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Via Email (bjackson@mcneeslaw.com)

Brian Jackson, Esq. McNess, Wallace & Nurick LLC 100 Pine Street Harrisburg, PA 17101

> UFCW Local 152 -and- Clemens Food Group/Kunzler & Company, Inc. RE:

Dear Mr. Jackson:

As you know, this firm represents UFCW Local 152 ("Local 152" or "Union"). The parties are currently negotiating a successor Collective Bargaining Agreement ("CBA"). Wednesday's negotiations session, Clemens Food Group ("Clemens" or "Company") communicated to the Union for the first time its intention to discontinue production of certain products at the Kunzler & Company, Inc. ("Kunzler") Lancaster, Pennsylvania facility, and the potential sale of the former Kunzler Lancaster, Pennsylvania facility that the Company recently acquired.

Local 152 expressed its deep concerns about these decisions and the failure of the Company to fully communicate this information previously. Specifically, prior to yesterday's announcement the Company represented its intention to maintain and invest in operations at the Kunzler facility and to continue the employment of bargaining unit employees. It is now apparent that the Company fully misrepresented its intentions and likely planned from the outset to retaliate against Local 152 members by transferring bargaining unit work.

As such, please accept this as a formal request for information regarding the Company's acquisition of Kunzler and the unilateral decision to cease production of certain operations in the Kunzler Lancaster, Pennsylvania facility, as well as the potential sale of former Kunzler Lancaster, Pennsylvania facility.

I. Information Requests Regarding the Acquisition of Kunzler's Assets

- 1. A copy of any purchase and sale documents including, but not limited to, Letters of Intent, Sales Agreements, Asset Purchase Agreements or Acquisition Agreements between the Company and Kunzler;
- **2.** A copy of the bylaws and articles of incorporation for the Company and/or any entity involved in the acquisition of Kunzler;
- 3. Any government filings related to the transfer of Kunzler to the Company or the sale of Kunzler's assets or other restructuring;
- 4. All audited and unaudited Financial Statements of both the Company and Kunzler for years 2023 to the present, including but not limited to, balance sheets, income statements, statements of equity, and statements of cash flows;
- 5. Current "Business Plan," however characterized or denominated, including any and all drafts related to the acquisition of Kunzler;
- **6.** Current "Strategic Plan," however characterized or denominated, including any and all drafts related to the acquisition of Kunzler;
- 7. Copies of any reports from consultants, investment advisors, certified public accountants or others concerning the value of the Kunzler or any restructuring of Kunzler's assets;
- **8.** Copies of all correspondence which concerns the Company's acquisition of Kunzler;
- **9.** Any communications between the Company and Kunzler relating to the existing Collective Bargaining Agreement with Local 152;
- 10. Any communications between the Company and Kunzler evidencing assumption of the CBA and hiring of the current employees;
- 11. Any communications to employees regarding the sale or asset purchase or restructuring; and,
- 12. Any other documents which refer or relate to the sale of Kunzler's business assets or plans to convey such assets to the Company.

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II. Information Requests Regarding Cessation or Transfer of Production of Pork Products and/or "Branded Hotdogs"

- 1. A list of all bargaining unit members and their dates of hire;
- 2. A list of all bargaining unit members who have been laid off or are expected to be laid off;
- 3. Specify the Company's plan regarding any actual, planned, or potential layoffs of bargaining unit members, including but not limited to actual or estimated dates of planned or potential layoffs and the number of members expected to be laid off on such dates;
- 4. Specify the reason for the Company's decision to move production of branded hot dogs and pork products to other facilities;
- **5.** Specify the location where production of branded hotdogs, pork products, and any other products;
- 6. Specify the date the decision was made;
- 7. Specify the Company's plan for operations in the future;
- 8. Identify any and all entities, including name, address, and other contact information who the Company has or plans to have take over pork, branded hotdog, or other production previously performed at Kunzler facilities;
- **9.** Provide copies of the contract(s) or any other agreements between the Company and any entity identified in Request No. 8;
- 10. Identify any and all entities, including name, address, and other contact information who the Company has contracted with or has existing contracts with concerning production at the former Kunzler facility, including but not limited to Sheetz, Aldi, and Perdue;
- 11. Provide copies of the contract(s) or any other agreements between the Company and any entity identified in Request No. 10;
- 12. Provide any and all internal communications within the Company relating to the decision to continue production for certain product lines and to cease or transfer the production of other lines;
- 13. Provide copies of all notices to Local 152 regarding the decisions;
- 14. Provide copies of all notices to employees regarding the decisions;

- 15. Provide copies of all communications to governmental agencies regarding the decisions;
- 16. Provide the number of employees that will be affected by the decisions;
- 17. Provide copies of all Company severance plans or policies not previously produced; and
- 18. Provide copies of any other documents referring or relating to the Company decisions.

III. Information Requests Regarding the Sale of Kunzler's Pennsylvania Locations

- 1. A copy of any purchase and sale documents including, but not limited to, Letters of Intent, Sales Agreements, Asset Purchase Agreements or Acquisition Agreements regarding the between the Company and any entity regarding the Lancaster, Pennsylvania plant and/or the Tyrone, Pennsylvania plants ("PA Plants");
- 2. The date or expected date of the purchase and sale, transfer of assets, or other conveyance of ownership of either PA Plants to any entity;
- 3. Any communications between the Company and any other entity, including, but not limited to, potential buyers relating to the existing Collective Bargaining Agreement with Local 152;
- **4.** Any other documents which refer or relate to the sale of the PA Plants or plans to convey such assets to any entity;
- 5. Any communications or documents distributed by the Company to Kunzler's customers which concern any other entity's acquisition of the PA Plants;
- **6.** Copies of all collective bargaining agreements between the Company and any labor organization;
- 7. Provide copies of all notices to Local 152 regarding the decisions to sell, transfer, or close either PA Plant;
- **8.** Provide copies of all notices to employees regarding the decisions to sell, transfer, or close either PA Plant;
- **9.** Provide copies of all communications to governmental agencies regarding the decisions to sell, transfer, or close either PA Plant;

- 10. Provide the number of employees that will be affected by the decisions to sell, transfer, or close either PA Plant;
- 11. Provide copies of all Company severance plans or policies; and
- 12. Provide copies of any other documents referring or relating to the Company decisions.

You are required to provide this information as part of your obligation to bargain with the Union as the employees' certified representative; your failure to provide this information as requested would violate the National Labor Relations Act. Please provide the requested information within *seven* (7) days of the date of this correspondence. Local 152 expressly reserves any and all rights relative to this matter including, but not limited to, challenging any decision by the Company to transfer and/or eliminate bargaining unit work and laying off bargaining unit employees as violative of the CBA and Federal labor law. Local 152 also reserves the right to propound supplemental requests for information.

Very truly yours,

O'BRIEN, BELLAND & BUSHINSKY, LLC

/s/ Mark E. Belland Mark E. Belland, Esquire

cc: Daniel Ross, President (*via email*)
Lisa Sanders, Recorder/Executive Vice President (*via email*)