two (2) years of service will go to bid job classification rate mentioned above.

LEAD MAN CLASSIFICATION

The Company, if they so desire may have a lead person. The Company will pay lead person twenty-five cents (25¢) over his or her classification rate.

APPENDIX "B" **PENSION PLAN**

Effective January 1, 2010, the Company will contribute sixty-five cents (65¢) per hour for all hours actually worked not to exceed forty (40) hours in a workweek to the Denver Area Meatcutters & Companys Pension Plan. Effective January 1, 2011, the Company will contribute seventy cents (70¢) per hour for all hours actually worked not to exceed forty (40) hours in a workweek to the Denver Area Meatcutters & Companys Pension Plan. Effective January 1, 2012, the Company will contribute seventy-five cents (75¢) per hour for all hours actually worked not to exceed forty (40) hours in a workweek to the Denver Area Meatcutters & Companys Pension Plan. Further, no contribution will be required until an employee has qualified as a regular full-time employee, as no payment will be required for probationary employees or so-called casual employees. Payment will be made into a Company-Union Pension Fund which shall be jointly administered by Trustees representing the Union and the Company. The Company agrees to pay into the Fund not later than the fifteenth (15th) of the month for hours worked in the previous month based on the above requirement.

A Trust Agreement will be worked out and agreed to by both the Union and the Company Trustees establishing said Pension Fund and the administration of such Fund.

Said Pension Fund shall be used to provide benefit pensions for eligible employees of the Company as provided in the Pension Plan, the terms and provisions of which are to be agreed upon by the parties hereto; said Pension Plan shall, among other things, provide that all benefits under the Plan and cost, charges and expenses of administering the Plan and all taxes levied or assessed upon or in respect of said Plan or Trust or any income therefrom shall be paid out of the Pension Fund.

Said Pension Plan and Trust Agreement establishing the Pension Fund shall be submitted to the United States Treasury Department and the United States Department of Labor for the approval and ruling satisfactory to the Company, that said Plan is qualified under I.R.C. Section 401, et seq., and that no part of such payments shall be included in the regular rate of pay of any employee.

It is agreed by and between the parties hereto that when the Pension Plan is approved by the United States Treasury Department and the United States Department of Labor and becomes operative and the Company makes contributions into the Fund, those employees covered by this Agreement shall automatically cease to participate in the Company's Retirement Plans and Profit-Sharing Plans then in effect.

A copy of the Trust Agreement and any amendments thereto shall be made a part hereto as if herein at length set forth, when adopted.

LETTER OF UNDERSTANDING

In the event of a permanent closing of Darling National L.L.C. inedible plant, bargaining unit employees who have completed their probationary period shall have preferential hiring status over employees hired from the street. Employees shall be allowed to transfer to Darling National L.L.C. edible plant based on seniority, when in the judgment of the Company, skills abilities and qualifications are reasonable equal. Employees who are laid-off as a result of this process shall retain recall rights for six (6) months. The Company shall have sole discretion in determining what job classifications are necessary and the number of employees necessary within any job classification. Employees who transfer pursuant to this letter of understanding shall retain seniority only for the purposes of vacation and benefits.

The foregoing shall take precedent over any other language or provision of this Agreement.

LETTER OF UNDERSTANDING

The Union and Company acknowledge and agree that the maintenance of a drug free workplace is of paramount concern in order to provide a safe workplace for all Company employees. The Company shall have the right during the term of this Agreement to test any employee for drug and alcohol usage pursuant to the provisions of such test as set forth by the United States Department of Transportation's Federal Motor Carrier Safety Act (FMCSA) regulations and/or the Company's Substance Abuse Policy, which policy is incorporated by reference herein. Employees who fail to pass the drug/alcohol test shall be terminated. If, however, an employee admits to drug and/or alcohol abuse to the Company prior to being designated for testing and who agrees to complete a bona fide rehabilitation program, shall not be terminated.