

**Pepsi Beverages Company
2016 Aurora 673 Outside proposals
March 22, 2016**

1. The company proposes a 5 Year Contract
2. Discuss Standard Flex Benefits

ARTICLE 29 - Health & Welfare Fund

- 29.1 The Employer agrees to participate during the period of this contract in the Suburban Teamsters of Northern Illinois Welfare Fund.
- 29.2 The Employer agrees to pay into said Trusteed Plan as follows:

Effective	
5/01/11	\$286.08 per week per employee
2/01/13	Effective February 2013: \$295 per week per employee (based on plan cost of \$315)
1/01/14	Effective January 2014: \$305 per week per employee (based on plan cost of \$335)
1/01/15	Each Year Thereafter: Company will pay ½ of total increase or \$10 – Lesser of the two

Should the cost of the Plan be reduced in any given year for any reason, the Company and Employee shall pay the same % of the total cost as the prior year.

No further contributions to such Plan shall be required. Payroll deduction payments by the employee will be made for any difference in benefit level contribution to the Plan and the Company payment for each employee. If the contribution amount to maintain the benefits is less than the Company's contribution stated above, the Company shall only contribute the lesser amount. The employee contribution shall be taken on a pre-tax basis in accordance with federal, state, and local tax guidelines.

No payments shall be required with respect to any temporary employee unless any such employee shall be continued in employment beyond the Saturday following Labor Day, and shall become a regular employee. The Employer shall become obligated to pay into the Health and Welfare Trust Fund (Pension Fund) the requisite monthly contributions as provided above for each such employee for each month from the first day he became a regular employee.

The obligation to make Health & Welfare contributions shall continue during periods when a new collective bargaining agreement is being negotiated unless there is a work stoppage or lockout.

- 29.3a All benefit coverages will cease if an employee is off work for any reason in excess of nine (9) months. In addition, the employee must continue to make any employee contributions for benefit coverage during any leave of absence. If the employee fails to make any employee contributions the Company shall cease the employee's benefit coverage.
- 29.3b The obligation to make contributions to the Plan for a regular full-time employee shall begin on the first day of work. Coverage shall begin consistent with the terms of the Plan.
- 29.4 Failure to pay contributions when due to the aforesaid Health & Welfare Fund shall constitute a breach of this contract and the Union shall have the right to call a work stoppage, providing that prior thereto the Union shall give the Employer ten (10) days' notice in writing by certified mail, and a delinquent Employer shall be liable directly to said employees for all benefits said employees would have received from the Health & Welfare Fund were it not for the Employer's delinquency, including costs and reasonable attorneys' fees to enforce payment thereof:
3. *Article 18 add verbiage such as racks to be delivered; remove language referring to conventional routes*

ARTICLE 18 - Day's Work

It is further understood and agreed that all employees shall devote their entire time and service to the selling, delivering and/or merchandising of the products of the Employer, as required by their job duties within their job classification, exclusively within the allotted contiguous territory, and shall give constant and regular service as designated by the Employer to all customers within the allotted contiguous territory. The Employer may have employees do promotional pricing, such as carton stuffers, bottle hangers and price signs on promotional displays, but they may not be required to sticker or stamp regular pricing on soft drink packages unless it is for a price reduction, sales promotion or at the request of the customer, except package identification displays, deliver racks, barrels and/or any other promotional equipment. Employees shall be allowed to return to the plant when their routes and/or runs are completely and properly serviced, and shall immediately return to the plant after servicing their last account. Employees shall call in after servicing their last account if required to do so by the Employer. Employees shall be given a one-half (½) hour unpaid lunch period per day.

These represent the company's proposals at this time. The company reserves the right to change, add to, modify or delete any of these proposals at any time during these negotiations.

**Pepsi Beverages Company
2016 Aurora 673 Inside proposals
March 22, 2016**

1. The company proposes a 5 Year Contract
2. Discuss Standard Flex Benefits

ARTICLE 22 - HEALTH & WELFARE FUND

- 22.1 The Employer agrees to participate during the period of this contract in the Suburban Teamsters of Northern Illinois Welfare Fund.
- 22.2 The Employer agrees to pay into said Trusteed Plan as follows:

Effective	
5/01/11	\$286.08 per week per employee
2/01/13	Effective February 2013: \$295 per week per employee (based on plan cost of \$315)
1/01/14	Effective January 2014: \$305 per week per employee (based on plan cost of \$335)
1/01/15	Each Year Thereafter: Company will pay ½ of total increase or \$10 - Lesser of the two

Should the cost of the Plan be reduced in any given year for any reason, the Company and Employee shall pay the same % of the total cost as the prior year.

No further contributions to such Plan shall be required. Payroll deduction payments by the employee will be made for any difference in benefit level contribution to the Plan and the Company payment for each employee. If the contribution amount to maintain the benefits is less than the Company's contribution stated above, the Company shall only contribute the lesser amount. The employee contribution shall be taken on a pre-tax basis in accordance with federal, state, and local tax guidelines.

- 22.3a All benefit coverages will cease if an employee is off work for any reason in excess of nine (9) months. In addition, the employee must continue to make any employee contributions for benefit coverage during any leave of absence. If the employee fails to make any employee contributions the Company shall cease the employee's benefit coverage.
- 22.3b The obligation to make contributions to the Plan for a regular full-time employee shall begin on the first day of work. Coverage shall begin consistent with the terms of the Plan.
- 22.4 Failure to pay contributions when due to the aforesaid Health & Welfare Fund shall constitute a breach of this contract and the Union shall have the right to call a work stoppage, providing that prior thereto the Union shall give the

Employer ten (10) days' notice in writing by certified mail, and a delinquent Employer shall be liable directly to said employees for all benefits said employees would have received from the Health & Welfare Fund were it not for the Employer's delinquency, including costs and reasonable attorneys' fees to enforce payment thereof:

3. *Type 1 AND Type 2 certification for MEM; Article 8.2 – MEM Department*

ARTICLE 8 - MEM DEPARTMENT

The parties agree that effective July 19, 1992, the Employer will recognize the Union as the exclusive bargaining agent with respect to wages, hours, and other conditions of employment for all MEM Employees (General Labor, Shop Servicemen, and Field Service Technicians), but excluding all other employees. MEM employees will be covered by the terms of the Agreement covering Soft Drink Inside Workers with the following exceptions:

8.1 **Seniority.** Seniority will only apply on a job classification basis within MEM.

Seniority is defined as an employee's length of continuous service from his date of last employment in one of the classifications referred to in Section 2. In the case of multiple hiring on the same day, seniority shall be assigned alphabetically based upon the employee's surname.

8.2 **Classification and Rates.** MEM employees will be paid the following straight-time hourly rates:

MEM Department	4/29/12	4/29/13	4/29/14	4/29/15
General Labor	\$14.60	\$15.00	\$15.40	\$15.80
Shop Serviceman	\$17.85	\$18.25	\$18.65	\$19.05
Field Service Tech	\$20.65	\$21.05	\$21.45	\$21.85

After six (6) months of employment a General Labor employee will receive an additional \$.50 per hour. After twelve (12) months of employment a General labor employee will receive an additional \$.50 per hour. After eighteen (18) months of employment a General Labor employee will receive an additional \$.50 per hour. After twenty-four (24) months of employment a General Labor employee will receive an additional \$.50 per hour. After two (2) years of employment, a General Labor employee's name will be added to the bottom of the Shop Serviceman classification seniority list.

A leadman may be assigned, at the Company's discretion, in the Shop Serviceman and Field Service Technician classifications. An employee assigned to be a leadman will receive an additional \$.50 per hour. A leadman is defined as a Field Service Technician who in addition to his normal duties is qualified to train, assist and by management direction assign the work of bargaining unit employees.

An MEM department employee in the General Labor or Shop Serviceman classifications assigned to drive the cartage truck shall receive an additional \$.35 effective April 30, 2006.

MEM Refrigeration Pay

MEM employees receiving Refrigeration Certification prior to August 23, 2012 will be grandfathered with the commensurate pay increase. All MEM employees seeking to obtain their Refrigeration Certification after August 23, 2012 will be subject to Management approval based on business needs. Approvals for Certifications will be based in Seniority order.

If a Shop Serviceman or a Field Service Technician has the State certification in refrigeration (type I or and II) he shall receive an additional \$1.00 effective April 29, 2007.

These represent the company's proposals at this time. The company reserves the right to change, add to, modify or delete any of these proposals at any time during these negotiations.

