

LABOR AGREEMENT

THIS AGREEMENT, made and entered into effective the first day of January, 2009, by and between the Goodwill Industries of Northeast Iowa, Inc., hereinafter called the "Employer" and District Local Union No. 431, United Food and Commercial Workers, CLC hereinafter called the "Union".

ARTICLE I RECOGNITION AND RELATIONSHIP

Section 1. The Employer recognizes the Union as the sole bargaining agent for the purpose of bargaining in respect to wages, hours and working conditions of all regular full and regular part-time employees in the bargaining unit. The bargaining unit shall consist of the following three (3) classifications of employees employed by Employer during the term of this agreement in its existing operations at 2640 Falls Avenue and 2626 Falls Avenue, Waterloo and its existing retail outlets in Waterloo, Cedar Falls and Oelwein, including any retail expansions or extensions thereof, in Waterloo, Cedar Falls or Oelwein, and seniority within each classification shall prevail.

For purposes of this Agreement said classifications consist of the following jobs:

1. Forepersons: Operations Foreperson, Dock Foreperson, Building and Grounds Assistant, and Industrial Service Foreperson.
2. Semi-Truck Drivers and Straight Truck Drivers
3. Service Workers: Sales Associates, Work Shop Janitor and Production Worker.

The Employer agrees that if there are any new classifications in the above bargaining unit jobs and/or changes in the above classifications of said jobs in the bargaining unit, the Employer will negotiate rates and hours of the affected job description with the Union.

Section 2. All employees not specifically listed above including, but not limited to, office, clerical, and professional employees, nurses, community trainers, program coordinators, employment coordinators, day workers, truck helpers, managerial employees, guards, store managers and assistant store managers, instructor/specialists, case managers, associate program managers, vocational evaluators, and supervisors as defined in the National Labor Relations Act, as amended, are excluded from the bargaining unit.

Section 3. It is the desire of both parties hereto to facilitate the peaceful adjustment of differences, to promote harmony and efficiency and to set forth herein the basic agreements regarding wages, hours, and working conditions. Therefore the parties agree to cooperate in good faith in the solution of problems.

ARTICLE II
UNION SECURITY

Section 1. The Employer agrees to deduct Union dues, A.B.C., initiation fees and assessments and deductions for credit union accounts from the wages of each employee in the bargaining unit when the Employer receives a voluntary, individual written authorization signed by the employee, which written authorization and assignment shall be in compliance with Federal and Iowa law. Such deductions shall be made by the Employer from the wages of employees each pay period and will be transmitted to the Union by the tenth day of the next month. The amount to be deducted each pay period shall be determined by multiplying the monthly amount due by 12 and dividing the result by 24.

Section 2. Employer shall furnish to the Union a list of employees for whom Union dues are being transmitted and the amount for each employee each month.

Section 3. If no wages are then due an authorizing employee or such wages are insufficient to cover the required deduction, the Employer will make no deduction for union dues and other union payments for that pay period and no dues or other union payments shall be due from the employee or paid by Employer for said pay period.

Section 4. The Union agrees to hold Employer harmless from any liability incurred by the deduction of union dues, assessments and initiation fees from the wages of employees for the Union.

Section 5. Employer shall allow Union representatives to visit Employer's premises for the purpose of discussing grievances and other union matters with the bargaining unit employees. Such discussions shall take place at such times and places as are mutually agreed upon by the Employer and Union, each time in advance. Further, such discussions shall not disturb consumers of Employer or interrupt the work of other employees.

Section 6. The Business Representative of the Union shall have access to review the Employer's time cards and other necessary payroll information on bargaining unit employees on location to assure compliance with the Labor Agreement when a good faith complaint or grievance exists.

ARTICLE III
MANAGEMENT RESPONSIBILITIES AND RIGHTS

Section 1. Union and Employer will make every reasonable effort to be consistent in the treatment of employees covered by this Agreement.

Section 2. The Employer retains exclusively the right to manage the business and the direction of the working force, including but not limited to, the right to hire, discharge, promote, demote, transfer or suspend, to discipline employees, to lay-off for lack of work, to determine the number of and location of the departments, methods and schedules of work and hours, to expand or contract its objects, purpose, and businesses, to assign duties, classifications and work, to

determine employment qualifications and job requirements and to alter or amend either, to determine the size of the work force, to grant or not to grant leaves of absence, to select all employees hired, to train the employees, to require schooling of employees, to establish employee rules and penalties for violating the same, to determine policies and organization and procedures, to make technological improvements, to subcontract or sublet work, to determine the means of serving its clients, to assign its clients to bargaining unit jobs and positions, and to utilize volunteers. All other managerial rights, powers, authorities and prerogatives, whether heretofore exercised or unexercised, or whether implied or expressed, vested in Employer not modified by this Agreement are also retained and reserved exclusively to Employer. Any rights of Employer not hereafter exercised are not thereby waived, except as specifically abridged by this Agreement.

Section 3. None of the functions of Employer shall be exercised so as to avoid any provisions of this contract or to discriminate against any employee.

ARTICLE IV SENIORITY - WORKING CONDITIONS

Section 1. Seniority is defined for the purpose of this contract as the length of continuous employment with the Employer beginning with the employee's most recent date of hire. Where two or more employees have the same hire date, seniority shall be by number drawn with a Union Business Representative present.

Section 2. If a temporary employee becomes a regular employee and satisfactorily completes his probation, the number of days spent working as a temporary employee shall be used in the computation of such employee's seniority on a calendar day basis.

Section 3. For the purpose of this agreement there will be two (2) seniority lists maintained, one (1) for regular full-time employees and one (1) for regular part-time employees.

All bargaining unit jobs shall be considered as being in one (1) job classification for reduction of hours or lay-off and recall purposes.

As so provided, the reduction of hours or lay-off and recall shall also be by seniority in these geographical areas:

1. Waterloo
2. Oelwein

Section 4. The Employer shall endeavor to do as it has in the past: that is to reduce the number of hours to avoid lay-off with no loss of any benefits to the extent to which they would yet be eligible with the reduced hours. If a lay-off should occur due to lack of work, it shall be in accordance to the straight seniority rule, that is to say: the persons covered by this agreement shall be laid off in the order in which they were hired -- the most recently hired being laid off first, subject to the ability of the laid off employee being able to revert to full or part time to the extent his seniority previously acquired on that list would allow.

Section 5. Laid-off employees when called to work will be notified by certified letter, with return receipt requested, sent to their last known address, said letter to carry a five (5) day return, unless the employee has received other actual written or oral notice.

Each employee shall have three (3) days from receipt of said notice to report for work.

Recall rights will terminate when continuous period of lay-off exceeds eighteen (18) months.

Section 6. In the event of a lay-off or cut back in any classification which would result in employees being displaced who have a special skill which would require abnormal break-in, the Employer may keep the qualified employee out of line of seniority provided Employer has no one else qualified and available to do that job. Union shall be notified of any such action. No employee held out of line of seniority shall continue in that status after another more senior employee has become qualified and available to do that job.

Section 7. Employer will not subcontract out any work for the sole purpose of discriminating against any bargaining unit employee.

Section 8. Employer has furnished Union with a current seniority list including all names and addresses of employees in the bargaining unit. Union shall further be entitled to a new list of regular full-time and regular part-time employees within the bargaining unit by name, address, job classification and rate of pay as it shall request from time to time (but not more often than once each calendar quarter). It is the responsibility of each employee to keep Employer and Union notified of his current address and telephone number.

Employer shall notify Union of new bargaining unit employees within ten (10) days of said employee's date of hire by giving the name, address, job classification and rate of pay of such employee.

Employer shall notify Union by telephone of the Employer's termination of any bargaining unit employee immediately as reasonably possible. Except in cases of gross violations such as drunkenness, drinking on the job, theft, and drug usage, such notification shall be in advance of the termination when reasonably possible.

Section 9. When an employee leaves the employ of Employer or remains away without permission of Employer or fails to report for work within three (3) days from the date of notification of recall, or fails to notify Employer within one (1) day of notification of recall that

he will return to work, or fails to report for work at the regularly scheduled time without notifying Employer of the reason and receiving Employer's prior permission, or fails to return for work from a leave of absence, his employment may be terminated.

Section 10. Regular full-time employees shall be those employees who are regularly scheduled to work thirty-two (32) hours or more per week. Regular part-time employees are those employees who are regularly scheduled to work less than thirty-two (32) hours per week. Temporary employees are those who are not regularly scheduled to work either full or part-time but are on a fill in basis.

Section 11. Regular part-time employees shall accumulate seniority and shall be entitled to any vacation, insurance benefits and payments of any other fringe benefits as otherwise specifically provided in this contract.

Section 12. The following are the categories of employment, and except as otherwise provided herein seniority within each category shall prevail: Semi-Truck Drivers and Straight Truck Drivers; and Service Workers. Job openings shall be posted separately. Transferring will be done by seniority within classifications provided Employer has determined the employee is qualified or can be trained within a reasonable time.

Section 13. Except as otherwise provided herein, the Employer will not discipline without just cause.

Section 14. New employees shall be on a probationary trial period and may be discharged during the probationary trial period by the Employer without the necessity for establishing cause or any other excuse. The Probationary Trial Period shall be 90 days.

If the Employer has a question concerning the qualifications of a new employee, it may request from the Union an extension of the probationary period, which the Union may grant. Discipline during the probationary period or any extension thereof may be the subject for the grievance or arbitration procedures provided for in this Agreement. After the employee has successfully completed his probationary period, all other terms and provisions of this Agreement shall apply.

Section 15. A safety committee consisting of members from each store location shall exist for the purpose of making recommendations to the Employer on safety rules, regulations, procedures and devices. Three of the members of said committee shall be appointed from the bargaining unit employees by the Union. Employer shall appoint the remaining members. Employer shall cause said committee to meet monthly if necessary but in any event at least once each calendar quarter during working hours without loss of pay for its members. However, no overtime, travel time, or expenses will be paid for these meetings. Minutes of committee meetings shall be kept and be made available to all members of the safety committee with a copy to the Union.

Section 16. The Employer shall allow an authorized employee representative to accompany an

OSHA compliance officer during his inspection tour in accordance with legal requirements thereon.

Section 17. Each employee must observe safety rules, regulations and procedures and comply with all applicable OSHA standards of which he can reasonably be expected to have knowledge or information. If an unsafe condition or situation is observed by any employee, he shall immediately report same to his supervisor and/or the safety committee.

ARTICLE V JOB POSTING FOR VACANCIES

Section 1. When a new job or vacancy is created or permanent job or vacancy exists which requires a bargaining unit employee, the vacant job shall be posted on a bulletin board for a period of not less than three (3) working days. Said notice shall set forth the job category, rate of pay and schedule of work hours. Notice will be posted in each establishment that an opening has been posted and the date and time it was posted and the date and time it is to come down. A job bid by an employee shall be made in writing within that period of time. However, when a job has been posted within three (3) months prior to the vacancy, it shall not be necessary under this contract to post that job again.

Bidding to the vacant job shall be on the basis of seniority, provided the employee in question is qualified to perform the work required and/or can be trained within a reasonable time.

Section 2. Employer may temporarily fill a vacancy by asking the oldest and forcing the youngest qualified employee until a permanent employment appointment is made which shall be done as soon as reasonably possible.

Section 3. An employee shall be a trial period employee in his new job for a period of sixty (60) days. During this trial period, the Employer shall have the right to determine the qualifications of the employee in the new job. Any employee may also disqualify himself during the trial period. In the event the successful bidder is found not to be qualified or he voluntarily disqualifies himself or he is bumped by a returning employee as hereafter provided, he or she will be returned to his or her previous position without loss of seniority.

Section 4. Employees returning from any absence of up to fifty-four (54) calendar days due to layoff, sick leave, leaves of absence and vacation shall have the opportunity within the first five (5) calendar days of their return to bid on any job posted during their absence to which their seniority entitled them.

Section 5. No employee will be eligible to bid successfully more than three (3) times each twelve month period.

Section 6. When the filling of a vacancy through the bidding procedure causes another vacancy which requires a bargaining unit employee, the resulting vacancy shall be filled through the bidding procedure.

Section 7. When part-time employees bid to full-time jobs he will go to the bottom of the full-time seniority list. When full-time employees bid to part-time jobs, he will go to the bottom of the part-time seniority list.

ARTICLE VI HOURS OF WORK

Section 1. Requests for special days off must be submitted to the employee's immediate non-bargaining unit supervisor in writing at least two (2) weeks prior to the commencement of the work period involved in said request except in emergencies, and an effort will be made to accommodate the employee.

Section 2. Eight (8) hours work shall constitute a standard work day. Forty (40) hours work shall constitute a standard work week. Employees scheduled less than forty (40) hours shall have their scheduled hours considered as their normal work week for purposes as set forth in Article IV, Section 10 and Section 11.

Section 3. Overtime pay shall be paid at the rate of one and one-half (1 1/2) times the regular rate of pay and shall be paid for all hours worked in excess of forty (40) hours in any one week. When employees are required to work in excess of 8 hours on any day, the employee's schedule for the balance of his work week shall not be altered solely to decrease work hours unless done with the consent or agreement of the employee.

Section 4. When reasonably possible, employees will be notified forty-eight (48) hours prior to scheduled Saturday and Sunday work and work scheduled over eight (8) hours per day.

Section 5. Unless it is an extension, either prior to or after, their regularly scheduled shift, employees who are called in to work on regular work assignments outside their regularly scheduled work shifts, shall receive a minimum of three (3) hours pay, or pay for hours actually worked, whichever is greater, at their regular rate of pay. Unworked paid time shall not be used in computing overtime.

Section 6. A regular work week period begins with Monday and ends with the following Sunday.

ARTICLE VII PAY PERIODS AND RATES

Section 1. Pay Period. Employees shall be paid twice monthly.

Section 2. Pay Day. Pay day shall be the 10th and 25th day of each month or the nearest scheduled work day if either of those dates falls on a week-end or holiday. The cut-off date for each pay day shall be the last day of the previous month and the 15th day of the month respectively. Each employee shall be paid in full each pay period and shall receive therewith a statement showing the number of hours worked, the rate of pay, and the amounts and purposes of deductions.

Section 3. The hourly pay scale for regular full-time and regular part-time employees, effective from the dates shown through the termination of this contract, shall be as follows:

	<u>Jan 1, 2009</u>	<u>Jan 1, 2010</u>	<u>Jan 1, 2011</u>
Forepersons	N/A	N/A	N/A
Semi-Truck Drivers and Straight Truck Drivers	<u>12.64</u>	<u>12.99</u>	<u>13.34</u>
Service Workers	8.37	8.61	8.86

Longevity Pay. Employees shall receive one (1) day of paid vacation if they remain employed on the anniversary date of service employment. Employee must take the vacation within thirty (30) days of the Employee's anniversary date, or it is lost. Employees with five (5) or more years of service will be paid an additional \$0.20 compensation as follows:

- Five (5) years – an additional \$0.20 over the contract rate.
- Ten (10) years – an additional \$0.30 over the contract rate.
- Fifteen (15) years – an additional \$0.40 over the contract rate.
- Twenty (20) years - an additional \$0.50 over the contract rate.

Note: Probationary rate is three (3) percent less than rates shown. At the present time, there are no persons employed as Forepersons. If Employer intends to have Forepersons, employer must negotiate the wage to be paid to the Forepersons for the balance of the term of this contract with the Union.

Section 4. Employees required by their non-bargaining unit supervisor to fill a higher paid bargaining unit job on a temporary basis will receive the higher rate of pay for all time worked on that job.

Section 5. The Employer shall maintain time clocks for all bargaining unit employees except attended collection center employees. No such employees shall punch another employee's time recording instrument.

ARTICLE VIII REST AND LUNCH PERIODS

Section 1. There will be one (1) fifteen (15) minute rest break for personal needs with pay in each half day of over three (3) consecutive hours. Two (2) such rest breaks will be allowed in any day of eight (8) hours.

Section 2. There shall be a thirty (30) minute uninterrupted lunch break during the scheduled work day of over six hours to be taken on the employee's own time (not paid). Said lunch period must be completed at least one hour prior to the end of his work day.

Section 3. The Employer retains the right to schedule the rest and lunch periods so as not to leave any working stations understaffed and so as to meet the needs of consumers. Unless done for the employee's convenience, no regular full-time employee shall be required to work for over five (5) consecutive hours in a work day of over six hours without a meal period unless paid overtime pay for the time over five (5) hours until a meal period is granted.

Section 4. Lunch breaks will be considered employees' own time to spend wherever they so choose. Purchasing at the Goodwill stores may be done at this time. Employees shall be punched out on the time clock for lunch breaks.

ARTICLE IX SICK PAY

Section 1. Sick pay means pay allowed an employee absent from work because of personal illness and off the job injuries, at the employee's regular rate and number of hours of work to a maximum of eight (8) hours per day. The number of hours of sick pay allowed each day shall be equal to the average number of hours worked each scheduled work day (up to eight (8) maximum) for the Employer by the employee during the twelve (12) months prior to the week for which said sick leave is paid.

Section 2. Eight (8) hours of sick pay shall be allowed for each full month of continuous full-time employment of all regular full-time employees. Regular part-time employees who regularly work at least thirty (30) hours per week shall be allowed four (4) hours of sick pay for each full month of continuous regular part-time employment. Sick pay in lieu of regularly scheduled work can be used in case of illness at any time after three (3) months of continuous employment. Sick pay shall apply to present employees retroactively to the day of first hire as determined for seniority purposes, and may be accumulated up to a maximum of 120 hours. Said pay can be taken for less than a full scheduled work day.

An employee that has accumulated the maximum number of hours of sick pay (120 hours) as of January 1 of any calendar year covered by this contract and who also completes said calendar year without using any of their accumulated sick pay shall have the right to elect to receive 24 hours of sick pay, or elect to accumulate an additional 24 hours of sick pay (up to a maximum of 240 hours). If the employee elects to receive 24 hours of sick pay, the employee shall receive their check for said sick pay no later than the second pay period in the following calendar year.

Section 3. Sick pay is granted as a benefit to the employee only for actual illness or injury and must not be abused. The Employer may require the employee to furnish a physician's statement affirming the illness and inability to work and claim for sick pay and/or certifying the employee's ability to return to work.

Section 4. To be entitled to sick pay when employees are unable to come to work due to illness or injury, they must inform their designated management representatives or other designated management representative at least one (1) hour or as soon as possible before their scheduled work period on the day of the illness. Employer shall furnish employees with names and telephone numbers to be notified. No employee may leave his duty station due to illness except in cases of emergency without advising his immediate non-bargaining unit supervisor.

Section 5. Sick pay will be used in computing overtime pay.

Section 6. Earned vacation credit may be used for sick leave provided sick leave credits have been exhausted.

Section 7. An employee injured or disabled on the job shall be compensated in accordance with the Code of Iowa (Worker's Compensation). On valid claims, Employer shall pay employee regular earnings for the waiting period (up to three days) but shall be reimbursed to the extent employee is later compensated by Worker's Compensation Benefits therefor.

ARTICLE X VACATIONS

Section 1. Except as hereinafter limited, all regular full-time employees and regular part-time employees who work at least thirty (30) hours per week shall receive the following paid vacations which shall be at the regular straight-time pay rates:

1. Three (3) work days vacation after six (6) months of continuous employment.
2. Five (5) work days vacation after one (1) year of continuous employment.
3. Ten (10) work days vacation after two (2) years continuous employment.
4. Eleven (11) work days vacation after three (3) years continuous employment.
5. Twelve (12) work days vacation after four (4) years continuous employment.
6. Thirteen (13) work days vacation after five (5) years continuous employment.
7. Fourteen (14) work days vacation after six (6) years continuous employment.

8. Fifteen (15) work days vacation after seven (7) years continuous employment.
9. Sixteen (16) work days vacation after eight (8) years continuous employment.
10. Seventeen (17) work days vacation after nine (9) years continuous employment.
11. Eighteen (18) work days vacation after ten (10) years continuous employment.
12. Nineteen (19) work days vacation after eleven (11) years continuous employment.
13. Twenty (20) work days vacation after twelve (12) years continuous employment.
14. Twenty-one (21) work days vacation after thirteen (13) years continuous employment.
15. Twenty-two (22) work days vacation after fourteen (14) years continuous employment.
16. Twenty-three (23) work days vacation after fifteen (15) years continuous employment.
17. Twenty-four (24) work days vacation after sixteen (16) years continuous employment.
18. Twenty-five (25) work days vacation after seventeen (17) years continuous employment.

Section 2. Each employee's week (five (5) work days) of vacation shall be equal to the average number of hours worked (exclusive of overtime) each week (up to forty (40) hours maximum) for the Employer by such employee during the twelve (12) months prior to the last employment anniversary date of the employee. The employee shall be entitled to remain away from work for a full work week for each calendar week (five (5) work days) of vacation. Each employee's day of vacation shall be equal to the employee's week of vacation divided by five (5).

Section 3. The vacation pay shall be calculated upon the regular hourly rate of pay received by the employee in the last pay period of such employee before the date of his or her scheduled vacation.

Section 4. To be eligible for paid vacation, the employee must have met the following requirements:

- (a) From the date of hire through the first six (6) months of employment, he must have worked a minimum of eighteen (18) scheduled full work weeks.
- (b) For each annual period (to anniversary date of employment) on which vacation benefits are based, the employee must have worked a minimum of thirty-five (35) scheduled full work weeks.

Section 5. If a holiday for which an employee would otherwise be entitled to receive holiday pay, falls during the vacation of an employee, the employee shall be entitled to an additional regular day off without loss of pay.

Section 6. Employees who elect to resign and do give a two (2) weeks' written notice of termination of service, will be entitled to receive all vacation pay earned by them on the termination date.

Section 7. Employees shall not be entitled to receive vacation pay unless they work their full scheduled work assignment for the work period immediately prior to the commencement of their vacation and, also, work their scheduled work assignment immediately following the end of their vacation, unless unable to do so because of illness, injury, funeral leave or other cause agreed upon by the Employer when Employer was notified of the cause.

Section 8. Employees discharged for just cause shall forfeit all rights to earned and unpaid vacation pay.

Section 9. Earned vacation shall not accumulate or be postponed from year to year, but must be used before the employee becomes entitled to further vacation benefits. Any earned vacation will be used and pay will not be given in lieu of actual vacation.

Section 10. An employee may take his vacation at any time during the year subject to the approval of Employer. The Employer agrees to post on or before January 15 each year in each classification a notice that vacation preferences will be solicited. Said notices will set out the number of vacations which will be allowed in each classification at any one time. Said notice shall further contain the seniority list from which vacation rights will be determined. The Employer will contact each employee in order of seniority and shall complete the canvass by April 15th. Each employee will then select his vacation weeks from the weeks still available when his turn is reached. If an employee fails to make his selection when contacted, he will go to the bottom on the seniority list and will be entitled to select his vacation time only from those weeks which are still available after the entire classification has been given the opportunity to choose.

After all employees have been contacted, no changes will be made without Employer approval.

An employee who has selected his vacation preference and who is subsequently transferred or bids to another classification shall be entitled to take his or her vacation as previously selected, provided this will not unreasonably interfere with the work in that classification due to absences in that classification for whatever reason.

Section 11. Vacation time may be scheduled in one-half day increments.

Section 12. Employees may receive vacation pay prior to the vacation provided same has been requested in sufficient time in advance of the payday immediately preceding the vacation period.

ARTICLE XI FUNERAL LEAVE

Section 1. Employees shall be allowed time off without loss of pay at the regular straight time rate up to but not to exceed three (3) consecutive scheduled work days in the case of the death of the employee's spouse, parent, child, grandchild, brother, sister or grandparent.

Section 2. Employees shall be allowed time off without loss of pay at the regular straight time rate up to but not to exceed two (2) scheduled work days in the case of the death of the employee's mother-in-law, father-in-law, brother-in-law, or sister-in-law.

Section 3. Employees shall be allowed time off without loss of pay at the regular straight time rate up to but not to exceed one (1) work day as normally scheduled for the employee in the case of the death of the employee's uncles, aunts, nephews, nieces or cousins; in each case to be in the first degree (i.e., first cousins only).

Section 4. Requests for funeral leave must be made in writing by the employee making the request to his immediate non-bargaining unit supervisor prior to the funeral leave when possible, but in any event, as soon as possible. In any event, employee shall notify Employer in some reasonable manner as soon as possible prior to taking any leave.

Section 5. Payment for all funeral leave is predicated on the employee's attendance at the said funeral.

ARTICLE XII HOLIDAYS

Section 1. The following are the holidays recognized under this Agreement: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Friday after Thanksgiving, Christmas Eve Day and Christmas. When a holiday falls on a Saturday, it will be observed on the preceding Friday. When a holiday falls on a Sunday, it will be observed on the succeeding Monday. Employer may require some or all employees to work on a holiday but any such employee so required to work shall then be entitled to a floating holiday of his choice to be scheduled and taken within sixty (60) days thereafter with Employer's prior approval. In lieu of said floating holiday, the employee involved can elect to receive holiday pay without taking the floating holiday provided he has notified Employer of that election at least forty-eight (48) hours

before the holiday unless the employee was scheduled to work the holiday with less than forty-eight (48) hours notice. Any holiday pay shall not then be used in calculating overtime, vacation or holiday pay.

Section 2. Eligibility for holiday pay commences with the completion of thirty scheduled work days. Regular full-time employees shall receive holiday pay for said holidays according to each employee's regular work day up to eight (8) hours pay at his regular rate of pay. Regular part-time employees shall receive holiday pay which shall be prorated by determining what fraction of a full forty (40) hour work week the part-time employee has been compensated by employer during the month prior to the holiday payment. This fraction shall be the portion of a full eight (8) hour holiday pay paid to the part-time employee.

Section 3. Employees shall not be entitled to receive holiday pay unless they work their full scheduled work assignment for their work day immediately prior to the holiday and, also, work their full scheduled work assignment for their work day immediately following the holiday, unless unable to do so because of paid absence due to illness, injury, jury duty, funeral leave or other cause agreed upon by the Employer when Employer had been notified of and agreed to the cause in advance.

ARTICLE XIII UNIFORMS

Section 1. The Employer shall provide at its expense any required summer and winter uniforms (not to exceed two (2) for each such season in any year) for employees.

Section 2. For employees who have not completed their probation or trial period, and for whom uniforms are required, the following policy applies: The Employer will pay for 1/2 of the cost of the uniforms (subject to same limitation as under Section 1), and the other 1/2 shall be paid by the employee. If desired by the employee, the employee's cost will be a payroll deduction over a period of time of up to three pay periods in a moderate rate. In the event the employee does not complete the probation period the total cost of uniforms not previously paid by the employee (including part paid by Employer) shall be paid by employee and may be deducted from employee's final paychecks.

Section 3. The employees will only order and wear uniforms and accessories (such as hairnets, safety glasses, shoes, hats, boots, face masks, face shields, gloves and name tags) that are authorized by the Employer.

Section 4. The uniforms become the property of the employee and the employee shall maintain the uniforms in a neat and presentable appearance and is responsible for washing, and maintenance of the uniforms, including replacement of ruined or damaged uniforms. Uniforms ruined on the job without fault of the employee will be replaced by Employer at no cost to employee upon presentation of old uniform and proof of on the job damage without fault of that employee.

Section 5. Where required, the original safety glasses and the original name tags, and where required the face masks, face shields, the hairnets, hard hats, and gloves will be paid for by the Employer. All other accessories shall be paid for by the employees.

Section 6. Safety glasses shall be worn in all areas designated by safety rules adopted through the Safety Committee and/or required by OSHA.

Section 7. Upon on the job breakage of safety glasses without employee fault, Employer will replace same at no cost to the employee.

ARTICLE XIV PERSONAL BUSINESS LEAVE

Section 1. Personal business leave for up to three (3) paid work days per year may be granted to an employee, if it is determined that no alternative method or time is available to deal with said emergency.

Section 2. Personal business leave is an essential activity requiring personal attention which must be dealt with during regularly scheduled work hours.

Section 3. Personal business leave will not be used in computing overtime pay.

Section 4. A request for personal business leave must be made in writing by the employee making the request to his immediate non-bargaining unit supervisor three (3) business days prior to the request date, when possible. In instances of extreme emergency, the request form must be completed at the employee's earliest convenience.

ARTICLE XV GROUP LIFE INSURANCE

Section 1. Employer shall continue to provide life insurance coverage for all regular full-time and regular part-time employees who work at least thirty (30) hours per week. The Employer will pay the full cost of this protection. Limits of benefits shall be \$5,000.00.

Section 2. Upon termination of employment, lay-off or leave of absence, an employee may convert his/her group insurance to an individual life insurance plan. The employee must initiate this conversion process within thirty-one (31) days of such event or as provided in the insurance contract.

ARTICLE XVI HEALTH INSURANCE

Section 1. Employer retains the exclusive right to select the health insurance carrier and coverage. Employer shall contribute a portion of the premium for single person coverage for each eligible employee in accordance with the following schedule:

Year 1	73% of the premium for single person coverage
Year 2	66% of the premium for single person coverage
Year 3	60% of the premium for single person coverage

Each eligible employee shall pay the remaining premium through payroll deduction. The health insurance coverage selected by Employer shall include a prescription drug card with a co-payment obligation which is identical to the co-payment obligation of non-bargaining unit employees for the eligible employee.

Section 2. Employer shall provide coverage commencing the first day of the month after the date of hire, for a single health insurance plan for regular full-time employees, scheduled to work thirty-two (32) hours per week or more.

Section 3. Regular part-time employees who are scheduled to work at least thirty (30) hours per week, may be enrolled in the Group Health Insurance Program. The cost for a single health insurance plan is shared by Employer (50% cost) and the employee (50% cost) through payroll deduction.

Section 4. Family Plan Group Health Insurance is also available to eligible employees. Cost of this extended program is paid by the employee through payroll deduction.

Section 5. Employees on leave of absence or layoff will be allowed to continue their group health insurance coverage as provided by law (individual or family) at their own expense until return to work, termination of employment, or commencement of work for any other employer or otherwise terminated as provided by law.

Section 6. Eligible employees will be enrolled in the Group Health Insurance Program through completion of the participation enrollment card.

Section 7. Whenever necessary to file a claim, it is the responsibility of the employee to have health care providers complete the required claim form. This form will then be forwarded to the Group Insurance Claims Department.

ARTICLE XVII RETIREMENT PROGRAM

Section 1. Goodwill will maintain a 401K Retirement Program through a designated Retirement Plan provider for bargaining unit employees. Employer's annual contribution will be determined annually by the Goodwill Board of Directors with the Employer's first year contribution not to be less than 3% of the employee's wages.

Section 2. Employees (over 1000 hours work/year) who are 21 years of age will be eligible for the plan after one year of service.

Section 3. Vesting in the plan will be on the following schedule:

0-2 years of service	0% vested
3 years of service	20% vested
4 years of service	40% vested
5 years of service	60% vested
6 years of service	80% vested
7 years of service	100% vested

ARTICLE XVIII
CAFETERIA PLAN

Goodwill will maintain a cafeteria benefits program for bargaining unit employees so that employees can use pre-tax dollars to pay their share of medical insurance premiums, medical expenses, child care, etc.

ARTICLE XIX
GRIEVANCE AND ARBITRATION PROCEDURE

Section 1. The word "grievance" wherever used in this agreement shall mean any dispute between the Employer and the Union and any employee with regard to the interpretation or application of any of the terms or provisions of this agreement. The Union or any individual grievant or grievants shall have the right at any time to present grievances to the Employer. The term "grievant" means the employee directly involved and aggrieved in the alleged grievance situation.

Any grievance which the Employer may have against the Union shall be reduced to writing and submitted to a Union Steward who will promptly arrange a meeting at Step A of the Grievance Procedure. If the matter is not satisfactorily settled at this meeting, or within four (4) working days thereafter, the grievance may be processed through Steps B and C of the Grievance Procedure by submitting same in writing to the Union as provided for other grievances in Step B.

Section 2. Any grievance that may arise shall be processed and settled in the following manner:

(A) Any grievance must be presented within fifteen (15) days of knowledge of the alleged grievance. Settlement of the grievance will be first attempted by verbal conference of employee or employees, and their immediate supervisor outside the bargaining unit. Any agreement reached by the parties shall be final and binding upon both parties to this Agreement and the employee or employees involved. The Union steward shall have the right to be present. Further, the Union steward shall have the right to participate in these meetings unless the employee involved requests otherwise.

(B) Any grievance not settled verbally above within four (4) working days of its submission in Procedure A shall be submitted in writing to the Employer within five (5) working days of its submission under the procedures in (A) above and be settled by direct negotiations between the President of the Employer or his designated representative(s), the Steward and

Business Representative(s) of the Union, and the employee(s) involved. The Employer must respond in writing as soon as reasonably possible but no later than fifteen (15) days of the written submission of the grievance.

(C) If such grievance is not satisfactorily settled by discussion between the President of the Employer, or his designated representative(s), the Steward and/or Business Representative(s) of the Union and the employee involved, either party to the contract may notify the other party hereto within ten (10) days, after termination of such discussion of their desire to arbitrate the grievance.

Section 3. In the event that any grievance cannot be adjusted by direct negotiations as provided in Section 2 above and notice has been given of a desire to arbitrate such grievance, the grievance may be submitted to an arbitrator whose decision shall be final and binding upon both parties to this agreement and any employee or employees involved in the dispute. Such an appeal to arbitration shall be in writing and served on the other party. A representative of the Employer and a representative of the Union shall attempt to select such an arbitrator within seven (7) days of notice of appeal to arbitration. If they cannot agree upon the arbitrator, then either the Employer or the Union may request the Federal Mediation Service to submit a list of five (5) names from which the arbitrator shall be selected by elimination, first strike to be determined by chance. The meeting to select the arbitrator shall take place within seven (7) days of receipt of such panel of arbitrators.

In order to expedite the arbitration process the Employer and Union would agree to the following:

- (A) Agree on pre-hearing meeting to stipulate facts.
- (B) Ask for award within five (5) business days from date of the hearing when reasonably possible.
- (C) Both parties will have the right to settle or withdraw any grievance at any time.
- (D) Copy of the contract and copies of the grievance steps concerning the grievance would be submitted to the arbitrator in advance of the hearing.

Section 4. The arbitrator shall have authority only to interpret and apply the terms and provisions of this agreement in deciding the particular grievance submitted to him. He shall have no authority or power to add to, delete from or in any way modify, alter or amend any of the terms or provisions of this agreement. Further, any back pay award, if any, shall be reduced by the amount of any unemployment compensation or other compensation received by the employee which he would not have received but for the discharge or suspension unless some reason for not doing so is specifically decided by the arbitrator.

Section 5. Each party shall pay one-half (1/2) of the fees and expenses of the arbitrator and each party shall bear its own expense in connection with the arbitration.

Section 6. The Union Business Representative may participate in any step of the grievance

procedure.

Section 7. Failure to timely give any notice at any stage of the grievance procedure shall constitute a waiver of the pending alleged violation and grievance.

Section 8. Subject to limitations herein set forth, stewards shall be allowed a reasonable amount of time to investigate and adjust grievances.

Section 9. When a valid grievance has been filed based upon a complaint by a program consumer of Employer, and Employer determines it to be in the best interests of the consumer not to participate in the normal grievance procedures, an independent local advocacy group shall immediately conduct private interviews with the consumer after being advised by both sides of the dispute. That consumer interview shall be either electronically recorded or reported by the certified shorthand reporter as determined by the advocate and that record and the testimony of the advocate shall be available for use in the grievance procedure rather than the consumer's participation. The record of the interview shall be made available to both sides of the dispute immediately after its completion. The expenses of this procedure shall be divided equally between the Employer and the Union.

That for purposes of the preceding paragraph, the following advocacy group shall constitute the list of same except as the parties hereto might later agree to add to, delete from or alter said list: ARC of Black Hawk County.

Section 10. Employees reserve the right to elect a reasonable number of stewards. No steward shall be discriminated against by Employer because of his performance of his duties as steward.

Section 11. The Union shall furnish the Employer with the names of Union stewards and shall notify as soon as possible the Employer of any replacement of the original Union stewards.

Section 12. Any employee must have permission of Employer to discuss matters concerning grievances while on the job. This includes stewards and any other officials of Union.

Section 13. Subject to the limitations provided in this Agreement, Employer shall pay each one (1) steward and the grieving party (except in cases of termination) at his base rate while spending a reasonable amount of time investigating and adjusting grievances not to exceed one and one-half (1 1/2) hours per grievance or related grievances total for Steps A and B.

Section 14. Nuisance grievance is defined to be any grievance which is processed past the meeting (so that a written response is required) in the second step (Step B) of the grievance procedure which is false or a duplication of a grievance previously submitted under this procedure. All expenses for nuisance grievances would be paid by the party initiating that grievance. All expenses include, but would not be limited to, fees and expenses of the arbitrator, any expenses of the other party in preparation for and during the grievance including all time spent by employees or persons involved in preparing for and processing (including attorney fees) that grievance and any other related processes such as N.L.R.B. procedures.

ARTICLE XX
LEAVES OF ABSENCE

Section 1. Absences of up to one hundred twenty (120) calendar days in excess of accumulated sick leave due to illness, injury or disability, will be considered excused absences. For longer absences due to illness, injury or disability, Employer may grant a leave of absence. The Employer may require the employee to furnish a medical doctor's statement of verification of medical necessity of the absence. The employee shall furnish a medical doctor's report certifying that the employee is capable of returning to work.

After an employee has been on sick leave (time off for illness or injury) for a period in excess of six (6) months, his job may be permanently filled by the Employer. Upon the return of such an employee, the Employer will place him in a comparable job for which he is qualified provided there is an opening.

If no opening exists, the Employer shall offer the employee the best available job for which he is qualified -- if necessary, reclassifying the worker to a lower grade.

Refusal on the part of the employee to accept a job offered shall be considered a quit.

Section 2. Any employee on jury duty will be paid the difference between his base pay for his normal scheduled work day (up to an eight (8) hour day) and the amount of pay (without regard to mileage allowance) that he received for jury duty. No payment will be made for days that the employee is not required to report. In the event that the employee is released from jury duty early (during employee's regularly scheduled working hours), he shall report to work for the remainder of his scheduled work period but if employee has three (3) hours or less remaining in his work day, he shall not be required to report to work. Employee shall furnish proof of time of release.

Section 3. No educational leave granted shall extend beyond a one year time period. Any employee on educational leave shall furnish satisfactory evidence of enrollment and attendance, and upon completion or curtailment of the educational leave must return to his job with the Employer within seven (7) days of termination of his instruction.

Section 4. An employee may be granted a leave of absence for any good cause upon written permission from the Employer. Such leaves of absence may be for Union business, public office, or any other good cause. All requests for leave of absence or extension thereof shall be in writing and shall state the purpose and the necessity for the requested leave.

Section 5. A request for leave of absence for purposes of taking other gainful employment (including self-employment) shall not be considered good cause for leave of absence. No employee shall engage in any other full-time gainful employment while on leave of absence.

Section 6. Except as provided in Section 2 hereof, no pay or benefits shall be paid to any bargaining unit employee for any leave of absence. Except as otherwise provided in this contract, employees on leave of absence shall maintain their relative position, job and plant rights.

Section 7. Family/Medical Leave will be granted as required by law.

Section 8. No leave of absence under this Article shall be unreasonably denied.

ARTICLE XXI UNION COOPERATION

Section 1. The Union agrees to cooperate with the Employer in operation of its business maintaining the highest possible standard in the following: safe working conditions and practices, cleanliness and good housekeeping, services for the clients of Employer and courteous and fair treatment of clients, customers, contributors to Employer, other persons with business relationship with Employer and the general public.

Section 2. The Union agrees to cooperate with Employer in correcting inefficiencies.

Section 3. The Union agrees to cooperate with the Employer in maintaining a good working relationship with and among employees.

Section 4. The Union recognizes the necessity for the Employer to have, adopt, and, from time to time, modify reasonable work rules. Except in cases of emergency, changes in work rules shall be effective only upon furnishing copy thereof to the Union at least three (3) weeks prior to their effective date and posting such changes for two (2) weeks.

ARTICLE XXII STRIKES AND LOCKOUTS

Section 1. The parties agree that during the term of this Agreement, the Union will not authorize, assist, or support and the employees agree that they will not individually or concertedly engage in, assist or support any strike against the Employer, sit downs, sympathy strikes, slowdown, stoppage of work or any other form of interference with production. Participation in any such activity brought about by either action by the Union or by action of individuals or groups without Union authority shall be cause for dismissal or discipline by the Employer.

It is further agreed that in all cases of such strikes, sit downs, sympathy strikes, slowdowns, stoppages of work or any other forms of interference with production which were not authorized, assisted, or supported by Union, the Union shall not be liable to any damages resulting to the Employer from such unauthorized acts of its members.

Section 2. It shall not be a violation of this Agreement for persons covered hereunder to refuse to cross a picket line of a Union on strike against persons who are not parties to this Agreement

at locations other than those owned and/or operated by Employer. Employees will not be required to cross a picket line of another Union at Employer's location if to do so would obviously endanger the physical safety of the employees.

Section 3. Employer agrees that there will be no lockouts during the term of this Agreement.

ARTICLE XXIII
MISCELLANEOUS

Section 1. This Agreement shall be subject to amendment at any time provided that both parties consent to the negotiations for an amendment and to the amendment itself. Any such amendment, to be effective, must be reduced to writing and signed by both parties hereto.

Section 2. Words and phrases herein shall be construed as in the single or plural number, and as masculine, feminine or neuter gender, according to the context.

Section 3. Employer retains the right to require employees to attend meetings or classes pertaining to their jobs, but Employees required to attend meetings or classes shall be paid for time spent at these meetings or classes at the applicable rate of pay. However, employees who request that they be allowed to attend meetings or classes outside their scheduled work period shall do so without pay and only if approved by their immediate non-bargaining unit supervisor. This right shall not be discriminatorily withheld.

Section 4. Unless otherwise agreed to, notices required to be served to the Employer or to the Union shall be sent by certified mail with return receipt requested under Article XVII, Section 2(C) and Article XXII.

Section 5. The provisions of this Agreement are deemed to be separable to the extent that if and when a Court of last resort adjudges that any provisions of this Agreement in its application between the Union and the Employer are voided by any law, such decision shall not affect the validity of the remaining provisions of this Agreement, but such remaining provisions shall continue in force and effect.

In the event any provision or provisions are so declared to be void, both parties shall meet within thirty (30) days for the purpose of renegotiations of an agreement on the provision or provisions so invalidated unless it is agreed to the contrary.

The economic cost to Employer of any renegotiated provision of the invalidated provision shall not be increased unless the invalidated provision is part of the economic provisions of the Agreement, then economics shall be negotiated and it is understood the cost to Employer could increase to the extent required by law.

Section 6. Clients of Employer may be assigned to do bargaining unit work as part of their program or training without any limitation.

Section 7. Volunteers may be assigned to do bargaining unit work as they have in the past;

bargaining unit employees shall not be displaced by volunteers.

Section 8. Non-bargaining unit employees may be assigned to do bargaining unit work as they have in the past. In addition, non-bargaining unit employees can work within the coverage of the contract to familiarize themselves with production techniques and equipment, in cases of emergency, to instruct and/or train employees, to make necessary adjustments to machines or processes or under other abnormal circumstances provided they will not be used to replace regular full-time or regular part-time employees.

Section 9. The Employer and Union agree that they will not individually or jointly illegally discriminate against any employee or applicant.

Section 10. The Employer agrees to allow the Union to use specified bulletin boards to be located at such locations as Employer shall designate adjacent to Employer's bulletin board which the Union specifically agrees to use only for notices of special events of interest to Union members such as Union meetings, Union business, Union elections and results thereof, and Union social events. Provided, however, such notices are subject to management approval before posting. No material of an advertising, or derogatory nature will be permitted to be posted. Union shall maintain said bulletin boards in an orderly and presentable fashion and appearance.

Section 11. Each party hereto shall within two (2) weeks from the date of signing of the agreement give the other party a written list of the authorized representatives who will generally deal for said party hereunder. Said listing shall not, however, in any way limit the representatives who may act for either party.

Section 12. All verbal and written disciplinary warnings shall remain in effect for a period of twelve (12) months from the date of giving the same.

Section 13. The Employer will furnish the employee with a record of hours worked, total earnings, rate of pay, and all deductions with every pay check in addition to an annual statement of earnings.

Section 14. That for purposes of said contract, the terms "job category" and "job classification" can and shall be used interchangeably and have identical meanings.

Section 15. Employer has the right to determine and pay bonuses at any time.

ARTICLE XXIV DURATION

Except as otherwise specifically provided herein, this Agreement shall be effective from January 1, 2009, and shall continue in effect through December 31, 2011, and from year to year thereafter unless either party serves a written notice, upon the other party at least ninety (90) days prior to any such termination date of its desire to terminate, modify or amend the provisions hereof. The parties agree that negotiations on the above request for a change will begin not later

than fifteen (15) days after the giving of such notice.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and executed this _____ day of August, 2009

GOODWILL INDUSTRIES OF
NORTHEAST IOWA, INC.

DISTRICT LOCAL UNION NO. 431
UNITED FOOD AND COMMERCIAL
WORKERS, CLC

By _____
David E. Boyd, President/CEO

By _____
Scott Noyd

EMPLOYER

UNION