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**IDnum** 226    **Language** English    **Country** United States    **State** GA

**Union** BCTGM (Bakery, Confectionery, Tobacco Workers and Grain Millers International Union) AFL-CIO

**Local** 362

Occupations Represented
industrial machinery installation, repair, and maintenance workers

**Bargaining Agency** Brown and Williamson Tobacco

**Agency industrial classification (NAICS):**

11 (Agriculture, Forestry, Fishing, and Hunting)

**BeginYear** 1996    **EndYear** 1999

**Source** <http://www.mindspring.com/%7Ebct362t/BCT/Contract.htm>

**Original\_format** PDF (unitary)

**Notes**

**Contact**

**Full text contract begins on following page.**

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**A G R E E M E N T** between **BROWN & WILLIAMSON TOBACCO CORPORATION** and **Bakery, Confectionery and Tobacco Workers International Union**

**AFL-CIO-CLC**

**Local Union 362-T**

**Macon, Georgia**

**1996 - 1999**

**ARTICLE I PURPOSE**

**ARTICLE II RECOGNITION**

**ARTICLE III CHECKOFF**

**ARTICLE IV WAGES**

**ARTICLE V GRIEVANCES AND ARBITRATION**

**ARTICLE VI DISCHARGES**

**ARTICLE VII WORK SCHEDULE**

**ARTICLE VIII WORK ASSIGNMENT**

**ARTICLE IX SENIORITY**

**ARTICLE X PROMOTIONS**

**ARTICLE XI PROGRESSIONS**

**ARTICLE XII JOB CLASSIFICATIONS**

ARTICLE XIII LAYOFF AND RECALL

ARTICLE XIV SHIFT PREFERENCE

ARTICLE XV PROBATION

ARTICLE XVI OVERTIME

ARTICLE XVII OVERTIME DISTRIBUTION

ARTICLE XVIII HOLIDAYS

ARTICLE XIX VACATIONS

ARTICLE XX SHIFT DIFFERENTIAL PAY

ARTICLE XXI JURY DUTY PAY

ARTICLE XXII FUNERAL LEAVE PAY

ARTICLE XXIII CALL-IN PAY

ARTICLE XXIV REPORT-IN PAY

ARTICLE XXV MILITARY LEAVE PAY

ARTICLE XXVI LEAVE OF ABSENCE

ARTICLE XXVII ACCRUED SENIORITY

ARTICLE XXVIII NONDISCRIMINATION

ARTICLE XXIX GENERAL PROVISIONS

ARTICLE XXX RETIREMENT, INSURANCE AND PROFIT SHARING

ARTICLE XXXI COST OF LIVING (CONTINGENT ALLOWANCE) PROGRAM

ARTICLE XXXII STRIKES AND LOCKOUTS

ARTICLE XXXIII DURATION

SUPPLEMENT

ARTICLE VII WORK SCHEDULE

ARTICLE XVI OVERTIME

ARTICLE XVIII HOLIDAYS

ARTICLE XIX VACATIONS

ARTICLE XXI JURY DUTY PAY

**Agreement**

AGREEMENT made this 1st day of September, 1996, by and between BROWN & WILLIAMSON TOBACCO CORPORATION (hereinafter sometimes called the "Company"), party of the first part, and LOCAL UNION 362-T of the BAKERY, CONFECTIONERY, AND TOBACCO WORKERS' INTERNATIONAL UNION, AFL- CIO-CLC (hereinafter sometimes called the "Union"), party of the second part.

**WITNESSETH:**

**ARTICLE I**

**PURPOSE**

The parties hereto recognize the existence of mutuality of interests and the desirability of establishing sufficient and adequate machinery for the adjustment

of all differences that may arise under the terms of this contract and out of the relationship of the employer to employees covered by this contract to the end that peaceful cooperative relationship may be maintained and that the spirit of wholehearted cooperation shall at all times prevail. It is further recognized all employees are expected to perform a fair day's work in exchange for a fair day's pay and will use every means possible to produce the best products by doing his/her task so as to maintain the highest standards of efficient operation, reduction of waste and the maintenance of quality. To accomplish these ends and for the purpose of establishing the setting forth rates of wages and working hours and conditions, the parties hereto have agreed as follows:

## **ARTICLE II**

### **RECOGNITION**

(1) The Company recognizes the Union as the sole bargaining agent for the employees in its factory at Macon, Georgia, performing work that is under the jurisdiction of the Union.

(2) The term "employees" as used in this Agreement shall include all production employees whose duties include production maintenance work at the Company's Macon, Georgia, Branch; excluding plant maintenance employees, power plant and auxiliary equipment operators, office clerical, plant clerical, quality control employees, professional and technical employees, plant guards and supervisors.

## **ARTICLE III**

### **CHECKOFF**

## Section 1

It is agreed that during the term of this Agreement monthly dues for each member of the Union in amounts as authorized shall be deducted from the pay of the employee upon written authorization to the Company from each individual employee so long as the authorization shall not be canceled or revoked. The authorization will be upon a form furnished by the Union and approved by the Company, and all such dues deducted in this manner shall be remitted by the Company to such person as may be designated in writing by the Union under the seal of the Company.

## Section 2

The deduction of monthly dues shall be made in the first pay period of each month in which the employee received sufficient wages to cover the amount of the deduction. The Company will make every reasonable effort to forward a check for all such deductions to the Union official designated by the Union not later than the fifteenth day of each calendar month.

## Section 3

The Union shall certify to the Company in writing a list of its members who have made such assignments together with an itemized list of the initiation fees, dues and accrued arrears to be deducted from the pay of such members.

## Section 4

The Union shall indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company in reliance upon authorization cards or any other written information furnished to the Company by

the Union or for the purpose of complying with any of the provisions of this Article.

## CHECKOFF AUTHORIZATION

NAME

SOCIAL SECURITY NUMBER

I, , hereby voluntarily request and authorize Brown & Williamson Tobacco Corporation to deduct from my pay Union initiation fees, monthly dues and accrued arrears originating with the Local Union and authorized by it, as said employee's membership dues in the Union and to pay same to the duly authorized officer of Local Union 362-T, Bakery, Confectionery, and Tobacco Workers' International Union, within the month in which such deductions are made.

This authorization shall be automatically renewed and irrevocable for successive periods of one year from date hereof or until the termination of the collective bargaining agreement whichever occurs sooner, unless written notice of cancellation is given by me to the Company and the Union, said notice to be forwarded by registered or certified U. S. Mail, not more than seventy-five days and not less than sixty days prior to the expiration of each term of one year, or prior to the termination of the collective bargaining agreement between my Employer and the Union, whichever occurs sooner. This authorization is made pursuant to the provisions of Section 302(c) of the Labor Management Relations Act of 1947 and otherwise, and I agree to hold the Company harmless for or on account of any deductions made hereunder.

PRINT NAME: \_\_\_\_\_

SIGN NAME: \_\_\_\_\_ DATE: \_\_\_\_\_

## Section 5

### AUTHORIZATION FOR CHECKOFF FOR BCT-PAC

I hereby authorize the Company to deduct from my pay the sum of per month and to forward that amount to the BCT-PAC.

This authorization is signed under specific understanding that the signing of this authorization and the making of payments to the BCT-PAC are voluntary; are not conditions of membership in the Union or of employment with the Company; that the BCT-PAC will use the money it receives to make political contributions and expenditures in connection with federal, state, and local elections; and that this voluntary authorization may be revoked at any time by notifying the Company in writing of a desire to do so. Such revocation shall be effective on the 10th day after delivery of same, or later if so specified.

### ARTICLE IV

#### WAGES

During the life of this Agreement, the hourly rates of pay for the employees covered by this Agreement shall be in accordance with the wage scale set forth in the Schedule of Classifications, Progressions and Wage Rates attached hereto which is accepted and agreed to or amended by the parties.

### ARTICLE V

#### GRIEVANCES AND ARBITRATION



Any differences arising from the interpretation and application of this Agreement or differences arising from the relationship of the employees and the employer shall be handled as a grievance, subject to the grievance and arbitration procedure set forth below. It is understood and agreed that both parties shall make a diligent effort to settle any and all disputes at the lower level of the grievance procedure. The Company will recognize two (2) Chief Shop Stewards on each of its three shifts--one for the Fabrication Department and one for all other departments.

## Section I

### STEP 1

Within three working days of the occurrence, the grievance will be orally submitted by the grievant and/or the Steward to the appropriate Group Leader. Within forty-eight hours of work the Group Leader shall respond to the grievance advising the grievant and/or the Steward of his position on the matter.

### STEP 2

If no satisfactory settlement is reached in Step 1, the grievance shall be reduced to writing, setting forth the specific facts and circumstances of the grievance, and within five working days of receipt of the Company response to Step 1, the grievant and/or the Steward will submit the written grievance to the Superintendent. Within five working days of receipt of the written grievance the Superintendent shall respond in writing to the grievance.

### STEP 3

If no satisfactory settlement is reached in Step 2, the Grievant, the Steward or Chief Shop Steward and the Local President or his/her designated representative

shall present the written grievance to the Employee Relations Manager or his/her designated representative within five (5) working days of receipt of the Company's answer in Step

2. The Employee Relations Manager or his/her designated representative shall, within ten (10) working days, review the facts and circumstances of the grievance with the Grievant, the Steward or Chief Shop Steward and the Local President or his/her designated representative and shall give a written response within five (5) working days of the hearing on the grievance.

## Section 2

Issues may arise between the Company and the Union for which either party may request its respective representative of the International Union or Corporate Industrial Relations to meet with Local Union and Local Management to assist in settlement of the issue. Such meeting upon request of either party shall be held as soon as practical. If not settled, the grievance shall proceed to the next appropriate step of the grievance and arbitration procedure.

## Section 3

If no satisfactory settlement is reached in Section 1 or Section 2, if Section 2 is applied, the grievance shall be submitted to impartial arbitration.

## Section 4

All matters submitted to impartial arbitration shall have been processed through all steps of the grievance procedure, except Step 1 and Step 2 may be waived if agreed to by the parties. Requests for arbitration shall be made within ten

working days of the Company's last response. A panel of arbitrators will be requested from the Federal Mediation and Conciliation Service, and within five working days after receipt of such panel, the parties shall select the arbitrator by alternately striking names from the list. The last name remaining shall be the arbitrator. The arbitrator shall have no power to add to, delete from or otherwise change the language of the contract and shall limit his decision solely to the facts and circumstances presented to him. The decision of the arbitrator shall be final and binding on the parties and shall be implemented immediately upon receipt of the decision or as soon thereafter as is practical. The Company and the Union shall share equally the fee of the arbitrator, including any mutually agreed upon services relating to the arbitration proceedings.

## Section 5

All time limits herein may be extended by mutual agreement.

## ARTICLE VI

### DISCHARGES

The right of the Company to suspend or discharge employees is recognized; however, when circumstances permit employees will first be afforded the opportunity for a fair hearing in the presence of a Union representative if requested. A discharged employee (except probationary employees) shall be accorded the right of appeal through the grievance and arbitration provisions of this Agreement.

## ARTICLE VII

## WORK SCHEDULE

There shall be a standard work schedule and an alternative work schedule at the Macon, Georgia Plant. The standard work schedule and all related provisions shall be set forth in the main body of the collective bargaining agreement. The alternative work schedule and provisions specifically related to it shall be set forth in an addendum attached to and made a part of this agreement.

### Section I

The work schedule will be not more than seven and one-half hours per day, five days per week, Monday through Friday, exclusive of a thirty minute lunch break. A workweek will consist of seven consecutive twenty-four hour periods beginning with the starting time of the employee's shift on Monday, except that the workweek for the third shift shall begin at the shift starting time on Sunday night.

### Section 2

The established starting time for the shifts will be as follows:

First Shift (Day Shift) 7:00 A.M.

Second Shift (Afternoon Shift) 3:00 P.M.

Third Shift (Evening Shift) 11:00 P.M.

Starting time(s) for an employee or group of employees may be established outside of the above listed starting times.

The Company may, for good and sufficient cause, change the starting time of shifts provided, however, when such changes are made the Company will give one week's advance notice of such change to the Union.

Relief shall be forty minutes per shift. Employees who work overtime at the end of a shift will be granted ten (10) minutes relief as soon as operating conditions permit. Should an employee work in excess of two (2) hours of overtime, he/she will be granted relief equal to five (5) minutes per hour.

### Section 3

Employees who work twelve (12) consecutive hours will be paid an additional 15 minutes at overtime rate.

Employees who work beyond twelve (12) consecutive hours will be allowed 30 minutes time off to eat, on or off the premises, without loss of pay.

### Section 4

In the event of a short workweek when a partial work force is necessary, such work will be offered to the senior qualified employee(s) within classification ("area" in Primary) on the respective shift desiring to work. If less than the necessary numbers of senior qualified employees volunteer, the least senior qualified employees within classification ("area" in Primary) in the numbers necessary will be required to work on the respective shift.

### Section 5

In the event of a short workday when a partial work force is necessary, the employees assigned to the affected equipment or area will be asked if they wish

to be released. If there are not sufficient volunteers, employees will be canvassed by seniority and qualifications.

## ARTICLE VIII

### WORK ASSIGNMENT

Except as otherwise specifically provided for herein, the Company reserves the right to utilize and assign, and from time to time re-assign employees, on a permanent basis or temporary basis, wherever needed. This shall include but not be limited to the assignment of work within classification, between departments, across shifts and to any other work which may occur. Permanent re-assignment of employees will be reasonable and for just and sufficient cause. Management will review permanent re-assignments with the Union and the affected employee(s).

## ARTICLE IX

### SENIORITY

a. Seniority shall date from the date of most recent hire and will be observed on a departmental basis except as provided in ARTICLE XIII, LAYOFF AND RECALL. However, seniority for Materials Handling Technician in the Parts Department shall be as follows: 1. Seniority shall date from the day of recognition within Local 362T, B.C.&T.W.I.U. with employees ranked on that date in the same order as they were originally hired by the Company.

2. Total Company service with the Company will continue to be used to determine vacation eligibility.

b. Employees transferred on a permanent transfer from one department to another will transfer with full seniority intact upon entering the new department.

c. Employees transferred on a temporary basis from one department to another will continue their seniority in their home department and shall not exercise seniority in the temporarily assigned department.

d. Seniority and employment shall terminate if an employee:

I. Quits,

2. Is discharged for just cause,

3. Is absent without notification with a valid excuse on the first day of absence, or as soon afterward as practicable and in no event later than seven working days after absence begins, excepting cases where the incapacity renders such notification impractical,

4. Does not return to work as set out in ARTICLE XIII, LAYOFF AND RECALL,

5. Does not return to work the next scheduled working day following the expiration of the leave, unless the leave has been extended.

## ARTICLE X

### PROMOTIONS

#### Section I

Promotions to higher paying classifications covered by this Agreement will be open, on a self-nominating basis.

Notices of vacancies available for self-nomination will be posted by classification but will not designate shift. Employees successfully self-nominating a classification must have completed their probationary period and will enter the classification on the shift where training is available. Upon completion of training the employee will be subject to preference of shift as set forth in ARTICLE XIV, SHIFT PREFERENCE.

Where more than one employee self-nominates for a vacancy in a classification, the selection will be made on the basis of seniority, except for the classification of Senior Primary Technician.

## Section 2

When it becomes necessary to fill the position of Senior Fabrication Technician, applications for the job will be accepted from current employees. Such applicants will form the applicant pool.

The selection of employees to train as Senior Fabrication Technician will be by work experience, testing, and evaluation. If these factors are considered equal, selection will then be determined by seniority with Fabrication Department employees being given preference over employees from other departments.

If insufficient numbers of employees apply for the job, or an insufficient number of applicants qualify for the job, the Company shall turn to external sources for applicants to augment its internal source.

## Section 2-A



When openings exist in the classification of Electrical/Electronics Technician, first consideration will be given to the senior nominees in lower classifications in the same department possessing the appropriate qualifications and then to other employees possessing the appropriate qualifications. Successful nominees will be placed into the progression for the classification in accordance with their skills.

### Section 3

An employee will be qualified as a Primary Technician when the employee successfully completes the training associated with one area of the Primary Department, not to exceed 8 months. Employees entering the Primary Department will be assigned to one of the areas where a vacancy exists. An employee who qualifies in one area shall not be disqualified from the classification if he/she fails to qualify in any other area, except as stated below.

### Section 3-A

Employees who enter the classification of Senior Primary Technician will be required to qualify in all control areas of either Primary "A" or Primary "B", and upon qualifying will be required to remain in that respective area unless otherwise assigned.

### Section 4

In the event a vacancy requires special qualifications not available in the bargaining unit, the Company reserves the right to hire to fill the vacancy.

### Section 5

Except as otherwise provided in this section, all self-nominations shall be higher paying classifications and no self-nominations will be accepted for equal paying or lower paying classifications.

When it is determined that it is in the mutual best interest of the parties and an employee, a self-nomination to an equal paying or a lower-paying classification (except Senior Primary Technician) will be allowed. Such self-nomination will be in accordance with normal bidding procedures. An employee leaving a classification in this manner will be prohibited from returning to the vacating classification for a minimum of 36 months and his/her circumstances must have sufficiently changed to justify a promotion to the classification.

## Section 6

### a. All Classifications Except Primary Technician

Any employee who, after completing the probationary period, fails to progress satisfactorily through the prescribed training program for a classification, or who is unable to perform satisfactorily at any time subsequent to such training shall be disqualified from the classification and may exercise his/her seniority for placement in any other classification (except Senior Primary Technician) with a lower top rate, provided he/she is not disqualified from the classification selected. Any employee displaced as a result of such exercising of seniority shall be the least senior employee within classification and shall have the right to exercise his/her seniority for any other classification except Senior Fabrication Technician, Electrical/Electronics Technician, and Senior Primary Technician, displacing the least senior employee in classification who shall have corresponding rights of seniority.

Any employee disqualified from a classification shall not be considered for promotion to such classification for one year unless his/her circumstances have changed sufficiently to justify such promotion earlier. However, the one year

provision shall not be considered as an automatic reopening of promotional rights to the classification. Any employee who is disqualified from the Fabrication Technician classification shall not be eligible for promotion to the Senior Fabrication Technician or Electrical/Electronic Technician classification until the employee has met the requirements of Article X, Section

2.

b. Primary Technician

Should an employee fail to qualify in an area other than the initial area, the employee will be placed in his/her initial area on the same shift if there is a less senior employee assigned to that area by displacing the least senior employee on that shift; or the employee will displace the least senior employee assigned to that area. If there is no employee less senior in the disqualified employee's initial area, then the disqualified employee displaces the least senior employee in the Department in an area where he/ she has not been disqualified. Any employee displaced as a result of this move will fill the vacancy. If there are no less senior employees, he/she will be disqualified and leave the Department.

Section 7

In the event a permanent vacancy exists for which there are no self-nominations, the Company shall have the right to permanently transfer the least senior employee in other departments to fill the vacancy unless the Company is required to employ additional employees and in that event the newly hired employee would be placed in such vacancy.

Section 8

When it becomes necessary to fill the position of Senior Primary Technician, applications for the job will be accepted from current employees, excepting Senior Fabrication Technicians and Electrical/Electronics Technicians. Such applicants will form the applicant pool.

The selection of employees to train as Senior Primary Technician will be by work experience, testing, and evaluation. If these factors are considered equal, selection will then be determined by seniority with Primary Department employees being given preference over employees from other departments.

If insufficient numbers of employees apply for the job, or an insufficient number of applicants qualify for the job, the Company shall turn to external sources for applicants to augment its internal source.

## Section 9

Promotions and displacements of employees in the Materials Handling Technician classification in the Parts Department will be handled as follows:

1. Employees self-nominating to other classifications may have their actual transfer delayed up to ninety (90) days of work to accommodate the training of their replacement.
2. Employees displaced from the classification may have their transfer delayed up to ninety (90) days of work to accommodate the training of their replacement.
3. Employees will be assigned to the shift where training is provided and will be retained on that shift until their training is completed at which time they will be subject to the shift preference provisions of ARTICLE XIV, SHIFT PREFERENCE.

## ARTICLE XI

### PROGRESSIONS

#### Section 1

Progression steps for each classification covered by this Agreement have been established and are shown in the Wage Schedule attached to and made a part of this Agreement.

#### Section 2

Except as otherwise provided, employees entering a classification will enter at the first step in the progression for that classification and will follow the progression for that classification.

#### Section 3

Employees who enter new classifications through the promotional process as set forth in ARTICLE X shall enter the progression of their new classification at the same Step he/she had attained in his/her former classification. The employee's pay will not be reduced but no employee may progress to the top rate in less than four (4) months.

#### Section 4

Employees who are absent ten or more workdays in any progression step must make up an equivalent number of workdays before moving to the next progression. The total workdays actually worked and the total workdays made up shall not exceed four months in that particular progression.

#### Section 5

After completing probation and any prescribed training program and prior to disqualification, employees (except Senior Primary Technicians) who are unable to perform satisfactorily shall be permitted, at the request of the employee, to repeat a progression step but in no event may an employee repeat more than two steps in the progression for any classification at any time.

#### Section 6

Employees hired into the classification of Senior Fabrication Technician or Electrical/Electronic Technician shall be placed in the progression in accordance with their skills and experience. Employees promoted from Fabrication Technician to the Senior Fabrication Technician classification shall enter the progression for their new classification at the next step.

#### Section 7

During training or at any time subsequent to such training any Senior Primary Technician failing to perform satisfactorily will be disqualified and removed from the classification at the time of disqualification.

### ARTICLE XII

#### JOB CLASSIFICATIONS

It is recognized that from time to time the Company may need to establish new classifications or eliminate classifications that are no longer needed.

When a new classification is established, the Company shall set an initial rate of pay, assign the work, and meet as soon as practicable with the Union to negotiate the rate of pay. Any agreed change in the rate of pay shall be retroactive to the date the new classification was assigned. The Union may grieve the rate of pay

by filing a grievance under the grievance and arbitration procedure within thirty calendar days of the day the rate was put into effect. In the event the Company finds it necessary to eliminate a classification, the affected employees may exercise seniority for other classifications, except Senior Fabrication Technician, Electrical/Electronics Technician and Senior Primary Technician, provided they have not previously been disqualified from the selected classification. Any employee displaced from his/her classification as a result of such exercise of seniority shall be the least senior in the classification and shall have the same rights of seniority.

In the event the Company finds it necessary to reduce the number of employees within a classification, the least senior employee in the affected classification (except for Senior Primary Technicians who shall be reduced as set forth below) shall be removed and may exercise seniority for placement in any other classification, except Senior Fabrication Technician, Electrical/Electronics Technician and Senior Primary Technician, provided he/she has not previously been disqualified from the classification selected. Any employee displaced as a result of such exercising of seniority shall be the least senior employee within classification and shall have the same rights of seniority.

In the event it becomes necessary to reduce the numbers of employees in the Senior Primary Technician classification, they shall be reduced in accordance with seniority; except such reductions in the Senior Primary Technician classification may be temporarily delayed because of training regardless of their seniority.

If this procedure creates an imbalance to the Company's commitment to equal opportunity for all employees, the reduction shall be by employee groups based on their representation in the work force, but only insofar as is necessary to fulfill the Company's commitment.

If any employees have been eliminated from the Senior Primary Technician classification because of reduced requirements, these employees will be utilized for openings in the classification prior to other employees.

In the event that a permanent opening(s) needs to be filled the Company will utilize the employee(s) removed from the classification due to the reduced requirement on the basis of seniority.

In the event a temporary vacancy exists the Company may utilize the employee(s) removed from the classification due to the reduced requirement on the basis of seniority and formal training within the specific area of Primary "A" or Primary "B" respectively.

## ARTICLE XIII

### LAYOFF AND RECALL

#### Section I

Should it become necessary for the Company to reduce the work force in the plant, the seniority right of the employee shall be recognized and the employee holding the least bargaining unit seniority shall be laid off first.

Separate seniority lists for the purpose of this layoff provision will be established for Senior Fabrication Technician, Electrical/Electronics Technician and Senior Primary Technician, respectively. Should it become necessary for the Company to reduce the number of Senior Fabrication Technicians, the employee holding the least seniority shall be laid off first. Should it become necessary for the Company to reduce the number of Electrical/Electronics Technicians, the



employee holding the least seniority shall be laid off first. Should it become necessary for the Company to reduce the number of Senior Primary Technicians, the employee holding the least seniority shall be laid off first. Employees so displaced may exercise their seniority to enter any classification containing employees with less seniority displacing the least senior employee therein and shall rank for seniority for layoff purposes as provided in paragraph one of this Section. Employees in such classifications who are thereby displaced shall have corresponding rights in accordance with paragraph one of this Section.

## Section 2

When increasing the forces in the plant, the same principles of seniority will be observed and laid off employees will be recalled in reverse order in which they were laid off.

## Section 3

Seniority and employment will cease if an employee is laid off and not recalled to work for a period of thirty-six consecutive months thereafter.

## Section 4

Laid off employees will be required to keep the Company advised of their addresses as recall notices will only be sent to the last address supplied to the Company.

## Section 5

Laid off employees will be notified of their recall by registered or certified mail, return receipt requested, with a copy to the Union.

## Section 6

Should an employee fail to acknowledge the recall within seventy-two hours from the postmarked date shown on the return receipt and state his/her intention to return to work or fail to report within an additional seven consecutive days, unless excused by the Company, the employee will have his/her seniority and employment terminated.

## ARTICLE XIV

### SHIFT PREFERENCE

Employees not in formal training or in probation will be granted a preference of shift by seniority within classification and qualifications (area assignment for Senior Primary Technicians) on the first workday of the first workweek of January, and the first workday after the summertime vacation.

In addition, when self-nominees complete formal training the senior employee in classification possessing the same qualifications may exercise shift preference for the available vacancy otherwise to have been filled by such self-nominee on a two-shift-moves- per-vacancy basis. Such self-nominee shall fill the vacancy left by the senior employee exercising shift preference.

Primary Technician-Shift preference will be granted within area of assignment to the senior employee who has qualified in his/her area. Area vacancy resulting from shift preference will be filled by the senior employee qualified in his/her present area who has been assigned to that area for a minimum of six (6) months.

Employees in the Leaf Storages Area and Parts Department will be granted a preference of schedule by seniority on the first workday of January. The transition from one schedule to another will not result in an additional pay liability.

The Company may grant an employee, due to an emergency situation, a temporary change of shifts not to exceed two weeks.

## ARTICLE XV

### PROBATION

All new and rehired employees will be probationary for their first ninety days of work. The Company has the exclusive right to discharge probationary employees during this period without recourse to the grievance procedure.

## ARTICLE XVI

### OVERTIME

#### Section 1

The Company may require employees to work overtime. No employee, however, will be required to work beyond eleven and one-half (11-1/2) consecutive hours (exclusive of lunch period) in any one workday unless he/she volunteers to do so or when emergency situations arise. Emergency situations shall mean situations beyond the control of the Company.

#### Section 2

All work performed before or after the established straight time hours will be paid for at the rate of one and one-half times the normal straight time rate of pay.

Employees required to work overtime in excess of four consecutive hours will be paid at twice the normal straight time rate of pay for such overtime.

### Section 3

Work performed on Saturday (an employee's sixth consecutive twenty-four hour period in any workweek as defined in ARTICLE VII, WORK SCHEDULE) will be paid at one and one-half times the straight time rate for the first four hours and at twice the straight time rate for all hours worked thereafter.

### Section 4

All work performed on Sunday (an employee's seventh consecutive twenty-four hour period in any workweek as defined in ARTICLE VII, WORK SCHEDULE) will be paid at twice the straight time rate.

### Section 5

Employees who are required to change shifts will be notified no later than Wednesday of the preceding week, if possible; however, after the beginning shift of the week if an employee is required to change shifts, the prevailing overtime rate shall be paid for the first shift worked after each shift change and the employee's remaining twenty-four hour periods for that week will begin with the start of his/her new shift. However, the Company will not be required to pay such overtime on a shift change when an employee has permission to change shifts for his/her own convenience.

### Section 6

There shall be no duplication of overtime pay. Employees shall not be paid more than once, for more than one reason or under more than one provision for the same hours worked.

#### Section 7

If the Company fails to offer overtime to an employee in the proper order other than end of shift situations, the employee must notify the Company of the omission the next work day, if possible, but in no event later than three work days. After such notification the Company will authorize payment to the appropriate employee.

#### Section 8

The parties agree that the level of overtime required to meet production and operational requirements has been undesirable on the part of the company and employees. After comprehensive review of the factors that contribute to the need for overtime, it becomes evident that they are numerous and varied, making manpower planning a difficult process.

To insure all relevant factors have been considered in planning against production forecasts which may lead to high levels of overtime, the Company agrees it will review its production and manpower plans with the Union giving fair consideration to the recommendations made by the Union to address the level of overtime including the factor of attrition.

It is recognized and understood that plans which staff at the minimum or maximum of the projected production requirements can lead to undesirable consequences of excessive overtime or overstaffing and should be avoided.

To demonstrate a good faith effort in this regard the company shall conduct the first review no later than 30 days following the conclusion of 1996 bargaining.

## ARTICLE XVII

### OVERTIME DISTRIBUTION

#### Section I

All employees are to remain on their work assignments until properly relieved for the day or excused by the Company.

#### Section 2A - Senior Fabrication Technicians

a. A Senior Fabrication Technician assigned Monday through Friday to work that continues into overtime on any such day shall not be replaced unless excused by the Company.

b. Any production, preventive maintenance or installation work to be performed on a Saturday, Sunday or holiday will be performed by the Senior Fabrication Technician performing the work during the week on that shift.

c. Nonproduction work to be performed on a Saturday, Sunday or holiday will be performed by the most senior qualified Senior Fabrication Technician on the appropriate overtime list desiring the work. However, the Company may require the least senior qualified Senior Fabrication Technician to work. Those jobs where continuation of work is necessary and when the work will continue for

more than eleven and one-half (11-1/2) hours (exclusive of a lunch period) the same employee(s) that began the work will be required to complete the work.

d. In the event it is necessary to call in off duty Senior Fabrication Technicians, the senior qualified employee(s) on the appropriate overtime list will be called. However, the Company may require the least senior qualified employee(s) to work.

#### Section 2B - Electrical/Electronics Technician

a. An Electrical/Electronics Technician assigned Monday through Friday to work that continues into overtime on any such day shall not be replaced unless excused by the Company.

b. Any production, preventive maintenance or installation work to be performed on a Saturday, Sunday or holiday will be performed by the Electrical/Electronics Technician performing the work during the week on that shift.

c. Nonproduction work to be performed on a Saturday, Sunday or holiday will be performed by the most senior qualified Electrical/Electronics Technician on the appropriate overtime list desiring the work. However, the Company may require the least senior qualified Electrical/Electronics Technician to work. Those jobs where continuation of work is necessary and when the work will continue for more than eleven and one-half (11-1/2) hours (exclusive of a lunch period) the same employee(s) that began the work will be required to complete the work.

d. In the event it is necessary to call in off duty Electrical/Electronic Technicians, the senior qualified employee(s) on the appropriate overtime list will be called.

However, the Company may require the least senior qualified employee(s) to work.

### Section 3 - Senior Primary Technicians and All Other Technicians

a. An employee assigned Monday through Friday to any work that continues into overtime on any such day shall not be replaced unless excused by the Company.

b. Any production work to be performed on a Saturday, Sunday or holiday will be performed by the employee performing the work during the week on that shift.

c. Except for nonproduction work requiring specific qualifications, nonproduction work to be performed on a Saturday, Sunday or holiday will be performed by the most senior employee(s) in the department (area in Primary) desiring the work. However, the Company may require the least senior employee(s) to work.

For nonproduction work requiring specific qualifications to be performed on Saturday, Sunday or holidays, the employee(s) performing the work during the week on that shift will perform the work. However, the Company may require the least senior employee(s) with the specific qualifications in the area to perform the work.

When additional manning is required for cleaning, Primary Technicians from the affected areas will perform the work, except where specific qualifications, regardless of classification, require otherwise.

### Section 4 - Daily Overtime Assignment

a. Senior Fabrication Technician



(1) When overtime is required, the employee on the job will have the opportunity to work the overtime provided the employee notifies the Equipment Supervisor no later than four hours into the shift.

(2) An overtime list by shift and qualifications will be established of those employees who desire to work.

(3) Overtime requirements known to management before the end of the shift that are not filled by item (1) above will be filled by the most senior qualified employee on the shift overtime list.

(4) Employees wishing to work on any particular day will sign the overtime list no later than four hours into the shift. Employees who sign the list will be committed to work any overtime offered.

(5) In the event that item (4) above does not fulfill the overtime requirement, the least senior qualified employee(s) in the department on that shift will be forced to work the overtime.

(6) Overtime requirements unfilled at shift-end will be filled by job continuity until management can call in an employee from the overtime list of the oncoming shift. Management reserves the right to force the least senior qualified employee(s) from the oncoming shift to work.

b. Electrical/Electronics Technician

(1) When overtime is required, the employee on the job will have the opportunity to work the overtime provided the employee notifies the Equipment Supervisor no later than four hours into the shift.

(2) An overtime list by shift and qualifications will be established of those employees who desire to work.

(3) Overtime requirements known to management before the end of the shift that are not filled by item (1) above will be filled by the most senior qualified employee on the shift overtime list.

(4) Employees wishing to work on any particular day will sign the overtime list no later than four hours into the shift. Employees who sign the list will be committed to work any overtime offered.

(5) In the event that item (4) above does not fulfill the overtime requirement, the least senior qualified employee(s) in the department on that shift will be forced to work the overtime.

(6) Overtime requirements unfilled at shift-end will be filled by job continuity until management can call in an employee from the overtime list of the oncoming shift. Management reserves the right to force the least senior qualified employee(s) from the oncoming shift to work.

#### c. All Other Technicians Except Senior Primary Technician

(1) When overtime is required, the employee on the job will have the opportunity to work the overtime provided the employee notifies the Group Leader no later than four hours into the shift.

(2) An overtime list by shift (Packing, Making & Filters for Fabrication Technicians and area for Primary Technicians) will be established of those employees who desire to work.

(3) Overtime requirements known to management before the end of the shift that are not filled by item (1) above will be filled by the most senior qualified employee on the shift (Packing, Making & Filters for Fabrication Technicians and area for Primary Technicians) overtime list.

(4) Employees wishing to work on any particular day will sign the overtime list no later than four hours into the shift. Employees who sign the list will be committed to work any overtime offered.

(5) In the event that item (4) above does not fulfill the overtime requirements, the least senior qualified employee(s) in the department (Packing, Making & Filters for Fabrication Technicians and area for Primary Technicians) on that shift will be forced to work the overtime.

If this does not fulfill the requirement in the Filter Rod area, volunteers from the Making area will fill the existing vacancies. If this does not fulfill the requirements, the least senior employee in the Making area will be forced to work the overtime.

(6) Overtime requirements unfilled at shift's end will be filled by job continuity until management can call in an employee from the overtime list from the oncoming shift. Management reserves the right to force the least senior qualified employee(s) from the oncoming shift to work.

#### d. Senior Primary Technicians

(1) When overtime is required the employee on the job will have the opportunity to work the overtime provided the employee notifies the Group Leader no later than four hours into the shift.

(2) An overtime list for Primary "A" and Primary "B" by shift will be established for those employees who desire to work.

(3) Overtime requirements known to management before the end of the shift that are not filled by item (1) above will be filled by the most senior qualified employee on the shift overtime list.

(4) Employees wishing to work on any particular day will sign the overtime list no later than four hours into the shift. Employees who sign the list will be committed to work any overtime offered.

(5) In the event that item (4) above does not fulfill the overtime requirements, the least senior qualified employee(s) in either Primary "A" or Primary "B" on that shift will be forced to work the overtime.

(6) Overtime requirements unfilled at shift's end will be filled by job continuity until management can call in from the overtime list for Primary "A" or Primary "B" from the oncoming shift. Management reserves the right to force the least senior qualified employee(s) from the oncoming shift to work.

## Section 5

Nothing provided for above shall obligate the Company to work an employee, or an employee to work, in excess of two consecutive shifts.

## Section 6

Employees who are in training on their assigned shifts will have full standing for overtime. Employees in training on a shift other than their assigned shift can volunteer to relieve any employee who is forced to work overtime on their training

shift. This includes the weekend following training. Training may be required on weekends.

## ARTICLE XVIII

### HOLIDAYS

#### Section I

a. The holidays recognized by this Agreement are as follows:

New Year's Day

Friday after Martin Luther King's Birthday

Good Friday

Easter Monday

Friday before Memorial Day

Memorial Day

Fourth of July

Friday before Labor Day

Labor Day

Thanksgiving Day

Friday after Thanksgiving

Christmas Eve

## Christmas Day

b. Should a holiday fall on a Saturday, Friday shall be considered the paid holiday, except for the Fourth of July. If any of the specified holidays shall fall on a Sunday, the following Monday shall be considered as the paid holiday. Should consecutive holidays fall on Friday and Saturday, Thursday and Friday shall be celebrated as the holidays. Should consecutive holidays fall on Sunday and Monday, Monday and Tuesday shall be celebrated as the holidays. However, if a recognized holiday, except for the Fourth of July, falls within a plant shutdown week pay for such holiday will be made in addition to the vacation pay.

c. If the Fourth of July falls on a Saturday or in the shutdown week, the following Monday will be observed as an additional day of vacation in lieu of the holiday.

d. For all service weeks of vacation, if a holiday falls on a workday covered by an employee's vacation period he/she shall receive pay for such holiday or one additional day of vacation to be taken at the time of the vacation.

## Section 2

a. Employees not required to work on a recognized holiday will receive seven and one-half hours pay at normal straight time rates for each such holiday; but any or all employees may be required to work on any or all recognized holidays, in which case, they shall be paid at double the normal straight time rate of pay for all hours worked in addition to the holiday pay above specified.

b. Employees to be eligible to receive holiday pay for holidays not worked must be on the payroll at the time of the holiday and must work both the day preceding and the day following the respective holiday with the exception of employees

absent from work because of sickness, pregnancy or injury during the week in which the holiday falls and who have been absent from work because of such sickness, pregnancy or injury and have been excused by the company for a period not exceeding ninety (90) working days just prior to the week in which the holiday falls, who shall receive pay for the holiday.

c. Should an employee work on a holiday falling on a day when overtime pay is otherwise provided, there shall be no duplication of overtime pay and the employee will be paid under the provisions of this Article only.

## ARTICLE XIX

### VACATIONS

#### Section I

I. Employees will receive two weeks of vacation each contract year and will be required to use these shutdown weeks as the two weeks of vacation for that year. One of such shutdown weeks will be scheduled as near July 4th as practicable and the other as near Christmastime as practicable and such shutdowns will be scheduled well in advance of each such week.

Employees in their first year of employment or employees recalled from layoff will be eligible for the July 4th vacation if they were employed continuously from the first scheduled workday following the Christmastime vacation of the preceding calendar year. Such employees, to be eligible for the Christmastime vacation, will be eligible for that week of vacation if they were employed continuously from the first scheduled workday following the July 4th vacation of that calendar year.

Employees recalled from layoff shall receive no additional pay for vacation weeks paid at the time of layoff.

2. Should it be necessary for any work to be performed during either of the shutdown weeks the following shall apply:

a. Senior Technicians

(1) For production work, the most senior employees normally performing the work during the week on that shift shall perform the work if desired. If no senior employee desires to work, the least senior employee normally performing the work during the week on that shift will be required to work.

(2) For nonproduction work those employees not eligible for vacation will be required to perform the work if work they can perform is available. If additional employees are necessary, the most senior employees normally performing the work during the week who so desire will perform the work. If no senior employee desires the work, the least senior employee normally performing the work during the week will be required to perform the work.

b. All Other Technicians

(1) For production work, the most senior employees normally performing the work during the week on that shift shall perform the work if desired. If no senior employee desires to work, the least senior employee normally performing the work during the week on that shift will be required to work.

(2) For nonproduction work, except for nonproduction work requiring specific qualifications, those employees not eligible for vacations will be required to



perform the work. If additional employee(s) are necessary, the work will be offered in seniority order to other employee(s) in the department. The Company reserves the right to require the least senior employee(s) to work in their respective departments. (3) Nonproduction work requiring specific qualifications will be performed by the most senior qualified employee(s) not eligible for vacation. If additional qualified employees are necessary, the work will be offered in seniority order to other qualified employees in the department. The Company reserves the right to require the least senior employee(s) to work in their respective departments.

#### c. Materials Handling Technicians--Parts

Should work be necessary during either of the shutdown periods, those qualified employees not eligible for vacations will be required to perform the work. Should additional work be necessary the senior qualified employee(s) desiring the work will be afforded the opportunity to work. If no senior employee(s) desires to work, the least senior qualified employee(s) in the numbers necessary will be required to work.

3. Upon completion of five (5) years of service with the Company, an employee will become eligible for a third (3rd) week of vacation with pay during the remainder of that contract year and each contract year thereafter.

Upon completion of ten (10) years of service with the Company, an employee will become eligible for a fourth (4th) week of vacation with pay during the remainder of that contract year and each contract year thereafter.

Upon completion of twenty (20) years of service with the Company, an employee will become eligible for a fifth (5th) week of vacation with pay during the remainder of that contract year and each contract year thereafter.

Upon completion of twenty-five (25) years of service with the Company, an employee will become eligible for a sixth (6th) week of vacation with pay during the remainder of that contract year and each contract year thereafter.

## Section 2

Vacation pay will be a normal week's straight time pay including shift differential. The Company will pre-pay the July 4th and Christmas shutdown vacation to all employees, whether or not the employee works the shutdown week. Employees that work either of the aforementioned shutdown weeks (July 4th and Christmas) will take their vacation at other times without pay. Section 3

Service weeks of vacation shall first be scheduled during a thirty (30) day period prior to the vacation year. The most senior employee(s) within classification and by department shall have preference of vacation schedule provided such scheduling does not interfere with normal plant operations.

In the event employees do not schedule their vacation during this period, service weeks of vacation shall then be scheduled on a first come basis (whether taken on a weekly or daily basis) provided such scheduling does not interfere with normal plant operations.

## Section 4

Qualifying employment shall be accumulative for three or more weeks of vacation.

## Section 5

An employee who is laid off or whose employment with the Company is terminated for any cause shall receive with his/her final check vacation pay due for the contract year in which he/she is laid off or terminated. In the event of the death of an employee who has earned but not used his/her vacation for the calendar year in which death occurred, the employee's beneficiary or estate shall receive an amount equivalent to the employee's earned vacation. An employee retiring under the Retirement Plan will be entitled to all vacation for which his/her service would qualify him/her during the calendar year in which retired.

#### Section 6

For the third, fourth, fifth and sixth week of vacation each year, an employee may, if he wishes, receive pay in lieu of taking the vacation.

#### Section 7

All bargaining unit members who are eligible for any service weeks of vacation may take two such weeks of vacation on a daily basis provided that the employee states this intent on a form provided by the Company during a fifteen (15) day period at the beginning of each contract year. At least one day's written notification must be given to and approval received from the employee's immediate supervisor before the day of vacation is taken by the employee unless the absence is due to illness. In case of absence due to illness, the employee must notify his/her immediate supervisor's office of illness and desire to take a day of vacation to cover same at the beginning of the shift in which the illness occurs. The Company may verify such illness if circumstances warrant.

#### ARTICLE XX

## SHIFT DIFFERENTIAL PAY

### Section 1

When shifts are established and permanently assigned to employees outside of the regular day shift, they shall be paid at the rate of forty cents (40) per hour above the day shift rate for the second shift and forty-eight cents (48) per hour above the day shift rate for the third shift.

### Section 2

Applicable shift differential, if any, shall be considered part of an employee's base rate of pay.

## ARTICLE XXI

### JURY DUTY

An employee required to serve on a jury or who is subpoenaed to appear as a witness in a court of law or on behalf of a minor dependent will be paid his/her normal straight time pay for each of his/her scheduled days of work on which he/she is required to serve on the jury or appear as a witness or on behalf of a minor dependent, as the case may be.

Employees will not be required to report for work on the day they are required to report for jury duty or as a witness. A witness as stated above shall be defined as a third party witness.

It shall be the responsibility of each employee to present to their Group Leader a copy of the court summons and a certificate from the clerk of the court showing the days served.

Any employee subpoenaed to appear shall be granted an excused absence for that day or days required to appear.

## ARTICLE XXII

### FUNERAL LEAVE PAY

In the case of the death of a member of the immediate family of an employee, the employee shall be granted a maximum of three (3) consecutive workdays off with straight time pay to attend the funeral and to attend to administrative details.

Members of the immediate family shall be the spouse, children, stepchildren, foster children, parents, stepparents, foster parents, father-in-law, mother-in-law, brothers, sisters, half brothers, half sisters, brothers-in-law, sisters-in-law, sons-in-law, daughters-in-law, grandparents, grandparents of spouse, grandchildren, whether of natural relationship or legally adopted or under legal guardianship, of the employee. In the case of the death of the spouse or children the employee will be granted one (1) additional consecutive workday off with pay. Employees who request will be granted a maximum of two (2) additional days off without pay if extensive travel is required to attend the funeral.

## ARTICLE XXIII

### CALL-IN PAY

An employee who after the close of his/her normal shift hours is called to work after leaving the premises shall be paid a minimum of four hours at the prevailing overtime rate.

This Article does not apply to an employee who either works overtime following the end of his/her normal tour of duty, or who is requested to come to work early and thereafter continues to work through his/her normal tour of duty.

## ARTICLE XXIV

### REPORT-IN PAY

Any employee reporting for work at his/her regular reporting time, unless previously notified not to report, shall be given at least four hours' work if work is available in any department covered by this Agreement, or four hours' pay at normal straight time rates if no such work is available. Notification through bulletin board notices or through the GroupLeader shall be deemed sufficient and employees absent at time of notification shall not be paid as above, unless work is available. Failure of the Company to provide work by reason of circumstances beyond the Company's control shall be exempt from the provisions of this Article.

Any employee reporting to work on a scheduled Saturday, Sunday or holiday for production or nonproduction work will be given at least four (4) hours of work or, if no work is available, four (4) hours of pay.

If the factory is shut down because of severe weather conditions, the Company will notify its employees at least two (2) hours prior to the beginning of their respective work shifts. Unless previously notified not to report, employees reporting will be given at least four (4) hours of work at straight-time rates or, if no

work is available, four (4) hours pay at straight-time rates. Notification by Group Leader, radio or television bulletins at least two (2) hours prior to the scheduled starting time shall be deemed sufficient.

## ARTICLE XXV

### MILITARY LEAVE PAY

Employees required to serve in the military for two weeks' annual training or weekend reserve duty will be paid the difference, if any, between military pay received (excluding travel pay and meal compensation) and what their base straight time wage would have been for the two week period.

## ARTICLE XXVI

### LEAVE OF ABSENCE

#### Section 1

In the case of personal illness, pregnancy, or injury requiring an absence of three (3) or more working days, a leave of absence may be granted to an employee for a period not to exceed six months. If such employee is not able to return to work at or before the expiration of this period, the employee's case shall be subject to review by the Company and, if the facts justify, an extension may be granted.

#### Section 2

All applications for leaves of absence for illness, pregnancy or injury must be in writing and substantiated by a statement from the employee's attending physician.

### Section 3

The Company reserves the right to require employees on leaves of absence for illness, pregnancy or injury to be examined and approved by the Company doctor before permitting the employee to return to work.

### Section 4

Leaves of absence for personal reasons may be granted by the Company only in cases of exceptional circumstances. Applications for personal leaves of absence must be made in writing to the Personnel Department and except in an emergency shall be made prior to the beginning of the absence.

### Section 5

An employee who accepts other employment while on leave of absence or who continues to perform work of any nature not for the Company while on leave of absence shall be terminated unless such work has been expressly approved by the Company.

## ARTICLE XXVII

### ACCRUED SENIORITY

a. An employee accepting a position with the Local Union or with the Tobacco Workers International Union will continue to have his seniority accrue during the time the employee holds such position.



b. Employees accepting such positions will be required to secure a leave of absence for Union business which will be issued for a period of no more than one year but may be renewed for subsequent periods of no more than one year.

## ARTICLE XXVIII

### NONDISCRIMINATION

The Company and the Union agree there will be no discrimination because of race, color, religion, sex, national origin, age, or handicap. It is further agreed there shall be no discrimination against disabled veterans or veterans of the Vietnam Era.

There shall be no discrimination against any employee covered by this Agreement for presenting a grievance or in the performance of his/her duties as a Union representative.

## ARTICLE XXIX

### GENERAL PROVISIONS

#### Section I

### CONFLICT OF LAW

Should any provision of this Agreement at any time during its life be found to be in conflict with Federal or State law, or as such laws may be amended, then such provision(s) shall continue in effect only to the extent permissible under the applicable law, with the right and privilege extended to either party to this Agreement to require negotiation of the terms of the affected provision to the

extent necessary to remove the said conflict with Federal or State law. It is further understood that if at any time thereafter such provision is no longer in conflict with the law, then such provision of this Agreement as originally embodied herein shall be restored in full force and effect, as if it had never been in controversy or violation.

If the parties are unable to agree as provided above, the matter shall be referred to arbitration under Section 4 of Article V.

In the event of any provision of this Agreement being held invalid under the law, the remainder of this Agreement shall not be affected.

## Section 2

### SAFETY

The Company will continue to maintain reasonable standards of safety in its plant, and the employees will perform their duties in a safe manner in compliance with plant rules.

Any protective devices or other safety equipment required by the Company to be worn will be provided initially by the Company without cost and shall be worn and/or utilized by the employees in the performance of their job tasks.

Replacement of such devices or equipment because of normal wear and tear will also be without cost, except for any such devices or equipment lost, willfully damaged or destroyed.

The Company will provide up to two (2) pairs of approved safety shoes per year to all employees who are required by the Company to wear safety shoes. The Company may change the group of employees required to wear safety shoes from time to time.

The Company agrees to form a Safety Committee, two of whom are to be appointed by the B.C.&T.W.I.U. local union.

### Section 3

#### TOOL INSURANCE

The Company agrees to furnish all tools required by the Senior Fabrication Technicians and Electrical/Electronics Technicians that are needed to efficiently perform their duties. Tool lists will be established by the Company and an up-to-date inventory will be maintained by each employee. All tools when not in use must be kept in the secure areas provided by the Company. Any tools lost or stolen while not in the secure areas will be replaced at the employee's expense. Tools that are broken or worn out must be turned in to the Company for replacement. The Company will not be responsible for any tools lost or stolen from the employee's automobile. Employees shall exercise their full responsibility in keeping track of the Company provided tools.

### Section 4

#### ATTENDANCE

Each employee shall be expected to be present and on time for work at all times. In the event of unavoidable absence or lateness, it shall be the employee's responsibility to report such fact prior to the beginning of his/her shift or as soon thereafter as reasonably possible. Reports are to be made by calling the employee's immediate supervisor's office.

### Section 5

## UNION LABEL

The use of the Union label of the Tobacco Workers International Union by Brown & Williamson Tobacco Corporation on such of its products as it may elect shall be governed entirely by the terms and conditions of the Union Label Agreement between the parties.

## Section 6

### EMPLOYEE CIGARETTES

One carton of cigarettes will be provided for each employee eligible for the shutdown vacation periods at the time of the shutdowns. To be eligible to receive the carton of cigarettes each employee must be working the last day prior to the shutdown periods unless on vacation that week in which case the employee will receive the cigarettes on the last day worked prior to the vacation.

## Section 7

Supervisory personnel shall not perform work normally done by members of the bargaining unit except in the following situations:

instructing and training employees, operation of new or experimental equipment which is not routine, momentarily helpful actions to overcome quality, safety, or operating problems.

## Section 8

## PLANT CLOSING

In the event that circumstances require the Company to close a plant with the resulting cessation of cigarette manufacturing operations, the Company agrees to give the Union eighteen (18) months' notice of any plant closing.

The Company shall enter into formal negotiations with the Union immediately after such notification on all terms and conditions of the plant closing as they affect the employees covered in this Agreement.

Should it become necessary to completely eliminate a shift the Company shall give the Union six (6) months' advance notice.

## Section 9

In the event that Brown & Williamson Tobacco Corporation is sold, the contract between Local 362T - BCTWIU and Brown & Williamson Tobacco Corporation will remain in full force and effect throughout the duration of the Contract.

## Section 10

When an employee is to be disciplined or formally counseled he/she will be afforded the opportunity to have a Shop Steward present and these matters will be handled off the production floor.

## Section 11

Establishment of new policies or changes of existing factory policies will be for just and sufficient cause and reasonable in application. Prior to the effective date of any such new or changed policy that is to be applied plantwide, the Union will be notified.

## Section 12

The Company will continue to provide uniforms through the life of this Agreement.

## Section 13

The Company will pay 100% of tuition and course materials expenses for employees covered by this Agreement who elect to attend outside courses which directly relate to the enhancement of skills in their current position or other positions in the bargaining unit. Applicability of each course for reimbursement will be determined by the Company and such reimbursement will require a "C" or better in a graded course, or otherwise satisfactory completion of a non-graded course or program.

## ARTICLE XXX

### RETIREMENT, INSURANCE AND PROFIT SHARING

#### Retirement Plan

Brown & Williamson Factory Employees' Retirement Plan is amended to provide the following benefits for employees represented by this bargaining unit:

#### Section I

Retirement Plan Through August 31, 1993

The current Brown & Williamson Factory Employees' Retirement Plan will continue in effect through August 31, 1993, and provide the following benefits for employees represented by this bargaining unit:

A. Benefits for Normal and Early Retirement

1. The normal retirement date under the retirement plan shall continue to be age sixty-five [65] (however, employees may continue working until the mandatory retirement age of seventy [70]). For those employees working beyond age sixty-five (65), credit will be given for both pensionable earnings and pensionable service up to actual retirement date.

2. Employees retiring at age sixty (60) to seventy (70) with ten (10) or more years of cumulative service will receive a monthly benefit the greater of:

a. Sixteen dollars and forty cents (\$16.40) plus one and three-fourths percent (1-3/4%) of monthly pensionable earnings in excess of the maximum monthly social security average wage, or

b. Twenty-one dollars (\$21) per month, multiplied by the employee's total years of pensionable service.

3. Employees retiring at age fifty-five (55) through fifty-nine (59) with at least ten (10) but less than thirty (30) years of cumulative service will receive a benefit as calculated in 2 above reduced by one-half (1/2) of one percent (1%) for each month by which their age at retirement precedes age sixty (60).

4. Employees retiring at age fifty-five (55) with at least thirty (30) years of cumulative service will receive a benefit calculated under 2 above without actuarial reduction.

5. Employees retiring prior to age fifty-five (55) with at least thirty (30) years of credited service will receive a benefit reduced by one-half (1/2) of one percent (1%) for each month by which their age at retirement precedes age fifty-five (55).

#### B. Vesting

Employees terminating with at least five (5) years of service will receive at age sixty-five (65) the greater of:

1. Sixteen dollars and forty cents (\$16.40) plus one and three-fourths percent (1-3/4%) of monthly pensionable earnings in excess of the maximum monthly social security average wage, or
2. Twenty-one dollars (\$21) per month, multiplied by the employee's total years of pensionable service.

#### C. Survivor's Benefit Option

The spouse of an employee will automatically be covered by the Survivor's Benefit Option when the employee becomes vested for retirement benefits. Employees who do not desire the Survivor's Benefit -Option must file a waiver at anytime after becoming vested and prior to actual retirement. The survivor's benefit option will be available without penalty to the retiree.

#### D. Pensionable Earnings



Pensionable earnings means the average annual wages for the five (5) highest calendar years out of the ten (10) calendar years immediately preceding retirement or termination.

#### Retirement Plan Effective January 1, 1997

Effective January 1, 1997, Brown & Williamson Factory Employees' Retirement Plan is amended to provide the following benefits for employees represented by this bargaining unit:

#### A. Benefits for Normal and Early Retirement

1. The normal retirement date under the retirement plan shall continue to be age sixty-five (65).

2. Employees retiring at age sixty (60) with ten (10) or more years of cumulative service will receive a monthly benefit equal to the greater of the benefit earned under the prior plan formula for all years of service accrued prior to September 1, 1993, or the monthly benefit calculated as follows:

#### a. Base Benefit

For the classifications of Senior Fabrication Technician, Senior Primary Technician, and Electrical/Electronic Technician: sixty-six dollars (\$66) multiplied by the employee's total years of pensionable service.

For the classification of Fabrication Technician: fifty-four dollars (\$54) multiplied by the employee's total years of pensionable service.

For the classifications of Primary Technician and Material Handling Technician: forty-nine dollars (\$49) multiplied by the employee's total years of pensionable service.

To be eligible for the pension rate of the higher rated classification the employee must be in the classification 2-1/2 years out of the last five years preceding retirement.

b. Overtime Premium

An Overtime Premium will be calculated as follows:

If Five Year Average Overtime Factor is:

less than 10-15% 15-20% 20%

10% or more

The Overtime

Premium Percentage is: 0% 10% 15% 20%

The Annual Overtime Factor is defined as follows:

The total of pensionable earnings divided by straight time pay (base rate plus shift differential times 1950 hours) minus one (1).

Five Year Average Overtime Factor is the average of the highest five consecutive calendar years overtime factors out of last ten calendar years. The average will be phased in beginning with calendar year 1987 until ten years are included. The base benefit set forth in A.2(a.) above will be increased by the Overtime Premium

Percentage above.

3. Employees retiring at age fifty-five (55) through fifty-nine (59) with at least ten (10) but less than thirty (30) years of cumulative service will receive a benefit as calculated in 2 above reduced by one-half (1/2) of one percent (1%) for each month by which their age at retirement precedes age sixty (60).

4. Employees retiring at any age with at least thirty (30) years of cumulative service will receive a benefit calculated in 2 above without actuarial reduction.

#### B. Vesting

Employees terminating with at least five (5) years of service will receive at age sixty-five (65) a monthly benefit of a flat dollar rate times years of service as set forth in paragraph A.2 above.

#### C. Survivor's Benefit Option

The spouse of an employee will automatically be covered by the Survivor's Benefit Option when the employee becomes vested for retirement benefits. Employees who do not desire the Survivor's Benefit Option must file a waiver at anytime after becoming vested and prior to actual retirement. The survivor's benefit option will be available without penalty to the retiree.

## Section 2

### Group Life Insurance Plan

The Group Life Insurance Plan, including the same provisions for the cash option upon retirement under the Retirement Plan as previously in effect, is amended to provide the following Group Life Insurance:

A. \$80,000 insurance for each employee while in employ. Upon retirement under the Company Retirement Plan, the insurance will be reduced to \$15,000 and the employee may elect to receive \$2,000 of this insurance as a cash payment and the Company will provide \$13,000 insurance coverage after retirement. If the employee does not elect the cash payment option, the Company will provide \$15,000 insurance coverage after retirement.

The cash payment option is for normal and early retirement. Employees may not buy less than the negotiated benefits provided for in the contract.

B. Double indemnity for accidental death.

C. For employees working beyond age 65, life insurance coverage will be in the amount that can be purchased by the Company for the premium equal to the premium applicable for contractual coverage for employees between ages 60 and 65. The same comparison will determine the amount of coverage upon actual retirement of employees working beyond age 65.

### Section 3

#### Accident and Sickness Wage

#### Replacement Program

The Accident and Sickness Plan is amended to provide the following benefit:  
Fifty percent (50%) of the employee's base weekly pay up to a maximum weekly

benefit as set forth in the schedule below, for a maximum of twenty-six (26) weeks duration:

9/1/92 \$300.00

9/1/93 \$350.00

9/1/94 \$400.00

9/1/95 \$450.00

Payments will begin with:

1. The first full day of absence requiring an in-hospital admission, or surgical or fracture care because of accidental injury or qualification for Workmen's Compensation

Supplement.

2. The eighth full calendar day of absence in all other cases.

3. In no event will Accident and Sickness payments be made for any day for which an employee is otherwise compensated.

Section 4

Workmen's Compensation Supplement

Any employee qualifying for weekly workmen's compensation benefits as reimbursement because of time lost from work shall receive from the Company a supplementary payment in an amount necessary to bring each such weekly

benefit paid to the amount for which the employee's regular pay would qualify him or her under the A&S Plan; such supplementary payments to be paid for each week that the workmen's compensation benefit is paid up to but not to exceed twenty-six (26) weeks.

## Section 5

### Hospital-Surgical Plan

Effective January 1 1997, a Preferred Provider Plan, which includes hospitals and physicians, will provide medical benefits for medically necessary services as summarized below:

#### In-Network Out-of-Network

Annual Deductible \$100 / single \$400 / single

\$200 / family \$800 / family

Annual Out-of-Pocket \$750 / single \$2,000 / single

Maximum \$1,500 / family \$4,000 / family

Lifetime Maximum \$1,500,000 \$1,500,000

per person

Physician Office visits \$10 co-pay 60/40 after deductible

Emergency Room Svcs \$35 co-pay 60/40 after deductible

Immunizations \$10 co-pay not covered

Hospital services:

Semi-private room 80/20 after deductible 60/40 after deductible

Operating and Recovery

Rooms 80/20 after deductible 60/40 after deductible

Intensive Care Units 80/20 after deductible 60/40 after deductible

In-hospital Physician

Care 80/20 after deductible 60/40 after deductible

Medications 80/20 after deductible 60/40 after deductible

Administration of

Anesthesia 80/20 after deductible 60/40 after deductible

All other ancillary

hosp svcs 80/20 after deductible 60/40 after deductible

Prescription Drugs 80/20 after deductible 80/20 after deductible

Physical Therapy 80/20 after deductible 80/20 after deductible

(licensed phys therapist)

Xray and Lab Svcs 80/20 after deductible 80/20 after deductible

Chiropractic Services 80/20 after deductible 80/20 after deductible

(\$500 max/year/person) (\$500 max/year/person)

The following Wellness Program procedures rendered by a Preferred Physician Provider will be covered at 100% with no deductible for all plan participants (out-of-network benefits will apply if a non-participating physician is used):

Cholesterol screening once every 5 years

Sigmoidoscopy at age 50 and once every three years thereafter

Stool sample at age 50 and every year thereafter

Clinical breast exams every year

Pap smears every year

Mammograms at age 35, age 40, once every two years 40 to 50, once per year thereafter

P.S.A.T. (used to detect cancer of the prostate) once every two years ages 40 to 55, once per year thereafter.

Other plan provisions:

1. The employer will pay full cost of employee and dependent coverage(dependents under current definition).



2. Employees or spouses who are undergoing treatment for pregnancy as of January 1, 1997, by a provider who is not a participant in the Preferred Provider Network, will be covered under the current Comprehensive Medical Plan benefits (80 % of UCR). Likewise, there will be no penalty for using a hospital outside the network for the delivery.

3. Employees, spouses, or covered dependents who are undergoing ongoing treatment for a serious, life-threatening illness as of January 1, 1997, by a provider who is not a participant in the Preferred Provider Network, will be covered under the current Comprehensive Medical Plan benefits (80% of UCR). Likewise, there will be no penalty for using a hospital outside the network for any hospitalization relating to the condition.

4. Employees, spouses, or covered dependents who live outside a 20-mile radius from a participating physician provider will be covered under the current Comprehensive Medical Plan benefits (80 % of UCR) for physician services.

5. The company will pay a maximum of \$3,000 per person per year for out-patient psychiatric services.

6. Precertification and utilization review for all in-patient admissions and all out-patient procedures with a \$500 penalty for non-compliance.

7. Coordination and subrogation of benefits to assure no double payment of health care benefits.

8. Claims for services not deemed to be medically necessary will not be covered by the plan.

9. For dependents covered by more than one parent's health care plan, the "birthday rule" (month and day) will be used when determining which plan is primary.

10. Employees working beyond age 65 may continue coverage under the Company- sponsored plans. In this case, Medicare pays only with respect to charges not covered by the Brown and Williamson Plan. This rule applies to the employee's spouse who is age 65 and over, regardless of the employee's age.

11. Services covered under the Plan (except as set forth above) do not change as a result of the implementation of this Preferred Provider Network. All benefits are governed by and are set forth in the Plan documents.

#### Profit Sharing Plan

The Brown & Williamson Tobacco Corporation Profit Sharing Plan is amended with the 1993 Plan Distribution Year as follows:

1. The formula provisions currently used in calculating annual contributions remain the same with annual contributions of three percent (3%) of trading profit.
2. The allocation to a participant for any year shall not exceed fifteen percent (15%) of the participant's compensation for the year, and shall be one hundred percent (100%) deferred to the participant's account.
3. The Plan will include loan provisions that will allow Plan members to borrow money from their Profit Sharing account balance.
4. Additional investment options will be provided.
5. Administrative and investment costs to be borne by the Plan.

## Section 7

### Long Term Disability

The Long Term Disability Plan is amended to provide that any cost-of-living adjustments payable under the Social Security Act after the month of entitlement to Social Security Disability Benefits will be excluded as a "Deductible Benefit." This amendment is applicable only to those employees who became eligible for Long Term Disability Benefits after June 6, 1982.

Earned, but unused vacation for the contract year will not be deducted in the calculation for Long Term Disability Benefits.

## Section 8

### Income Maintenance Plan

#### A. BASIC INCOME MAINTENANCE PLAN

##### 1. Definition

The Basic Income Maintenance Plan is intended to provide supplemental income to employees laid off because of lack of work at the Company facility for at least one calendar week. Each instance of such layoff shall be considered separately in determining eligibility and the maximum amount and duration of benefits as set forth below.

##### 2. Eligibility

a. Employees who have been in continuous full-time employment with the Company for twelve consecutive months shall be eligible for the following coverage:

#### Amount and Duration of Benefit

Weekly payments will amount to the difference between 75% of the employee's normal weekly pay and the amount of State unemployment benefits for a maximum of 13 weeks or the earlier of (1) recall to employment, or (2) disqualification for any government sponsored unemployment benefits.

b. Employees who have been in continuous full-time employment with the Company for five years shall be eligible for the following coverages:

#### Amount of Benefit

Weekly payments will amount to the difference between 75% of the employee's normal weekly pay and the amount of State unemployment benefits.

#### Duration of Payment

Payments shall be made for a maximum of 26 weeks or the earlier of (1) recall to employment, (2) early retirement, (3) normal retirement age, or (4) disqualification for any government sponsored unemployment benefits.

### 3. Health and Life Insurance

Employees eligible for payments under the Basic Income Maintenance Plan shall continue to be covered under the Health and Life Insurance Plans of the Basic Collective Bargaining Agreement for the maximum duration of their eligibility. In

the event a laid off employee becomes eligible for coverage under the health care plan of another employer while eligible for coverage under the Brown & Williamson Health Care Plan, the benefits provided by the Company's plan shall be coordinated with those of the new employer.

## B. SUPPLEMENTAL INCOME MAINTENANCE PLAN

### 1. Definition

The Supplemental Income Maintenance Plan is intended to provide additional income protection following the cessation of benefits under the Basic Income Maintenance Plan.

### 2. Eligibility

Employees who have been in continuous full-time employment with the Company for five years and who have exhausted benefits under the Basic Income Maintenance Plan shall be eligible for the following benefits:

#### Amount and Duration of Benefit

Weekly payments will be 100% of the employee's normal weekly pay at the time of layoff. The duration of such payments will be dependent upon the length of continuous service with the Company as set forth in the following schedule:

For Employees

with Completed The Normal Weekly

Years of Service of Rate of Pay for

6 or less 13 weeks

7, 8, or 9 13 weeks plus one week for every completed year of service over six.

10 or more 13 weeks plus one week for every completed year of service.

### 3. Lump Sum Conversion

Employees who have started receiving supplemental benefits may, at any time prior to notice of recall, elect to receive in lieu of any further payments under this section of the plan a single sum payment equal to the weekly benefit multiplied by the number of remaining weeks under their benefit schedule. In such an event, the employee will forfeit any recall right to which he is entitled under ARTICLE XIII, LAYOFF AND RECALL of this Collective Bargaining Agreement.

### 4. Reinstatement of Benefit Schedule

When a laid off employee is recalled prior to expiration of the benefit schedule set forth in this section and is again laid off, he shall be eligible to receive payments for the balance of the benefit schedule.

Once a recalled employee works continuously for 18 consecutive months the full benefit schedule will be restored.

### C. Special Coverages, Exclusions and Limitations

Payments shall not be made to employees in the event of:

1. Any strike, slowdown or other interference or interruption of work participated in by employees.
2. Energy shortages, power failures or other lack of outside dependent services or supplies beyond the Company's control.
3. Acts of God.

Should a laid off employee qualify for government unemployment benefit of less than the full amount, by reasons of outside income or otherwise, the plan benefit will still be calculated on the amount which is paid when the employee receives the full government unemployment benefit.

## Section 9

### Dental Plan

Eligibility for Dental Coverage commences on the first day of the month following the first anniversary of fulltime employment. Coverage is extended to the spouse and unmarried dependent children to age 21 or age 23 if fulltime students.

Dental benefits are provided as follows:

1. Diagnostic/Preventive Care is provided through an improved Fixed Schedule of benefits with no deductible required.
2. Restorative Care is provided through a Fixed Schedule with a \$25 annual deductible per individual.

3. Diagnostic/Preventive and Restorative Care benefits are subject to a \$1000 annual maximum per individual.

4. Orthodontics is provided on the basis of 50% of the Reasonable and Customary charges to a lifetime maximum of \$1000. It is available only for dependent children under age 19 and is subject to a \$25 annual deductible per individual. The improved Fixed Schedule of benefits is summarized in the Hourly Employee Benefit Plans Booklet and will become effective September 1, 1992.

## Section 10

### Vision Care Plan

Eligibility for vision care benefits commences on the first day of the month following the first anniversary of full-time employment. Coverage is extended to the spouse and unmarried dependent children to age nineteen (19).

Vision care benefits are available for eye examinations, frames and lenses once during any twenty-four (24) consecutive months. The maximums allowed for services is determined by a fixed schedule which is summarized in the Hourly Employee Benefit Plans Booklet to be effective September 1, 1992.

## ARTICLE XXXI

### COST OF LIVING (CONTINGENT ALLOWANCE) PROGRAM

Independently of general increases to the Schedule of Wage Rates set forth in the Basic Agreement, the Company agrees to a Contingent Cost of Living Allowance



Adjustment Program (hereinafter called the "Contingent Allowance") to help protect employees' purchasing power as follows:

A. Effective September 1, 1985, the Contingent Allowance will be based on the Revised Consumer Price Index for Urban Wage Earners and Clerical Workers-- U.S. City Average (1967=100) Unadjusted, which will become available January, 1985, as published by the Bureau of Labor Statistics (hereinafter called the "Index"). The Contingent Allowance will be calculated quarterly commencing with the third (3rd) quarter of 1985 by using the Index for the second (2nd) month of the applicable quarter and any wage adjustment arising out of the Contingent Allowance for a given quarter will be payable weekly commencing with the first (1st) full week worked in the following quarter.

A wage adjustment of one cent (1¢) per hour will be made for each increase of at least 0.3 or any whole multiple thereof in the Index above the Index for May 1985.

B. Effective September 1, 1993, the Contingent Allowance will be based on the Revised Consumer Price Index for Urban Wage Earners and Clerical Workers - U.S. City Average (1982=100) Unadjusted, as published by the Bureau of Labor Statistics (hereinafter called the "Index"). The Contingent Allowance will be calculated quarterly commencing with the third (3rd) quarter of 1993 by using the Index for the second (2nd) month of the applicable quarter and any wage adjustment arising out of the Contingent Allowance for a given quarter will be payable weekly commencing with the first (1st) full week worked in the following quarter.

A wage adjustment of one cent (\$.01) per hour will be made for each increase of at least 0.3 or any whole multiple thereof in the Index above the Index for May 1993.

C. It is agreed that the Contingent Allowance shall be recalculated each quarter and wage adjustments previously made shall be reduced or eliminated pursuant to the currently applicable calculation of the Contingent Allowance. However, commencing on September 1, 1993 and annually each September 1 thereafter through September 1, 1999, the cumulative Contingent Allowance paid for the preceding year shall be folded into the base wage rate. In the years succeeding 1993 during the term of this Agreement, the Revised Consumer Price Index for May of each year will be used as a base to calculate the Contingent Allowance, if any, for the following contract year.

D. The continuance of the Contingent Allowance is contingent upon the availability of the Index as described above. If the Index is not available, the Company and the Union will meet to discuss the adoption of a different or revised Index.

## ARTICLE XXXII

### STRIKES AND LOCKOUTS

There shall be no strikes, picketing, work stoppages, work slowdowns, sympathy strikes, or other concerted activity or lockouts during the term of this agreement.

## ARTICLE XXXIII

### DURATION

This Agreement shall become effective September 1, 1996 and shall remain in full force and effect from September 1, 1996 to September 1, 1999, and from year to year thereafter unless the party desiring termination or modification of the

Agreement serves written notice by registered mail upon the other party sixty days prior to the expiration date of the Agreement.

WAGE SCALES FOR LOCAL UNION NO. 362

BAKERY, CONFECTIONERY AND TOBACCO WORKERS'

INTERNATIONAL UNION,

AFL-CIO-CLC

MACON, GEORGIA

Attached to and made a part of Agreement between BROWN & WILLIAMSON TOBACCO CORPORATION AND BAKERY, CONFECTIONERY, AND TOBACCO WORKERS' INTERNATIONAL UNION, AFL-CIO-CLC effective September 1, 1996.

A. Effective September 1, 1997, a general wage increase in the amount of two percent (2%).

B. Effective September 1, 1998, a general wage increase in the amount of two percent (2%).

SCHEDULE OF CLASSIFICATIONS,

PROGRESSIONS AND

WAGE RATES

Section 1

Any employee temporarily assigned to a classification that has a top rate of pay higher than his/her regularly assigned classification shall receive a rate of pay that is one step in progression higher than his/her current step in progression for the remainder of the shift.

## SUPPLEMENT

All provisions relating to the alternative work schedule are found in the main body of the Agreement, except as specifically provided herein. These provisions replace the corresponding provisions found in the main body of the Agreement.

## ARTICLE VII

### WORK SCHEDULE

#### Section 1

The regular workweek will be not more than seven and one-half hours per day, five days per week, exclusive of a thirty minute lunch period. A workweek will consist of seven consecutive twenty-four hour periods beginning with the starting time of the employee's shift on Monday, except that the workweek for the third shift shall begin at the shift starting time on Sunday night. Days within the seven consecutive twenty-four hour periods that are in excess of the five normally scheduled days of work shall be referred to as the sixth and seventh day of the week regardless of the sequence in which they fall during the workweek.

The first scheduled off day will be considered the sixth day and the second scheduled off day will be considered the seventh day. The work schedule may provide for an employee to have six days scheduled in some weeks. The last day

scheduled to work in the week in this instance shall also be considered the sixth day.

A work schedule which will feature rotating days off shall be established, attached, and made a part of this agreement.

## ARTICLE XVI

### OVERTIME

#### Section 3

Work performed on an employee's first scheduled off day or sixth day of the week (as defined in Article VII, Work Schedule) will be paid at one and one-half times the straight time rate for the first four hours and at twice the straight time rate for all hours worked thereafter.

#### Section 4

All work performed on an employee's second scheduled off day or seventh day of the week (as defined in Article VII, Work Schedule) will be paid at twice the straight time rate.

## ARTICLE XVIII

### HOLIDAYS

The holidays recognized by this agreement are as follows:

1. New Year's Day

2. Martin Luther King's Birthday
3. Easter Sunday
4. Monday after Easter
5. Day before Memorial Day
6. Memorial Day
7. Fourth of July
8. Day before Labor Day
9. Labor Day
10. Thanksgiving Day
11. Day after Thanksgiving
12. Christmas Eve
13. Christmas Day

All holidays recognized by this Agreement shall be paid holidays. The employee shall receive pay equal to seven and one-half hours straight time pay, including shift differential for each holiday and shall be paid in the week which the holiday falls in addition to the employee's regular earnings for that week. The twenty-four hour period that comprises a holiday shall begin with the starting time of the respective shifts.

If the work is performed on any of the recognized holidays, the employee will be paid his/her holiday pay, as described above, and will be paid double his/her

straight time hourly rate, including shift differential, for all hours worked on such holiday(s). Should an employee work on a holiday when overtime pay is otherwise provided, there shall be no pyramiding of overtime pay and the employee will be paid under the provisions of this subsection.

Employees to be eligible to receive pay for holidays not worked must be on the payroll at the time of the holiday and must work both his/her scheduled workday preceding and his/her scheduled workday following the respective holiday, with the exception of employees absent from work because of sickness, pregnancy, or injury during the week in which the holiday falls. Employees who have been absent from work because of said sickness, pregnancy or injury and who have been excused by the Company for a period not exceeding ninety working days just prior to the week in which the holiday falls shall receive pay for the holiday.

## ARTICLE XIX

### VACATIONS

#### Section 8

For vacation purposes a vacation week shall be defined as a regular workweek as set forth in Article VII, Work Schedule, Section 1 of this addendum.

## ARTICLE XXI

### JURY DUTY PAY

An employee required to serve on a jury or appear in a court of law on behalf of a minor dependent or who is subpoenaed to appear as a witness in a court of law will be paid his/her normal straight time pay for each of his/her scheduled days of

work on which he/she is required to serve on the jury or appear as a witness, as the case may be. Additionally, the employee will be paid his/her normal straight time pay for each of his/her scheduled days of work over a weekend (Saturday and Sunday) when jury duty service continues into the following week. In this situation, the employee will not be required to report for work on the day they are required to report for jury duty or as a witness. A witness as stated above shall be defined as a third party witness. It shall be the responsibility of each employee to present to their Group Leader a copy of the court summons and a certificate from the clerk of the court showing the days served.

Any employee subpoenaed to appear shall be granted an excused absence for that day or days required to appear.

Signed at Macon, Georgia this day of January, 1997.

**BROWN & WILLIAMSON TOBACCO CORPORATION**

John Jewell

Carroll R. Baumgardner

Jeff Myhand

Dewey Carter

David R. Sparrow

Dan Snyder

Karen Shultz

Ronald E. Young



Gary Nicholson

Greg Werbaneth

John Anthony

Dennis A. Hancock

Linda A. Dale

Deloria Nelson

BAKERY, CONFECTIONERY, AND TOBACCO WORKERS' INTERNATIONAL  
UNION, AFL-CIO, CLC

Robert T. Curtis William Daunhauer

Local 362-T

Authorized Representatives

Richard Porter

Bryan Hite

Michael Gardner

Marvin Stith

Durwood Shores

Chester Brown

Jimmy Coleman

Benny Justice

Peggy Cleveland

Gary Rhoads

Jeff Evans

Keith Cannon

Steve Dillard

## MEMORANDUM OF AGREEMENT ON ALTERNATIVE WORK SCHEDULE

It is agreed there may exist, currently or in the future, a need to operate the Macon plant on a basis beyond the normal work schedule established in the basic collective bargaining agreement(s). This could necessitate a six (6) day or seven (7) day continuous schedule for the plant operations in whole or in part. The Company and Union negotiating committees as constituted at the time, will meet in good faith effort to determine the specifics of such alternative schedule and supporting contractual provisions to provide for these operations needs.

In the event the parties are unable to agree on the specifics and supporting contractual provisions, the issue(s) unresolved will be submitted to binding arbitration.

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Brown & Williamson

Tobacco Corporation Date Bakery, Confectionery, and

Tobacco Workers' International

Union, Local 362-T

## MEMORANDUM OF UNDERSTANDING

In recognition of the importance of training in the upgrading and maintenance of skills for Senior Fabrication and Electrical/Electronic Technicians, a Joint Training Committee is established. This Committee, comprised of Company and Union representatives, will evaluate the training needs of employees, the development of training programs and recommend training approaches so that employees can more successfully meet the challenge of technological change in the work place.

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Brown & Williamson

Tobacco Corporation Date Bakery, Confectionery, and Tobacco Workers'  
International

Union, Local 362-T

## MEMORANDUM OF AGREEMENT

### TRAINING FOR UNION STEWARDS

The Company shall release union-designated stewards and officers at the straight time rate up to two (2) days per year to attend union-sponsored training programs.

The Union shall provide the Company with reasonable advance notice of such program(s) and who will attend. The maximum number of stewards compensated for by this agreement in any year shall be fifty-two (52). The maximum number of officers compensated for by this agreement in any year shall be nine (9).

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Brown & Williamson

Tobacco Corporation Date Bakery, Confectionery, and Tobacco Workers'  
International

Union, Local 362-T

#### MEMORANDUM OF AGREEMENT

It is agreed that the Filter Team is a separate area of assignment within the Fabrication Technician classification.

The team will be established using the following rules:

1. Allow currently assigned Filter Team members an opportunity to leave the team.
2. If there are vacancies after Step 1, offer them to Maker Operators by seniority.
3. If there are vacancies after Step 2, require the least senior of the combined pool of the Filter Team and Maker Operators to fill the remaining openings.

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Brown & Williamson

Tobacco Corporation Date Bakery, Confectionery, and Tobacco Workers'  
International

Union, Local 362-T

#### MEMORANDUM OF AGREEMENT

The Company agrees to work with the Union to identify all current Memorandums of Agreement and to compile these in booklet form for the membership. Periodically, this booklet will be updated.

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Brown & Williamson

Tobacco Corporation Date Bakery, Confectionery, and Tobacco Workers'  
International

Union, Local 362-T

#### MEMORANDUM OF AGREEMENT

The Company and Union have determined through discussions held during 1996 bargaining, that additional cost neutral Alternative Work Schedules should be explored to ensure the best possible work schedule is utilized. Due to the complexity of this issue, the parties have determined that it would be helpful to use an independent third party expert to facilitate the process. With the above in

mind, the parties will utilize Circadian Technologies, Inc., a consulting firm with considerable expertise in this field, to employ a process they have developed to determine optimum work schedules. Essentially, they will use the following steps:

- Operational parameters will be developed.
- A Survey will be developed and conducted involving all members to identify their individual preferences.
- Data will be analyzed by Circadian Technologies to determine Alternative Work Schedules which meet the needs identified in the survey and the operational parameters.
- Alternative Work Schedule options will be presented through plantwide employee meetings for communication and selection by the membership.
- In the event the current Alternative Work Schedule (6-2) is modified, the parties agree to a trial implementation period of twelve (12) months. Additionally, the Company agrees to give full and fair consideration if the above process identifies the emergence of different work schedules for various departments or functionally independent work groups. If it is determined that the current 6-2 schedule is the schedule of choice by the majority of employees for continuous operations, this schedule (6-2) will be maintained.

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Brown & Williamson

Tobacco Corporation Date Bakery, Confectionery, and Tobacco Workers'  
International

Union, Local 362-T

Memorandum of Agreement on Assignment to Maintenance Support, Installation,  
or Production

Memorandum of Agreement

The parties agree to the following memorandum relative to Senior Fabrication  
Technician and Electrical/Electronic Technician job assignments.

#### JOB/SHIFT PREFERENCE

1. SFTs/EETs will fill out a preference sheet indicating their job and shift preference.
2. Employees may preference installation, maintenance support or production. This does not allow individual team/line preference.
3. Preference sheets will be maintained on file and may be changed at the employee's discretion.
4. Preference sheets will be used for the semi-annual shift preference and to fill openings.
5. Employees are responsible for keeping their preference current.

#### PRODUCTION ASSIGNMENT

Production Teams and the Electrical Repair Shop will be covered by qualified Senior Fabrication Technicians and Electrical Electronic Technicians.

## INSTALLATION AND MAINTENANCE SUPPORT

1. Job assignments will be by preference sheet and seniority with a two year minimum assignment. This will not affect the exercise of seniority for the semi-annual shift preference.
2. Employees receiving an assignment in Installation or Maintenance Support cannot be displaced by a more senior employee for two years.
3. Not more than fifty percent of any one discipline (Making, Packing or Electrical) may be displaced in an one year.
4. Employees at the completion of the two year minimum or any time thereafter may preference to a posted opening. Posted openings are limited to one area move per vacancy.
5. Openings in Maintenance Support or Installation will be filled by the most senior employees on the job preference sheet.

## DAILY OVERTIME

1. Employees assigned to Installation or Maintenance Support are responsible for daily overtime requirements up to fifty percent of the crew size.
2. Guidelines for Maintenance Support Overtime:
  - A. Qualified volunteers from the daily overtime list will be used in lieu of forcing within the Maintenance Support Team where possible. This overtime list will be



used to fill vacancies for Production Line assignments and then Maintenance Support Team.

B. Vacancies will be defined as all daily line or team assignments including Maintenance Support.

C. Other job requirements such as length changes, Label Aire start-ups, new brand start-ups, breakdowns, "extras", etc., will be filled after the above vacancies have been filled.

D. If an employee assigned to Maintenance Support volunteers for overtime and there is a vacancy in Maintenance Support, he will be assigned to Maintenance Support. Qualification requirements would be the exception to this.

E. Job requirements that occur after the line-up has been conveyed to employees and with no volunteers remaining, will be filled by seniority for both Maintenance Support and Production Teams.

F. Employees assigned to Maintenance Support desiring to Come-In Early for Maintenance Support only, will write in "PM" under the Come-In Early column of the overtime sheet. If they "check" the Come-In Early column, they are signing up for either production or Maintenance Support.

G. The following situations will be filled as follows:

1. If the vacancy in Maintenance Support requires the expertise of and continuity of a sub-assembly rebuild such as a spider, the vacancy will be filled with a Maintenance Support person. This may require that a less senior individual fill this vacancy.

2. If the vacancy is a PM job in Maintenance Support and fifty percent of the assigned crew is available, the vacancy will be filled by the least senior qualified person from the daily overtime list.

3. If there is a vacancy in Maintenance Support and a more senior individual from Maintenance Support signs up to Come-In Early and a less senior individual signs up for "PM" only, the vacancy will be filled by the more senior employee. An exception to this would be Item 1 above.

3. Guidelines for Installation Overtime:

A. In the event that job continuity and volunteers from the installation crew do not fulfill the daily overtime requirements, the daily overtime list will be used when possible. The installation supervisor will decide if the employee from the daily overtime list is qualified for the work.

B. The installation supervisor's criteria for approving the employee will include (but not be limited to) the following:

1. Project Schedule
2. Tools Required
3. Job Continuity
4. Training and Expertise
5. Cost
6. Other

Item 3 Guidelines for Installation Overtime: This agreement will be on a trial basis for three months beginning after the ratification of the contract. If it is not mutually agreeable by the Union and the Company, this rule will be rescinded.

#### 4. Guidelines for Determining Maintenance Support and Installation Crew Size for Daily Overtime:

A. If the crew size is an odd number, one person above one-half may be required to work unless the crew size is nine or greater. (i.e., If the crew size is seven, four may be required to work. If the crew size is eleven, five may be required to work, etc.)

B. If the crew size is one and this employee does not volunteer, the daily overtime sheet will be used to fill the requirement.

C. If all employees are on the job, the crew size will remain the same.

D. If one or more employees are on leave and we do not fill the vacancies, the crew size will be reduced by this number.

E. If one or more employees are out due to a scheduled vacation day or days and the vacancies are not filled, the crew size will be reduced by this number.

F. The crew size will not be reduced for call-in vacations, AR's, or other absences not mentioned in Items 2 and 3 above.

NOTE: Day at a time vacations must be scheduled at least 24 hours in advance in order for the above guidelines to apply.

These are intended to be guidelines to follow recognizing that this may not cover every possibility.

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Brown & Williamson

Tobacco Corporation Date Bakery, Confectionery, and Tobacco Workers'  
International

Union, Local 362-T