

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is made by and between PEPSI-COLA & NATIONAL BRAND BEVERAGES, LTD., and BEVERAGE DISTRIBUTION CENTER, INC.

(together referred to as "Employer" or "Company") and LOCAL 830,

INTERNATIONAL BROTHERHOOD OF TEAMSTERS ("Union") (collectively referred to as "Parties") to extend the Parties' collective bargaining agreement ("2019 CBA") which expires on July 31, 2024, for an additional term to expire on April 14, 2029. This Memorandum of Agreement has been endorsed by the Union's bargaining committee and is subject to ratification by the Union's covered membership and upon such ratification, the Parties shall reduce the terms and conditions provided for herein into a new collective bargaining agreement.

1. The terms and conditions provided for in the 2019 CBA shall remain unchanged except as provided for herein.
2. Each employee employed as of August 1, 2024, and then, on February 15, 2025, and, then, April 15 of each subsequent year of this Agreement shall receive wages as described in Appendix A to this Agreement, which is incorporated into and made a part hereof, subject to the other terms and conditions of this Agreement and the 2019 CBA.
3. ARTICLE IV, HOURS OF WORK, replace the last full sentence of Section (k) with the below:

In addition to the above listed employees, any employee hired after August 1, 2017, may, at the Company's option, be assigned to a flexible workweek of any five consecutive eight-hour days or four consecutive ten-hour days at straight time. Any employee hired to work in any production role including, but not limited to, lab, manufacturing, and production maintenance after August 1, 2022, may, at the Company's option, be assigned to a flexible workweek of any five (5) consecutive eight (8) hour days or up to four (4) consecutive or non-consecutive twelve (12) hour days. Any incumbent production employee may bid into a flexible schedule under this provision in accordance with this provision. Production employees working twelve-hour flex shifts shall be paid straight time for the first twelve (12) hours per day and the first forty (40) hours per workweek. Any employee that completes a scheduled workweek consisting of three (3) 12-hour shifts shall be paid forty (40) hours of straight time pay for that workweek. After forty (40) hours in a workweek employees shall be paid time and one half; after fifty-two (52) hours in a workweek employees shall be paid double time. No production employee working twelve (12) hour shifts shall be

mandated to work greater than the equivalent of four (4) consecutive twelve (12) hour shifts. Nothing herein shall prevent any production employee from volunteering for overtime in accordance with the terms of this Agreement."

ARTICLE IV, HOURS OF WORK, Section (o), add the following additional bullet points to the existing provision:

- Warehouse Palletizer Forklift Operator
- Blow Mold Operator"

5. ARTICLE IV, HOURS OF WORK, add to existing Section (t):

"Employees with scheduled vacation shall be offered overtime for the weekend before and after their planned vacation, otherwise subject to the terms and conditions of the CBA."

6. ARTICLE V, HOLIDAYS, revise to include:

"Employees may volunteer, however shall not be forced to work on named holidays."

7. ARTICLE V, HOLIDAYS, Section (d), replace in its entirety with the below:

In accordance with the New Jersey's Earned Sick Leave Law, each employee will be entitled to a maximum of six (6) personal paid holidays in each calendar year earned as set forth below. The "Personal Day" policy of the Company shall be as set forth on Exhibit A. Personal days shall be made available to Sales Department personnel on a one personal per day basis.

Employees shall earn personal holidays in the calendar year in which they are hired at the rate of one hour of personal holiday for every thirty (30) hours worked. Except for new hires as described herein, all employees shall have six (6) personal days available as of January 1 of each calendar year.

As provided for herein and for the avoidance of doubt, this paragraph shall not apply for any absence due to job-related illness or injury for a period of twelve (12) months from the commencement of such absence.

Any earned personal holidays not taken by an employee prior to December 15th of each year shall be paid for by Employer during the week prior to Christmas.

ARTICLE VI, VACATIONS, Section (b), revise as below:

"The vacation pay for an hourly driver or a driver whose regular rate of pay includes a commission for each week of vacation to which he is entitled shall be his average weekly earnings for the preceding year, ascertained by dividing his total earnings for the year by the number of weeks he has worked during the year."

ARTICLE XXII, WELFARE, SCHOLARSHIP AND PENSION FUNDS

WELFARE, PENSION FUND, revise the table in the center of page 25 of the 2020

CBA as below:

The weekly employee contributions shall not exceed the following:

Option A:

Employee Contributions	<u>8/1/24</u>	<u>4/15/26</u>	<u>4/15/27</u>	<u>4/15/28</u>
	\$110.95	\$119.83	\$129.41	\$139.77

Option B:

Employee Contributions	<u>8/1/24</u>	<u>4/15/26</u>	<u>4/15/27</u>	<u>4/15/28</u>
	\$66.57	\$71.90	\$77.65	\$83.86

10. ARTICLE XXII, WELFARE, SCHOLARSHIP AND PENSION FUNDS
WELFARE, PENSION FUND, Section (b), revise as below:

Effective July 31, 2005, for employees retiring on or after such date, the Pepsi-Cola Pension Plan for eligible employees represented by Teamsters Local 830 shall provide a monthly retirement benefit of Fifty-Nine Dollars (\$59.00) per month, or the multiplier in effect at the time of the employee's retirement, times the employee's credited years of service, up to a maximum of thirty-five (35) years at the normal retirement age of sixty-five (65), for employees retiring on or after that date. Employees who retire prior to age 65 will have their benefit amount reduced three percent (3%) for each year below 65 (the early retirement age is 55).

The Employer shall maintain the current defined benefit pension program for all current eligible employees. The multiplier shall be per year of service for future service only as follows:

<u>1/1/2025</u>	<u>1/1/2026</u>	<u>1/1/2027</u>	<u>1/1/2028</u>
\$78	\$79	\$80	\$81

Employer shall make contributions on a payroll basis to the Local 830 401(k) for any employee hired after July 26, 2015, following 90 days of fulltime employment. The current defined benefit pension plan shall not be offered to any employee hired after the ratification vote. The contributions to the Local 830 401(k) shall be as follows: any employee with less than 10 years of service shall receive an annual contribution equal to 4% of his/her eligible compensation. Any employee with more than 10 years of service shall receive an annual contribution equal to 5% of his/her eligible compensation.

All Employer contributions provided for herein shall be remitted to the Plan by March 15 of the year following the year in which the contributions were earned.

ARTICLE XXII, WELFARE, SCHOLARSHIP AND PENSION FUNDS
WELFARE, PENSION FUND, Section (C), "30 & OUT" PROVISION, replace the
second full paragraph as below:

"A one-time lump sum retirement severance incentive of \$15,000.00 shall be made available to all employees who have attained "30 and out" status under Article XXII of the CBA, who submit a written Notice to the Company, on or before September 1, 2024 of their intention to retire under such provision and do in fact so retire on or before December 31, 2024. The said lump sum retirement severance incentive shall be paid upon such retirement, or at the employee's option, on January 4, 2025, and may be rolled over to the Local 830 Savings Plan as permitted by Law.

12. ARTICLE XXV, DROP SHIPMENTS, Section (a), revise the first sentence as below:

"It is agreed that individual orders of 275 cases or more..."

- 13. ARTICLE XXVI, FUNERAL LEAVE, revise as below:**

In case of a death in the immediate family (namely, the death of a parent, spouse, child, brother or sister, father-in-law or mother-in-law) of a regular full-time employee requiring the employee's absence from his regularly scheduled assignments, the employee shall be granted a leave of absence of three (3) working days with pay and an additional two (2) days excused, unpaid leave so long as one of the days is the day of the funeral. Under no circumstances shall the application of this clause result in an increase in the employee's weekly wages.

In the case of a death of a grandparent of a regular full-time employee requiring the employee's absence from his regular scheduled assignments, the employee shall be

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In the case of a death of a grandparent of a regular full-time employee requiring the employee's absence from his regular scheduled assignments, the employee shall be

wanted a leave of absence on the day of the funeral with pay and an additional one
1) day excused, unpaid leave, provided it is a workday.

In the event the death of a relative herein occurs while the employee is on vacation,
that portion of the vacation which becomes funeral leave in conformity with this
Article XXVI may be rescheduled at a later date.

In the event the funeral for a death covered by this Article is on a non-scheduled
workday, one of the funeral leave days provided for herein must be taken on the next
scheduled workday after the funeral.

- ARTICLE XXXII, MISCELLANEOUS, Section (n), revise as below:
“Seven (7) utility positions may be used to fill open positions in the
warehouse.”

15. ARTICLE XXXII, MISCELLANEOUS, add new Section (q) as below:

PANDEMIC LEAVE

Employees will not be required to take vacation or paid personal days when
required to quarantine pursuant to applicable public health directives from a
federal or state government agency due to exposure to or contracting an
infectious disease during a government-declared public health emergency
related to the same infectious disease. Employer may require written
confirmation from a medical professional of the need to quarantine.

16. ARTICLE XXXIV, TERMINATION, replace in its entirety with the below:

“The terms and conditions of this Agreement shall, except as herein otherwise
expressly provided, become effective the 1st day of August, 2024, and shall continue
in full force and effect up to and including the 14th day of April, 2029, and thereafter
from year to year unless and until either party shall give to the other notice by
registered mail at least two (2) months prior to the expiration date in 2029, or to the
expiration date in any year thereafter, of an intention to terminate, cancel, or modify
the Agreement.

ULE A, WAGES, SECTION 2, HOURLY-RATED EMPLOYEES, replace
(i) in its entirety as follows:

or temporary employees hired after August 1, 2024 shall be paid as follows:
~~90% of the rate (or base and commission) for the first six (6) months
of continuous employment;~~
~~95% of the rate (or base and commission) for the next six (6) months
of continuous employment; and~~
~~100% of the rate (or base and commission) after twelve (12) months of
continuous employment.~~

When classification rate increases occur, the step rate hereunder shall be the appropriate percentage of the increased rate.

The Employer reserves the right to waive step rates at any time and pay a higher rate to an individual."

SCHEDULE A, Section (m), revise as below:

"Sales Representatives shall not be required to be physically present at the Employer's office on Fridays. Additionally, at the Employer's sole discretion and subject to the Employer's approval, Sales Representatives shall not be required to be physically present at the Employer's office on Mondays and Wednesdays."

9. SUPPLEMENT #4, JOB BIDDING, add new Section (b) as below:

PRODUCTION JOB BIDDING

Beginning November 1, 2024, all production positions will be assigned by bid. Thereafter, bids will be posted twice annually for 2 weeks beginning with the second week of September and second week of March of each year with the subsequent assignments beginning on the first week of October and April, respectively. Bids will be for a position and shift. Bids will be awarded based on seniority and, then, by qualification."

20. SUPPLEMENT #5, DRUG/ALCOHOL POLICY, replace in its entirety with the below:

"The manufacture, use, sale, purchase, transfer or possession of any alcoholic beverage, marijuana product, or illegal drugs during working hours, including

~~as or lunch time whether on or away from Company property, at any time during course of a working day, is cause for immediate discharge.~~

~~Employee who is convicted of the manufacture, distribution or sale of a controlled substance while off duty, may be subject to disciplinary action up to and including immediate discharge.~~

Employees must report any conviction for a drug violation occurring in the workplace to the Company within five (5) days of the conviction and the failure to do so may result in disciplinary action up to and including immediate discharge.

Reporting to work or being on duty while under the influence of alcohol, marijuana (including ingestibles), illegal drugs, or excessive amounts of prescribed drugs will also subject an employee to immediate discharge. An employee shall be deemed under the influence of illegal drugs, if he tests positive for the same and the use or possession of the drugs is unlawful. An employee shall be deemed under the influence of excessive amounts of prescribed drugs, if he tests positive for the said drugs, but doesn't have a then valid and current prescription for the same, issued by a duly licensed physician.

Employer may require that an employee undergo a medical examination and/or be tested for the presence of drugs or alcohol under the following circumstances: (1) When the Employer reasonably suspects that the employee is impaired or under the influence of alcohol or drugs. Provided that prior to an employee being required to submit to an examination or testing the Employer will, if feasible under the circumstances, afford a Steward the opportunity to observe the employee. (2) When the employee is participating in a treatment program of which regular testing is a part.

In the case of drivers, testing will be required in accordance with any Department of Transportation legislation or other legislative requirement.

An employee is obligated to cooperate in any such medical examination or test including the execution of any forms required by any medical facility or laboratory which is involved, and the execution of an appropriate consent form and authorization for the examination and test results to be released to the Employer. If the employee fails in any way to fulfill such obligation or otherwise to cooperate in any medical examination or test hereunder he/she shall be subject to immediate discharge for such failure.

The Employer may conduct unannounced searches for illegal drugs, marijuana products, or alcohol on Employer's property. Such searches are to be confined to Company property (including employee lockers) but under no circumstances may the

include the employee's body or uniform being worn or the employee's
al motor vehicle. Failure of the employee to cooperate in any search permitted
under shall subject him/her to immediate discharge.

employee tested hereunder shall be given the opportunity to have the blood or
sample tested by an independent certified laboratory (using the Gas
Chromatography/Mass Spectrometry test and the same cut-off levels as the first
laboratory). If the test by the independent laboratory is positive, the cost for it will be
paid by the employee. If the result is negative, the cost will be paid by the Employer.

This policy will be strictly enforced. If any employee is having an alcohol or drug-
related problem and desires professional help, please contact your supervisor, Human
Resources or Teamsters Local 830; we will do all we can to help you.

Any employee testing positive as a result of a government regulation or legislation
shall be given the opportunity to submit to a certified rehabilitation program in lieu of
discipline, unless it is determined that such employee performed work while under
the influence of drugs or alcohol. This, however, shall only apply to the first failure of
such a test.

Employer may require that an employee undergo a medical examination and/or be
tested for the presence of drugs or alcohol in the event the employee is involved in a
work-related accident, sustains a work-related injury and/or injures another person.
The term "work-related accident" shall include accidents involving vehicles, forklifts
and other industrial equipment. The term "work-related accident" shall not include
minor accidents such as accidentally running over a cone, accidentally knocking a
case of product off a pallet, or an accident resulting in nominal loss of value to the
Employer."

21. LETTER OF UNDERSTANDING, BDCI STAFFING, Section (3), replace in its
entirety with the below:

"Warehouse pick standards shall be as follows:

The Standard shall be 120 cases per hour, except that:
Only Employees picking four (4) or more hours in a day and twenty (20) or more
hours in a week shall be considered 'in the pick'.

Results will be posted daily, however, weekly (Monday through Friday) average
pick per hour will trigger performance management.

ekly Performance Management 6-step progressive discipline process
below standard):

1st occurrence: Counsel

2nd occurrence: Verbal

3rd occurrence: Counsel

4th occurrence: Written

5th occurrence: Administrative Suspension

6th occurrence: Termination

If an associate has completed six (6) consecutive calendar weeks without a step of discipline, then the most recent step of discipline will be removed. Each disciplinary step will be removed (12) twelve months from the date it is issued.

A committee will be formed, which will meet monthly, to discuss issues having to do with warehouse pick standards. Senior Management and the Union Business agents or their designees will participate in these meetings. Such meetings will be held at the request of the Union on no less than two (2) weeks' notice."

22. ABSENCE AND LATENESS POLICY, replace in its entirety with the below:

"BCDI and PNBB ATTENDANCE POLICY

Pepsi Cola & National Brand Beverages, Ltd.

Beverage Distribution Center Inc. Absence and Lateness Policy

Discipline Phases

Phase I

After 3rd Absence Documented Verbal Warning

After 5th Absence Written Warning and Counseling with a copy to Union

Phase II

After 7th Absence One-week administrative suspension and a written warning to the Employee with a copy to the Union and counseling of Employee that two (2) more absences within a rolling twelve (12) month period will result in termination.

After 9th Absence Discharge

~~is a no-fault absenteeism policy meaning there is no distinction between excused or unexcused absence.~~

~~shall be determined on the basis of a rolling twelve-(12) month period. An employee will no longer be considered twelve (12) months after it occurs.~~

~~An Employee medical absence of two (2) or more consecutive days will require a note on return to work to be considered as one Absence occurrence. Non-medical Absences of two or more consecutive days will be charged at the rate of one absence per day absent. Paid time off required and/or protected by local, state, or federal law shall not count as an Absence occurrence for purposes of this Policy.~~

~~If an Employee does not work due to prearranged vacation or personal days, Funeral leave, jury duty, work related injury or approved leave of absence (including Family Medical Leave Act) will not be considered as days absent under this Policy. Vacation or personal days an Employee calls off will not exempt any such day from being considered a day of Absence under this Policy.~~

~~Each lateness will constitute one third (1/3) of an Absence. The first four latenesses of five (5) minutes or less will not be included as a lateness for this Policy.~~

~~Lateness is defined as the Employee arriving at his/her workstation or reporting area within one (1) hour after his/her scheduled starting time. After such one (1) hour period, the Employee will be considered absent, unless there is work available for him/her when he/she does report to work and the Employer, in its sole and unreviewable discretion, permits him/her to do it. In such case, the Employee will be charged with a lateness.~~

~~An Employee who leaves work prior to the end of his/her shift (including mandatory overtime) provided that they have worked at least two hours will be charged with $\frac{1}{2}$ of an absence. Any employee leaving within two hours of their starting time shall be charged with one absence.~~

~~Once an Employee has incurred 3 leave early occurrences during a rolling 12-month period, all subsequent leave early incidents (including mandatory overtime) will be charged at one full absence, not $\frac{1}{2}$ of an absence.~~

7. The 12-month rolling period specified in this policy will be extended by the total length of any layoff or leave of absence including time lost as a result of worker's compensation, disability injury or illness or FMLA leave which exceeds 7 calendar days.

~~Policy meaning there is no distinction between employee~~

basis of a rolling twelve-(12) month period. And twelve (12) months after it occurs.

Two (2) or more consecutive days will require a day considered as one Absence occurrence. Non-consecutive days will be charged at the rate of one day off required and/or protected by local, state, or federal law. Absence occurrence for purposes of this Policy.

due to prearranged vacation or personal days, Funeral leave or approved leave of absence (including Family leave) will be considered as days absent under this Policy. Vacation or personal leave will not exempt any such day from being considered absent.

The first third (1/3) of an Absence. The first four latenesses of an hour will be included as a lateness for this Policy.

An employee arriving at his/her workstation or reporting area after the scheduled starting time. After such one (1) hour period, he/she will be considered absent, unless there is work available for him/her when the Employer, in its sole and unreviewable discretion, determines that in such case, the Employee will be charged with a lateness.

Half prior to the end of his/her shift (including mandatory overtime). An employee who has worked at least two hours will be charged with $\frac{1}{2}$ of an hour. An employee who arrives within two hours of their starting time shall be charged

Up to three leave early occurrences during a rolling 12-month period. Three early incidents (including mandatory overtime) will be charged as a total $\frac{1}{2}$ of an absence.

Specified in this policy will be extended by the total length of the absence including time lost as a result of worker's pregnancy or illness or FMLA leave which exceeds 7 calendar days.

every 90 days of perfect attendance 1 full occurrence (the most recent occurrence on
) will be taken off the record. The definition of perfect attendance is no time lost
by reason other than company paid time off and FMLA Leave for 90 calendar days.

ence or lateness resulting from an emergency (such as weather conditions)
hibiting vehicular travel, shall not be deemed to result in an occurrence hereunder.

ACTION OF ABSENCE

Employees are required to notify their Supervisor or leave a message on the voice mail system (designated by Department) at least one (1) hour before their scheduled starting time if they will not be at work on a particular day. Failure to comply with this rule will result in discipline up to and including discharge for recurring violations. The Company shall allow the 4AM and 6AM warehouse shifts to "call off" 30 minutes in advance of their scheduled shift. All shifts will require the contractual one hour "call off" requirement.

If an Employee fails to notify his/her Supervisor or leave a voice mail message regarding his/her absence within four (4) hours after his/her scheduled starting time, he/she will be considered a no-call/no-show. Two (2) no-call/no-show violations within a twelve-(12) month period will result in discharge. After the first such violation, the Employee will receive a written warning with a copy to the Union."

PATTERN OF ABSENCE OR CHRONIC ABSENCE

Apart from the foregoing standards, an Employee who exhibits a pattern of Absences will be subject to the following action:

1. Upon the Employer noticing a pattern of Absence, the Employee will counseled. be given a written warning.
2. If no marked improvement occurs, the Employee will be given a written warning.
3. If no marked improvement occurs after the written warning, the Employee will be subject to suspension.
4. If no marked improvement occurs after a suspension, the Employee will be subject to discharge.

A pattern of Absence will include, but not be limited to, Absences recurring at a particular time (e.g., immediately before or after a weekend or other prescheduled time off), and (2) an Employee repeatedly entering Phase II although not incurring sufficient Absences to be discharged.

AMENDMENT

This Amendment ("Amendment") to the July 24, 2024, Memorandum of Agreement ("MOA") is made by and between PEPSI-COLA & NATIONAL BRAND BEVERAGES, LTD., and BEVERAGE DISTRIBUTION CENTER, INC. (together referred to as "Employer" or "Company") and LOCAL 830, INTERNATIONAL BROTHERHOOD OF TEAMSTERS ("Union") (collectively referred to as "Parties"). The terms agreed to between the Parties in this Amendment are added to the MOA and made a part thereof. Together with the MOA, this Amendment has been approved by the Union and its bargaining committee and is subject to ratification by the Union's covered membership; upon such ratification, the Parties shall reduce the terms and conditions of MOA and this Amendment shall be included in a new collective bargaining agreement.

1. The terms and conditions provided for in the MOA shall remain unchanged except as provided for herein.
2. LETTER OF UNDERSTANDING, VENDING DUTY COVERAGE, add the following provision:

"Any employee assigned to Vending Duty Coverage shall receive the equivalent of one (1) hour's pay at their regular rate for coverage Monday through Friday, the equivalent of 1.5 hours' pay at their regular rate for coverage on Saturday, and the equivalent of 2 hours' pay at their regular rate for coverage on Sunday."
3. ARTICLE XXII, WELFARE, SCHOLARSHIP AND PENSION FUNDS, WELFARE, after the employee contributions table in the center of page 25 of the 2019 CBA, add the following language:

"The Company will demonstrate the need for an increase in the employee medical contribution rates to the Union's Benefit Committee comprised of the Union's principal officer, a business agent and two shop stewards prior to implementation of any rate increase."

This AMENDMENT has been agreed to by and between the COMPANY and the UNION on this 25th day of July, 2024.

VENDING PRODUCTIVITY

Every provision of this Agreement, all Vending Mechanics minimum standard repairs & cooler install times established by the Employer. The Employer shall meet with the Union on an advisory basis to discuss the minimum standard repair & cooler install times that the Employer establishes in advance of implementing the minimum standard times.

Once established, in the event that a Vending Mechanic fails to meet minimum standards, discipline shall be levied as follows:

First occurrence: Counseling

Second occurrence: Verbal Warning

Third occurrence: Written Warning

Fourth occurrence: Final Written Warning

Fifth occurrence: Termination

Each of the above occurrences prior to termination may be removed from an employee's record after ninety (90) calendar days with no further occurrence. The discipline provided for in this section shall not go into effect until August 1, 2025.

Furthermore, it is understood between the Employer and the Union that a Lead Vending Mechanic may be required to complete indirect labor (e.g. non-repair work). Completion of indirect labor shall not be held against a Vending Mechanic Lead Person in the calculation of a minimum standard times.

This MEMORANDUM OF AGREEMENT has been agreed to by and between the COMPANY and the UNION on this 24th day of July, 2024.

INTERNATIONAL BROTHERHOOD
OF TEAMSTERS, LOCAL 830

BY: Daniel Grace
Secretary-Treasurer, IBT Local 830

BY: Jack O'Rourke, VP

BEVERAGE DISTRIBUTION COMPANY, INC. &
PEPSI NATIONAL BRAND BEVERAGES

BY: Amie Ravitz, Esq.
VP/Labor and Corporate Counsel

BY: Michael Lorena
Labor Relations Consultant

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

Mr. Ryder
Ryder, BA
Peter Cohan
Peter Cohan, Warehouse

Greg Clark
Greg Clark, Warehouse

Bryan Hartsock
Bryan Hartsock, Warehouse

Ronald Armstrong
Ron Armstrong, Production

Dionni Colon
Dionni Colon, Production

Joe Rosario, Production

Jeff Paperkowski, Delivery

Brett Shelley, Sales

Darold Lingo, Merchandising

Greg Staino, Fleet

Ed Gallagher, Fleet

Anthony Slocum, Warehouse

Gregory Thomas, Production

Tom Reed, CHRO

Lindsay Traum, Regional HR Director

Antonio Pelaez, Senior Dir./Manufacturing

Jeff Jones, Sales Director

Bill Ardis, VP/Fleet Operations

	Current Rate	8/1/2024	2/15/2025	4/15/2026	4/15/2027	4/15/2028
General Plant Worker	\$24.50	\$26.63	\$27.69	\$28.54	\$29.39	\$30.03
Syrup Room Certified	\$25.05	\$22.13	\$1.06	\$0.05	\$0.05	\$0.04
Packer Operator	\$28.35	\$29.75	\$30.75	\$31.55	\$32.15	
Depalletizer Operator	\$24.70	\$22.40	\$1.40	\$1.00	\$0.80	\$0.60
Labeler / Case Erector	\$24.05	\$26.98	\$28.04	\$28.89	\$29.74	\$30.38
Filler Operator	\$24.85	\$26.98	\$28.04	\$28.89	\$29.74	\$30.38
Yard Jockey	\$24.95	\$27.08	\$28.14	\$28.99	\$29.84	\$30.48
Fork Lift Operator	\$25.60	\$27.73	\$28.79	\$29.64	\$30.49	\$31.13
Utility Relay and Extra Driver	\$24.85	\$27.40	\$28.68	\$29.74	\$30.59	\$31.23
Cooler Delivery Driver	\$26.65	\$28.78	\$29.84	\$30.69	\$31.54	\$32.18
Pre mix / Post Mix Routeman	\$25.05	\$27.18	\$28.24	\$29.09	\$29.94	\$30.58
Transport Driver	\$25.60	\$28.60	\$30.10	\$31.10	\$31.95	\$32.60
Full Service Driver	\$24.05	\$26.98	\$28.04	\$28.89	\$29.74	\$30.38
Bulk Driver	\$28.45	\$29.13	\$31.06	\$30.85	\$30.65	\$30.44
Merchandiser	\$20.60	\$22.73	\$23.79	\$24.64	\$25.49	\$26.13
Fleet Checker / Utility	\$25.00	\$27.13	\$28.19	\$29.04	\$29.89	\$30.53
Fleet Class 1 Mechanic	\$25.90	\$30.58	\$32.06	\$32.85	\$33.63	\$34.41
Fleet Master Mechanic	\$28.20	\$32.88	\$34.36	\$35.21	\$36.06	\$36.70

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	Current Rate	8/1/2024	2/15/2025	4/15/2026	4/15/2027	4/15/2028
Vending Mechanic Trainee	\$25.00	\$27.55	\$28.83			
Vending Class 1 Mechanic (Grandfathered)	\$28.10	\$25.55	\$1.28	\$29.68	\$30.53	\$31.16
Vending Class 1 Mechanic (New Hires After 8/1/24)	\$25.90	\$32.78	\$34.26	\$30.85	\$30.85	\$30.64
Vending Master Mechanic	\$30.58	\$4.68	\$1.49	\$35.11	\$35.96	\$36.60
Maintenance Tech L1 (Apprentice)	\$28.20	\$32.88	\$34.36	\$31.91	\$33.76	\$34.40
Maintenance Tech L2 (C-Level)	\$25.00	\$27.55	\$28.83	\$30.85	\$30.85	\$30.64
Maintenance Tech L3 (B-Level)	\$28.10	\$32.78	\$34.26	\$35.21	\$36.06	\$36.70
Maintenance Tech L4 (A-Level)	\$29.70	\$34.38	\$35.86	\$36.71	\$37.56	\$38.20
Maintenance Tech L5	\$32.30	\$36.30	\$37.78	\$38.63	\$39.48	\$40.12
Maintenance Tech L6	\$36.00	\$40.12	\$41.61	\$42.46	\$43.31	\$43.95
Production Engine Room	\$29.70	\$31.83	\$32.89	\$33.74	\$34.59	\$35.23
Production Gold Seal Mechanic	\$34.15	\$37.30	\$38.57	\$39.42	\$40.27	\$40.91
Building Electro Mechanic	\$45.00	\$47.13	\$48.40	\$49.25	\$50.10	\$50.74
Driver Merchandisers	\$69.00	\$74.95	\$79.20	\$82.60	\$85.15	\$87.70
Commission Cases	\$0.3574	\$0.3829	\$0.4084	\$0.4254	\$0.4424	\$0.4599
2 Liter Tray Return	\$0.0700	\$0.0743	\$0.0785	\$0.0825	\$0.0865	\$0.0905
Pre-Sales Reps	\$0.1885	\$0.2225	\$0.2310	\$0.2395	\$0.2480	\$0.2565
Commission Cases	\$560.00	\$572.00	\$584.00	\$594.00	\$604.00	\$614.00
Car Allowance - Sales	\$0.530	\$0.5895	\$0.6045	\$0.6195	\$0.6345	\$0.6495
Mileage merch	\$26.20	\$28.00	\$29.35	\$30.70	\$31.60	\$32.28
New Roles						
Blow Mold Operator	\$0.350	\$0.50				
		\$0.15				
Night Premium						

A G R E E M E N T
BETWEEN
PEPSI COLA & NATIONAL BRAND
BEVERAGES, LTD. and
BEVERAGE DISTRIBUTION CENTER, INC.
(PENNSAUKEN, NEW JERSEY)
AND
TEAMSTERS LOCAL UNION NO. 830

Effective: August 1, 2019

To

Termination: July 31, 2024

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AGREEMENT

THIS AGREEMENT, made as of this August 1, 2019, by and between **TEAMSTERS LOCAL UNION NO. 830**, affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (hereinafter referred to as the "Union"), and **PEPSI COLA & NATIONAL BRAND BEVERAGES, LTD. ("PNBB") and BEVERAGE DISTRIBUTION CENTER, INC. ("BDCI") (PENNSAUKEN, NEW JERSEY)** (hereinafter referred to jointly and individually as the Employer").

WITNESSETH:

ARTICLE I **DECLARATION OF PURPOSE**

The purpose of this Agreement is to insure industrial peace. The parties hereto recognize that without mutual understanding, harmony and cooperation among employees, between employees and Employer, and between Union and Employer, and without uninterrupted operation, it is impossible to conduct Employer's business with the economy and efficiency indispensable to its existence and to the best interest of its employees.

ARTICLE II **UNION RECOGNITION: SCOPE OF AGREEMENT**

- (a) The Employer recognizes the Union as the sole collective bargaining agency for all employees, at its plant or plants and warehouses located in Pennsauken or vicinity, in the classifications covered in Schedule "A" attached hereto.
- (b) This Agreement shall not be construed to extend to nor affect in any way executive or supervisory help or any other classification of employee not expressly covered in Schedule "A". The terms "employee" or "employees" as used in this Agreement will be construed to include only the classifications of employees covered in Schedule "A" and shall not be construed to include any employees expressly excepted under this Article.

ARTICLE III **UNION SHOP: HIRING OF NEW EMPLOYEES**

- (a) Except as herein expressly otherwise provided, Employer agrees, as to all classifications of employees specifically covered by this Agreement, to employ none but members in good standing of Union. Union agrees to admit to membership all present employees of Employer specifically covered by this Agreement.
- (b) Employer shall have the right to secure new employees from any source. However, Employer will call Union to give it first opportunity to provide such employees. Employer reserves the right to reject any person referred by Union. New employees shall become members of Union after thirty (30) calendar days of employment or the effective date of this Agreement, whichever is later. If employment is continued after such thirty (30) day period, Union agrees to accept such employees as members.

- (c) Anything in the foregoing to the contrary notwithstanding, the first ten (10) weeks of employment shall be considered a trial period, and during such trial period Employer shall have the unqualified right to dismiss such new employees, the exercise of such right not being subject to arbitration. The trial period may be extended by two (2) weeks by mutual agreement of the Union and the Employer. The Union shall not unreasonably withhold its consent.
- (d) Any employee who is expelled or suspended from the Union because of nonpayment of dues shall be subject to dismissal seven (7) days after notification in writing to the Employer by the Business Agent, the President, or the Secretary Treasurer of the Union, provided, however, where such suspension or expulsion is for nonpayment of dues and payment of such arrearages is made within such seven (7) day period, Employer shall not be required to dismiss such employee. When an employee has been dismissed by Employer due to his suspension or expulsion by the Union, the Employer shall not be required to re-employ or reinstate such employee at any time.
- (e) Where any discharge required by this Article would result in working a hardship upon the Employer, the Employer shall be permitted a reasonable length of time to secure a new employee before making such discharge.
- (f) Notwithstanding any other provision of this Agreement, all fleet mechanics hired after August 1, 2019 shall be required to attain ASE Brake Certification for trucks within the first 12 months of employment. A Fleet Mechanic hired after August 1, 2019 who fails to attain ASE Brake Certification for trucks within the first 12 months of his employment shall be disqualified from the Fleet Mechanic position and shall be subject to termination by the Employer.

ARTICLE IV **HOURS OF WORK**

- (a) The regular work week for all employees shall consist of five (5) days, Monday to Friday. The regular workday for hourly-rated employees shall consist of eight (8) hours.
- (b) Any hourly-rated employee who reports to work at his scheduled reporting time shall be guaranteed eight (8) hours of work, or in lieu thereof, shall be paid at his regular rate of pay for eight (8) hours, unless such employee has been notified by Employer, within three (3) hours prior to the starting time of his scheduled shift, not to report for work on his next shift. Provided, however, in the event of weather related or emergency conditions, Employer may notify an employee up to two (2) hours before the time scheduled for the start of his shift immediately subsequent to such declaration not to report for work.
- (c) The Company shall allow production employees (including BDCI palletizer forklift) on the 3rd shift to work 8 hours prior to the start of the work week and/or 8 hours after their work week, provided they sign the “Agree to Work Overtime” list.
- (d) Any driver paid a commission who reports to work at his scheduled reporting time and is not permitted to take out his route for any reason shall receive his base pay for the day, unless such employee has been notified by Employer, prior to midnight of the night before, not to report for work on his next shift. Provided, however, in the event of weather related or emergency conditions, Employer may notify an employee up to two (2) hours before the time scheduled for the start of his shift immediately subsequent to such declaration not to

report for work. On cold days, Employer will notify drivers by ten-thirty A.M. (10:30) whether they are going out.

- (e) For purposes of notification as required in Paragraphs (b), (d) and (i) of this Article, an employee shall be required to provide a telephone number at which he can be contacted for such notification. A member of the bargaining unit shall be present while telephone notification is attempted, and one (1) attempt to reach the employee at such number will be considered proper notification. Employer will not be held responsible for a message not communicated to the employee by third parties who answer the telephone at the number given by the employee. If the employee fails to provide a telephone number, the Employer shall have no responsibility for notification as required under this Article.
- (f) Hourly-rated employees may be required by Employer to work on Saturday and Sunday and to work longer than eight (8) hours in any day, provided, however, that no such employee shall be required to work more than four (4) hours of overtime on any one (1) shift. Overtime pay for any hourly-rated employee shall be time and one-half times his regular straight-time hourly rate for work done over eight (8) hours in any workday or over forty (40) hours in any workweek, or on Saturday. Overtime pay for any hourly-rated employee who works on Sunday shall be double his regular straight-time hourly rate for all hours worked on Sunday. If the Employer requires an hourly-rated employee to work overtime hours after his regularly scheduled shift and such overtime hours run into a holiday, the employee shall receive overtime pay at double his regular straight-time hourly rate for all overtime hours worked on the holiday. Hours worked on Saturday or Sunday that are part of an employee's straight time eight hours for the day and part of his forty hours for the week are paid at straight time. This includes an employee whose Monday begins Sunday evening or an employee whose Friday ends Saturday morning. This provision reflects the current practice with respect to Friday night and Sunday night starts and starts on or before a holiday. Hours started before such times shall be paid at the applicable premium rates.
- (g) Employees other than hourly-rated employees may be required by Employer to work on Saturday and Sunday. Overtime pay for commissioned drivers who work on Saturday shall be computed on the basis of one and one-half the employee's base pay and one and one-half commissions. Overtime pay for drivers paid on a trip-rate basis who work on Saturday shall be computed on the basis of time and one-half the applicable trip rate. Overtime pay for commissioned drivers who work on Sunday shall be computed on the basis of double the employee's base pay and double commissions. Overtime pay for drivers paid on a trip-rate basis who work on Sunday shall be computed on the basis of double the applicable trip rate.
- (h) An employee who is called in to perform work prior to but continuing up to his regular scheduled shift shall not have his regular scheduled shift suspended to avoid the payment of overtime.
- (i) The Employer must give employees twenty-four (24) hours' notice of required overtime work scheduled for Saturday or Sunday in accordance with paragraph (d). There shall be an exception to this twenty-four (24) hour notice requirement with respect to Night Loaders (includes pickers) which may be exercised by the Employer five (5) times a year, on those occasions, the Employer may give twelve (12) hours' notice of a Saturday shift if less than the expected crew reports for work on the Friday shift and the need for Saturday work arises during the course of that shift; such work will be offered in order of seniority,

provided that, if there are insufficient volunteers, employees will be assigned in reverse order of seniority; and employees can go home on such occasions when their work is completed, but will be paid for at least eight (8) hours.

- (j) There shall be no pyramiding of overtime pay. For example, overtime paid on a daily basis shall not be duplicated on a weekly basis nor shall overtime for Saturday, Sunday and holiday work be duplicated on the basis of daily or weekly overtime hours. If the overtime pay requirements are met under more than one section of this Agreement, only that section yielding the higher payment will apply.
- (k) Notwithstanding the other provisions of this Article IV, the following number of current employees may, as needed, be scheduled on a seniority and qualification basis to work on the below listed flexible work weeks at straight-time. In such event, the employees involved shall not be entitled to the premium pay set forth in paragraph (e) for Saturday or Sunday, but shall be paid at the premium rate specified below:

<u>Classification</u>	<u>Number</u>	<u>Workweek</u>	<u>1.1/2 x Day(s)</u>	<u>2x Day</u>
Cooler Mechanic	1	Any 5 consecutive	6 th Day	7 th Day
Route Truck/ Bulk Truck Loaders	6	Tues. – Sat. or any 4-10 hr. days with 2 consecutive days off	Monday	Sunday
Food Service Delivery	1	Tues. – Sat. or any 4-10 hr. days with 2 consecutive days off	Monday	Sunday
Delivery Drivers	4	Tues. – Sat. or any 4-10 hr. days with 2 consecutive days off	Monday	Sunday
Transport Drivers	4	Tues. – Sat. or any 4-10 hr. days with 2 consecutive days off	Monday	Sunday
Truck Mechanics	2	Tues. – Sat. or any 4-10 hr. days with 2 consecutive days off	Monday	Sunday

In addition to the above-listed employees, any employee hired after August 1, 2007 may, at the Company's option, be assigned to a flexible workweek of any five consecutive eight-hour days or four consecutive ten-hour days at straight time.

Flex Work Week (Warehouse)

- (a) In addition to the existing 14 warehouse employees for whom the Employer has the right to assign to a non-consecutive day flex work week, an additional non-consecutive day flex work week schedule shall be implemented as follows:
- Year 4 (8/1/2022 – 7/31/2023) 1 additional non-consecutive flex work week employee.
- Year 5 (8/1/2023 – 7/31/2024) 1 additional non-consecutive flex work week employee.

The Employer shall have the right to assign any warehouse employee hired after August 1, 2019 to a flexible work week consisting of 4-10hr. non-consecutive days or 5-8hr. non-consecutive days.

- (b) Positions eligible to be placed on a non-consecutive flex work week include Loaders, Pickers, Wrappers, Dock (incl. shells/pallets stripper) and Facility Clean Up.
- (c) A non-consecutive flex work week premium of \$.45/hour will be paid for all hours worked in a non-consecutive flex work week.
- (d) Should business conditions change requiring additional flex work week personnel, the parties shall meet to discuss and resolve this matter.
- (e) On a 4-10 hour flex work week, daily overtime ($1 \frac{1}{2}x$) shall be paid after 10 hours per day and on the fifth and sixth days; on a 5-8 hour flex work week, daily overtime ($1 \frac{1}{2}x$) shall be paid after 8 hours per day and on the sixth day and shall be paid at double time for the seventh day (applies to both 4-10's and 5-8's).

Employees shall receive a \$.35 premium for all hours worked on the flexible workweek. Employees entitled to a shift premium will also receive this in addition to the normal premium.

Merchandisers shall receive a \$.35 premium for all hours worked on (i) any five (5) day, eight (8) hours per day shift, other than a Monday through Friday shift, or (ii) any four (4) day, ten (10) hours shift. Time and one half ($1 \frac{1}{2}x$) shall be paid for work on the sixth (6th) day of the five day schedule, and the fifth (5th) and sixth (6th) days of the four day schedule. Double time (2x) shall be paid for the seventh (7th) day of the five (5) day schedule, and the seventh day of the four (4) day schedule.

A merchandiser shall be paid at triple (3x) his straight time hourly rate for all hours worked on a holiday.

For overnight installs within the Vending Department, such installs may occur on a non-consecutive Monday through Friday schedule. The schedule shall be based upon a non-consecutive 4 day per week/10 hour per day and shall be voluntary and offered by the Employer in seniority order. If no employee voluntarily accepts such an assignment, the Employer shall mandate the least senior qualified employee for such assignment. In order for an employee assigned to an overnight install to receive overtime pay of 1 1/2 times the regular rate, the employee must first complete his regular ten hour daily schedule. An employee who completes the scheduled overnight shall receive the next day off without pay. An employee shall receive overtime pay at a rate of time and a half for hours worked in excess of forty (40) hours.

- (l) Overtime which is an extension of a scheduled shift in production shall be assigned to the crew performing the work at the end of the shift, provided the anticipated overtime will be two (2) hours or less. In the event an employee's position is eliminated or replaced when any line crew is held for a 2 hour or less line extension, the employee who held that eliminated or replaced position will be permitted to displace the least senior non bid holder on that line only, provided that he is qualified to do the work. If he is not qualified, he will not be eligible for the overtime. For all other overtime, including Saturday and Sunday work, the Employer will post a list for each day; employees who wish to be considered for overtime (or call-in) that day will so indicate on the list. Employees on that day's list will be offered overtime opportunities based upon their seniority and qualification for the work to be performed. If insufficient qualified employees sign the list, the Employer may assign qualified employees to the overtime in reverse order of their seniority.
- (m) When the Employer is running a continuous three-shift operation, some or all of the employees in the Production and/or Warehouse Departments (not including Route or Bulk Truck Loading) shall be assigned to an eight-hour shift which shall include a twenty minute paid relief period in the first part of the shift and a twenty minute paid relief period in the second part of the shift. Employees will be given 24 hours notice prior to a change from or to a three-shift operation. Each shift's first relief period will be taken between one and one half (1 ½) hours after the start of the shift and end of the shift's third hour.
- (n) In the event employees are to work beyond their scheduled shift, they will be entitled to a paid ten (10) minute break at the end of their scheduled hours if it is anticipated that they will be working at least one (1) hour of overtime.
- (o) Any employee, when requested by the Employer, may, if he so desires, work more than twelve consecutive hours under the following circumstances:
- Vending Mechanic who is on call.
 - BDCI loading employee working from Friday evening to Saturday morning, may be asked to stay further into Saturday morning to finish loading.
 - A production employee (including BDCI forklift position) scheduled to work first shift on Monday may work the Sunday evening third shift if he was signed the "I agree to work overtime list", and then work his normally scheduled first shift.
 - A production employee (including BDCI forklift position) working first shift Friday may work the Friday second shift if he has signed the "I agree to work overtime list."
 - A production employee (including BDCI forklift position) working second shift Friday, may work the Friday third shift if he has signed the "I agree to work overtime list."

Any employee considering working more than 12 consecutive production hours must ensure that his regular shift times are not compromised in pursuit of the overtime. In all other circumstances, an employee must have at least six (6) hours off between the end of one shift (including overtime) and the beginning of an overtime shift.

- (p) Laboratory employees shall have seniority rights in the production department for the purpose of working on premium time, but shall first exhaust all laboratory bids before becoming eligible to work outside their bid. Laboratory employees shall remain on the production list for purposes of layoff and recall.
- Vending Mechanics shall no longer have seniority rights over vending delivery employees for Saturday delivery work.
- (q) In the event an employee in the Warehouse department is required by the employer to work overtime on any given day, he shall be guaranteed one (1) hour of such overtime for that day. Warehouse employees, whose starting times commence at 1:00 PM or later, will be given one hour's notice for mandated overtime and shall give any warehouse employee with a start time of 9:30 a.m. or earlier a 30 minute notice for mandated overtime, unless circumstances beyond the Employer's control preclude the Employer from doing so.
- (r) There shall be no mandating of early starting times for the purpose of creating overtime.
- (s) The Employer may hire four part-time merchandisers year round who may work a maximum of 25 hours per week. Part time merchandisers will be part of the bargaining unit.
- The Employer will not have the right to use these part-time merchandisers if any full time merchandiser or bulk account rep is on layoff. Work week schedules for part-timers will be posted with the work week schedule for full-timers. After workweek schedules are posted for the next week, all available merchandising work shall be offered on a voluntary basis to regular employees prior to offering such overtime to a part-time merchandiser. Part-time merchandisers shall receive 75% of the full merchandiser rate of pay.
- (t) No employee shall be required to work overtime the weekend prior to and/or following a scheduled vacation.

ARTICLE V

HOLIDAYS

- (a) The following holidays are observed under this Article: New Year's Day, Martin Luther King's Birthday, President's Day, Easter Monday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day.

When any of these holidays fall on a Sunday and the next day is observed as the holiday, the same shall be considered the holiday. Only employees who work at least eight (8) hours on both their scheduled workday before and their scheduled workday after the above holidays shall be entitled to the benefits of this Article. Any employee who reports no more than thirty (30) minutes late on said days shall be permitted to work said eight (8) hours. For the above purposes, Saturday shall not be considered a scheduled workday, except if the Saturday is part of the employee's flex workweek schedule. Thus, if the holiday falls on a Friday the employee must work on Thursday and Monday to qualify for holiday pay; if the holiday falls on Saturday the employee must work Friday and Monday to qualify for holiday pay. Similarly, if the holiday falls on Monday the employee must work on Friday and Tuesday to qualify for holiday pay. Any employee, who leaves work before he is authorized by management (including mandated overtime) on the day before the holiday,

shall receive one full occurrence under the Absentee and Lateness Policy (regardless of the prior number of “leave early” occurrences then on the employee’s attendance record).

Columbus Day shall become a working holiday to be paid for in accordance with the provisions of this Article. Each employee who qualifies for the same in accordance with the provisions of this Article shall receive one (1) additional days pay. Notwithstanding subparagraph (c), there shall be no premium pay for working on the said Columbus Day holiday.

- (b) Each employee who does not work on a named holiday shall nevertheless be compensated as follows:

1. Any hourly-rated employee shall receive eight (8) hours of straight-time pay at his regular hourly rate. This includes extra drivers; during their first fifty-two (52) weeks of employment and thereafter also if their average daily earnings do not exceed eight (8) times the utility rate.
2. Any driver whose regular rate of pay includes a commission shall receive one-fifth (1/5th) of his average weekly earnings for the preceding year, ascertained by dividing his total earnings for the year by the number of weeks he has worked during the year.

- (c) Each employee who works on a named holiday or in lieu thereof, on the day the named holiday is observed as set forth in (a) above, shall be compensated as follows; provided, however, no employee shall receive holiday pay for working on both the named holiday and the day on which said holiday is observed:

1. Any hourly-rated employee shall be guaranteed at least eight (8) hours of work and shall be paid at triple his regular straight-time hourly rate for all hours worked on such holiday.
2. Any driver or helper whose regular rate of pay includes a commission shall be paid at triple his regular base pay, plus triple commissions or triple his daily guarantee, whichever is greater.
3. When any of the holidays set forth in paragraph (a) of this Article falls on Saturday, employees who do not work shall receive the compensation set forth in paragraph (b) of this Article. Employees who work will be compensated on the basis of paragraph (c) of this Article.

- (d) In accordance with the New Jersey's Earned Sick Leave Law, each employee will be entitled to a maximum of six (6) personal paid holidays in each calendar year earned as set forth below. Personal holidays must be mutually agreed to by the employee and the Employer, so as not to interfere with the operation of any department. The “Personal Day” policy of the Company shall be as set forth on Exhibit A Personal days shall be made available to Sales Department personnel on a one personal per day basis.

An employee hired after August 1, 1974, shall earn personal holidays in any calendar year on a pro-rated basis of one (1) personal holiday after two (2) calendar months of work; two (2) after four (4) months; three (3) after six (6) months; four (4) after eight (8) months; five (5) after ten (10) months; and six (6) after eleven (11) months. An employee hired after

August 1, 1992 shall earn one (1) personal day after each three (3) months of work during his first year of employment up to a maximum of three (3) personal days.

Employees having ten (10) or more years of service as of January 1 shall have available all of their personal days for the year as of that date. In the event their employment terminates prior to their having accrued under the foregoing schedule any personal day they have already taken, the Employer is hereby authorized to deduct the amount so paid to or on behalf of the employee from any pay or other monies due the employee.

An employee will not be considered to have worked any calendar month unless he has worked at least fifty percent (50%) of the scheduled workdays in the calendar month; provided, however, that absences due to legitimate illness, of not less than three (3) nor more than ten (10) consecutive scheduled workdays' duration, shall not be charged against an employee for the purpose of this section. This paragraph shall not apply for any absence due to job-related illness or injury for a period of twelve (12) months from the commencement of such absence.

Any earned personal holidays not taken by an employee prior to December 15th of each year shall be paid for by Employer during the week prior to Christmas.

Employees having one (1) or more years of service as of January 1 shall be entitled to use up to four (4) personal days to receive compensation for days they call off because of illness or emergency. Such days shall be counted as absences for all purposes (including attendance records and policies); provided, however, that if the employee uses one of these personals on the day before or after a holiday he will still be able to qualify for holiday pay under Article V, Section (a) if, but only if, he furnishes a written doctor's certification of his inability to work that day. He will also be ineligible for personal day pay without such doctor's certification.

- (e) When any of the holidays set forth in paragraph (a) of this Article fall in the vacation week of an employee, such employee shall receive his holiday pay as provided in paragraph (b) of this Article.
- (f) Any employee placed on layoff in the workweek immediately prior to a holiday will be entitled to holiday pay.
- (g) This Article shall not apply to any employee who has not completed thirty (30) calendar days of employment.
- (h) Any hourly-rated employee on a four (4) ten-hour day work week must receive ten (10) hours of straight-time pay at his regular hourly rate if the holiday falls within his normal work week. If the holiday falls outside the employee's normal workweek, he shall be entitled to eight (8) hours' pay at his hourly rate.

ARTICLE VI **VACATIONS**

- (a) Subject to paragraph (k) of this Article, every employee who has been continuously in the employ of the Employer for the number of years outlined below shall be entitled to the vacation weeks as outlined below, consisting of consecutive days, with pay, as scheduled by Employer.

1 year	-	1 week
3 years	-	2 weeks
7 years	-	3 weeks
10 years	-	4 weeks
15 years	-	5 weeks
20 years	-	6 weeks

- (b) The vacation pay for a driver whose regular rate of pay includes a commission for each week of vacation to which he is entitled shall be his average weekly earnings for the preceding year, ascertained by dividing his total earnings for the year by the number of weeks he has worked during the year.
- (c) The vacation pay of any hourly-rated employee for each week of vacation to which he is entitled shall be forty (40) hours of straight-time pay at the rate being received by the particular employee at the time he is given his vacation. This also includes extra drivers, if their average earnings do not exceed the utility rate.
- (d) Each regular full-time employee who has been continuously in the employ of Employer for ten (10) or more years shall, when he takes his first period of vacation in each year, shall receive in addition to his vacation pay a flat vacation bonus of One Hundred Dollars (\$100.00).
- (e) Employer must grant employees entitled to more than one (1) week's vacation, the right to take one (1) week (or two (2) weeks if an employee is entitled to either three (3) or more weeks' vacation), of their vacation period between May 1st and September 30th, if the employee desires to do so. Employer will not refrain from scheduling vacations in a holiday week.
- (f) The length of the vacation to which an employee shall be entitled shall be computed on the basis of the anniversary date of such employee's employment.
- (g) Vacations scheduled by Employer shall be scheduled on the basis of departmental seniority. Once the vacation period has been selected and the vacation list posted, no changes will be permitted. Employer shall have the right to determine the number of employees who may take vacations within any period.
- (h) Any employee with more than (1) year's continuous employment who resigns and gives the one (1) week's notice provided in Article X shall be entitled to vacation pay on a pro rata basis. Thus, such an employee will be entitled to one-twelfth (1/12th) of his normal vacation pay for each full month of employment since his last anniversary date.
- (i) Vacation equivalents are:
 - One (1) week for each six (6) months if in the two (2) week category
 - One (1) week for each four (4) months if in the three (3) week category
 - One (1) week for each three (3) months if in the four (4) week category
 - One (1) week for each two and four-tenths (2.4) months if in the five (5) week category

One (1) week for each two (2) months if in the six (6) week category

- (j) An employee hired after August 1, 1974, who is eligible for a vacation in accordance with paragraph (a) of this Article and who has worked in fifty percent (50%) of the payroll periods during the twelve (12) months immediately preceding such employee's eligibility date, shall be entitled to receive full vacation pay. Any such employee who has not worked in fifty percent (50%) of the payroll weeks in the twelve (12) months immediately preceding such employee's eligibility date, shall be entitled to receive pro rata vacation pay based upon the number of payroll weeks in which such employee worked, divided by fifty-two (52). This paragraph will not apply to any absence due to a job-related injury or illness for a period of twelve (12) months from the commencement of such absence.
- (k) Subject to the Employer's approval, any employee with more than three (3) weeks' vacation may voluntarily sell back vacation time (in full week increments), but not below three (3) weeks' eligibility. This sell back shall be approved or disapproved on a department-by-department basis. The Employer shall establish a process such that sell back requests will be handled once per calendar year, and payment will be made by February 1.

ARTICLE VII **LUNCH PERIOD**

All employees covered by this Agreement shall be entitled to a lunch period of one (1) hour during each regular working day, but in any case in which Employer and its employees mutually agree, such lunch period may be reduced to one-half (1/2) hour.

ARTICLE VIII **WAGES**

Notwithstanding the Company's position that neither Federal, State nor local law requires the payment of overtime pay for hours worked in excess of 40 hours per week by Driver/Merchandisers, the Company agrees that overtime shall be paid the beginning of the week of April 10, 2006 based on the availability of accurate time clock data for the Driver group. The overtime calculation shall be as follows:

The "Base rate" of pay is calculated by adding all earnings for days worked (excluding bulk/flex premium dollars) and dividing these dollars by the total number of hours worked for the week, regardless of the type of delivery that was performed. The "premium rate" of pay is calculated by dividing the "base rate" of pay by two. The "premium rate" is then multiplied by the hours worked over 40 hours (excluding overtime hours worked for which the employee has already received premium pay). Total weekly compensation is derived by adding all base earnings plus bulk/flex overtime premium and conventional overtime premium earnings.

Each employee on the payroll as of August 3, 2019, and eligible to participate in the contract ratification vote shall receive a Two Thousand Dollar (\$2,000.00) one (1) time lump sum bonus.

The wage rates of all employees covered by this Agreement shall be set forth in Schedule "A" – "WAGES".

ARTICLE IX **WAGES OF UNCLASSIFIED EMPLOYEES; TRANSFERS**

- (a) In the case of any employee covered by this Agreement who does not fall within any of the express classifications as to which wage rates have been provided, he shall be paid at such weekly or hourly rate, or at such rate of commission, as may be mutually agreed upon between the Employer and the Union.
- (b) The Employer reserves the right temporarily to transfer employees from one department to another. The contract wage scale of the department to which the temporary transfer is made, shall apply to the employee so transferred; provided, however, that in case of such temporary transfer, an employee's wage shall not be reduced below that which he has ordinarily been receiving, and he shall receive the higher rate for the full day regardless of the number of hours worked in the higher-rated job classification. A temporary transfer of more than one (1) month may be renewed for an equal and additional period of time, after which time the vacancy filled by such temporary transfer must be filled in accordance with normal procedures or abolished.
- (c) If an employee regularly does work in more than one of the hourly-rated job classifications set forth in Schedule "A":
 1. his regular rate shall be the higher rate if he regularly performs work for more than fifty percent (50%) of the time in any workweek in a higher-rated job classification.
 2. his regular rate shall be the lower rate if he regularly performs work for more than fifty percent (50%) of the time in any work week in a lower-rated job classification, but on any day in which he performs work in the higher-rated job classification for one (1) or more hours, he shall receive the higher rate for the full day.

ARTICLE X **DISCHARGES**

- (a) The Employer has the sole and exclusive right to manage the affairs of the business, to determine the products, methods and schedules of production, distribution and/or delivery, the type of manufacturing equipment, the locations of production distribution and/or delivery, and to direct the working forces of the Employer. Such functions shall include (but are not limited to) the exclusive right to maintain discipline of employees, including the right to make reasonable rules and regulations, to promote, demote, or transfer employees for proper cause, to determine the amount of work needed, and to lay off because of lack of work.
- (b) Promotion shall be made from within, provided the employees available, have the qualifications and ability to perform the work. When promotions are available employees with the greatest seniority shall be given first consideration, provided that the qualification and ability shall be the determining factor. The Employer shall be the sole judge of an employee's qualifications and ability.

- (c) Employer may discharge employees for any reasonable cause. If an employee who has completed his probationary period is discharged, unless discharged for disciplinary reasons, or permanently laid off, due to economic considerations of Employer, such as reduction in force or abandonment of route, Employer shall give such employee at least one (1) week's notice of its intention to permanently lay him off, or one (1) week's compensation in lieu thereof. In the event an employee desires to leave his employment for any reason whatsoever, such employee shall give the Employer at least one (1) week's notice of his intention to do so.
- Employer shall not be required to give this one (1) week's notice or one (1) week's pay to any seasonal employee or any employee who has been continuously employed less than ninety (90) days, or any hourly-rated driver (in the event the Employer institutes a bulk or hybrid delivery system).
- (d) Any employee who has been discharged by Employer shall be entitled to a hearing provided that he requests the same within five (5) working days after discharge. At such hearing, which shall be held at the Employer's place of business within five (5) working day after requested, the employee shall have the privilege of being represented by the Business Agent or other duly authorized representative of the Union. If the parties cannot agree upon final disposition of the matter, it may be submitted to arbitration by the Union as provided by Article XIX hereof.
- (e) Employees who fail to pick up empties or who fail to make the stops specified by Employer shall be subject to discharge.
- (f) Employer must make the decision whether a route shall go out or not in the case of bad weather. Under no circumstances shall it be left to the discretion of the employees to determine whether work should be performed or not, especially as far as bad weather days are concerned.
- (g) Any employee who receives disciplinary time off shall receive such time off within one (1) week after the notice of such suspension is given to such employee, except in the case of the suspension of two (2) or more employees in the same department, in which event the disciplinary suspension may be staggered. Any suspension issued as a result of a violation of one of the Employer's General Work Rules (only) shall be administrative in nature. The suspension shall not cause the employee to lose work time or pay; however the suspension shall remain on record as it relates to progressive discipline.
- (h) In imposing discipline on a current charge, Employer will not take into account any prior infraction which occurred more than fifteen (15) months previously.
- (i) No suspension will be imposed until notice is given to the Union and a meeting between a Union Business Agent and an Employer Representative takes place, provided that the Employer Representative is available for such a meeting within five (5) working days after such notice is given to the Union. This delay in the imposition of a suspension shall not be applicable where the offense involved may result in discharge or the circumstances are such that it is prudent to remove the employee from the workplace immediately.

ARTICLE XI **INJURIES AND ILLNESS**

- (a) When an employee is absent because of a non-work related illness or injury for a consecutive period of fifty-two (52) weeks or more, he will not be entitled to retain his position with the Employer. At the expiration of such fifty-two (52) week period the Employer may dismiss such employee, but if the employee returns to work prior to the expiration of such fifty-two (52) week period, and is physically able to carry on his duties, he will return to his employment at the same rate of pay.

Notwithstanding the above, an employee who has attained 30 years of service shall be entitled to an additional 26 weeks of unpaid leave after the employee is absent because of a non-work related illness or injury for a consecutive period of fifty-two (52) weeks.

- (b) An employee who is absent because of a work-related injury or illness for a consecutive period of three (3) years will not be entitled to return to his position and the Employer may dismiss him at the expiration of such period. In addition, such employee's employment will be deemed terminated upon his entering into any settlement of a worker's compensation claim which is predicated on his continuing disability. Employees who are not working because of a work-related injury or illness as of August 1, 1995, shall not be subject to the foregoing three-year cut-off, but shall suffer a loss of employment if they thereafter enter into a worker's compensation settlement agreement described above. Any employee who entered into such an agreement prior to August 1, 1995 shall not be affected by this provision.
- (c) With respect to the return to work of any driver who is also a salesman, as distinguished from a driver who delivers predetermined orders, whose former route is being operated satisfactorily by another employee at the time such driver is prepared to return to work, the Employer may assign such returning driver to a new route, provided that he does not return to work within twenty-six (26) weeks from the date of the commencement of his absence.
- (d) The results of a Functional Capacity Evaluation Test will only be used to determine an employee's ability to return to work based on his/her recovery from the specific injury or illness causing the inability to work.
- (e) The Employer may voluntarily provide compensation to the employee during any period of absence described above, but will not be required to do so.
- (f) The Company shall allow the 4AM and 6AM warehouse shifts to "call off" 30 minutes in advance of their scheduled shift. All other shifts will require the contractual one hour "call off" requirement.
- (g) The Employer shall have the right to implement a "light duty" and/or "modified duty" program to accelerate an employee's return from workplace injury.

ARTICLE XII **POLYGRAPH TEST**

Employer will not require an employee to take a polygraph or lie detector test; however, nothing herein shall prevent an employee from voluntarily taking such a test.

ARTICLE XIII **UNIFORMS AND EQUIPMENT**

Where Employer requires any employee in a department to wear a uniform, all employees in that department, except probationary employees, shall be supplied with uniforms. For the purpose of this Article, there shall be two (2) departments, (1) inside plant employees and (2) drivers and other outside employees. The Employer shall have the option to determine whether such uniforms shall be purchased outright or rented. The Employer shall purchase or pay the rental charge, as the case may be, for such uniforms and shall pay for cleaning and keeping them in good repair at all times. The Employer shall have the right to discipline any employee for not being presentable and to discharge such employee for repeated violations.

The Employer shall supply wagons, trucks, or other necessary equipment.

Except in the case of his own negligence, an employee shall not be responsible for damage to equipment in his charge and control, but shall be obliged to furnish witnesses or evidence to fix other responsibility.

Sales Representatives shall not be required to wear ties or jackets. The Employer shall annually supply each employee with one winter jacket, one summer jacket, five short sleeve "polo" shirts, and five long sleeve button down shirts.

ARTICLE XIV **EXTRA DUTIES – LIMITATIONS**

- (a) Drivers shall not be required to do any barn or garage work, such as repairing or washing equipment, but this shall not be construed to prohibit Employer from requiring any such driver to check and add oil, gasoline or water to the vehicles which they operate, or to check and add air to the tires thereon, or from offering work other than such as falls within their regular duties to drivers in order to afford them a full week's work.
- (b) There will be no pickups at Employer's place of business, except in an emergency.
- (c) The Employer will not require Sales Representatives or Delivery/Merchandisers to price stamp and push up merchandise from back room stock to shelves in the customer area in stores where the employees of which, who normally price stamp and stock shelves, are represented by a union which has a valid collective bargaining agreement in effect covering such employees. This shall not preclude Sales Representatives and Delivery/Merchandisers from voluntarily merchandising, to the extent possible and practicable, in such stores.

It is understood and agreed that in these stores, Sales Representatives and Delivery/Merchandisers will continue to use their best efforts to maximize space for Employer products, check for proper pricing and advise both store personnel and Employer management personnel of any errors in a timely manner. Sales Representatives will also advise such stores of any and all promotions in a timely manner and conscientiously place any and all necessary P.O.P. (Point of Purchase) materials in such stores.

It is further understood and agreed that in all other accounts a Sales Representative shall devote his working time to selling, advertising and merchandising the products of the Employer and shall give regular and constant service, as designated by the Employer

consistent with the foregoing, to all customers on his route. Sales Representatives shall actively prospect for and solicit new customers daily and shall strictly adhere to all Employer policies regarding sales transactions and records.

Additionally it is understood and agreed that in all such other accounts a Delivery/Merchandiser shall devote his working time to delivering, advertising and merchandising the products of the Employer and shall give regular and constant service, as designated by the Employer consistent with the foregoing, to all customers on his route. Finally, a Delivery/Merchandiser shall strictly adhere to all Employer policies regarding sales transactions and records.

ARTICLE XV **SENIORITY**

- (a) In reducing the number of employees in any department, the Employer agrees that as among employees in such department and having the same or substantially similar jobs, length of service shall determine the order of layoff. However, among drivers who are salesmen as distinguished from a driver who delivers predetermined orders, qualifications of the employees shall be a factor to be considered. The Company in its discretion may consent to any voluntary layoffs requested by an employee.
- (b) Vacation entitlement will be based on length of service with Employer, rather than in a department. Length of service with Employer shall include continuous service with PNBB or Canada Dry Delaware Valley Bottling Company (“CDDV”) immediately preceding the 1994 consolidation of PNBB and CDDV and the creation of BDCI. Company seniority with Canada Dry Delaware Valley will, where applicable, be combined with BDCI and/or Pepsi Cola National Brands, for purposes of determining the number of vacation weeks (but not for selection order) and for pension vesting purposes, (but pensions will accrue separately by Company). Selection of vacation by employees, however, is to be made in order of their seniority in the department (per Section (c) below) where they are presently employed.
- (c) Seniority for layoff purposes will be based on length of service in the department where presently employed, except an employee with ten (10) or more years of Employer seniority who is laid off shall have the right to bump the most junior hourly-rated employee, provided he is able to perform the work and is qualified as determined by the Employer. Seniority for layoff purposes shall include continuous service in the same department with PNBB or CDDV immediately preceding the 1994 consolidation of PNBB and CDDV and the creation of BDCI.

An employee with ten (10) or more years of bargaining unit service, who is displaced as a result of a departmental layoff, has an opportunity to utilize his bargaining unit seniority for the purpose of avoiding layoff. The applicable procedure and limitations on this option are as follows:

1. A displaced employee, providing he has sufficient bargaining unit seniority, may displace the least senior hourly employee at his location; provided, however, that a Merchandiser may be displaced only by a Driver/Merchandiser.
2. He must have the requisite skills and abilities to perform the work of the employee he is displacing.

3. Upon displacing the least senior employee, he shall be slotted at the bottom of the list in terms of departmental seniority.

4. If he cannot perform the work of the least senior employee at the location, he is placed on layoff status. He does not have the option to bump the next senior or any other employee.

5. Should the displaced employee be recalled within one (1) year to the position he held prior to exercising his bargaining unit seniority, he may again utilize this option.

6. If the displaced employee chooses not to return to his prior held position upon recall, or remains in his new position for more than one (1) year, he loses all rights to recall and his departmental seniority is based on his time in the new position.

This option is intended as a method for a senior employee to avoid layoff, and in no way conflicts or overrides contractual departmental seniority in any case or circumstance.

- (d) Upon request, the Steward will be given an up-to-date seniority list, but not more often than once every three (3) months.
- (e) After an employee has been continuously employed by Employer for at least twelve (12) months and is laid off, he shall retain his seniority if he is re-employed within one (1) year. An employee who has been continuously employed by Employer for less than (12) months but at least sixty (60) days and who is laid off, shall retain his seniority if he is re-employed within one hundred and eighty (180) calendar days. An employee shall not accumulate seniority while he is laid off.
- (f) Extra drivers assigned to a route during a layoff shall be entitled to return to the extra pool when junior drivers are recalled.
- (g) Employees of PNBB and CDDV immediately preceding the 1994 consolidation and reorganization including the creation of BDCI shall retain bidding, bumping and recall rights into those departments, whether now part of PNBB, BDCI or CDDV, in which they held such rights under the PNBB or CDDV collective bargaining agreements in effect at the time of the consolidation. Employees newly hired into PNBB or BDCI after the consolidation (which shall be considered to have occurred effective April 24, 1994), shall have bidding, bumping and recall rights pursuant to this Agreement only within the Employer by which they are employed, either PNBB or BDCI.
- (h) The Sales and Delivery Departments (Retail, On Premise, and Full Line Driver) shall be combined into a single Department. A full Department rebid shall take place, to be effective on 1/1/2012 with seniority dovetailed. An annual re-bid for Drivers will be permitted.
- (i) Seniority lists shall be used to determine the following:
 - 1) Layoff;
 - 2) Rehire;
 - 3) Vacation selection;
 - 4) Personal day approval;
 - 5) Shift selection;

- 6) Job elimination; and
- 7) Bidding preference (not including job selection in the Production Department).

ARTICLE XVI **DISCRIMINATION AND UNION ACTIVITY**

The parties hereto agree not to use any subterfuge, coercion, or intimidation, directly or indirectly, to evade or frustrate compliance with the spirit and terms of this Agreement. No employee shall engage in any Union activities on the Employer's premises or during working hours.

Employer and Union agree that the provisions of this Agreement shall apply to all employees covered by the Agreement without regard to race, creed, color, religion, national origin, sex, age or handicap, as defined by applicable law.

The parties agree that they will meet and discuss any proposed exception to this Agreement that may be necessary in order to effect a reasonable accommodation to a job applicant or employee as required by the Americans with Disabilities Act or similar state or local law, or by regulations adopted under the ADA or other such law. The Union retains the right to grieve and arbitrate any exception to this Agreement which may be implemented by the Employer and with which it has not agreed.

ARTICLE XVII **CHECK-OFF OF UNION DUES, ETC.**

On each weekly payday, Employer shall deduct Union dues, contributions to the Credit Union in an amount specified by the employee, and subscription costs to DRIVE, and on the first payday following the thirtieth (30th) calendar day of employment for new employee, initiation fees, from the wages of all members of Union who voluntarily sign authorizations for such actions which shall be irrevocable for the term of this Agreement or for one (1) year, whichever is less, and which shall be automatically renewable for a like period, and which shall be delivered by Union to Employer, and Employer shall promptly remit the sum of such deductions to the Secretary-Treasurer or other duly authorized representative of the Union.

An additional check off for "voluntary union benefits" shall be permitted subject to the Employer's approval of the general categories of such benefits. This check off shall be permitted once per year during the month of January. A single amount will be checked off regardless of the number of benefits covered.

An additional check off for voluntary employee contributions to a Teamster administered 401(k) plan (Teamster Local 830 Retirement Plan) shall be permitted. An employee shall be permitted to change his authorization in December and June of each year (effective the next January and July respectively) and the Employer's sole obligation hereunder shall be to remit the funds so checked off monthly in accordance with the written authorization submitted by the employee.

ARTICLE XVIII **CURTAILMENT OR CHANGE IN OPERATIONS**

- (a) Employer is entering this Agreement in contemplation of being able to conduct substantially normal operations. If an extended shortage of materials, equipment or supplies occurs due to emergency conditions, or if any Governmental regulation or law (which currently exists or is enacted in the future) shall necessitate a substantial curtailment or change in method of operations of Employer, so that the provisions of this Agreement become onerous or impracticable, Employer shall have the right to terminate the Agreement upon sixty (60) days' notice to the Union. The termination of the Agreement as provided for in this paragraph shall have no effect on the Union's rights as the exclusive bargaining representative for the employees described in ARTICLE II of this Agreement.
- (b) Transport Drivers are responsible for transporting materials, shells, pallets and full product to and from facilities that are not considered part of the retailing channel. Examples of these facilities include producing plants and satellite warehouse distribution centers. The Employer:
 - (I) may use common carriers or other forms of outside freight as it deems necessary to deliver full goods to these types of facilities, provided each of the three (3) Transport drivers employed by the employer as of 8/1/19 continue to be employed by the employer through 7/31/24 and are functioning as Transport Drivers, yard jockeys or transport trainers and (II) may use common carriers or other forms of outside freight as it deems necessary to deliver full goods, raw materials and miscellaneous materials to its distribution and manufacturing facilities.

The Employer will post for bidding at least one (1) back-up Transport driver position, to be used for vacation relief or at management's discretion and may train at least one (1) warehouse employee for CDL licensing (transport/jockey), per year; the person to be selected will be determined by the Employer's need while making an effort to honor seniority.

ARTICLE XIX **GRIEVANCE-ARBITRATION**

- (a) In the event of a grievance or dispute arising under the terms of this Agreement, the Union Stewards shall take the matter up with the Employer's representative and every reasonable effort shall be made to reach a satisfactory solution. If no satisfactory solution can be reached, the business agent or other duly authorized representative of the Union, shall be notified by the Union Steward within two (2) days of the event complained of, and the business agent, or the duly authorized representative of the Union shall take the matter up with the Employer within five (5) days after the occurrence of the event complained of. If the business agent of the Union and the Employer cannot reach a satisfactory agreement, the matter shall be submitted to a disinterested Arbitrator. The Arbitrator shall be selected in accordance with the then prevailing labor arbitration rules of the American Arbitration Association.

Any arbitration hearing already scheduled for a day certain by one of the current Arbitrators shall be heard by such current Arbitrator.

- (b) It is expressly understood and agreed that any request for arbitration of a suspension or discharge of any employee must be made in writing by an official of the Union to the

Employer within fifteen (15) days from the date of the suspension or discharge or it shall not be subject to arbitration. In the case of suspension or discharge grievances, the Union shall also refer the matter to an impartial Arbitrator selected through the American Arbitration Association for expedited arbitration within fifteen (15) days if the grievance cannot be resolved by the parties and a hearing shall be conducted within thirty (30) days from the date of the suspension or discharge. In order to be considered for selection, an Arbitrator must agree that he/she shall be able to render an award no later than seventy-two (72) hours from the closing of the hearing. Unless otherwise mutually agreed by the parties, the Arbitrator shall be selected using the American Arbitration Association's expedited labor arbitration process. The Arbitrator's award shall be rendered no later than seventy-two (72) hours from the closing of the hearing unless otherwise mutually agreed to by the parties. No such extension shall extend the period for which back pay may be awarded as set forth below. In the case of any arbitration of a suspension or discharge, the Arbitrator may rule that the Employer is to reimburse the employee with pay for days lost. As both parties pledge themselves to handle discharge cases promptly, it is agreed that in the event the Arbitrator directs reinstatement of a discharged employee, no more than ninety (90) days' lost pay shall be granted. The decision of the Arbitrator shall be final and binding. No Arbitrator shall have the power to add or subtract from the terms of this Agreement.

- (c) The fee of the impartial Arbitrator and the other costs of arbitration shall be borne equally by the Union and the Employer.

ARTICLE XX **STRIKES AND LOCKOUTS**

Under no circumstances shall any strike, stoppage of work, walkout, picketing, boycott, refusal to work or perform any part of duty, or other interference with, or interruption of, the normal conduct of Employer's business be ordered, sanctioned, permitted or enforced by the Union, nor shall any lockout be ordered, sanctioned, permitted or enforced by the Employer, its officials or agents.

ARTICLE XXI **PICKET LINES**

It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action, nor shall the employee be permanently replaced, in the event an employee refuses to cross a lawful picket line at an establishment other than an Employer's establishment, providing the picket line has been approved by Teamsters Joint Council No. 53.

ARTICLE XXII **WELFARE, SCHOLARSHIP AND PENSION FUNDS WELFARE**

The Company shall continue in full force and effect, its current Health & Welfare coverage. Employees shall elect coverage under Option A or B. A failure of an employee to make any such election, shall be deemed a default election of Option B. Current Employees shall have the further option of changing their coverage annually, Beginning January 1st of each year, to any of the two options by completing the Company's medical selection form prior to December 15th of the prior year.

Additionally, employees shall have the option to “opt out” of any medical coverage provided by the Company by January 1st of each year by completing the form provided by the Company and providing proof of alternate Health and Welfare coverage, if such “opt out” is legally permissible. Such employees will receive a onetime \$1000 payment.

Summaries of Benefits and Coverage for Options A & B are attached to this Agreement as Exhibit I & II respectively. The plan design modifications in “Option A” shall be effective January 1, 2016 and are as follows:

In-Network Deductible (Ind./Fam.)	\$400/\$800
Out-of-Network Deductible (Ind./Fam)	\$1,000/\$2,000
In-Network Out-of-Pocket Maximum (Ind./Fam.)	\$1,600/\$3,200
Out-of-Network Out-of-Pocket Maximum(Ind./Fam.)	\$4,000/\$8,000
Emergency Room	90% after \$150 Copay
Urgent Care	\$50 Copay
Specialist Copay	\$35 Copay

The weekly employee contributions shall not exceed the following:

Option A:

	<u>1/1/20</u>	<u>1/1/21</u>	<u>1/1/22</u>	<u>1/1/23</u>	<u>1/1/24</u>
Employee Contributions	\$81.55	\$88.07	\$95.12	\$102.73	\$110.95

Option B:

	<u>1/1/20</u>	<u>1/1/21</u>	<u>1/1/22</u>	<u>1/1/23</u>	<u>1/1/24</u>
Employee Contributions	\$48.93	\$52.84	\$57.07	\$61.64	\$66.57

The annual plan maximum for which an employee will be reimbursed for covered dental expenses shall be increased by \$500.00 effective January 1, 2020.

Current retirees who retired prior to August 1, 2011 shall elect Option I or Option II coverage with no employee contribution. Current retirees who received the retirement incentive provided for in the collective bargaining agreement in 2011, shall elect Option A or Option B coverage with no employee contribution. Current retirees who retired after August 1, 2011 and did not receive the aforementioned retirement incentive shall contribute 50% of the amount required of active employees to contribute H&W coverage. Employees who receive the retirement severance incentive provided for in this Agreement shall elect Option A or Option B coverage with no employee contribution. Any employee retiring after August 1, 2015 shall elect Option A or B retiree coverage and such retiree’s contribution, during such time as he/she shall be entitled to receive retiree Health and Welfare coverage, shall pay 50% of the contribution required of active employees for the same coverages, at all given times.

Nothing contained in this CBA shall be deemed to require the Company to continue in effect any Health and Welfare coverage or plan whose continuation is not required by the CBA. In the event any future retiree had been covered by any such discontinued Health and Welfare Plan, such future retiree shall forthwith select another Health and Welfare Plan, such future retiree shall forthwith select another Health and Welfare Plan coverage and shall contribute 50% of the amount required of active employees for the same coverage at all given times.

Benefit levels as described in Options A and B shall not be changed during the current term of the CBA.

The Company will establish a Section 125 Plan for the purposes of allowing medical contributions to be contributed on a pre-tax basis and establish a flexible medical spending account as soon as practical after 7/31/05.

Required medical contributions shall be waived for employees who are receiving State disability benefits for the period of their disability but not to exceed six (6) months.

- (a) A laid off covered employee shall continue to receive coverage for the full calendar month in which he is laid off and for such weeks during the next following calendar month in which the employee remains on lay off.
- (b) An employee who is absent from work due to illness or injury shall continue to receive coverage until the first day of the month following the sixth month of continued absence from work due to illness or injury.

SCHOLARSHIP FUND

The Employer shall contribute to the Local 830 Scholarship Fund one dollar (\$1.00) per week for each full-time employee who has completed his probationary period.

PENSION FUND

- (a) The Employer will provide a Pension Plan effective April 15, 1987 for all eligible employees.
- (b) Effective July 31, 2005, for employees retiring on or after such date, the Pepsi-Cola Pension Plan for eligible employees represented by Teamsters Local 830 shall provide a monthly retirement benefit of Fifty-Nine Dollars (\$59.00) per month, or the multiplier in effect at the time of the employee's retirement, times the employee's credited years of service, up to a maximum of thirty-five (35) years at the normal retirement age of sixty-five (65), for employees retiring on or after that date. Employees who retire prior to age 65 will have their benefit amount reduced three percent (3%) for each year below 65 (the early retirement age is 55).

The Employer shall maintain the current defined benefit pension program for all current eligible employees. The multiplier shall be per year of service for future service only as follows:

<u>1/1/2020-12/31/2021</u>	<u>1/1/2022</u>	<u>1/1/2023</u>	<u>1/1/2024</u>
\$73	\$74	\$75	\$76

The Employer shall make contributions on a payroll basis to the Local 830 401(k) Plan for any employee hired after July 26, 2015, following 90 days of fulltime employment. The current defined benefit pension plan shall not be offered to any employee hired after the ratification vote. The contributions to the Local 830 401(k) Plan shall be as follows: any employee with less than 10 years' of service shall receive an annual contribution equal to 3% of his/her eligible compensation. Any employee with more than 10 years' of service shall receive an annual contribution equal to 4% of his/her eligible compensation.

All Employer contributions provided for herein shall be remitted to the Plan by March 15 of the year following the year in which the contributions were earned.

- (c) **“GRANDFATHER” PROVISION** – If at any point an employee becomes eligible to retire under the Pension Plan, and the dollar amount of benefits, if computed under the Pension Plan as stated on July 31, 1987 (which included age 62 normal retirement, age 50 early retirement, an actuarially reduced benefit, etc.) is greater, the employee would receive the greater amount.

This applies only to those employees at Pepsi-Cola Pennsauken represented by Local 830 as of July 31, 1987. In addition, any future benefit increases to the new plan do not apply to this “grandfather” provision.

“30 & OUT” PROVISION – An employee who attains thirty (30) years of service as defined by the Pension Plan, shall be eligible to retire at a full pension amount and will not have his monthly benefit decreased as stated under the early retirement provisions of the Plan. An individual who retires with thirty (30) years of service will also be entitled to retiree medical benefits.

A onetime lump sum retirement severance incentive of \$15,000 shall be made available to all employees who have attained “30 and out” status under Article XXII of the CBA, who submit a written Notice to the Company, on or before September 1, 2019 of their intention to retire under such provision and do in fact so retire on or before December 31, 2019. The said lump sum retirement severance incentive shall be paid upon such retirement, or at the employee’s option, on January 4, 2020 and may be rolled over to the Local 830 Savings Plan as permitted by Law.

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Any employee who retires after August 1, 2005, will receive the following Appropriate Normal Retirement Benefits:

Years of Continuous Service	Normal Retirement Benefit
	8/1/05
10	\$590.00
11	\$649.00
12	\$708.00
13	\$767.00
14	\$826.00
15	\$885.00
16	\$944.00
17	\$1003.00
18	\$1062.00
19	\$1121.00
20	\$1180.00
21	\$1239.00
22	\$1298.00
23	\$1357.00
24	\$1416.00
25	\$1475.00
26	\$1534.00
27	\$1593.00
28	\$1652.00
29	\$1711.00
30	\$1770.00
31	\$1829.00
32	\$1888.00
33	\$1947.00
34	\$2006.00
35 or more	\$2065.00

- (d) In lieu of the Normal Retirement Benefit, an employee who has attained his fiftieth (50th) birthday and who has completed ten (10) full years of continuous service may elect to receive:
1. An early deferred retirement benefit, equal in amount to the Normal Retirement Benefit earned to the date of the early retirement, but commencing at the employee's Normal Retirement Date; or
 2. An early retirement commencing the first (1st) day of the month after the election thereof in an amount which shall be the actuarially reduced equivalent of the early deferred retirement benefit.
 3. In the event a retired employee dies prior to the expiration of a sixty (60) month period calculated from the date of his normal retirement, his early

retirement or his permanent disability retirement, his designated beneficiary, or his estate, if there be no designated beneficiary, shall receive the balance of the sixty (60) months' payments in installments, or in a lump sum equal to the commuted value of such payments, as the Trustees in their sole discretion may determine.

This paragraph 3 shall not apply in the event benefits are being paid in the form of a joint and survivor annuity.

4. The Employer will provide medical and prescription benefits to employees, and their spouses, who retire at or after age 62 and receive early retirement benefits under the Pension Plan. Such benefits shall be provided until the earlier of the employee's death or his 65th birthday. Such benefits also will be provided to employees, and their spouses, who retire under the "30 & Out" provision set forth above at or after age 55, and will continue through the earlier of their death or 65th birthday. In the event the Medicare eligibility age is increased to above age 65, the age 65 specified in Article XXII, Pension (g) 4, CBA, shall be increased to the same age as the Medicare eligibility age increase, but in no event in excess of age 66, and in no event to be effective prior to the effective date of the Medicare age increase.

5. Total and Permanent Disability Benefit

- A. An employee who has completed five (5) years of current credited service in the Plan and who has attained the age of forty (40) and who becomes totally and permanently disabled will be eligible to receive a monthly disability benefit equal to his Normal Retirement Benefit accrued to the date of disability.

The disability benefit will commence, and be payable prospectively only, as of the beginning of the calendar month next following the employee's written application for such benefit, provided, however, that in no event shall the disability benefit be payable until at least six (6) months after the date of disability. The disability benefit shall be payable until recovery from disability or upon death.

- B. Total and Permanent Disability means such disability which the Board of Trustees finds on the basis of a written statement of a qualified physician selected by the Board to be (1) the result of any medical, physical or mental condition and (2) will prevent the employee from engaging in any regular occupation or employment for profit or remuneration and (3) presumably will be permanent and continuous during the remainder of his life; provided, however, that no employee shall be deemed totally and permanently disabled if his incapacity consists of chronic alcoholism or addiction to narcotics or if such incapacity was contracted, suffered or occurred while he was engaged in a felonious criminal enterprise or resulted therefrom or resulted from an intentionally inflicted injury; or from injury resulting from service in the Armed Forces or in the National Guard or Reserves and provided further that a period of time since the occurrence of the physical or mental condition shall have expired as the Trustees shall determine by

their regulations. The regulations of the Trustees must be uniform in their application to all employees.

6. Vested Retirement Pension

If the Continuous Service of a Participant is broken for any reason after he has completed at least ten (10) years of Continuous Service, and the Participant is not then eligible for a Disability Pension or Retirement Pension, such Participant will be eligible for a Vested Retirement Pension.

The amount of the vested Retirement Pension to which a Participant shall be entitled shall be determined at the time the Participant's Continuous Service is broken in accordance with the provisions of paragraph (g) of this Article if the Participant elects to receive his Vested Retirement Pension on his Normal Retirement Date, or paragraph (h) of this Article if the Participant has elected to receive his Vested Retirement Pension prior to his Normal Retirement Date.

7. Employer shall supply employees and Union with copies of the Pension Plan.
8. No employee may receive any of the foregoing pension benefits under this paragraph (h) while at the same time being employed by an employer with whom the Union has a collective bargaining agreement.

- (j) The prohibition against strikes in Article XX of this Agreement shall not be applicable if Employer fails to provide such a Pension Plan.
- (k) The Employer shall have the right to deduct the amount of any worker's compensation payments being received by a retiree or recipient of a disability benefit, from such person's monthly pension or benefit payments. It is understood and agreed that the worker's compensation benefits that shall be offset against pension or disability benefit payments shall not include any lump sum amount received in settlement of such worker's compensation claim.

ARTICLE XXIII
ROUTE-SPLITTING

- (a) In the event that the Employer shall split the route of any driver who is a salesman, as distinguished from a driver who delivers predetermined orders, such driver shall have the preference of the part of the split route that he may wish to operate or run. For the period of twelve (12) consecutive weeks immediately after a route has been split, the driver whose route has been split shall be guaranteed an amount equal to his total earnings during the period of twelve (12) consecutive weeks immediately prior to the split with appropriate adjustments for any difference in the number of days worked in the respective periods. It is agreed that the splitting, consolidation, or discontinuance of routes is in the absolute discretion of the Employer.

This guarantee shall be calculated at the outset and paid weekly, and weekly pay will not exceed the guaranteed amount. At the end of the twelve (12) week period, the individuals

total guaranteed amount shall be compared to what the individuals would have earned based on the actual volume during the guaranteed period. If actual earnings would have exceeded the guaranteed amount, the employee will be paid the difference by separate check. If actual earnings would have been less, no deduction from earnings will be made.

- (b) When an employee requests the Employer to take stops from his route, Employer may choose not to do so. If Employer complies with such request, this shall not be considered "Route Splitting" and the provisions set forth above in paragraph (a) of this Article shall not apply.
- (c) Whenever two (2) or more routes are consolidated by the Employer, the senior driver-salesman affected by the consolidation shall have the preference of the consolidated routes. The driver-salesman or driver-salesmen whose route or routes are eliminated shall be assigned to the route or routes of the least senior driver-salesman or driver-salesmen in the plant.

ARTICLE XXIV **ROUTE BIDDING**

In the case of any vacancy in a route or in a new route, the Employer agrees to post notice of the existence of the same at least three (3) working days prior to filling such vacancy (and permit the notice to remain posted for the three (3) working days), and to accept applications from drivers within such period. Copies of the notice shall be sent to any driver on vacation, or who is absent due to illness, by special delivery or certified mail to the residence of such employee on the books of the Company at the time of posting. The Employer will then consider such applicants in accordance with length of service. Only the route announced or posted in connection with a vacancy as provided above will be posted in all locations, and the second vacancy on the route created by the employee filling the first vacancy need be announced or posted only at the location of the second vacancy. No employee may bid more than once in any consecutive twelve (12) month period. If an employee has been involved in a split and has bid on any route involved in the split, such bid shall not be considered a bid for purposes of the one (1) year limitation contained in this paragraph. This provision shall not apply to a vacancy on a route caused by splitting. This provision shall apply only to route salesmen; it shall not apply to drivers who deliver predetermined orders, vending route salesmen or hourly-rated employees.

The Employer shall create descriptions of general geographic areas into which Vending mechanics shall be assigned work. Vending mechanics shall have a one time each contract year round robin bid (in seniority order) for the general geographic area so created in which they will be assigned work, subject to the Employer's right to move or assign vending mechanics to other general geographic areas, if in the opinion of the Employer, the needs of its business make the same desirable. The general geographic area so bid for, shall not entitle or guarantee a vending mechanic overtime or premium time work, to which he would not be entitled in the absence of this provision.

The Sales and Delivery Departments (Retail, On Premise, and Full Line Driver) shall be combined into a single Department. A full Department rebid shall take place, to be effective on 1/1/2012 with seniority dovetailed. An annual re-bid for Drivers will be permitted.

The Company shall maintain/retain sole discretion in permitting candidates to bid for and qualifying for all pre-sell positions. Any employee who bids on a pre-sell position who is disqualified at any point at his/her trial period will be placed into the "jumper pool".

All future Saturday bulk bids will be offered to the Delivery Department on a seniority basis. The Company will offer appropriate training for the Bulk Driver position.

Notwithstanding any other provision of this Agreement, a maximum of five routes that utilize trucks for which a driver does not require a commercial driver's license ("Non-CDL Routes") shall not be subject to bidding. The Employer shall have the exclusive right of assignment for the Non-CDL Routes. Any driver on a Non-CDL Route who does not have a commercial driver's license shall be afforded the opportunity to be sent for training by the Company to obtain a commercial driver's license. Any driver who does not have a commercial driver's license ("Non-CDL Driver") shall earn the Utility, Relay and Extra Driver rate. The Employer shall assign Non-CDL Drivers from the pool of Merchandiser employees.

ARTICLE XXV **DROP SHIPMENTS**

(a) It is agreed that individual orders of 400 cases or more of National Brand soft drinks may be shipped directly to the customer via hourly-rated employees earning the tractor trailer rate according to the following conditions:

1. The customer is a new account for a specific package type to the Employer; i.e., an individual customer not purchasing that specific package type within a period of at least the most recent three (3) calendar months. Under these circumstances no compensation or unusual payment for this delivery privilege is due any commission driver salesman.
2. The customer is or has been within the most recent three (3) calendar months, a customer for that specific package type to be delivered by hourly rate. In this circumstance, the driver salesman upon whose route territory the customer is located and who has been providing such service for this specific package shall be paid for the twenty-six (26) weeks immediately following the change a weekly commission payment equal to the weekly commission payment he would have earned on actual deliveries of the package to that customer during the period of twenty-six (26) weeks immediately following the change.

This paragraph (a) will only apply to full-line vendors and ship chandlers, except with the prior approval of Union; Union shall not withhold its approval if Employer is at a competitive disadvantage.

(b) This Article is not intended to impose any restrictions on Employer to ship orders of 400 or more cases of other than National Brand soft drinks directly to a customer via hourly-rated employees earning the tractor trailer rate, if Employer is at a competitive disadvantage with such non-National Brand soft drinks.

Should Employer desire to drop-ship without restriction any non-National Brand product, the Union shall first be consulted. The Union shall not deny drop shipping privileges as to any such product unless it is, in fact, a National Brand product.

ARTICLE XXVI **FUNERAL LEAVE**

In case of a death in the immediate family (namely, the death of a parent, spouse, child, brother or sister, father-in-law or mother-in-law) of a regular full-time employee requiring the employee's absence from his regularly scheduled assignments, the employee shall be granted a leave of absence of three (3) working days, so long as one of the days is the day of the funeral. Under no circumstances shall the application of this clause result in an increase in the employee's weekly wages.

In the case of a death of a grandparent of a regular full-time employee requiring the employee's absence from his regular scheduled assignments, the employee shall be granted a leave of absence on the day of the funeral, provided it is a workday.

In the event the death of a relative herein occurs while the employee is on vacation, that portion of the vacation which becomes funeral leave in conformity with this Article XXVI may be rescheduled at a later date.

In the event the funeral for a death covered by this Article is on a non-scheduled workday, one of the funeral leave days provided for herein must be taken on the next scheduled workday after the funeral.

ARTICLE XXVII **JURY DUTY**

In the event an employee is called for jury duty and cannot get excused, he will receive his regular earnings less any and all amounts received for such services for regular scheduled workdays absent on such service for a maximum of fifteen (15) workdays. Regular earnings as used herein for each day shall be a day's pay as provided for holidays in Article V.

ARTICLE XXVIII **STEWARDS**

The Employer recognizes the right of the Union to designate Shop Stewards and alternates. The authority of Shop Stewards and alternates so designated by the Union shall be limited to, and shall not exceed, the following duties and activities:

1. The investigation and presentation of grievances in accordance with the provisions of the collective bargaining agreement.
2. The collection of dues when authorized by appropriate Local Union action.
3. The transmission of such messages and information which shall originate with, and are authorized by, the Local Union or its officers, provided such messages and information:
 - A. have been reduced to writing, or
 - B. if not reduced to writing, are of a routine nature and do not involve work stoppages, slowdowns, refusal to handle goods, or any other interference with the Employer's business.

Shop Stewards and alternates have no authority to take strike action, or any other action interrupting Employer's business.

The Employer recognizes these limitations upon the authority of Shop Stewards and their alternates, and shall not hold the Union liable for any unauthorized acts. The Employer in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event the Shop Steward has taken unauthorized strike action, slowdown, or work stoppage in violation of this Agreement.

The Employer agrees that a Shop Steward, who is qualified to perform the work, is to have super seniority for layoff, and rehiring. The Union shall be privileged to appoint alternate Shop Stewards to act in the absence of a Shop Steward, but such alternate Shop Steward shall not have super seniority.

ARTICLE XXIX **RETIREMENT SAVINGS PLAN**

Effective August 1, 2020, the Employer on behalf of each regular full time employee who has completed his or her probationary period shall make contributions of \$6.00 per week for each week worked or for which pay is received pursuant to this Agreement, to the Teamsters Local 830 Retirement Savings Plan.

Upon the receipt of a written authorization from the employee, the Employer will deduct weekly from the pay of all such employees covered by this Agreement and remit to the Plan such amounts as the employee may direct. In order to comply with Department of Labor rules, such amounts shall be paid to the Plan as soon as practicable after such amounts would otherwise be paid to the employee and, in all events, no later than the 15th day of the following month. All such payments will be pre-tax contributions pursuant to Section 401(k) of the Internal Revenue Code and shall be subject to the limitations of that section and any other restrictions imposed by the Trustees of the Fund. The Employer will report such deferrals on the employee's Form W-2 as Section 401(k) contributions and will provide such information concerning the employee's compensation and other data as is reasonably necessary to administer the Plan and enforce the requirements of Section 401(k) and ERISA. The Employer's obligation under this Section is contingent on reasonable assurances and documentation from the Plan that such amounts may be received, held and distributed by the Plan in Accordance with Section 401(k).

Each employee was provided with an opportunity to elect to roll over the bonuses referenced in the third paragraph of Article VIII to the Local 830 Savings Plan as permitted by Law. If an employee elected to roll over the aforementioned bonuses as provided for above, Employer must have been notified of such election no later than 5:00 p.m. on August 9, 2019.

ARTICLE XXX **LEGAL SERVICE FUND**

For the purpose of providing legal services, Employer on behalf of each regular full-time employee who has completed his probationary period, will contribute Five Dollars (\$5.00) per week in the Local 830 Health & Welfare Fund.

Employer shall be obligated to continue contributions for the benefits defined in this Article until the first day of the month following the sixth month of continued absence from work due to illness or injury.

It is understood and agreed that under no circumstances shall the attorneys providing services under the Fund, or any attorney in any way affiliated with them, represent an employee covered by the Fund in any matter in which a claim, direct or indirect, is asserted against the Employer or in which the Employer may be directly or indirectly liable.

ARTICLE XXXI **LEAVE OF ABSENCE**

Employer agrees to grant the necessary and reasonable time off, without pay, to one (1) employee who is a member of the Local 830 Executive Board to attend a labor convention, upon the following conditions:

- (a) At least ten (10) days' written notice therefore shall be given by the Union to the Company setting forth the name of the employee, the nature and place of the convention and the respective dates on which such time off shall commence and end.
- (b) The duration of such time off shall not exceed one (1) workweek and shall occur only once in any calendar year.

ARTICLE XXXII **MISCELLANEOUS**

- (a) In the event of an emergency and Employer is forced to utilize a non-bargaining unit Employee to operate a commission route, all commissions generated by such route shall be placed into a driver's pool and divided among all commission drivers at year's end. Employer will advise Shop Stewards when such event occurs.
- (b) The Employer shall pay for refrigeration certification testing.
- (c) The Employer will offer tuition reimbursement to the bargaining unit employees if and to the extent offered to its non-exempt non-union employees.
- (d) The Employer will furnish non-standard tools for the use of the Vehicle Mechanics and Production Mechanics.
- (e) Any new Route Truck, Tandem Axle Tractor or Single Axle Tractor purchased by the Employer in the future, will be equipped with an air horn and an AM/FM radio.

All existing Route Trucks, Tandem Axle Tractors and Single Axle Tractors will have their electric horns repaired if they are currently not working. If the electric horn cannot be repaired it will be replaced with an air horn.

- (f) The Employer agrees that in the event of a tie vote in the Warehouse Department Accident Committee, the tie breaking vote will be cast by Mike Lorenca.

- (g) The Employer agrees not to place surveillance cameras in either employee locker rooms or employee restrooms and further agrees to place signs indicating that electronic surveillance equipment is being used in its facility.
- (h) On or before September 1, 1998, payroll check stubs for all conventional Driver Merchandisers will identify the commissions paid for shells, separated from the commission paid for full goods.
- (i) A committee will be formed, which will meet monthly, to discuss issues having to do with the warehouse operation. Senior Management and the Union Business agents will participate in these meetings. Such meetings will be held at the request of the Union on no less than two (2) weeks' notice.
- (j) The company will send their managers to be trained in personnel management relations so as to better handle problems that arise in the workplace.
- (k) The Company will pay for job required Hazmat certification/re-certification, job required security clearance fees and job required DOT physical re-certifications.
- (l) The Company agrees to provide necessary and reasonable in-house or outside seminar training for a reasonable number of fleet mechanics.
- (m) The Company shall administer "no punch time card" discipline as a minor work rule with counseling between incidents.
- (n) Six utility positions may be used to fill open positions in the warehouse.
- (o) Notwithstanding any other provision of this Agreement, all fleet mechanics covered by this Agreement shall be required to meet minimum standard repair times established by the Employer for the fleet mechanic position. The Employer shall meet with the Union on an advisory basis to discuss the minimum standard repair times that the Employer establishes in advance of implementing the minimum standard repair times. The minimum standard repair times shall be established in accordance with industry standards established by a third party (e.g. International Trucking). In the event that a fleet mechanic fails to meet the minimum standard repair time, discipline shall be levied as follows:

First occurrence:	Counseling
Second occurrence:	Verbal Warning
Third occurrence:	Written Warning
Fourth occurrence:	Final Written Warning
Fifth occurrence:	Termination

After a fleet mechanic receives an occurrence, if 90 calendar days pass and the fleet mechanic receives no further occurrence, that latest occurrence shall be taken off the fleet mechanic's record.

The discipline provided for in this section shall not go into effect until August 1, 2020.

It is understood between the Employer and the Union that a Fleet Mechanic Lead Person may be required to complete indirect labor (e.g. non-repair work). Completion of indirect

labor shall not be held against a Fleet Mechanic Lead Person in the calculation of a minimum standard repair time.

- (p) It is understood by and between the parties the term “spouse” throughout this Agreement shall be inclusive of legally married same-sex couples.

ARTICLE XXXIII **TRANSFER OF EMPLOYER TITLE OR INTEREST**

Notwithstanding any other provision in this Agreement, the Employer shall have the right during the term of this Agreement to (i) relocate or close any of its facilities; (ii) merge or transfer any of its facilities or operations with or to any other of its existing facilities or operations and/or the facilities or operations of a third party; (iii) sell, assign, transfer and/or merge any part of its operation to/with a third party; (iv) merge, discontinue or change any part of its method of operation including, but not limited to production, distribution or delivery; and/or (v) change the nature of its business (each independently considered to be an “Event”). In the event that the Employer determines to engage in an Event, then it shall give written notice to the Union as soon as reasonably practicable, but no less than sixty (60) days prior to an Event. Upon such notice, either the Employer or the Union may reopen the Agreement to the extent set forth in this paragraph and the Employer and the Union shall be required to negotiate over the effects of the Event, including but not limited to resolving seniority rights (i.e. dovetailing, end-tailing or bumping rights), establishing terms and conditions associated with work to be performed subsequent to the Event to the extent that such terms and conditions are not already covered by an existing collective bargaining agreement with the Union, and any compensation and benefits to be paid to employees who sustain any loss of work or employment related to the Event. The Employer and the Union agree that the decision to engage in an Event shall not be subject to arbitration or other legal challenge. The Employer and the Union further agree that the subjects of compensation and benefits paid to employees who sustain any loss of work or employment related to the Event shall not be subject to arbitration or legal challenge; provided however that issues with respect to the payment of already-accrued vacation pay, already-accrued holiday pay, already-accrued funeral pay and already-accrued jury duty pay shall remain subject to the grievance and arbitration provisions of the collective bargaining agreement. If the Employer determines to engage in an Event and the parties engage in negotiations as set forth herein, either the Employer or the Union shall have the right to declare an impasse and the Employer and the Union shall be released from any obligations under Article XX, Strikes and Lockouts and the Employer may exercise any of its rights including, but not limited to, implementing all or part of its final offer. It is understood that neither the Employer nor the Union waive any rights it has under the National Labor Relations Act (“NLRA”), including the right to contest whether or not an impasse has occurred within the meaning of the NLRA.

ARTICLE XXXIV **TERMINATION**

The terms and conditions of this Agreement shall, except as herein otherwise expressly provided, become effective the 1st day of August, 2019, and shall continue in full force and effect up to and including the 31st day of July, 2024, and thereafter from year to year unless and until either party shall give to the other notice by registered mail at least two (2) months prior to the expiration date in 2024, or to the expiration date in any year thereafter, of an intention to terminate, cancel, or modify the Agreement.

IN WITNESS WHEREOF, the parties hereto have hereunder set their respective hands and seals
as of the day and year first above written.

FOR PEPSI-COLA & NATIONAL
BRAND BEVERAGES, LTD.:



FOR BEVERAGE DISTRIBUTION
CENTER, INC.:



FOR THE UNION:



SCHEDULE "A"

PEPSI COLA & NATIONAL BRAND BEVERAGES, LTD. (PENNSAUKEN, NEW JERSEY)

SECTION 1. Commission Drivers

- (a) The compensation of Sales Representatives shall be as follows:

Daily Base Pay:	August 1, 2020	\$61.00
	August 1, 2021	\$62.00
	August 1, 2022	\$63.00
	August 1, 2023	\$64.00
Commission:	August 1, 2020	\$.1810 per case sold
	August 1, 2021	\$.1835 per case sold
	August 1, 2022	\$.1860 per case sold
	August 1, 2023	\$.1885 per case sold

- (b) The compensation of Driver/Merchandisers shall be as follows:

Daily Base Pay:	August 1, 2020	\$64.50
	August 1, 2021	\$66.00
	August 1, 2022	\$67.50
	August 1, 2023	\$69.00
Commission:	August 1, 2020	\$.3424 per full case delivered \$.07 per 2 Liter tray returned
	August 1, 2021	\$.3474 per full case delivered \$.07 per 2 Liter tray returned
	August 1, 2022	\$.3524 per full case delivered \$.07 per 2 Liter tray returned
	August 1, 2023	\$.35 74 per full case delivered \$.07 per 2 Liter tray returned

- (c) The compensation of Full Service Drivers shall be as follows:

Daily Base Pay:	August 1, 2020	\$106.80
	August 1, 2021	\$108.80
	August 1, 2022	\$110.80
	August 1, 2023	\$112.80
Commission:	August 1, 2020	\$.7414 per full case delivered \$.07 per shell returned
	August 1, 2021	\$.7514 per full case delivered \$.07 per shell returned

	August 1, 2022	\$.7614 per full case delivered \$.07 per shell returned
	August 1, 2023	\$.7714 per full case delivered \$.07 per shell returned
Water Cooler Delivery		\$5.00
Water Cooler Pickup		\$5.00
5 Gallon Water Bottle Delivery		\$.51
5 Gallon Water Bottle Pickup		\$.33

In addition, the Company at its discretion, may have such number of Tel-Sell cases, as it deems appropriate (but in no event in excess of fifty (50%) percent of the current number of Tel-Sell cases), delivered by Full Service drivers, provided that such cases shall not be delivered on any day that the same Full Service driver is delivering Full Service cases. The daily Base Pay and commissions for Tel Sell deliveries by Full Service drivers shall be an amount equal to the then Full Service Driver's Base Pay and the then Driver Merchandiser's commission. Such deliveries by Full Service drivers shall not result in the requirement of any Guarantee to any Driver Merchandiser who may have previously delivered such Tel Sell cases.

- (d) Any extra Driver/Merchandiser who does not take out a route on a day on which he is scheduled to work shall be paid the "Relay and Extra Drivers" rate.
- (e) The minimum average earnings of each Regular Driver/Merchandiser in any consecutive two-week period shall be the base pay multiplied by five (5).
- (f) Regular Driver/Merchandiser shall have the daily base pay deducted from his weekly guarantee for each day's absence from work, irrespective of the reason therefore.
- (g) Where empty or full shells are taken out with the load to be used as ballast, no commissions shall be paid for such shells on their return.
- (h) In the case of so-called one-way or non-returnable bottles and cans, regular commission as stipulated herein shall be paid as if returned empty, provided shells are returned if required.
- (i) A Driver/Merchandiser shall not be required to hang advertising material of any kind requiring the use of nails or other wall fasteners.
- (j) A Driver/Merchandiser or Full Service Driver (with the exception of water coolers, which are covered elsewhere in the CBA) shall receive a commission of five percent (5%) of the selling price of miscellaneous items sold by him, such as, but not limited to, syrup, vending machines, coolers, glasses, cups, straws, matches and napkin.

- (k) All cooler commissions will be paid to Driver/Merchandisers on a weekly basis. These cooler commissions will be paid at the rate of five percent (5%) of all cooler collections, including rent, collected by the Driver/Merchandiser and reported on his Daily Settlement Sheet, whether these collections are for coolers sold by him or others.

If a Driver/Merchandiser sells a cooler for cash, his five percent (5%) commission will be included in his weekly wages in the week in which the Employer received the full cash payment.

If a part-time or extra man runs a Regular Driver/Merchandiser's route, while the Regular Driver/Merchandiser is on vacation or off for other reasons, the part-time or extra man will receive five percent (5%) of all cooler collections collected by him and reported on his Daily Settlement Sheet.

If a part-time or extra man sells a cooler, his commissions will be paid immediately if the cooler is sold for cash. If the cooler is sold on a Time Payment Plan, the commission shall be paid at the rate of five percent (5%) of all collections made and properly reported on the Daily Settlement Sheet of the Driver/Merchandiser or extra man who actually makes the above cooler collections.

If a Driver/Merchandiser or extra man leaves the employ of the Employer he automatically forfeits the five percent (5%) of all unpaid cooler balances on his route whether the coolers were sold by him or others and the five percent (5%) of said unpaid cooler balances will be paid to the Driver/Merchandiser who collects same and properly reports them on his Daily Settlement Sheet.

All cooler sales on a Time Payment Plan must be authorized by the Employer.

- (l) Driver/Merchandisers shall not be required to load or unload trucks.
- (m) Vacation pay for commissioned employees shall include a five percent (5%) "Catch up" factor for one (1) year from date of last increment increase.
- (n) In the event a driver shall suffer revocation of his driver's license due to his own negligence, his job and seniority shall be protected for one (1) year. A second Revocation of his license within five (5) year period on or after April 15, 1980 will result in this termination.
- (o) When it can be shown that a route salesman is regularly working over nine (9) hours a day, the route salesman may request a route analysis. When a route salesman requests a route analysis, Employer shall have such analysis completed within two (2) weeks; if such analysis is not completed in two (2) weeks the driver may return to plant after nine (9) hours with no repercussions.

It is hereby agreed that the Employer will continue to apply Paragraph (o) of Section 1, Schedule "A" of the present Collective Bargaining Agreement in the manner it has to date during the term of the new Collective Bargaining Agreement.

It is agreed that effective August 1, 1989, the Employer shall apply that provision as it is applied by other employers who have that provision in collective bargaining agreements with Teamsters Local Union No. 830.

- (p) Drivers who perform five (5) days' work in a four (4) day holiday week shall receive five (5) days' base pay.

During the term of this Agreement, the Employer shall have the right to propose to modify the commission structure earned by Sales Representatives, Driver/Merchandisers and/or Full Service Drivers provided for herein. Such proposal shall not constitute a reopener of the collective bargaining agreement. The Union shall have the right to decline any proposal to modify the commission structure earned by Sales Representatives, Driver/Merchandisers and/or Full Service Drivers provided for herein.

SECTION 2. HOURLY-RATED EMPLOYEES

- (a) The wages for hourly-rated employees shall be as follows:

	<u>8/1/2020</u>	<u>8/1/2021</u>	<u>8/1/2022</u>	<u>8/1/2023</u>
General Plant Workman	\$23.10	\$23.55	\$24.00	\$24.50
Filler Operator	\$23.55	\$24.00	\$24.45	\$24.95
Syrup Room (1)	\$24.30	\$24.75	\$25.20	\$25.70
Packer Operator	\$23.30	\$23.75	\$24.20	\$24.70
Depalletizer Operator	\$23.45	\$23.90	\$24.35	\$24.85
Tank Washer	\$23.30	\$23.75	\$24.20	\$24.70
Labeler/Case Erector	\$23.45	\$23.90	\$24.35	\$24.85
Fork Lift Operator	\$23.45	\$23.90	\$24.35	\$24.85
Utility, Relay and Extra Driver	\$23.45	\$23.90	\$24.35	\$24.85
Cooler Delivery Driver	\$23.85	\$24.30	\$24.75	\$25.25
Pre-Mix, Post-Mix Routeman	\$23.65	\$24.10	\$24.55	\$25.05
Special Events Man	\$23.65	\$24.10	\$24.55	\$25.05
Trailer & Transport Driver	\$24.20	\$24.65	\$25.10	\$25.60
Bulk Driver	\$27.05	\$27.50	\$27.95	\$28.45
Merchandiser	\$19.20	\$19.65	\$20.10	\$20.60

Wash Bay/Delivery Driver (Equipment)	\$23.85	\$24.30	\$24.75	\$25.25
Fleet Fluid Checker/Utility	\$23.60	\$24.05	\$24.50	\$25.00
Fleet Class I Mechanic	\$24.50	\$24.95	\$25.40	\$25.90
Fleet Master Mechanic	\$26.80	\$27.25	\$27.70	\$28.20
Vending Mechanic Trainee	\$23.60	\$24.05	\$24.50	\$25.00
Vending Class I Mechanic	\$26.70	\$27.15	\$27.60	\$28.10
Vending Master Mechanic	\$26.80	\$27.25	\$27.70	\$28.20
Production Apprentice Mechanic	\$23.60	\$24.05	\$24.50	\$25.00
Production Mechanic - C Level	\$26.70	\$27.15	\$27.60	\$28.10
Production Mechanic - B Level	\$28.30	\$28.75	\$29.20	\$29.70
Production Mechanic - A Level	\$30.90	\$31.35	\$31.80	\$32.30
Production Engine Room Stationary Engineer	\$28.30	\$28.75	\$29.20	\$29.70
Production Gold Seal Mechanic	\$32.40	\$32.85	\$33.30	\$33.80
Building Maintenance Electro Mechanic	\$31.65	\$32.10	\$32.55	\$33.05

- (b) Employees presently receiving more than the foregoing wage rates shall suffer no reduction therein by virtue of the execution of this Agreement. Merchandisers hired on and after August 1, 2011 shall receive an hourly rate of \$15.00 subject to the new employee step rates during the first thirty (30) months of employment.
- (c) Night Shift Differential – Any hourly-rated employee employed in one or more of the job classifications set forth in this Section whose regular shift of eight (8) hours requires him to work after 7:00 P.M. shall receive \$.35 in addition to his regular hourly rate. This shall not apply when the only time worked after 7:00 P.M. is at the overtime rate.
- (d) Skilled Relief Man – A skilled relief man, that is, one who is qualified to and does relieve employees in higher-rated job classifications, shall receive the filler operator's rate if he regularly relieves employees in higher-rated job classifications.

- (e) Utility, Relay and Extra Drivers shall perform such work as may be assigned to them, including delivering and picking up coolers and vending units, running of relays and delivering of merchandise. However, where bottled soft drink is delivered to retail stores or other retail outlets, any commission on such sale, including return of empties, shall be paid to the Driver/Merchandiser on whose route the stop is located, provided that if Employer directs a Utility, Relay or Extra Driver to take over a route and assume full cash responsibility therefore, such driver shall receive the base compensation and the commission herein provided for a Driver/Merchandiser on the day when he is working as a Driver/Merchandiser.
- (f) The Employer and the Union in a Letter of Understanding entitled "Production Mechanics" have established the means and manner by which production mechanics will progress to a higher classification of a mechanic and the skills they will be required to have acquired. The Employer and the Union shall also enter into a Letter of Understanding entitled "Building Maintenance Electro Mechanics".
- (g) A Master Fleet Mechanic, who attains and maintains all ASE certifications shall receive the following \$1.40 per hour above the base hourly rate effective 8/1/19; \$2.40 per hour above the base hourly rate effective 8/1/20; and \$3.40 per hour above the base hourly rate effective 8/1/23 ("ASE Certification Allowance"). ASE Certification Allowance shall not be considered as part of the Master Fleet Mechanic's base hourly rate. The Master Fleet Mechanic shall further be entitled to receive contractual hourly increases as provided for in this Agreement.
- (h) The Employer may select one or more Lead Persons among the mechanics in any department who shall receive \$.50 per hour above his regular classification rate. Lead Persons will be selected and hold such position in the sole discretion of the Employer. Nothing herein shall require the Employer to select or retain a Lead Person in any department. The duties and responsibilities of a Lead Person shall be as follows:

In addition to the performance of the regular work of the group that he directs, a Lead Person will be responsible for the maintenance of a satisfactory quantity and quality of work performed by personnel assigned to his leadership on a shift, and his duties shall include such activities as explaining and demonstrating work procedures and methods, apportioning and scheduling work assigned to the group for accomplishment, observing and analyzing the methods used and the results achieved, bringing problems to his supervisor's attention, working in accordance with Employer's regulations and supervisory instructions and completing any forms connected with the work involved.

- (i) New or temporary employees hired after August 1, 1992 shall be paid as follows:
 - 78% of the rate (or base and commission) for the first six (6) months of continuous employment.
 - 80% of the rate (or base and commission) after six (6) months of continuous employment.
 - 85% of the rate (or base and commission) after twelve (12) months of continuous employment.

90% of the rate (or base and commission) after eighteen (18) months of continuous employment.

95% of the rate (or base and commission) after twenty-four (24) months of continuous employment.

100% of the rate (or base and commission) after thirty (30) months of continuous employment.

When classification rate increases occur, the step rate hereunder shall be the appropriate percentage of the increased rate.

The Employer reserves the right to waive step rates at any time and pay a higher rate to an individual.

- (j) Provided there are no employees laid off in a department, the Employer may hire Seasonal employees in that department during the periods of April 1 through September 30. Seasonal employees shall not receive benefits nor shall they accrue seniority. Pay for seasonal employees shall be 75% of the rate (or base pay and commission) for the classification in which they work. Seasonal employees shall not be assigned to any shift until regular employees have had an opportunity to select their shifts by qualification and seniority. Seasonal employees in the warehouse can be hired to work a flex work week of any four (4) ten (10) hour days, Monday-Friday, as "night pickers" only.

Seasonal employees who are on the payroll after September 30 shall be considered regular employees and shall receive all contract benefits commencing October 1, including seniority to date of most recent seasonal hire.

- (k) All Employees who are required by the Employer to use their personal vehicles in performing their duties for it shall receive reimbursement at the following rates for each mile traveled in the course of those duties. All employees entitled to reimbursement, shall receive the following mileage reimbursements.

<u>8/1/19</u>	<u>8/1/21</u>	<u>8/1/23</u>
\$.51/mile	\$.52/mile	\$.53/mile

Effective August 1, 2011, mileage to an employee's first stop, account or Company facility from his/her home or other starting location, as well as mileage to an employee's home or other location from his/her last stop, account or Company facility, shall not be considered mileage for which the employee shall be entitled to mileage reimbursement.

Notwithstanding the foregoing, should the maximum mileage reimbursement rate allowed by the Internal Revenue Service at any time be less than the rate in effect hereunder, such IRS maximum shall be the rate payable to the Merchandisers.

- (l) Merchandisers must carry and maintain automobile liability insurance coverage of at least \$250,000 combined single limit for the use of their personal vehicles in their work for the Employer and must provide the Employer with proof of such coverage

with all dispatch. Such coverage must be reconfirmed by the Merchandiser at least once every six (6) months thereafter.

Sales Representatives hired on or after August 1, 1998, as well as all other employees who become Sales Representatives on or after August 1, 1998 shall be required to provide their own vehicle, insure (at least \$250,000 general liability insurance), provide fuel and oil, etc. and maintain their own vehicle, which shall at all times be in the judgment of the employer, job appropriate. The employer shall provide a \$6,720 per year vehicle allowance, payable in equal monthly installments, to any such Sales Representatives.

All Sales Representatives, as of August 1, 1998, any person employed as a Driver Merchandiser, as of August 1, 1998, who subsequently become Sales Representatives, and the top five senior merchandisers employed by the employer, as of August 1, 1998, who subsequently become Sales Representatives, shall have the option of continuing under the employer's vehicle policy, effective on August 1, 1998, or providing their own vehicle under the conditions set forth above for new Sales Representatives.

- (m) Sales Representatives shall not be required to be physically present at the Employer's office on Fridays. At the Employer's sole discretion and subject to the Employer's approval, after January 1, 2016, Sales Representatives shall not be required to be physically present at the Employer office on Wednesdays.
- (n) Syrup room employees who attain the annual Food Defense Certification shall receive an additional \$0.25 per hour in their base hourly rate. Syrup room employees shall further be entitled to receive contractual hourly increases as provided for in this Agreement.

SUPPLEMENT #1

SALES MEETINGS

The Union agrees to give its active support to promote the best interests of Employer, and to the furtherance of sales activities. It is further stipulated that Employer may, from time to time, hold meetings of its employees. Provided, however, that Employer shall not hold more than six (6) night meetings in a calendar year and there shall be no night meetings during June, July or August. There shall be no limit to the number of day meetings, but each day meeting shall be limited to three-quarters (3/4) of an hour from the time scheduled. Such meetings shall be held at such a time as not to impose any unreasonable hardship upon employees, and two (2) days' notice shall be given by Employer. Upon notification of a Sales meeting, Sales Representatives may be required to wear a tie/jacket at the direction of Sales management.

SUPPLEMENT #2

HYBRID DELIVERY SYSTEM

The Employer shall, in its discretion, have the unilateral right to modify its delivery system as follows:

- (a) Deliveries to all accounts, on the pre-sell account list (146 accounts) plus, at the Employer's option, any new accounts shall be delivered by hourly-paid employees and no commission shall be paid for such deliveries.
- (b) The Employer shall have sole discretion as to the type of vehicle used for any delivery.
- (c) For accounts other than those noted in Section (a), deliveries shall be made by commissioned route salesmen, except those defined in Article XXV, Drop Shipments.
- (d) At each location there shall be a common relief pool for both hourly and commissioned delivery.
- (e) As a special earnings guarantee, applicable only to the installation of bulk delivery, the Employer agrees that the earnings of any route salesman whose route volume is decreased as a result of Hybrid delivery, shall be guaranteed for a period of twenty-six (26) weeks following installation of this system to be no less than the individual's earnings for the twenty-six (26) weeks preceding this system with appropriate adjustments for any difference in the number of days in the respective periods. This guarantee shall be calculated at the onset and paid weekly; and weekly pay will not exceed the guaranteed amount. At the end of the twenty-six (26) week period, the individual's total guaranteed amount shall be compared to what the individual would have earned based on actual volume during the guaranteed period. If actual earnings would have exceeded the guaranteed amount, the employee will be paid the difference by separate check. If actual earnings would have been less, no deduction from earnings will be made.
- (f) Employees in the Sales Department shall select routes (Bottles and Can, Food Service and Full Service), Bulk or Hybrid Delivery Driver Positions, and Utility Relief Positions by seniority prior to the implementation of the system. All positions will be posted for review at least two (2) weeks prior to the implementation of the Hybrid System. Employees will be allowed to review the reconfigured routes and positions for one (1) week prior to the actual bidding process. In the event that any of these positions remain open following the bidding procedure, the least senior employee shall be assigned.
- (g) The Employer shall not hold the hourly-paid delivery drivers responsible for selling.
- (h) There shall be no layoffs (permanent or temporary) of employees in the Sales Department as of August 1, 1987 as a result of the implementation of the Hybrid System. This provision shall not apply to layoffs that occur for any other reason than the implementation of the Hybrid System. Employees may be assigned work in any department at the Employer's discretion in order to meet the requirements. Employees who bid into other Departments will forfeit this layoff protection.
- (i) Upon notice of implementation of the Hybrid System, the Employer will establish an Employee/Employer Committee not to exceed four Employee/Employer Representatives. It is the intention of the Committee to discuss and participate in

the resolution of all matters pertaining to the implementation and administration of this new system, including the accounts to be delivered by hourly-rated employees.

- (j) Effective the date of the inception of the Hybrid System Route-Sales Drivers shall receive an increase of Eight Dollars (\$8.00) per day to the base pay.

SUPPLEMENT #3

BULK DELIVERY

Employer may have the option, in its sole discretion, to change a part of its operation under which present route salesmen, who become bulk delivery drivers will no longer have sales responsibilities and will be paid an hourly rate.

- (a) The Company agrees that there shall be no layoffs among the permanent Driver/Merchandisers and Extra Drivers as a result of the Bulk Delivery System. The guarantee will apply only to employees employed on August 1, 1987 and will be reduced by any attrition due to retirement, resignation or termination. Any dispute as to whether layoff is a result of bulk delivery may be referred to arbitration and the Arbitrator may decide the issue. The guarantee will apply during the term of the Agreement.
- (b) A Driver/Merchandiser who successfully bids into the position of Bulk Delivery Driver shall have up to thirty (30) days in which to qualify for the position. The Company retains the right to make final determination on the qualifications.
- (c) If any stops are taken off a route as a result of changing to the Bulk Delivery method, the Split Clause shall apply except that for a period of fifty-two (52) consecutive weeks immediately after a route has had stops taken off as a result of bulk delivery the Driver/Merchandiser affected shall be guaranteed the total earnings in each two (2) week period equal to 1/26th of his total earnings during the period of fifty-two (52) consecutive weeks immediately prior to the change with appropriate adjustment for any difference in the number of days worked in the respective periods - - plus the wage increase.
- (d) The weekly guarantee for Driver/Merchandisers based on a two (2) consecutive week average shall be five (5) times the applicable daily base pay. If a Driver/Merchandiser is absent from work, one (1) day's base pay shall be deducted from his weekly guarantee for each day missed.
- (e) Employer may institute additional bulk delivery trucks, during the term of this Agreement. When such trucks are added on an as needed basis, as opposed to regularly, drivers will be drawn according to seniority from among Extra Drivers who will receive the Bulk Driver rate for such work.
- (f) An account will be considered for bulk only if it meets the following requirements and has the physical characteristics outlined below:

1. Volume requirements for instituting the Bulk Delivery System will be 8,000 annual case volume based on the fifty-two (52) weeks immediately prior to institution of system.
 2. Back door wide enough to allow entry.
 3. Back room large enough to accommodate proper storage of full goods and empties.
 4. Account has either a semi-dock or flat ground level area to facilitate Bulk Delivery.
- (g) It will be on a predetermined route.
- (h) Driver/Merchandiser will not be required to service a bulk account, but will continue to service dispensing equipment at such an account as in the past.
- (i) If an account having been placed on Bulk is later placed into Route Sales classification, the Driver/Merchandiser whose geographic area the account is in shall be assigned that account and shall receive full commission on both full goods and empties delivered and/or picked up.
- (j) The Union will be given ninety (90) days' advance notice before instituting a bulk delivery route.
- (k) After the first bulk delivery route is put into operation, the Extra Men will receive either the hourly rate or base and commission, whichever is higher, when running a route affected by bulk delivery.
- (l) Supervisors will continue to sell as they have in the past.
- (m) The Bulk Delivery Driver rate will be as set forth in the Hybrid Delivery System Supplement.
- (n) Bulk Delivery Drivers shall not be required to perform work normally performed by Transport Drivers such as picking up glass.
- (o) This Supplement shall not be applicable in the event the Employer institutes a Hybrid Delivery System as provided in this Agreement.
- (p) Bulk driver's additional work

The Employer will be able to assign additional work to Bulk Drivers on the following basis:

1. When Bulk Drivers complete their deliveries in less than seven hours, they may be assigned any driver-related work.
2. When Bulk Drivers complete their deliveries in seven hours or more, they may only be assigned additional Bulk Driver work.

(q) The Employer in the course of the 2005 negotiations presented a proposal to convert Driver/Merchandiser compensation to an hourly rate in substitution for the current Base and Commission structure. In the course of the said negotiations and at the request of both the Union and the negotiating committee, it withdrew its proposal and indicated it would transfer bulkable cases from the conventional delivery system to the bulk delivery system, as it is permitted to do under Supplement 3 of this Agreement. In the event the Employer makes such a transfer, the remaining conventional delivery routes/areas will be subject to a one time re-bid amongst the Driver/Merchandisers. In addition, anything contained in this Agreement to the contrary notwithstanding, each Driver/Merchandiser employed by the Employer in the capacity of Driver/Merchandiser or Route Jumper for at least twelve (12) months prior to such re-bid, and who remains either a Driver/Merchandiser or Route Jumper after such re-bid, shall be guaranteed during the twelve (12) month period after such transfer, an amount equal to his total earnings (exclusive of the \$500 bonus referred to in Article VIII Wages in the twelve (12) month period prior to such transfer, with appropriate adjustment for any difference in the number of days worked in the respective periods. Any deficiency shall be paid within forty five (45) days after the completion of the twelve (12) month period after such transfer. There shall be no other guarantee

SUPPLEMENT #4

JOB BIDDING

(a) All employees shall have bidding rights to job openings, based on qualifications and seniority, except to the following classifications: all sales classifications and mechanics classifications. Nothing in this language shall preclude Sales Department employees including merchandisers or mechanics from bidding into other classifications.

1. Posting

Open or new jobs will be posted in the Department in which the opening occurs for a period of three (3) working days. If not filled, the opening will be posted for three (3) working days in the entire bargaining unit prior to being filled from the outside. The posting will set forth the requirements of the job and the qualifications needed. Temporary or seasonal jobs will not be posted for bidding.

2. Bidding

Employees wishing to be considered for a job opening must file a written bid form with the Personnel Department during the three (3) day posting period .Employees on vacation who feel qualified for possible job openings must inform their Union Steward and supervisor prior to going on vacation if they are to be considered for a bid.

3. Filling Jobs

Preference in bidding will be given to employees in the Department in which the opening occurs. The job will be awarded based on seniority and qualifications within the Department. For employees possessing equal skills and ability the most senior employee shall be awarded the bid. If no employee within the Department qualifies, candidates from other departments who are qualified will be awarded the job based on Company seniority.

4. Vacancies Created

After the first job opening is filled by bidding, as set forth above, the second opening created will also be bid in accordance with the same procedure after the first bidder has qualified. If a third opening is created, this opening and any subsequent openings will be filled by the Employer either by assignment of a qualified employee within the department by seniority, or if one is not available, by an outside hire.

5. Trial Periods

The successful bidder may be reasonably disqualified from that job any time during the first four (4) weeks that he holds that job if he fails to perform it in a satisfactory manner. The Company retains the right to make final determination as to whether the bidder's performance is satisfactory. If an employee is disqualified he will return to his previous job and shift.

6. Re-Bidding

"Once a bid is awarded, the successful bidder must stay in the job for one hundred eighty (180) days before he may bid for a second, higher rated position. A successful bidder must stay in the job and may not bid for a second, equal or lesser-rated position for a period of one (1) year after he is placed in the job for which he bid." There shall be the following annual bid positions for all shifts:

All Dock
Production Forklift
Repack
Trash/Recycle
Pallet Position
Truck Strippers
BIB/Full Service
Layer Line (Including Support)
Jockey

Note: If for any reason a bid becomes available during the normal one (1) year cycle, the subsequent rebid will expire at the end of the original 12 month period.

7. Production Needs

Where the Employer requires an employee to perform a specific task, the Employer may require the employee performing that task to remain within his present position until the Employer can secure a trained replacement.

8. Departments are defined as:

Production (PNBB)
Plant Mechanics (Production Mechanics and Building Mechanics) (PNBB)
Sales (Bottle and Can) (PNBB)
Vending (including drop shipment driver) (PNBB)
On-Premise (Full Service, Pre-mix, Post-Mix) (PNBB)
Merchandising (PNBB)
Warehouse (including Night Loading) (BDCI)
Facility Clean-Up (BDCI)
Vehicle Mechanics (BDCI)
Transport (BDCI)

For purposes of bidding and job rights in the event of a layoff, the Full Service Drivers, and Pre-Mix, Post-Mix Routemen shall constitute a separate group as defined in Section (a) (9) of this Supplement #4 and as referred to in Article XV, Section (a).

Current Commission Drivers, Full Service Drivers, and Pre-Mix, Post-Mix Routemen, who have been in these positions since August 1, 1989, shall retain their bidding and layoff rights within the Sales Department.

Only Driver/Merchandisers can bid into the Merchandising Department. Openings in Driver Merchandisers positions shall be filled, through a non-bid selection process, with merchandisers or on-premise routemen, provided there is an employee among them who is qualified for the position. Upon filling a Driver/Merchandiser position, a successful candidate shall be permitted to return to his or her position within sixty (60) days thereafter at his/her or the Employer's election.

The Employer shall provide an off-duty free training program in order for drivers to secure a Commercial Driving "Class A" or "Class B" License (including an upgrade from "Class B" to "Class A") and shall pay for the relevant Commercial Driving permit upon the employee successfully obtaining the relevant Commercial Driving License. The Commercial Driving License training program is memorialized in a Letter of Understanding attached herein. The trainer rate of pay shall be equal to that of the bulk rate of pay. The free training program shall be provided to drivers when those drivers are off-duty and drivers shall not be entitled to be compensated for time spent attending the free training program.

9. Merchandiser route opening

In the event of an opening in a Merchandiser route, the Employer will fill it by seniority based upon the stated geographic preferences of the Merchandisers.

10. Vending Delivery Drivers shall have right to bid for their routes on a daily basis.
11. The warehouse manning schedule, including vacation relief, shall be offered by the Employer for a period of up to four (4) weeks. The period of time will be determined solely at the Employer's discretion.
12. Vending Street Mechanics shall round robin bid once per year for territories and fountain positions with specific start times. Each successful bidder will remain in his/her bidden position for 12 months. If for any reason a bid becomes available during the normal "one (1) year" cycle the subsequent rebid will expire at the end of the original twelve month period. Management reserves the right to place anyone in a position according to need on a day to day basis. If in the future the need arises to change the starting time by more than one (1) hour, the employee would have the right to give up the position. The Employer shall have the exclusive discretion to cover vacations and/or leaves of absence. In the event the Employer elects to cover a vacation or a leave of absence in excess of five days, the vacation coverage replacement shift or the leave of absence coverage replacement shift shall be subject to a bid and shall be awarded to the most senior qualified Vending Street Mechanic.

SUPPLEMENT #5
DRUG/ALCOHOL POLICY

The manufacture, use, sale, purchase, transfer or possession of any alcoholic beverage or illegal drugs during working hours, including breaks or lunch time whether on or away from Company property, at any time during the course of a working day, is cause for immediate discharge.

Any employee who is convicted of the manufacture, distribution or sale of a controlled substance while off duty, may be subject to disciplinary action up to and including immediate discharge.

Employees must report any conviction for a drug violation occurring in the workplace to the Company within five (5) days of the conviction and the failure to do so may result in disciplinary action up to and including immediate discharge.

Reporting to work or being on duty while under the influence of alcohol, illegal drugs, or excessive amounts of prescribed drugs will also subject an employee to immediate discharge. An employee shall be deemed under the influence of illegal drugs, if he tests positive for the same and the use or possession of the drugs is unlawful. An employee shall be deemed under the influence of excessive amounts of prescribed drugs, if he tests positive for the said drugs, but doesn't have a then valid and current prescription for the same, issued by a duly licensed physician.

Employer may require that an employee undergo a medical examination and/or be tested for the presence of drugs or alcohol under the following circumstances: (1) When the Employer reasonably suspects that the employee is impaired or under the influence of alcohol or drugs. Provided that prior to an employee being required to submit to an examination or testing the Employer will, if feasible under the circumstances, afford a Steward the opportunity to observe the

employee. (2) When the employee is participating in a treatment program of which regular testing is a part.

In the case of drivers, testing will be required in accordance with any Department of Transportation legislation or other legislative requirement.

An employee is obligated to cooperate in any such medical examination or test including the execution of any forms required by any medical facility or laboratory which is involved, and the execution of an appropriate consent form and authorization for the examination and test results to be released to the Employer. If the employee fails in any way to fulfill such obligation or otherwise to cooperate in any medical examination or test hereunder he/she shall be subject to immediate discharge for such failure.

The Employer may conduct unannounced searches for illegal drugs or alcohol on Employer's property. Such searches are to be confined to Company property (including employee lockers) but under no circumstances may the search include the employee's body or uniform being worn or the employee's personal motor vehicle. Failure of the employee to cooperate in any search permitted hereunder shall subject him/her to immediate discharge.

Any employee tested hereunder shall be given the opportunity to have the blood or urine sample tested by an independent certified laboratory (using the Gas Chromatography/Mass Spectrometry test and the same cut off levels as the first laboratory). If the test by the independent laboratory is positive, the cost for it will be paid by the employee. If the result is negative, the cost will be paid by the Employer.

This policy will be strictly enforced. If any employee is having an alcohol or drug-related problem and desires professional help, please contact your supervisor, Pepsi-Cola Employee Relations Office or Teamsters Local 830; we will do all we can to help you.

Any employee testing positive as a result of a government regulation or legislation shall be given the opportunity to submit to a certified rehabilitation program in lieu of discipline, unless it is determined that such employee performed work while under the influence of drugs or alcohol. This, however, shall only apply to the first failure of such a test.

Employer may require that an employee undergo a medical examination and/or be tested for the presence of drugs or alcohol in the event the employee is involved in a work related accident, sustains a work related injury and/or injures another person. The term "work related accident" shall include accidents involving vehicles, forklifts and other industrial equipment. The term "work related accident" shall not include minor accidents such as accidentally running over a cone, accidentally knocking a case of product off a pallet, or an accident resulting in nominal loss of value to the Employer.

SUPPLEMENT #6 **PRESELL DISTRIBUTION**

1. Openings arising in Sales Representative positions shall be filled by bid from among the Driver/Merchandisers (including Route Jumpers) and Bulk Drivers. The Employer may fill, with an employee of its selection or a new hire, any opening which is not filled by bid, whether the person filling the position does so by bid or as a new hire, the Employer has complete discretion in assigning a territory to such person.

2. In awarding positions or vacancies that are filled by bid, the Employer will give consideration to the seniority of the present Drivers/Merchandisers and Merchandisers. However, the use of a reasonable evaluation of skills and abilities during an eight (8) week trial period will be the deciding factor with respect to an employee's retention in the Sales Representative position by the Employer.
 - (a) The Employer shall have the sole and final judgment with respect to skill and ability, but will be reasonable in the exercise of this judgment.
 - (b) An employee who is selected as a Sales Representative and who does not qualify during the eight (8) week trial period will be returned to his former delivery territory or position. In addition, the employee may return voluntarily to his former territory or position during the trial period.
3. The union may request a rebid of all delivery territories, but no sooner than two (2) years after the last such bid or rebid. Rebidding may take place during the periods of January 1 through April 30 and September 1 through October 31. Within those parameters a rebid shall be conducted within thirty (30) days after the Union has submitted a request to Pepsi in writing.
4. The Employer will assign Sales Representatives to specific territories. It shall have complete discretion in establishing and modifying such territories, but shall act reasonably in making such determinations.
5. Merchandising of accounts will be the joint responsibility of Sales Representatives and Driver/Merchandisers.
6. Sales Representatives shall not be entitled to receive commission on any Tel-Sell cases delivered in their territories. However, a Sales Representative may request that any Tel-Sell account in his territory be assigned to him, in which event he shall be responsible for servicing that account in the same manner as all other accounts.

7. Presell Delivery Review Committee:

For the duration of this Agreement, the parties agree to continue the Review Committee comprised of three (3) employees designated by the Union from among the Sales Representatives and Driver/Merchandisers and three (3) Employer representatives who shall meet approximately monthly, or as they otherwise determine, for the purpose of discussing any problems or issues that may arise under the presell distribution system.

LETTER OF UNDERSTANDING

BDCI STAFFING

- 1) Bids will be posted and filled by seniority and qualifications. The bids will have an approximate starting time identified which may vary by up to one (1) hour. If in the future the need arises to change the starting time by more than (1) hour, the employee would have the right to give up the position and return to his previous position if he has the seniority to do so. The job will then be rebid. All bidding and rebidding will be done in accordance with Supplement #4. Nothing herein shall affect the Employer's right to lay off employees under the collective bargaining agreement, or to increase or decrease the number of positions bid within each classification.
- 2) The following jobs will be identified on the BDCI four week rolling manning schedule:

Canada Dry Conventional:	Jockeys Forklift/Dropmen Loaders
--------------------------	--

Pepsi Conventional:	Forklift/Dropmen Loaders
---------------------	-----------------------------

Conventional pickers shall not be listed on separate Canada Dry and Pepsi manning lists and shall be listed under one combined manning list.

- 3) The Employer agrees that the loading standards shall be no greater than:

C.D. conventional trucks	200 cs/hr
C.D. bulk	220 cs/hr
Pepsi bulk	240 cs/hr
Pepsi conventional:	
12 pk	310 cs/hr
6 pk	210 cs/hr
2 ltr	350 cs/hr
pints	220 cs/hr

- 4) Anything above to the contrary notwithstanding, the Employer may implement "Engineered Standards for pickers and all forklift, walkie-rider and layer picker operations, but only 1) with the agreement of the Union or 2) with an award by the Arbitrator finding that the new standards are reasonable. "Engineered Standards" are defined as shown on Exhibit B.

Warehouse employees whose productivity levels fell below the established loading standards during the month of July and August of 2005 will receive a productivity disciplinary letter. Under no circumstances will this discipline trigger the termination of such employee(s).

- 5) Nothing herein shall prevent the Employer from using warehouse personnel for the purpose of Facility Cleanup work. The manning of Facility Cleanup Department and OT practices shall remain the same.

LETTER OF UNDERSTANDING

PRODUCTION STAFFING

The Employer will follow the procedures set forth below in staffing its Production operation:

1. A weekly manning schedule will be posted by 5:00 p.m. each Thursday for the following week.
2. An up-to-date qualification list will be prepared in consultation with the Union identifying all production employees and plant jobs they are qualified to perform.
3. The plant will be staffed in accordance with the Arbitrator's rulings concerning the consolidation of PNBB and CDDV. New bids will be posted as set forth below. All bids will designate a shift and incorporate a job description. All contract language surrounding bidding and rebidding (Supplement #4) will be followed. Nothing herein shall affect the Employer's right to lay off employees under the collective bargaining agreement, or to increase or decrease the number of bid positions shown below for any particular position.
4. All weekly manning assignments will be based upon seniority and qualifications.
5. Employees will select their shifts by seniority. If a more senior employee cannot work his/her preferred shift due to lack of qualifications and this will be a consistent problem for the foreseeable future, the Employer will provide training to the employee in an attempt to accommodate his/her shift preference. The Employer reserves the right to assign employees to particular jobs once their shift has been selected.
6. In the event that a more senior employee seeks to work in a higher rated position on his selected shift, but the Employer selects a less senior employee to perform that work, the more senior employee will be paid the higher rate, if he/she is qualified.
7. In the case of weekend overtime and weekday overtime in excess of 2 hours, seniority and qualifications will determine the opportunity to work such overtime as well as shift preference. An employee will be assigned to his bid position, provided the same does not result in any of the members of the crew which have been selected in accordance with this paragraph 7 being prevented from working the shift so selected.
8. As an operating policy, start times will be set on a weekly basis in accordance with paragraph "1" herein. The daily start times for shifts may be set by the Employer for individual employees in the production department (including, but not limited to, production operators, production mechanics and quality control) at different times during the week ("variable start time") under the following conditions:

- a. the variable start time is not more than two hours prior to the shift's regular start time and not after the shift's regular start time;
- b. an employee working on a shift with a variable start time is not required to work more than 12 straight hours and shall have a minimum of 8 straight hours off between shifts, unless the employee volunteers otherwise; and
- c. an employee is not required to move from one shift to another shift.

Notwithstanding anything else herein, the shift starting times may be changed during the week for extraordinary circumstances or a change to a three-shift operation.

It is understood that nothing herein shall affect any existing practice in any other department.

Bid Positions

Production – First Shift (8:00 a.m. – 4:00 p.m.)

<u>Job Title</u>	Total <u>No. of Positions</u>	No. of <u>Bid Positions</u>
Forklift	2	2
Depalletizer	3	2
Filler	3	3
Labeler	2	2
Packer	3	2
Palletizer	2	1
Cleanup	3	2
Premix-Postmix	2	2
CO2	1	1

Production – Second Shift (4:30 p.m. – 1:00 a.m.)

<u>Job Title</u>	Total <u>No. of Positions</u>	No. of <u>Bid Positions</u>
Forklift	2	1
Depalletizer	3	
Filler	3	1
Labeler	2	1

Packer	3	
Palletizer	2	1
Cleanup	3	

Quality Control

9 Positions – all to be bid

Maintenance

13 Positions – all to be filled by incumbents or new hires (no bidding)

Clean-Up (10:00 p.m. – 6:30 a.m.)

3 Positions – 1 bid

9. At any time when pre-flighting a production line or relieving for breaks and or lunch, the crew designated to perform this will include at least one employee from the production department (exclusive of any employee then working a quality control job).
10. A bid holder will be permitted to select his line assignment during the weekly manning schedule process. Selections will be made based upon seniority amongst the bid holders eligible to work that shift. However, management reserves the right to move such bid holder from the line selected by him, if required for the purpose of training others.
11. Notwithstanding any provision of this Agreement, the Employer and the Union agree that the following positions in the production department on the following shifts shall be subject to a bid in accordance with Supplement 4 of this Agreement:

<u>1st Shift</u>	<u>2nd Shift</u>	<u>3rd Shift</u>
Palletizer (1 position)	Palletizer (1 position)	Palletizer (1 position)
Labeler (1 position)	Labeler (1 position)	Labeler (1 position)
Filler (1 position)	Filler (1 position)	Filler (1 position)
Clean-Up (1 position)	Clean-Up (1 position)	Clean-Up (1 position)

Pepsi Cola & National Brand Beverages, Ltd.
Beverage Distribution Center Inc.
Absence and Lateness Policy

Discipline Phases

Phase I

After 3rd Absence Documented Verbal Warning
After 5th Absence Written Warning and Counseling with a copy to Union

Phase II

After 7th Absence with a
within One week administrative suspension and a written warning to the Employee
copy to the Union and counseling of Employee that two (2) more absences
a rolling twelve (12) month period will result in termination.

After 9th Absence Discharge

*NOTE: This is a no-fault absenteeism policy meaning there is no distinction between an excused or unexcused absence.

Rules

1. Absence shall be determined on the basis of a rolling twelve-(12) month period. An Absence will no longer be considered twelve (12) months after it occurs.
2. An Employee medical absence of two (2) or more consecutive days will require a doctor's note on return to work to be considered as one Absence occurrence. Non-medical Absences of two or more consecutive days will be charged at the rate of one Absence per day absent.
3. Days an Employee does not work due to prearranged vacation or personal days, Funeral leave, jury duty, work related injury or approved leave of absence (including Family Medical Leave Act) will not be considered as days absent under this Policy. Vacation or personal days an Employee calls off will not exempt any such day from being considered a day of Absence under this Policy.
4. Each lateness will constitute one-third (1/3) of an Absence. The first two latenesses of five (5) minutes or less will not be included as a lateness for this Policy.
5. Lateness is defined as the Employee arriving at his/her work station or reporting area within one (1) hour after his/her scheduled starting time. After such one (1) hour period, the Employee will be considered absent, unless there is work available for him/her when he/she does report to work and the Employer, in its sole and unreviewable discretion, permits him/her to do it. In such case, the Employee will be charged with a lateness.
6. An Employee who leaves work prior to the end of his/her shift (including mandatory overtime) provided that they have worked at least two hours will be charged with $\frac{1}{2}$ of an absence. Any employee leaving within two hours of their starting time shall be charged with one absence.

Once an Employee has incurred 3 leave early occurrences during a rolling 12 month period, all subsequent leave early incidents (including mandatory overtime) will be charged at one full absence, not $\frac{1}{2}$ of an absence.

7. The 12 month rolling period specified in this policy will be extended by the total length of any layoff or leave of absence including time lost as a result of worker's compensation, disability injury or illness or FMLA leave which exceeds 7 calendar days.
8. For every 90 days of perfect attendance 1 full occurrence (the most recent occurrence on record) will be taken off the record. The definition of perfect attendance is no time lost for any reason other than company paid time off and FMLA Leave for 90 calendar days.
8. Absence or lateness resulting from an emergency (such as weather conditions) prohibiting vehicular travel, shall not be deemed to result in an occurrence hereunder.

NOTIFICATION OF ABSENCE

Employees are required to notify their Supervisor or leave a message on the voice mail system (number designated by Department) at least one (1) hour before their scheduled starting time if they will not be at work on a particular day. Failure to comply with this rule will result in discipline up to and including discharge for recurring violations. The Company shall allow the 4AM and 6AM warehouse shifts to "call off" 30 minutes in advance of their scheduled shift. All other shifts will require the contractual one hour "call off" requirement.

If an Employee fails to notify his/her Supervisor or leave a voice mail message regarding his/her Absence within four (4) hours after his/her scheduled starting time, he/she will be considered a no-call/no-show. Two (2) no-call/no-show violations within a twelve-(12) month period will result in discharge. After the first such violation, the Employee will receive a written warning with a copy to the Union.

PATTERN OF ABSENCE OR CHRONIC ABSENCE

Apart from the foregoing standards, an Employee who exhibits a pattern of Absences will be subject to the following action:

1. Upon the Employer noticing a pattern of Absence, the Employee will be counseled.
2. If no marked improvement occurs, the Employee will be given a written warning.
3. If no marked improvement occurs after the written warning, the Employee will be subject to suspension.
4. If no marked improvement occurs after a suspension, the Employee will be subject to discharge.

A pattern of Absence or Chronic Absence will include, but not be limited to (1) Absences recurring at a particular time (e.g., immediately before or after a weekend or other prescheduled time off), and (2) an Employee repeatedly entering Phase II although not incurring sufficient Absences to be discharged.

EXHIBIT A

**Pepsi Cola & National Brand Beverages, Ltd.
Beverage Distribution Center, Inc.
Personal Day Policy**

Personal Days Remain at six (6) personal days on an annual basis per the C.B.A.

Personal Days

Number of Employees Eligible For Personal Days By Department / Shift

Warehouse

- 2 Shifts (day/night as defined in C.B.A.)
- 3 personal days provided per shift.
- To be considered for personal day approval, warehouse personnel must provide no less than 24 hours' notice from an employee's scheduled start time. Nothing herein shall prevent the Employer from approving a personal day request made with less than the 24 hours' notice, but approval of such a personal day request shall be made at the Employer's sole discretion.

Production

- 3 shifts
- 1 personal day provided per shift
- 1 personal day provided for mechanics per day

Vending

- 3 vacation/personal days provided per day

Fleet

- 2 vacation/personal days provided per day

Sales/Delivery and Merchandising

- Personal holidays must be mutually agreed to by the Sales/Delivery employee or Merchandising employee and the Employer, so as not to interfere with the operation of any department.

NOTE:

- 1) Personal day administrative policy is detailed on attached exhibit.
- 2) "Mutually agreed" language is removed from the personal day provisions in the C.B.A.

PERSONAL DAY REQUEST PROCEDURE

- 1) The employee must fill out a Personal Day Form, including their Name, Date requested, Shift, and then sign the form. When this is completed it must be given to a shift Supervisor.
- 2) The Supervisor will fill out the Date and Time received lines and sign the form acknowledging receipt. A copy is made and given to the employee for their records.
- 3) The Supervisor will hand this form in at the end of their shift to the Manager's office.
- 4) If the requested date is more than 5 working days away, The Manager or his/her designee will put the form, in date order, in a folder to keep on file. If the request is less than 5 working days, the Personal Day book will be checked to see if that date is available. An approved/denied decision will be made at this time and the appropriate lines filled out on the Personal Day Request form, including a signature from management. A copy of this form will be given to the employee and another copy put in their attendance file.
- 5) Each morning, the manager or his/her designee will take the Personal Day Request file and look out 4 working days. The same procedure would then be followed in #4.
- 6) In the event that the employee does not hear back from the employer, the employee will approach the Manager/Designee for confirmation of an approved/rejected request.

***Please note that seniority is followed up to the 4 working day scenario. If a request is put in after the 4 working day scenario, a first come first serve procedure will be followed. The time received line filled out by the Supervisor is used to determine who requested the day first.

Personal Day Request Sheet

Request to be completed by the Warehouse Associate

Name: _____

Date Requested: _____

Shift: _____

Employee Signature: _____

Acknowledgement to be completed by Warehouse Supervisor

Date Received: _____

Time Received: _____

Supervisor Received: _____

Approval to be completed by the Warehouse Manager

Approved

Date _____

Shift _____

Denied

- Requested Date not available.
- Associate does not have any Personal Days remaining.
- Other _____

Manager _____

EXHIBIT B

Engineered Labor Standards

Engineered labor standards are the key components of any workforce management system. A proven methodology developed using fundamental Industrial Engineering principles, along with several leading edge tools to develop realistic values for all areas of operations.

An engineered labor standard is a scientifically determined time value based on a well defined method that represents optimal efficiency. The value is an objective measurement that serves as the basis for productivity analysis and the making of sound business decisions.

The process of developing labor standards may include the following activities:

- Process / Methods Identification and Definition
- Work Measurement using Work Sampling
- Work Measurement using Continuous Studies
- Work Measurement using Time Studies
- Methods & ROI Analysis
- Comprehensive Validation Methods
- Implementation Planning & Strategies

SIDE LETTER
ARTICLE IV PARAGRAPH P

PRODUCTION MANDATED OT.....1 HOUR NOTICE

The Company agrees to participate, on a trial basis, to provide one (1) hour notice to employees for mandated OT excluding emergency circumstances and or when employees call off without proper notification of lateness or absence. The procedure the Company will follow when notification is required:

Notify the least senior qualified employee that they are mandated if there are no volunteers. Once notified the least senior qualify employee will be asked to confirm acceptance or exercise his right of refusal which will result in a $\frac{1}{2}$ point under the Absence & Lateness Policy for leave early if no one volunteers. This procedure will be continued until an employee accepts this mandate in reverse seniority order.

Go to the Daily OT Signup Sheet and starting in the highest seniority order based on qualifications, determine if anyone wants to fill the open position.

If a volunteer is found then the junior qualified mandated employees will be released from their mandate and no points will be accessed for leave early for those who previous refused the mandate.

If no one volunteers then the least senior qualified employee who did not refuse will be told he is now mandated. Anyone who has or does refuse the mandate will then receive a $\frac{1}{2}$ point for leaving early under the Absence & Lateness Policy.

PRODUCTION LAYOFF.....VTO

The Company agrees to participate, on a trial basis, during layoff to allow employees in seniority order based on qualifications to accept a layoff on a VTO basis.

The Procedure the Company will follow to determine volunteer's is as follows:

POST A "WEEKLY LAYOFF SIGN UP SHEET" ON MONDAY OF EACH WEEK PRECEDING THE WEEKLY MANNING SCHEDULE.

Any Employee who signs the "WEEKLY LAYOFF SIGN UP SHEET" is committing to VTO, if a lay off occurs during the appropriate week indicated. Employees will be chosen for VTO based on seniority, qualifications and the number of production crews required for the weekly manning schedule.

THE "WEEKLY LAYOFF SIGN UP SHEET" WILL BE TAKEN DOWN BY WEDNESDAY 12:00 NOON OF THE WEEK PRECEDING THE WEEKLY MANNING SCHEDULE.

If an Employee does not want to be eligible for a subsequent VTO, if one were to occur, he/she must call on Wednesday by 12:00 Noon of the current week the employee is out on VTO .

Anyone who is currently on a WEEKLY VTO will be called on THURSDAY by 5:00 p.m. and notified to return to work the following week if a subsequent layoff is not scheduled for the following week.

MEMORANDUM

DATE: July 31, 2005
TO: Dan Grace
FROM: Bob Brockway
SUBJECT: LETTER OF UNDERSTANDING

Item 4 of the July 31, 2001 Letter of Understanding is amended to add the following paragraph:

The three transport drivers as of 8/1/01 are subject to the provisions of Article IV (j) of the C.B.A relating to flex work hours for Transport Drivers.

D. W. Jones 12/23/2015
LOCAL 830 DATE
Robert E. Sambur 12/22/2015
PEPSI-COLA & NATIONAL BRAND BEVERAGES, Ltd. DATE

**PEPSI-COLA &
NATIONAL BRAND BEVERAGES, LTD.**

ROBERT L. BROCKWAY
PRESIDENT & COO

MEMORANDUM

DATE: July 31, 2001

TO: Joe Brock

FROM: Bob Brockway

SUBJECT: LETTERS OF UNDERSTANDING

1. This provides an understanding of the personnel selection process of the Office Porter position in BDCI. As has been the Company's historical practice, the selection of the Office Porter will be solely at the discretion of the Company without regard to Company or Department seniority.

In the event the Office Porter is on vacation, personal day or other time off, the back up Office Porter will be drawn from the Facility Cleanup (BDCI)/Warehouse Department at the Company's discretion. The back up for this position will be sourced from the Warehouse Department. Any employee moving from the Warehouse to Facility Cleanup (BDCI) will only be eligible for overtime in the Facility Cleanup (BDCI) Department.

2. Issues have been raised concerning the duties of lead persons in the Fleet Department relating to the imposition of discipline and the evaluation of paperwork (and the work done) for the purposes of imposition of discipline. We agree that neither is within the province of the lead person in the Fleet Department, and that any lead person in the Fleet Department who engages in either of the said activities will be disqualified as the lead person of the Fleet Department.
3. The Company agrees to train Ron Dion as a Filler Operator by October 1, 2001.
4. The three transport drivers as of 8-1-01 will comprise The Transport Department.

These three drivers will be assigned start times ranging from 5:00 - 9:00AM, Monday through Friday.

They will be assigned over the road transport work, which based upon their typical trip times, should not exceed 10 hours per day. This may result in days where a transport driver works less than eight hours in an over the road capacity.

In the event a transport driver does not have enough over the road work to complete eight hours, he will be assigned Jockey work or Transport training work. (Excluding jockeying of vehicles in and/or out of the BDCI Warehouse.)

ACCEPTED:

LOCAL 830

DATE

c:brock1.bb

Joe Brock 8/8/01

Nels 8/8/01

**► PEPSI-COLA &
► NATIONAL BRAND BEVERAGES, LTD.**

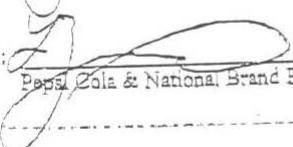
FAX TRANSMITTAL

Date: March 18, 2003
To: Joe Brock
From: Len Zaccagnino
Subject: LETTER OF UNDERSTANDING
Sunday 3rd Shift Production Pre-Flight

1. This provides an understanding that effective immediately any hours worked prior to 8:00 PM on a Sunday night starts and starts on or before a Holiday will be paid at Double Time Rate for Victor Hugo position.
2. Hours worked prior to 8:30 PM on a Sunday night starts and starts on or before a Holiday will be paid at Double Time Rate for the Mechanics and Production positions.
3. Hours worked from 8:30 PM until 10:00 PM on a Sunday night starts and starts on or before a Holiday will be paid at Time and One-Half Rate unless otherwise noted in items #1&2.
4. Hours worked on a Sunday night start and starts on or after a Holiday from 10:00 PM on will be paid at Straight Time Rate for the eight hours worked.
5. The company recognizing that there was a misunderstanding during the contract negotiating in 2001, has agreed to pay the half time difference to the six effected employees identified by Joe Brock.

ACCEPTED: 
LOCAL 830

DATE 3/21/03

ACCEPTED: 
Pepsi-Cola & National Brand Beverages, LTD

DATE 3/20/03

Cc: Bob Brockway
Ruben Puentes
June Raufer
John Dale

LETTER OF UNDERSTANDING

TRAINING MATRIX PRODUCTION

The following are the training guidelines for positions in the Production Department (this shall not apply to employees already in the classification):

TRAINING MATRIX				
Line	Position	Effective Training Time (WKS)*	Training to be completed within these many weeks from training starting date unless otherwise noted	Prerequisites
1	Depalletizer	Up to 1 week	4	
2 & 3	Depalletizer	1 - 2	4	
1	Filler/Rinser	1 - 3	6	
2	Filler/Rinser	1 - 3	6	
3	Filler	2 - 3	6	
1	Packer/Denester	1 - 2	4	
1 & 2	Labeler	3 - 6	12	Must be qualified to operate line 1 and 2 packers
2	Packer/Hicone	2 - 4	8	
3	Mead/Jones/Hicone	2 - 5	10	
1,2&3	Palletizer	3 - 6	12	
	QC Lab	13	6 months	
	QC Batcher	6	3 months	
	QC Internal Sanit.	6	3 months	
1,2&3	Line Supply Forklift	1 - 2	4	Must have served as third supply driver
	Dock Forklift	1 - 3	6	Must be qualified as supply driver
	External Sanitation**	1 - 2	4	

*Estimated training time.

** Footnote: the Company will train the least senior production employee in the position of external sanitation provided the incumbent employee performing the external sanitation position has been doing so for at least 6 months. Provided however that the more senior incumbent employee performing external sanitation wishes to move out of that position.

BY:

UNION

DATE:

4-7-20

BY:

EMPLOYER

DATE:

3/27/2020

LETTER OF UNDERSTANDING

VENDING DUTY COVERAGE

Standard Operating Procedure for Duty Coverage

Effective August 1, 2015, duty is considered as a true bid as per your union contract. This means that once you bid into a duty position it is yours until you want to come off. If you want to opt off duty you should wait until the end of the year so the New Year duty schedule can be set up with the new person on it. Currently we have 4 mechanics to cover duty calls on weekends and after hours. If you wish to come off duty you must turn in a letter stating your desire to come off duty and you can't go back on until someone else comes off.

If you opt to come off duty in the middle of the year, your duty will be posted for one week and if no one takes it you must stay on duty until the end of the year.

If a duty person is injured, the other duty mechanics can choose to cover the open duty, but if they decide they don't want to cover it then it will be posted for one week and if no one takes it then the lowest qualified mechanic will be forced to cover until the injured person returns.

BY:

UNION



4-7-20

DATE:

BY:

EMPLOYER



DATE:

3/27/2020

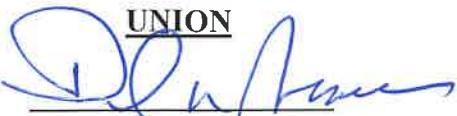
LETTER OF UNDERSTANDING
COMMERCIAL DRIVING LICENSE TRAINING

Notwithstanding any current CDL training practice as of the date of this Letter of Understanding, a CDL training program will be implemented by September 30, 2015 with the following curriculum:

- Vehicle inspection process.
- Pre-Trip and Post-Trip inspection as required for road test.
- Proper shifting and clutch use.
- Left turns / right turns and mirror use.
- Connect and disconnect from trailers.
- Proper backing procedures.
- The employee would receive limited OTR time by our trainer...prospective driver needs to be paired with a licensed CDL driver on route prior to testing.
- Basic instructions will be 18 to 24 hours minimum.

The CDL candidate would need to pass the written test and present a valid New Jersey CDL permit. All relevant study guides may be obtained from the New Jersey Motor Vehicle Services.

BY:

UNION

4-7-20

DATE:

BY:

EMPLOYER

3/27/2020

DATE:

LETTER OF UNDERSTANDING

PRODUCTION DEPARTMENT INDEPENDENT CONTRACTOR

The role of an Independent Contractor in the production department is as follows:

Definition: A person who is an employee or proprietor of an independent contracting company and who is not an employee of the Company.

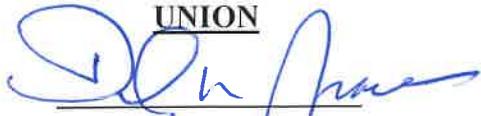
Profile: An expert in the field of manufacturing who provides services which includes recommendations for preventive maintenance, modified design or replacement of existing equipment after observations and troubleshooting to deliver long term continuous improvement. These services may include design and installation of replacement equipment; new or used either purchased or from a company facility.

Training: From time to time an independent contractor will provide training services for non-union and union employees.

Exclusions: An independent contractor is not authorized by the Company to supervise, discipline, or direct the work of Union employees in the course of their duties. An independent contractor shall not perform duties traditionally performed by bargaining unit employees and shall not perform daily maintenance. An independent contractor shall be authorized to repair newly installed equipment, equipment under warranty and equipment not under warranty that a union employee is unable to repair within a reasonable period.

This Letter of Understanding shall not apply to supervisors obtained by the Employer via a third party agency who are utilized by the Employer for a period not to exceed 180 days.

BY:


John Jones
4-7-20

DATE:

EMPLOYER

BY:


3/27/2020

DATE:

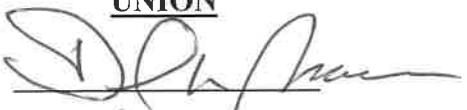
LETTER OF UNDERSTANDING

DOLLAR GENERAL MERCHANDISING

Merchandisers shall be responsible for merchandising Dollar General Stores effective on or before September 8, 2015.

UNION

BY:


4-1-20

DATE:

EMPLOYER

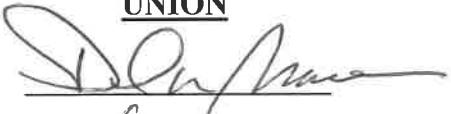
BY:


3/27/2020

DATE:

LETTER OF UNDERSTANDING
FAMILY DOLLAR GENERAL MERCHANDISING

Notwithstanding any provision of the Agreement, effective October 15, 2019 a route driver shall not be required to merchandise any Family Dollar Store with a delivery of 20 or more cases. The above shall not apply to route drivers who are assigned a helper.

BY: **UNION**

DATE: 4-7-20

BY: **EMPLOYER**

DATE: 3/27/2020

LETTER OF UNDERSTANDING

BUILDING MAINTENANCE ELECTRO MECHANICS

The Company shall have the right to create a Building Maintenance Electro Mechanic for each production shift that shall be exclusive of the Production Mechanics provided for in the Letter of Understanding: Production Mechanics. The Building Maintenance Electro Mechanics shall be placed on the Building Maintenance Department Mechanic seniority list. All Building Maintenance Electro Mechanics must possess both a Blue Seal and a Black Seal. Any new hire must obtain both a Blue Seal and a Black Seal within 24 months of the hire date or shall be subject to termination. Effective 8/1/19, all Building Maintenance Electro Mechanics shall receive a base hourly rate \$31.25 and shall be entitled to contractual hourly increases as provided for therein. Building Maintenance Electro Mechanics shall not be entitled to overtime opportunities that are provided to Production Mechanics, unless no Production Mechanics are available to work overtime.

BY:

UNION


John Doe
4-7-20

DATE:

BY:

EMPLOYER



DATE:

3/27/2020

LETTER OF UNDERSTANDING
PRODUCTION MECHANICS

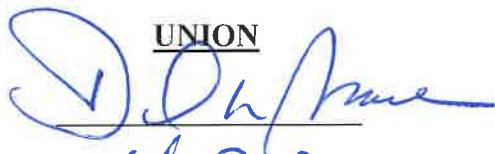
Position	Spaces Available	Company Years of Service to be eligible for position	Qualifications Needed	Seals Required	Rates effective 8/1/19
Production Apprentice Mechanic	N/A	Entry Level	Technical School Diploma or 12 month Production Experience	N/A	\$23.20
Production Mechanic - C Level		Entry Level	Pass Level C Certification from Industry Recognized Examination with score of 80%, and ability to perform duties listed in job description created by the Company.		\$26.30
Production Mechanic - B Level	N/A	Entry Level	Pass Level B Certification from Industry Recognized Examination with score of 85%, and ability to perform duties listed in job description created by the Company.	1 Seal (Blue or Black)	\$27.90
Production Mechanic - A Level		18 Months	Pass Level A Certification from Industry Recognized Examination with score of 90%, and ability to perform duties listed in job description created by the Company.	2 Seals (Blue & Black)	\$30.50
Engine Room Stationary Engineer	1 per Shift (1st, 2nd, 3rd)	24 Months	Pass Level B Certification from Industry Recognized Examination with score of 90%, and ability to perform duties listed in job description created by the Company.	2 Seals (Blue & Black)	\$27.90

			Possession of Active New Jersey NH3 License (Blue, Red, or Gold seal).	
Gold Seal Mechanic	1 position	24 Months	Pass Level A Certification from Industry Recognized Examination with score of 90%, and ability to perform duties listed in job description created by the Company.	\$32.00 2 Seals (Black & Gold)

- 1) All "Master Mechanics" employed by the Company with 2 Seals (Blue & Black) as of 8/1/19 shall be Mechanic - A Level and all "Master Mechanics" employed by the Company with 1 Seal (Blue or Black) as of 8/1/19 shall be Mechanic - B Level
- 2) All Mechanics who are not classified as "Master Mechanics" as of 8/1/19 shall be Mechanic - C Level.
- 3) For employees hired after 8/1/19, the Company shall have the right to terminate a Mechanic - C Level who fails to qualify as a Mechanic - B Level within 24 months of becoming a Mechanic - C Level.
- 4) The Company shall retain the right to assign any mechanics work to any of the above classifications.
- 5) In the event the Company removes the ammonia system from the production facility, the Company shall have right to eliminate Engine Room Stationary Engineer classification. Any then existing Engine Room Stationary Engineers shall be added to the Mechanic - B Level classification and shall suffer no reduction in pay.
- 6) Any mechanic who has attained a "seal" certificate and later chooses not to renew the certification or deactivate certification, must provide 60 days' notice to department supervisor and shall be downgraded to the mechanic position and pay appropriate for the seal(s) they then possess.
- 7) All Production Mechanics shall select vacation as one seniority list.
- 8) All Production Mechanics shall further be entitled to receive contractual hourly increases as provided for in this Agreement.

BY:

DATE:


UNION
 4-7-20

BY:

DATE:


EMPLOYER
 3/27/2020