



COLLECTIVE BARGAINING AGREEMENT  
WITH



July 2, 2023 to January 1, 2026

**TABLE OF CONTENTS**

DESCRIPTION	SECTION	<u>PAGE NUMBER</u>
RECOGNITION	1.1	3
NEW LOCATION	1.2	4
SUBCONTRACTING	1.3	4
TRANSFER OF RIGHTS	1.4	4
NEW OWNER	1.5	5
UNION SHOP	2.1	5
UNION ORIENTATION	2.2	6
OTHER HIRING	2.3	6
NEW EMPLOYEES	2.4	6
PROBATIONARY PERIOD	3.1	6
LAYOFFS AND RECALL	3.2 & 3.3	7
JUST CAUSE/WORK PERFORMANCE	3.4	7
RECORD	3.5	9
POLYGRAPHS	3.6	9
COMPANY RULES	3.7	9
DEFINITION OF SENIORITY	4.1	10
CLASSIFICATION	4.2	10
WEEKLY GUARANTEE	4.3	10
LOSS OF SENIORITY	4.4	10
LISTS	4.5	11
SAFETY COMMITTEE	5.1	11
MILITARY SERVICE	5.2	12
BONDING	5.3	12
UNIFORMS & SPECIAL WEAR	5.4 & 5.5	12, 13

**TABLE OF CONTENTS**

DESCRIPTION	SECTION	<u>PAGE NUMBER</u>
TOOLS AND EQUIPMENT	5.6	13
PAY DAY	5.7	13
UNION SITE VISITS	5.8	13
BULLETIN BOARDS	5.9	13
JURY DUTY OR COURT APPEARANCES	5.10	14
MEAL PERIOD & REST PERIOD	5.11 & 5.12	14
CELL PHONE	5.13	15
HOLIDAYS	6	16
VACATION	7	17
HEALTH & WELFARE	8	18
SICK TIME	9	18
STRIKE OR LOCKOUT	10	18
MANAGEMENT RIGHTS	11	19
GRIEVANCE PROCEDURE	12	20
CLAIMS	12.2	23
TERM OF AGREEMENT	13	24
WAGES	APPENDIX A	25

This successor Collective Bargaining Agreement, by and between Imperfect Foods, Inc., (351 Cheryl Lane., Walnut, CA 91789) (hereinafter referred to as the "Company" or "Employer"), and the United Food and Commercial Workers, Local 5 (2880 Mission Blvd., Hayward CA 94544) (hereinafter referred to as the "Union"), acting as the exclusive collective bargaining agent for all employees covered by this Agreement, modifies the provisions of the prior Collective Bargaining Agreement dated August 26, 2022 through July 1, 2023. It is the intent and purpose of the Employer and the Union to promote and improve labor management relations between them and to set forth herein the basic terms of agreement covering wages, hours, and conditions of employment.

**SECTION 1 RECOGNITION AND CONTRACT COVERAGE:**

**1.1 RECOGNITION:** The Company hereby recognizes the Union as the sole collective bargaining agent for the appropriate unit consisting of all employees assigned to work as a delivery driver, delivery truck driver, or delivery lead at a location within the geographical jurisdiction described below, except supervisors within the meaning of the National Labor Relations Act, as certified in May 2021: San Francisco, CA; Concord, CA; Sacramento/Elk Grove, CA; Fresno, CA; San Jose, CA; and Reno, NV

New delivery drivers, delivery truck drivers, and delivery leads who are employed in newly opened depots in geographical areas listed below ("Recognized Geographical Area"), will be included in the unit if, after a forty-five (45) day period following opening of depot for business, the Union is able to confirm its majority status by a showing of cards (either electronic or paper accepted under the National Labor Relations Board Regulations) with confirmed signatures of over fifty percent (50%) of the employees in the bargaining unit that indicate their desire to grant the Union exclusive bargaining rights.

The Company agrees to take a neutral approach to unionization of workers in Recognized Geographical Areas, meaning that the Company, which also includes any managers, agents, and representatives, will neither help nor hinder the Union's organizing effort, including taking any action that directly indicates or implies any opposition to workers selecting the Union as their collective bargaining representative, or directly supporting or assisting in any way any person or group who may oppose the Union. The Union agrees to refrain from exercising its rights to picket, handbill, boycott, work stoppage nor engage in any other economic interference against the Company's

facilities or operations.

Once majority status is confirmed in a Recognized Geographical Area under the process outlined above, those employees will be covered under the existing Collective Bargaining Agreement.

Recognized Geographic Areas are the following: San Francisco County, CA; Contra Costa County, CA; Sacramento County, CA; Sonoma County, CA; Merced County, CA; Fresno County, CA; Santa Clara County, CA; Washoe County, NV.

**1.2 NEW LOCATION:** For any new locations the Company opens in any Recognized Geographical Area, there will be no restrictions on the Company's right to subcontract, sublease, or otherwise have bargaining work performed by non-bargaining unit employees during the first four (4) months of operations at which point the parties will meet to discuss in good faith an extension of this period for another two (2) month period prior to the start of operations in that location, the parties will meet to discuss in good faith the use of subcontractors and the hiring of employees for that location.

**1.3 SUBCONTRACTING AND SUB-LEASING:** The Employer shall have the right, in its sole, absolute, and unilateral discretion, to subcontract, sublease, or otherwise have bargaining work performed by non-bargaining unit employees, including third parties, subject to the following:

- The Company shall notify the Union in writing as soon as reasonably possible of the start and end dates of 3<sup>rd</sup> party providers used to cover bargaining unit work.
- No bargaining unit employee will be laid off or terminated as a result.
- There will be no material reduction of bargaining unit employee hours.
- If subcontracting exceeds fifteen (15) days in a thirty (30) day period, the parties will meet to discuss in good faith, the ongoing use of subcontractors and potential hiring of additional employees, the intent of the parties is that subcontracting will not be used to reduce the number of hours of bargaining unit employees.

**1.4 TRANSFER OF RIGHTS:** In the event the Employer purchases, absorbs, or merges with another Company, the company shall notify the union thirty (30) days prior to closure

of any such transaction. The Union acknowledges that such transaction may be confidential and agrees to enter into a confidentiality agreement to the extent requested by the Company. If the bargaining unit employees employed by Company prior to such transaction continue to make up a majority of the employees within the bargaining unit as described in this Agreement after such transaction (i.e., the number of new employees (within the scope of the bargaining unit description) that are hired or engaged as a result of the transaction does not equal or exceed the number of bargaining unit employees prior to the transaction), then all wages and vacation privileges shall continue and all other benefits under this Agreement shall continue to apply, provided that this provision shall be subject to legal principles under the NLRA. If the number of new employees (within the scope of the bargaining unit description) equals or exceeds the number of existing employees under this Agreement, the parties agree that they will meet and confer as to the anticipated impact on the bargaining unit employees and discuss in good faith proposals to mitigate the adverse effects of the transaction, if any, on the bargaining unit employees covered by this Agreement.

**1.5 NEW OWNER:** The Company will notify the union thirty (30) days prior to any closure of a sale to a new owner, and current NLRB law will govern successorship obligations. The Union acknowledges discussions between the Company and actual or prospective buyer may be confidential and agrees to enter into a confidentiality agreement to the extent requested by company.

## **SECTION 2 EMPLOYMENT AND UNION MEMBERSHIP**

**2.1 UNION SHOP:** On and after thirty (30) days of employment, or the date of execution of this Agreement, whichever is later, each employee shall become and remain a member of the Union as a condition of employment, in states where such an agreement is lawful; provided, however, that the Employer shall not be obligated to discharge any employee in violation of the National Labor Relations Act, as amended. Upon written notification from the Union that an employee has failed to make timely tender to the Union of initiation fees and/or periodic dues, the Employer agrees to terminate said employee on the eighth (8<sup>th</sup>) day from such notice unless the Union notifies the Employer in writing that the employee has complied with the provisions hereof.

If the Union discovers within thirty (30) days after the discharge of an employee that

the discharge was in error, the Union shall so advise the Employer and the Employer shall then reinstate the employee with full seniority on the first weekly schedule posted by the Employer after being so notified by the Union in writing.

The Union agrees to indemnify, defend, and hold the Employer harmless in any and all claims and/or causes of action which arise out of or are in any way connected with or related to the Employer's compliance with this provision.

**2.2 UNION ORIENTATION:** Upon hiring, new bargaining unit employees will be allowed a one-time twenty (20) minutes of paid time to meet with their union representative for union orientation. Such training shall not interfere with business operations of the Employer.

**2.3 OTHER HIRING:** Employer will notify the Union about its current job openings for delivery drivers and delivery truck drivers at the locations in the bargaining unit on a regular basis.

Employer will send a roster to the Union of new hires giving the date, place and job classification of the employment and the name and address of the newly hired employees.

The Union agrees to provide the Employer with Union application forms and standard information concerning Union dues and initiation fees. When completing new employees' new hire paperwork, the Employer will provide each employee with such Union application forms and Union dues/initiation fee information for their completion and forwarding to the Union. Each employee new hire will have the responsibility and decision to complete and forward these provided forms to the Union.

**2.4 NEW EMPLOYEES:** The provisions of this Agreement shall apply to the employment of any person covered by this Agreement, while such person is not a member of the Union.

### **SECTION 3 DISCHARGE AND LAYOFFS**

**3.1 PROBATIONARY PERIOD:** During an employee's probationary period, that is, during his/her first sixty (60) calendar days of employment, he/she may be discharged for any reason at the sole discretion of the Employer.

The Employer, upon mutual agreement with the Union, may extend any such probationary period for a period of an additional thirty (30) days. The Employer shall notify the union seven (7) days prior to the sixtieth (60<sup>th</sup>) day about the intent to extend the probationary period. The union will have forty-eight (48) hours to respond and reach agreement of the extension. If the Union fails to respond within the given time frame, the Employer has the right to unilaterally move forward with extending the employee's probationary period.

**3.2 LAYOFFS:** Permanent layoffs (layoffs of more than two (2) weeks) will be made by home location seniority. In case of permanent layoff, probationary employees shall be laid off first. Should a further layoff become necessary, the last employee hired at the affected location shall be the first employee laid off and the layoffs shall continue in that order. Laid off employees shall have the right to accept the layoff or bump the least senior employee at another within twenty-five (25) miles of the employee's home delivery location and such displaced employee shall, in turn, have the same bumping rights under the same terms and conditions, limited to a total of two (2) bumps. Employees on layoff will be recalled to any location within twenty-five (25) miles before a new hire will be hired to open location. Provided that the Employer complies with this provision, the Union expressly waives any right to engage in decisional or effects bargaining arising out of or relating to such layoffs.

**3.3 RECALL:** In case of recall, employees are to be returned to employment in the reverse order in which they were laid off. Any employee who has been laid off shall be provided with five (5) calendar days' written notice of recall to his last known address on file with the Employer, with a copy to the Union. Employees who fail to make themselves available for work at the end of said five (5) calendar days after postmark of the written notice shall lose all seniority rights. Proof of mailing to the employee shall be sufficient to justify the loss of seniority if the employee fails to report for work within the above-mentioned time allowed.

**3.4 JUST CAUSE/WORK PERFORMANCE:** The Employer shall have the right to discharge any employee for just cause. If employee feels that they have been unjustly discharged, they shall have the right of appeal, in writing, to be submitted to the Employer through the action of the Union within ten (10) business days after said discharge.



The Parties agree that the following offenses shall constitute just cause for termination of employment regardless of whether any prior disciplinary actions have been issued:

- Dishonesty, theft or embezzlement of Company's, employee's or customer's property or funds. This includes the removal of any Company property without authorization and giving out customer personal data.
- Falsification of employment application or any records that an employee is required to keep in the performance of their job.
- Improper punching in/out- including time theft by employee punching in when not actually working, employee clocking in for others or having others clock in employee's behalf
- Absence of work for three (3) consecutive days without notification.
- Threatening, harassing (including sexual harassment), coercing, intimidating, striking, fighting with, or attempting bodily harm to others while on Company time or property.
- Possession of firearms, knives, or other dangerous weapons or objects while on Company time
- Failure to report vehicle collision major damage to vehicle and other equipment to management on the day of the accident.
- Gross negligence in carrying out duties.
- Insubordination, including but not limited to failure to carry out any order or direct order from management and/or refusal to work on assigned jobs. Management shall be clear that the employee is being insubordinate and explain the consequence of their lack of action.

In any resulting grievance or arbitration with matters above, the issue shall be limited to whether the employee engaged in such offense, and if so, the termination will be upheld. The arbitrator shall not have the right to alter, amend, delete, or add to any of the terms of this Agreement, including any authority to determine that any of offenses listed above do not rise to the level of "just cause" under general principles of arbitral or industrial law.

The parties generally agree that before a regular employee is discharged or suspended for failure to perform work as required (excluding the "just cause" offenses), they shall receive a written warning of the specific failure to perform (with a copy sent to the

Union) followed by a suspension of no more than three (3) days.

Disciplinary occurrences shall become null and void after nine (9) months after the date of issuance. Notwithstanding this general principle of progressive discipline, the Employer reserves the right to terminate an employee without prior discipline for any offense, but in cases involving an offense not identified as a "just cause" offense the Union and/or employee shall have the opportunity to dispute whether the offense was sufficient to constitute cause for termination under general principles of arbitral or industrial law.

Written warnings and final written warnings need not be processed beyond the Union filing a grievance to preserve the Union's right to challenge the warning if it is used as progressive discipline that results in a termination of employment in the future.

Upon severance of employment of any employee, the Employer shall, within seven (7) calendar days thereafter, notify the Union of such resignation, layoff, or discharge.

If the discharge is for cause, the Employer agrees to submit the specific reasons for discharge, upon written request from the Union, as soon as practicable but no later than five (5) days after receipt of the Union's request.

**3.5 RECORD:** Any employee who is terminated shall, upon request, be given a statement setting forth the date of hiring.

**3.6 POLYGRAPHS:** No Employer shall demand or require any applicant for employment or prospective employment or any employee to submit to or take a polygraph, lie detector or similar test or examination as a condition of employment or continued employment.

**3.7 COMPANY RULES:** In the event the Employer establishes rules for its employees, such rules shall be reasonable, not inconsistent with the terms of the Collective Bargaining Agreement and shall be furnished to the Union upon request.

When Company rules are changed or modified (which shall be in the Employer's sole and absolute discretion, provided such change or modification is not unreasonable and inconsistent with the terms of this Collective Bargaining Agreement), and that such change or modifications apply to all similarly situated employees of Company, a copy of

such changes shall be supplied to the Union within ten (10) days following the implementation of any changes or modifications. For the purpose of this Section, the changed or modified rules, which are to be provided to the Union, are those rules contained in the Employee handbook, which is typically distributed to newly hired employees.

#### **SECTION 4 SENIORITY**

**4.1 DEFINITION:** Any employee hired after the ratification of this agreement shall attain seniority on day one of commencing bargaining unit work. Employees hired prior to the ratification of this agreement shall attain seniority on the date the employee was hired by the Employer to do bargaining unit work as a driver in the geographical areas as identified in this collective bargaining agreement with UFCW Local 5.

**4.2 CLASSIFICATIONS:** Job Classifications covered under this Agreement shall be the following:

All full-time and regular part-time Delivery Drivers, Delivery Truck Drivers, and Delivery Leads.

**4.3 WEEKLY GUARANTEE:** It is the intent of this agreement that the Employer utilize full-time drivers. All drivers under the following classification shall be guaranteed the following hours:

Full-Time: Any driver classified as "full-time" shall be guaranteed a minimum average of thirty-six (36) work per week scheduled during a four (4) week period. For the avoidance of doubt, this does not mean a full-time driver will be guaranteed thirty-six (36) hours each week but rather will be scheduled for an average workweek of thirty-six (36) hours and will only be paid for the actual hours worked during each workweek.

**4.4 LOSS OF SENIORITY:** No employee shall suffer loss of seniority unless they:

- Retire
- Voluntary Quit

- Terminated
- Layoff status for six (6) consecutive months.
- Absent from work because of a non-occupational illness or injury of twelve (12) months or more.
- Absent from work because of occupational illness or injury of eighteen (18) months or more.
- Failure to return from approved leave of absence.

**4.5 LISTS:** The Employer agrees to provide two (2) seniority list of employees monthly. List #1 list shall be provided by seniority and List #2 shall be provided by alphabetical last name, listing the employee's date of hire, EID#, work location, classification, current rate of pay and indicate if the employee is part-time or full-time.

## **SECTION 5 GENERAL PROVISIONS**

**5.1 SAFETY COMMITTEE:** The Company will observe all State and Federal safety regulations pertaining to delivery van and delivery truck drivers. No driver shall be required or asked to violate any State or Federal safety regulation. Employer will provide safety training to employees through the Employer's Learning Management System. Employees shall at the start of their shift (after inspections), during their shift, and/or before the end of their shift, immediately report all defective equipment or citations to employee's supervisor and the Local People Business Partner, including if the employee loses, damages, or breaks any such equipment. Such reports shall be made on a suitable form furnished by the Company.

There shall be a Safety Committee established to jointly discuss, explore, and recommend actions to preserve and enhance safety conditions. The Safety Committee will be comprised of management and employee representatives, including one (1) delivery driver employee for every forty (40) bargaining unit drivers, for up to two (2) total representative(s).

There shall be one (1) delivery driver employee, one (1) warehouse employee, one (1) distribution supervisor, and one (1) warehouse supervisor as the co-chairs of the Safety Committee, selected by the respective members of the Safety Committee.

The Safety Committee shall meet once each quarter. Meetings will be one (1) hour or less and of a duration sufficient to address the selected safety concerns raised by the committee and/or employees in the workplace. An agenda will be confirmed seventy-two (72) hours prior to meeting time of the issues for discussion. Employee representatives of the Safety Committee will be compensated for attending the quarterly meeting at their straight-time rate of pay.

**5.2 MILITARY SERVICE:** The Employer agrees to observe both the Universal Military Training and Service Act, and The Uniformed Services Employment and Reemployment Rights Act and other laws protecting veteran status or current military service status.

**5.3 BONDING:** Whenever the Employer requires the bonding of any employee or the carrying of any insurance for the indemnification of the Employer, premiums for the same shall be paid for by the Employer. No cash deposits, cash or real property bond, shall be required of any employee.

**5.4 UNIFORMS:** Generally, the Employer's dress code policy requires all employees to use good judgment with respect to their dress and appearance. The Employer expects Imperfect employees to understand, respect, and abide by our company values. The Employer also expects Imperfect employees to dress and present themselves in a manner appropriate to their work environment, including but not limited to, wearing the appropriate footwear, safety vests, and any other required safety clothing.

If the Employer desires the wearing of a specific uniform and/or head covering, the Employer shall furnish the same without cost to the employee. The Employer shall also provide for the maintenance of such wearing apparel.

Provided, however, that if drip-dry uniforms are furnished by the Employer, then the employee will maintain such uniforms.

Shirts and/or ties will be supplied only if the Employer specifies both the color and the specific style. Specific style shall be defined as collar style, sleeve length and fabric content.

Additionally, employees will be allowed to wear appropriate clothing to protect from inclement weather in accordance with the Employer's dress code policy.

**5.5 SPECIAL WEAR:** Employer will furnish any required special costume or unusual clothing that Employer requires employees to wear in order to complete their job responsibilities and tasks.

Employer shall provide gloves, vests, rain jackets, and boots. When appropriate, Employer shall provide Personal Protective Equipment (PPE), as determined by Employer in its discretion, at no additional cost to the employee.

**5.6 TOOLS AND EQUIPMENT:** The Employer shall furnish the required equipment and tools necessary for their employment, as determined by Employer in its sole discretion, without cost to the employee.

**5.7 PAY DAY:** Employees shall be paid on a biweekly basis on Fridays. If scheduled payday falls on a holiday, paychecks will be distributed on the preceding business day. The Employer shall furnish each employee with a biweekly wage statement showing their name, hours of work, overtime if any, total wages paid and list of deductions made.

**5.8 UNION SITE VISITS:** A Union Representative employed by the Union shall be allowed to visit only the areas where bargaining unit members are assigned to work by the Employer, which are generally limited to the loading and delivery van parking areas, at each worksite to ascertain whether this Agreement is being observed and to carry out any other obligations of the Union. In the event that the Union Representative desires to visit areas other than those specified above, the request shall be submitted when providing notice of the visit and will be considered in good faith by the Employer.

This right shall be exercised reasonably and, in such a manner to not interfere with the Employer's business or distract any employee during the employee's working time.

**5.9 BULLETIN BOARDS:** The Union shall be allowed to place in each driver depot a glass-enclosed bulletin board not exceeding three (3) feet by two (2) feet-six (6) inches in size for the purpose of posting notices of official Union business. The Union shall provide each glass-enclosed bulletin board to be placed at each of the Employer's locations where drivers in the bargaining unit regularly report and the Employer shall place each bulletin board, to the extent practicable, at each said location.

Employer will not be responsible for any incidental damages to any of the bulletin boards provided by the Union for this purpose.

**5.10 JURY DUTY OR COURT APPEARANCES:** The Employer agrees to pay the difference between the employee's regular straight time daily rate and the amount received by the employee for jury service, provided the employee has completed six (6) months of service with the Employer and is required to report by the jury commissioner and does serve on any jury.

The maximum annual benefit paid by the Employer will be the number of days the employee is regularly scheduled during a regular workweek but in no event will exceed five (5) days. An employee may use accrued, unused paid time off (PTO) for any pay continuance. No overtime payments are made during the time that an employee serves on a jury.

Upon completion of service on the jury, the employee must immediately notify the Employer for further scheduling. Proof of call to jury duty must be submitted to the Employer promptly upon receipt. Proof on daily jury service is required for payment of this benefit.

**5.11 MEAL PERIOD:** The Employer will follow all local, state, and federal laws regarding meal periods. The Employer acknowledges and understands that they must ensure to their best of their ability that workers take their legally required meal periods and calculate that into any evaluation of their delivery route. The Employer further understands that the "Meal" periods do not start until the worker has completely stopped working and they cannot be interrupted during this time. The Union acknowledges that the Employer authorizes and permits legally compliant meal periods. The Union further acknowledges that the drivers are free from direct supervisory oversight due to the nature of their job duties during much of their shift and that the employees will take their legally required meal periods. The exclusive remedy for any meal period claims will be binding arbitration under the terms of the applicable grievance/arbitration provision in this Agreement.

**5.12 REST PERIOD:** Employees are authorized and permitted to take a paid, uninterrupted 10- minute rest period for every 4 hours of work or major fraction thereof. An employee who works an 8-hour shift, for example, may take two 10-minute rest periods. If an employee works more than 10 hours; he or she is eligible for a third rest

period and a fourth rest period if he or she works more than 14 hours. These periods may not be combined with meal periods or taken at the end of the workday to shorten the workday. The Employer acknowledges and understands that they must ensure to their best of their ability that workers take their legally required rest periods and calculate that into any evaluation of their delivery route. The Employer further understands that the "rest" periods do not start until the worker has completely stopped working and they cannot be interrupted during this time. The Union acknowledges that the Employer authorizes and permits legally compliant rest periods. The Union further acknowledges that the drivers are free from direct supervisory oversight due to the nature of their job duties during much of their shift and that the employees will take their legally required rest periods. The exclusive remedy for any rest period claims will be binding arbitration under the terms of the applicable grievance/arbitration provision in this Agreement.

**5.13 CELL PHONE POLICY:** The Employer may require the use of a personal cell phone. If the Employer requires the use of a personal cell phone, the Employer will offer full-time Delivery Drivers a \$50 monthly reimbursement for use of personal device. In lieu of offering a monthly cell phone stipend, the Employer may require use of a Company cell phone by all individual employees. In January 2023 the Employer will discuss with the union an increase in the cell phone monthly reimbursement amount or the use of company cell phones.

Employees are expressly advised that in order to prevent misuse, Imperfect Foods reserves the right to monitor, intercept, review, and remotely wipe, with notice to the Employee and the Union, all Imperfect Foods content, including personal content from personal electronic devices, in the Company's sole discretion and consistent with legal requirements as it relates to any investigatory matters with the Employee. This might include, without limitation, the monitoring, interception, accessing, recording, disclosing, inspecting, reviewing, retrieving, and printing of transactions, messages, communications, postings, logins, recordings, and uses of the device, whether the device is in the Employee's possession or in the Company's. Therefore, employees should have no expectation of privacy in any Company content except where protected by law. While the Company will provide advance notice to the employee and the Union, when possible, if the device must



be wiped, it is the employee's responsibility to regularly back up his or her personal content so that he or she does not lose personal information. The Employer may make and preserve copies of Employer content at the Employer's sole discretion, from Employee's personal device, with notice to the Union, for a period after those copies are created and may delete those copies from time to time without notice. The Employer may obtain and disclose copies of any Company content for litigation, investigations, and as otherwise required by law.

**SECTION 6 HOILDAYS:**

NEW YEAR'S DAY	LABOR DAY
MARTIN LUTHER KING JR. DAY	THANKSGIVING DAY
MEMORIAL DAY	CHRISTMAS DAY
JUNETEENTH	TWO (2) FLOATING HOLIDAY
INDEPENDENCE DAY	

\*This Holiday calendar shall become effective on January 1, 2025, following the execution of this Agreement.

Floating holiday must be used in the calendar year in which they are earned ("Floating Holiday").

The Company's management will schedule the employee to take the floating Holiday if the employee has not otherwise been able to take the Floating Holiday prior to October 1st of the year in which the Floating Holiday was earned. If the Floating Holiday is not scheduled or if the Company's management subsequently requires an employee to work on the day the Floating Holiday was scheduled, and the employee has not otherwise been able to take the Floating Holiday by the end of the year in which it is earned, it will be paid out in the first payroll processed in the next calendar year.

Employees not scheduled to work on a holiday named in this agreement will be paid eight (8) hours at the employee's straight time rate of pay. If employees are required to work on the holidays listed above, they shall be paid at the rate of one and a half (1.5x) the employee's regular straight-time rate of pay for hours worked, and the employee shall be paid for such holiday. In order to be eligible for holiday pay, it will be necessary for an employee to work the scheduled day/shift before the holiday, and to work the scheduled day/shift after the holiday.

Employees who are scheduled to work on a company holiday and are unable to report to work are required to abide by the call-off provisions of the Attendance Policy. Employees who call off work on a holiday, they are scheduled to work will not receive holiday pay.

**SECTION 7 VACATION**

**7.1 VACATION ACCRUAL:** Eligible employees will begin to accrue paid vacation time after thirty (30) days of employment and will be able to use paid vacation time after completing sixty (60) days of employment.

	Hire -2 Years	3-5 Years	6-10 Years	11-14 Years
Nonexempt Operations	5 days	10 days	15 days	20 days

Employees who are out on a leave of absence do not accrue vacation or sick time while they are on their leave, unless otherwise required by law. Accrued vacation will be capped at 1.5 times the above accrual rate for each group and once this maximum cap is reached, the employee will stop accruing additional vacation.

**7.2 VACATION PAY:** For the purpose of computing vacation earnings, an employee's current regular rate of pay in effect at the time employee will be on vacation will be used to determine the employee's day rate of pay at eight (8) hours each day requested for vacation.

**7.3 VACATION SCHEDULING:** Employees must obtain approval of vacation from their Delivery Manager no later than seven (7) days in advance. A vacation request submitted ninety (90) days prior to the week being requested will be given consideration within two weeks of receipt and if available will be assigned to an employee based on seniority.

A vacation request submitted with less than ninety (90) days advance notice will be granted on a first come first serve basis. The Company, at its sole discretion, may require employees to take their vacation at a particular time, and may also refuse an employee's application by seniority for vacation where business needs dictate.

**7.4 VACATION RIGHTS AT TERMINATION:** If an employee leaves the Company, they will receive pay for all accrued unused vacation.

**SECTION 8 HEALTH AND WELFARE:**

Regular full-time employees may elect coverage in any of the Employer's medical, dental and vision plan offerings. Eligible employees may enroll in the plans offered by the Company during the Company's open enrollment or if there is a qualifying event. For 2024 and each year thereafter, the Company will continue to maintain the same, substantially similar, or superior options to those in place in the Company's prior plan year. As healthcare costs tend to increase during a Company's plan renewal process, the Company will notify the Union of health care plan design and cost changes. The Company and the Union agree to bargain in good faith over any increase of the employee monthly premium Contribution percentages.

For the 2025 Company open enrollment, the Company will negotiate with Kaiser Permanente to offer a Kaiser plan to eligible employees. The Company cannot guarantee this plan will be the same or substantially similar to the Kaiser plans in the prior plan years, but the Company will do its best to obtain similar plan coverage. Additionally, the employee monthly premium contribution costs may increase. The Company will provide additional plan information to the Union when available.

**SECTION 9 PAID SICK TIME:** The Company provides paid sick time to employees who have worked thirty (30) or more days within a year of their employment with the Company. Sick time begins to accrue beginning with an employee's first day of employment. The sick time year runs from anniversary to anniversary. Full-time eligible employees will accrue one (1) hour of paid sick time for every thirty (30) hours worked, up to a maximum of one-hundred and sixty (160) hours of paid time, unless otherwise provided under applicable law. After on the 30<sup>th</sup> day of employment, eligible employees may begin to use paid sick time as it is accrued. Employees may not use accrued paid sick time in increments of less than one (1) hour. Unused sick leave will carry over to the next year, up to a maximum of eighty (80) hours.

**SECTION 10 STRIKE OR LOCKOUT:** During the term of this Agreement, the Employer agrees that it will not authorize any lockout of employees. During the term of this Agreement the Union agrees that it will not call, authorize, condone, encourage or aid any slowdown, strike, sympathy strike, work stoppage, hand billing, picketing, boycott or other economic action against the Employer. The Union further agrees that in the event

an employee engages in any slowdown, strike, sympathy strike, work stoppage, hand billing, picketing, boycott, or other economic against the Employer during the term of this Agreement, the Employer may take disciplinary action against any employee who take part therein. Union acknowledges that the employee's breach of this provision shall constitute just cause for discipline, but the Union reserves the right to grieve and/or arbitrate whether such discipline is reasonable and proportionate to the offense. This provision does not apply in any of the Employer's locations where the Union has not been recognized by the Employer as the employee's bargaining representative, except that it shall apply to the neutrality geographies included in Recognized Geographic Areas

**SECTION 11 MANAGEMENT RIGHTS:** All functions, rights, powers, and authority which the Employer has not specifically modified by this Agreement are recognized by the Union as being retained by the Employer, including but not limited to, the exclusive right to direct: the work force (including selection, training, and the number and classes of employees to be employed), the means and accomplishment of any work, determine the work type and assignments of the represented bargaining unit, to lay off, terminate or otherwise release employees from duty for lack of work, to establish, readjust, or eliminate jobs, to establish and change work hours, work, schedules, the number, location, and type of operation, methods, processes, and materials to be employed in the maintaining the operation, to institute technological changes, the right to decide the nature of the equipment, machinery, method of the work, the right to determine if overtime shall be allowed and worked, to discontinue, temporarily or permanently, and in whole or in part, the conduct of its business or operation. The Employer further reserves the sole right to engage in any corporate transaction including a merger, acquisition, sale of the business, sale of the assets of the business, or any other transaction whatsoever. In addition, the Employer has the right to issue discipline and may discharge an employee for just cause as outlined under in this Agreement.

**SECTION 12 ADJUSTMENT AND ARBITRATION OF DISPUTES:** For this Agreement, a grievance is a dispute, difference of opinion, between the parties, and grievances of employees involving or arising out of the meaning, interpretation, application, or alleged violation of this Agreement, including the arbitrability of all such matters. All grievances as defined are to be processed in accordance with the terms of the section.

The parties recognize that it is important that grievances be processed and resolved quickly as possible. The parties will share all factual details regarding a grievance (or pre-grievance issue) as early as possible in the dispute resolution process. All disputes that are resolved at the location level shall be considered settled on a non-precedent setting basis, unless otherwise expressly stated in writing. Any other type of grievance must be submitted to the Employer in writing no later than seven (7) business days after the employee has become aware of the occurrence.

Grievances filed by the Union challenging any disciplinary suspension or discharge shall be made as soon as possible but shall only be recognized if submitted to the Employer in writing within ten (10) business days.

**Grievance Resolution Process:** Any dispute not settled by the parties within twenty (20) business days following the receipt of such written notice or such extended time as may be agreed upon by both parties, the following options to resolve the grievance will be utilized.

**(a)** The parties will conduct a telephone or online conference. The conference shall take place as soon as practical, but no later than twenty (20) business days of the request. If the matter is not resolved, then the parties will move to a grievance meeting to be held within twenty (20) business days from the date of the telephone/online conference.

**(b)** If after the completion of the grievance meeting the matter is unresolved, the moving party must notify the other party in writing, by email or regular mail, within twenty (20) business days to commence selection of the arbitrator. Failure of the moving party to comply with the time limits set forth in this Article shall be deemed to be a conclusive waiver of the grievance unless otherwise mutually agreed in writing by both parties

(c) Either party upon written communication within twenty (20) business days from the telephone conference may waive the grievance meeting and proceed directly to arbitration.

**Disciplinary Arbitration:** For disciplinary cases only (suspensions and terminations), the following expedited Arbitration procedure shall be utilized:

The parties will first attempt to select an Arbitrator by mutual agreement. Should the parties be unable to mutually agree on an Arbitrator then they shall request a panel of Arbitrators from the United States Federal Mediation and Conciliation Service (FMCS) and shall select an Arbitrator by the strike-off-method. The Arbitrator will provide dates for consideration that are within ninety (90) days of the request. If the Arbitrator is unable to do so, then another Arbitrator will be selected for date until a date is secured within ninety (90) days of the request. Once arbitration has been requested in writing, the parties shall be allotted a minimum of twenty (20) business days to prepare the case for arbitration. Discharge cases will be heard first (1st) on the agenda followed by suspension cases based on the date of occurrence unless mutually agreed otherwise.

Notwithstanding the above, the Union may select up to three (3) disciplinary suspension cases annually to be heard in chronological order, regardless of if discharge cases are pending.

The parties will schedule hearings based on date of occurrence and the order will be centralized for Local 5, to include all offices. The assignment to the dates offered will be determined in order by case and date with up to a maximum of three (3) arbitrations per month for the local and no more than two cases will be scheduled in any Imperfect Food's Labor Relations Representatives' assigned area. Once the Arbitrator is selected for a matter, they are deemed assigned, and the next matter will be scheduled with the next arbitrator.

If an Arbitrator has been selected and an arbitration date has been scheduled, but the grievance is resolved within two (2) weeks of the arbitration date, another Arbitrator from the FMCS arbitration panel will be asked for their available dates consistent with the contractual timelines to hear the next deadlocked grievance proceeding to arbitration.

If an Arbitrator has been selected but no arbitration date has been scheduled or the grievance is resolved more than two (2) weeks prior to the arbitration date, the same Arbitrator will be asked for their available dates consistent with the contractual timelines to hear the next deadlocked grievance proceeding to arbitration.

Each disciplinary case will be argued orally. Post hearing briefs may be filed by mutual agreement of the parties. Either party may request a court reporter at their expense; however, if mutually requested, the cost will be shared equally. Briefs are to be prepared and mailed within fifteen (15) business days from receipt of transcript with leave to extend by mutual agreement. A written opinion and award will be furnished by the arbitrator, within thirty (30) days of the close of the hearing or receipt of the post hearing briefs.

The award of the telephone conference, grievance meeting, or arbitrator shall be final and binding upon the Employer, the Union, and the employee. The Employer and the Union shall each bear one-half of the arbitration costs, and each party shall bear its own attorney's fees, if any.

For the avoidance of doubt, the Parties acknowledge and agree that any employee who is suspended or discharged has an affirmative obligation to mitigate his or her damages and that failure to do so is grounds for reducing or eliminating any backpay award to the employee. The Parties further agree that, unless expressly agreed to by the Parties in lieu of reinstatement, no employee who was unjustly discharged shall be entitled to any other type of emotional, or punitive damages beyond actual wages lost (subject to mitigation) and the reasonable value of any benefits lost.

**12.1 INTERPRETATION OR APPLICATION DISPUTES:** Disputes as to the interpretation or application of the agreement shall be taken up by the party asserting it with the other party within twenty (20) business days of the date the asserting party has knowledge thereof. Said grievance shall be in writing, specifying in detail the basis for the dispute, including the applicable section(s) of the Agreement involved, to the best knowledge of the asserting party. Contractual interpretations disputes will be processed in accordance with the grievance resolution process. For contractual interpretation disputes which proceed to arbitration, the parties will mutually select

an impartial Arbitrator. If the parties are unable to agree upon the selection of an Arbitrator, they shall request a panel of Arbitrators from the United States Federal Mediation and Conciliation Service and they shall select an Arbitrator from the panel by the strike-off method.

Each party shall in good faith divulge to the other party all available material facts at the time said party acquires knowledge thereof concerning the matter in dispute. Nothing contained herein shall require either party to supply documents which are irrelevant.

The award of the arbitrator or the Adjustment Board shall be final and binding on the Employer, the Union, and the Employee(s). The losing party shall pay the cost of the arbitrator. The parties agree that the arbitrator has the authority to determine appropriate proration of the cost in the event of a split decision and award. The arbitrator should be made aware of the requirements of this provision at the conclusion of the arbitration hearing.

The arbitrator shall not have the right to alter, amend, delete, or add to any of the terms of this Agreement.

Interest at five percent (5%) shall be payable on all money claims awarded by the Adjustment Board or by an Arbitrator, and such interest shall commence as of the date the complaint is first submitted to the Adjustment Board or when the parties meet to amicably adjust the dispute, whichever is applicable.

**12.2 CLAIMS:** In the case of a direct wage claim or a claim for contributions to employee benefit plans which does not involve an interpretation of any of the provisions of this Agreement, either party may submit such claim for settlement to either the grievance procedure provided for herein or to any other tribunal or agency which is authorized and empowered to affect such a settlement.

The Employer is not required to pay any wage claim or portion thereof retroactively for a period of more than ninety-one (91) days immediately prior to the date of the Employer's receipt, or Written notice from the Union, of such claim.

Where there is an automatic wage bracket adjustment (failure to progress the employee in classification in accordance with the formula of the contract) due under the terms of the Appendix, or promotions not processed due to clerical error, the period



of adjustment shall be one (1) year from the date the grievance was filed in writing.

**SECTION 13 TERM OF AGREEMENT:** The parties agree that the original provisions of the Collective Bargaining Agreement were first ratified as of August 26, 2022, and went into effect as of September 12, 2022, and the new provisions of this Agreement were ratified on August 26, 2024, and this Agreement, the successor Collective Bargaining Agreement, shall be effective as of July 2, 2023, subject to the MOA and Letter of Understanding signed by the Parties on August 22, 2024 and any other specific effective date in any of the provisions, and shall remain in full force and effect to January 1, 2026. This Agreement shall automatically renew itself upon expiration of this Agreement, unless either of the parties shall have given notice in writing to the other party no more than ninety (90) days nor less than sixty (60) days prior to the expiration, requesting negotiations for a new Agreement, together with thirty (30) days prior written notice to the State Mediation and Conciliation Service.

FOR THE EMPLOYER:  
IMPERFECT FOODS, INC.

DocuSigned by:  
*Justin Charpentier*  
6D2A21D894334D7...

10/4/2024  
DATE \_\_\_\_\_

FOR THE UNION:  
UFCW LOCAL 5

Signed by:  
*Oscar Oronzco*  
DA846B05CB6644D...

SECRETARY-TREASURER  
10/11/2024  
DATE \_\_\_\_\_

Signed by:  
*James F Araby Jr.*  
FE16737AB28545B...  
DIRECTOR of STRATEGIC CAMPAIGN

10/18/2024  
DATE \_\_\_\_\_

\_\_\_\_\_  
UNION REPRESENTATIVE

DATE \_\_\_\_\_

**APPENDIX A – WAGES:**

**Wages With Tip Program- Delivery Drivers:**

- A. Delivery Drivers eligible for the wage rates specified in this section will have their wage tier/step in Appendix A.2 determined by whole years of service completed as of March 30<sup>th</sup> in the applicable year. The Company will calculate the Delivery Driver's **Base Rate** in accordance with Appendix A.1 by taking the Delivery Driver's applicable **Current Rate** and subtracting the difference as determined by the Delivery Driver's market. The 2024 wage rates in Appendix A.2 shall be effective as of January 6, 2024, with a one-time retroactive catch-up payment to be paid after ratification as specified in this section, and the 2025 wage rates shall be effective the first pay period to occur in January 2025 ("Adjustment Dates"). The **Base Rate** will remain the same for 2024 and 2025 unless there are local or state minimum wage rate changes.
- B. For clarity, no rate will be adjusted on any date other than the Adjustment Dates, unless otherwise specified in this section, regardless of the work anniversary date.
- C. 2024 Retroactive Catch-Up Payment: After ratification of the MOA, the Company will finalize calculations of the Delivery Driver's retroactive catch-up payment based on the 2024 "Current Rate" outlined in Appendix A.2, for the time between the first pay period after January 6, 2024 and when the 2024 wage rates are officially adjusted in the Company's payroll system based on the hours worked by the Delivery Driver during that time. After ratification and within forty-five (45) days of the effective date of the successor Collective Bargaining Agreement, the Company will process and pay out the one-time retroactive catch-up payment to all Delivery Drivers who are actively employed as of the payout date. Any Delivery Drivers who are not active employees on the retroactive catch-up payment payout date will not be eligible for the 2024 wage rates adjustments or retroactive payments.
- D. Only Delivery Drivers will be eligible for tips from customers under the Company Tip Program. Class B and Class A Drivers are not eligible to participate in the Company Tip Program. The Company Tip Program will be implemented for eligible Delivery Drivers after ratification and within forty-five (45) days of the effective date of the successor Collective Bargaining Agreement ("Tip Program Effective Date").
- E. Upon the Tip Program Effective Date, Delivery Drivers assigned to routes delivering the Company's boxes to customers ("DBI"), will be paid at the **Base Rate** for hours worked and will be eligible to earn tips from customers under the Company Tip Program. Delivery Drivers assigned to non-DBI routes will be paid at the applicable **Current Rate** for hours worked and will not be eligible for tips under the Company Tip Program. The Company will determine

which routes and shifts are assigned to each Delivery Driver based on business needs. Delivery Drivers are not guaranteed a specific route or shift or tips.

- F. Delivery Drivers eligible for tips will have their tips pooled daily by market. At the end of each workday, the pool will be divided based on the percentage of total hours worked on DBI routes that day by each individual driver. Those tips will be totaled for the week and paid in accordance with the Company’s regular payroll process on the regular weekly pay date one week in arrears.
- G. Delivery Drivers will be able to see a breakdown of the tips earned on their regular paycheck. If Delivery Drivers have any questions regarding the tips earned and paid, they can reach out to the HR team for clarification.
- H. Any non-tip related work will be paid at the applicable **Current Rate**
- I. Orientation, vacation, sick time, holidays, and other time-off benefits occurring after the Tip Program Effective Date will be paid at the applicable **Current Rate**, in accordance with Company policies.

**Appendix A.1 - Table to Determine Driver Base Rate**

Market	Market Starting Wage	Min Wage for the Market	Difference for Base Rate
EBY	\$22.50	\$17.55	\$4.95
NBY	\$22.50	\$17.55	\$4.95
SAC	\$20.00	\$16.00	\$4.00
SBY	\$22.50	\$17.55	\$4.95
SFO	\$22.50	\$18.67	\$3.83

**Appendix A.2 – WAGES**

EBY/NBY/SBY DELIVERY DRIVER				
STEP	PRIOR RATE	BASE RATE	2024 CURRENT RATE	2025 CURRENT RATE
START	\$22.50	\$17.55	\$22.50	\$22.50
1	\$23.06	\$18.80	\$23.75	\$23.75
2	\$23.75	\$19.51	\$24.46	\$24.46
3	\$24.46	\$20.24	\$25.19	\$25.19
4	\$25.19	\$21.00	\$25.95	\$25.95
EXPERIENCED	\$25.94	\$21.77 (2024) \$22.57 (2025)	\$26.72	\$27.52

SFO DELIVERY DRIVER				
STEP	PRIOR RATE	BASE RATE	2024 CURRENT RATE	2025 CURRENT RATE
START	\$22.50	\$18.67	\$22.50	\$22.50
1	\$23.06	\$19.92	\$23.75	\$23.75
2	\$23.75	\$20.63	\$24.46	\$24.46
3	\$24.46	\$21.36	\$25.19	\$25.19
4	\$25.19	\$22.12	\$25.95	\$25.95
EXPERIENCED	\$25.94	\$22.89 (2024) \$23.69 (2025)	\$26.72	\$27.52

SAC DELIVERY DRIVERS				
STEP	PRIOR RATE	BASE RATE	2024 CURRENT RATE	2025 CURRENT RATE
START	\$20.00	\$16.00	\$20.00	\$20.00
1	\$20.78	\$17.22	\$21.22	\$21.22
2	\$21.40	\$17.85	\$21.85	\$21.85
3	\$22.04	\$18.51	\$22.51	\$22.51
4	\$22.70	\$19.39	\$23.19	\$23.19
EXPERIENCED	\$23.38	\$19.88 (2024) \$20.60 (2025)	\$23.88	\$24.60

Nothing in this Section shall limit the right of the employer at its discretion to pay amounts in excess of the rates set forth below including to establish, alter, cease, or extend any incentives or bonus payments.

**Wages For Class B And Class A CDL Drivers (No Tip Program):**

- J. Class B and Class A CDL Drivers are not eligible to participate in the Company Tip Program.
- K. Class B and Class A CDL drivers will be eligible for the wage rates specified below in Appendix A.3 and will have their wage tier/step determined by whole years of service completed as of January 1st in the applicable year. The straight-time rate of pay for each job classification shall be the hourly rates specified below.
- L. The 2024 wage rates shall be effective January 6, 2024 and the 2025 wage rates shall be effective the first pay period to occur in January 2025 (“Adjustment Dates”).
- M. For clarity, no rates for any of the job classifications will be adjusted on any date other than the Adjustment Dates, regardless of the work anniversary date.
- N. 2024 Retroactive Catch-Up Payment: After ratification of the MOA, the Company will finalize calculations of the Class B and Class A CDL Drivers’ retroactive catch-up payment for the time between the first pay period after January 6, 2024 and when the 2024 wage rates are officially adjusted in the Company’s payroll system based on the hours worked during that time. After ratification and within forty-five (45) days of the effective date of the successor Collective Bargaining Agreement, the Company will process and pay out the one-time retroactive catch-up payment to all Class B and Class A CDL Drivers who are actively employed as of the payout date. Any Class B and Class A CDL Drivers who are not active employees on the retroactive catch-up payment payout date will not be eligible for the 2024 wage rates adjustments or retroactive payments.
- O. Nothing in this Section shall limit the right of the employer at its discretion to pay amounts in excess of the rates set forth below including to establish, alter, cease, or extend any incentives or bonus payments.

**Appendix A.3- Class B and Class A CDL Wages**

	<b>CLASS B DRIVER</b>		
Step	current	2024	2025
START	\$28.10	\$28.94	\$28.94
1	\$29.38	\$30.26	\$30.26
2	\$30.38	\$31.29	\$31.29
3		\$32.23	\$32.23
4		\$33.20	\$33.20
Experienced Drivers		\$34.19	\$35.22

	<b>CLASS A DRIVER</b>		
Step	current	2024	2025
START	\$31.00	\$31.90	\$31.90
1	\$31.90	\$32.82	\$32.82
2	\$32.82	\$33.78	\$33.78
3	\$33.78	\$34.76	\$34.76
4	\$34.76	\$35.77	\$35.77
Experienced Drivers	\$35.77	\$36.84	\$37.95