

**Pepsi Beverages Company**  
**2016 Chicago Inside proposals**  
**March 22, 2016**

1. The company proposes a 5 Year Contract
2. Remove Labor Management from Grievance Procedure

**ARTICLE 17 - GRIEVANCE PROCEDURE**

- 17.1 **Entire Agreement.** This Agreement is the entire agreement between the parties and is the result of extensive negotiations in which both parties had the right and the opportunity to submit proposals and to negotiate their proposals with the other party. Consequently, neither party is obligated to bargain during the term of this Agreement except to bargain for a new agreement upon the expiration of this Agreement.
- 17.2 **Grievance Procedure.** All differences arising out of the interpretation or application of any provision of this Agreement, shall be processed as follows, except for discipline and discharge grievances which shall be processed as provided in subsection (d) below:
- a. The grievance shall be presented within thirty (30) days from the date of the occurrence of the grievance or said grievance shall be deemed abandoned.
  - b. An employee having a grievance shall promptly report his grievance to his immediate supervisor who shall attempt to adjust the grievance within five (5) working days. Upon failure of the supervisor to adjust the grievance, the employee may promptly submit his grievance in writing to the Employer with a copy to the duly constituted officials of the Union. Within ten (10) working days after the filing of the said written grievance, the Employer and the Union shall meet as a grievance committee and attempt to reach a settlement which shall be final and binding.
  - c. ~~If the parties fail to meet or to reach a settlement within the aforesaid ten (10) working days, then the matter may be submitted to a Labor Management Committee consisting of four (4) representatives equally divided between the Employers and the Union. The Labor Management Committee will meet on the first Tuesday of each month to consider grievances submitted to it unless the parties agree otherwise. Furthermore, the meetings may be scheduled at other times in order to consider other grievances. Grievances submitted to~~

~~the Labor Management Committee shall be resolved by a majority vote of those voting; provided, however, that the presence of not less than two (2) Employer representatives and two (2) representatives of the Union shall be required as a quorum for the transaction of business.~~

~~The resolution of a grievance by the Labor Management Committee shall be final and binding upon the parties and the employee(s) involved in the grievance. If the Labor Management Committee is deadlocked on the disposition of the grievance, then either party may elect to submit the grievance to arbitration by notice in writing to the other party within ten (10) days from the date of their written decision, or the right to arbitration shall be deemed to be abandoned. The Labor Management Committee will adopt such rules of procedure as it deems necessary and the parties involved shall produce before the Labor Management Committee such evidence as is pertinent to the grievance and disputes involving progressive discipline that do not involve lost time shall be adjudicated in accordance with the committee's rules and procedures.~~

- d. **Discharge or Discipline Grievances.** No employee shall be discharged except for cause. All grievances relating solely to the discharge or discipline of an employee must be presented within five (5) working days after the occurrence or said grievance shall be deemed abandoned.

~~An employee having a grievance relating solely to his discharge or discipline shall promptly submit his grievance in writing to the Employer with copy to the duly constituted officials of the Union. If the Employer and the Union are unable to resolve the grievance, then the Employer or the Union may elect to refer the matter to the Labor Management Committee and such grievance shall be processed in accordance with subsection 17.2(c) above, or the right to submit the matter to the Labor Management Committee and arbitration shall be deemed abandoned.~~

3. Add 51<sup>st</sup> street re-pack language similar to 35<sup>th</sup> street language

## **LETTER OF UNDERSTANDING – WAREHOUSE RE-PACK POSITIONS**

**35<sup>th</sup> Street Only (Inside Agreement)**  
(Added during 2012 Negotiations)

The Company will staff an additional re-pack position(s) in the warehouse, as business needs dictate as determined by the Company. The position will be

considered entry level and will be paid \$15.00/hr. subject to any negotiated increases but not subject to the new employee wage progression according to the wage rate schedule in Article 7. The Company shall have the right to supplement this new position and the work associated with it utilizing warehouse "Blue Card" employees first and then Merchandiser "Blue Card" employees second to fulfill the necessary number of workers for the re-pack work, and only thereafter may assign the Merchandiser classification to such work.

Merchandisers will not be the primary job classification required to complete rework accountabilities (i.e. breakage, OOD, damaged) within the facility but may, as business needs dictate, as determined by the Company be assigned re-pack work. In such instances, they shall be compensated at the lift truck operator warehouse rate of pay with a two hour minimum paid at such rate. The Company maintains the ability to assign warehouse employees (including the re-pack position(s)) job duties as needed.

For sixth and seventh day overtime purposes, overtime will be offered first to those within the classification by seniority, then to the warehouse by seniority and then to "Blue Cards".

#### 4. Discuss Standard Flex Benefits

### **ARTICLE 22 - HEALTH & WELFARE FUND**

Employees will remain in current Non-standard Flex Benefits program and language in the current agreement (2012-2016) will remain the same going forward. If the union requests by July 1 of any year of the agreement, the Company agrees to allow all employees to participate in the Standard Flex Benefits program at the applicable rate and employee contribution level in effect at the time they enter the plan. Any year over year increases and/or Plan changes will be applied thereafter consistent with the PBC national plan. If the union chooses to enter into the PBC Standard Flex Benefits program, all provisions relating to the non-standard Flex Benefits plan would be null and void.

Effective April 29, 2007, the Company shall provide an insurance program affording certain benefits to regular full-time employees covered by this Agreement meeting the eligibility requirements of the program and certain benefits to their dependents as set forth in the Company's benefit booklet. Such program and/or benefits may be subject to change. All benefit coverages will cease if an employee is on a leave of absence, 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.

The manner in which benefits will be provided shall be a matter of Company discretion, i.e., an insurance carrier of its choice, self-insuring or any other manner deemed appropriate.

The cost of the benefits shall be borne by the Company except that each covered employee shall contribute per the following schedule to his own coverage and additional per week toward coverage for his spouse and/or dependents.

Employee	\$23.13
Employee + Spouse or Employee + Child(ren)*	\$44.52
Employee + Spouse & Child(ren)*	\$67.10
*For one or more Child(ren)	

The employee contribution shall be taken on a pre-tax basis in accordance with federal, state, and local tax guidelines.

The Company retains the right to modernize and change the above noted contributions when required with the understanding that the modernization will not exceed 12% of the prior year's rates each year of the contract. The Company will notify the Union before such changes are implemented.

Dependent dental coverage will only be provided to regular full-time employees who have dependent medical coverage. If an employee waives medical benefits, he also waives dental benefits and visa versa. However, the employee will still have STD, AD&D and life insurance benefits.

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

## **ARTICLE 8 - MEM DEPARTMENT**

The parties agree that effective May 1, 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	4/29/12	4/29/13	4/29/14	4/29/15
General Labor	\$14.85	\$15.25	\$15.65	\$16.05
Shop Serviceman	\$18.35	\$18.75	\$19.15	\$19.55
Field Service Tech	\$21.20	\$21.60	\$22.00	\$22.40

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 or Shop Serviceman who in addition to his normal duties is qualified to train, assist and by management direction assign the work of bargaining unit employees.

A 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.

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.

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.

*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 Chicago Outside proposals**  
**March 22, 2016**

1. The company proposes a 5 Year Contract
2. Discuss Dbay Single Rate Conversion\*\*
3. Remove Labor Management from Grievance Procedure

**ARTICLE 21 - Grievance Procedure**

- 21.1 **Entire Agreement.** This Agreement is the entire agreement between the parties and is the result of the extensive negotiations in which both parties had the right and the opportunity to submit proposals and to negotiate their proposals with the other party. Consequently, neither party is obligated to bargain during the term of this Agreement except as herein otherwise provided in Article 5, Section 5.2, Article 33 and except to bargain for a new agreement upon the expiration of this Agreement.
- 21.2 **Grievance Procedure.** All differences arising out of the interpretation or application of any provision of this Agreement except grievances involving Article 6, Section 6.3, shall be processed as follows, except for discipline and discharge grievances which shall be processed as provided in paragraph (d) below:
- (a) The grievance shall be presented within thirty (30) days from the date of the occurrence of the grievance or said grievance shall be deemed abandoned.
  - (b) An employee having a grievance shall promptly report his grievance to his immediate supervisor who shall attempt to adjust the grievance within five (5) working days. Upon failure of the supervisor to adjust the grievance, the employee may promptly submit his grievance in writing to the Employer with a copy to the duly constituted officials of the Union. Within ten (10) working days after the filing of the said written grievance, the Employer and the Union shall meet as a grievance committee and attempt to reach a settlement which shall be final and binding.
  - ~~(c) If the parties fail to meet or to reach a settlement within the aforesaid ten (10) working days, then the matter may be submitted to a Labor Management Committee consisting of four (4) representatives equally divided between the Employer and the Union. The Labor Management Committee will meet on the first Tuesday of each month to consider grievances submitted to it unless the parties agree otherwise. Furthermore, the meetings may be scheduled at other times in order to consider other grievances. Grievances submitted to the Labor Management Committee shall be resolved by a majority vote of those voting; provided, however, that the presence of not less than two (2) Employer representatives and two (2) representatives of the Union shall be required as a quorum for the transaction of business.~~

~~The resolution of a grievance by the Labor Management Committee shall be final and binding upon the parties and the employee(s) involved in the grievance. If the Labor Management Committee is deadlocked on the disposition of the grievance, then either party may elect to submit the grievance to arbitration by notice in writing to the other party within ten (10) days from the date of their written decision, or the right to arbitration shall be deemed to be abandoned. The Labor Management Committee will adopt such rules of procedure as it deems necessary and the parties involved shall produce before the Labor Management Committee such evidence as is pertinent to the grievance and disputes involving progressive discipline that do not involve lost time shall be adjudicated in accordance with the committee's rules and procedures.~~

- (d) **Discharge or Discipline Grievances.** No employee shall be discharged except for cause. All grievances relating solely to the discharge or discipline of an employee must be presented within five (5) working days after the occurrence or said grievance shall be deemed abandoned.

~~An employee having a grievance relating solely to his discharge or discipline shall promptly submit his grievance in writing to the Employer with copy to the duly constituted officials of the Union. If the Employer and the Union are unable to resolve the grievance, the Employer or the Union may elect to refer the matter to the Labor Management Committee and such grievance shall be processed in accordance with subsection 21.2(c) above, or the right to submit the matter to the Labor Management Committee and arbitration shall be deemed abandoned.~~

#### *4. Discuss Standard Flex Benefits*

### **ARTICLE 29 - Health & Welfare Fund**

Employees will remain in current Non-standard Flex Benefits program and language in the current agreement (2012-2016) will remain the same going forward. If the union requests by July 1 of any year of the agreement, the Company agrees to allow all employees to participate in the Standard Flex Benefits program at the applicable rate and employee contribution level in effect at the time they enter the plan. Any year over year increases and/or Plan changes will be applied thereafter consistent with the PBC national plan. If the union chooses to enter into the PBC Standard Flex Benefits program, all provisions relating to the non-standard Flex Benefits plan would be null and void.

Effective April 29, 2007, the Company shall provide an insurance program affording certain benefits to regular full-time employees covered by this Agreement meeting the eligibility requirements of the program and certain benefits to their dependents as set forth in the Company's benefit booklet. Such program and/or benefits may be subject to change. All benefit coverages will cease if an employee is on a leave of absence, 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.



The manner in which benefits will be provided shall be a matter of Company discretion, i.e., an insurance carrier of its choice, self-insuring or any other manner deemed appropriate.

The cost of the benefits shall be borne by the Company except that each covered employee shall contribute per the following schedule to his own coverage and additional per week toward coverage for his spouse and/or dependents.

Employee	\$23.13
Employee + Spouse or Employee + Child(ren)*	\$44.52
Employee + Spouse & Child(ren)*	\$67.10

\*For one or more Child(ren)

The employee contribution shall be taken on a pre-tax basis in accordance with federal, state, and local tax guidelines.

The Company retains the right to modernize and change the above noted contributions when required with the understanding that the modernization will not exceed 12% of the prior year's rates each year of the contract. The Company will notify the Union before such changes are implemented.

Dependent dental coverage will only be provided to regular full-time employees who have dependent medical coverage. If an employee waives medical benefits, he also waives dental benefits and vice versa. However, the employee will still have STD, AD&D and life insurance benefits.

Employee life insurance, accidental death and weekly sickness benefits to employees will be maintained at their current levels during the term of this agreement.

Short term disability weekly rate is \$150.00 per week.\*

- \* This is the rate in effect for Non-standard Flex benefits. If during the time of this agreement, the employees convert to Standard Flex, the rates will be as follows: \$300 per week for each year.

Effective June 1, 2002, the employee life insurance benefits will be increased to \$10,000.

5. *Create Helper Classification; Article 8 – Hours of Work (Add classification and rate under Article 8.4 Wages)*

## **ARTICLE 8 - Hours of Work**

### **8.4 Wages.**

Hourly Rates	4/29/12	4/29/13	4/29/14	4/29/15
Express Driver	\$21.25	\$21.65	\$22.05	\$22.45
Food Service Express Driver	\$21.26	\$21.66	\$22.06	\$22.46
Merchandiser (hired prior to 4/30/90)	\$16.65	\$17.05	\$17.45	\$17.85
Merchandiser (with a Class A CDL)	\$16.65	\$17.05	\$17.45	\$17.85
Merchandiser	\$15.90	\$16.30	\$16.70	\$17.10
Swingmen	\$16.65	\$17.05	\$17.45	\$17.85
On-Premise Utility Driver	\$18.85	\$19.25	\$19.65	\$20.05

Temporary & Probationary Employees	4/29/12	4/29/13	4/29/14	4/29/15
	\$13.15	\$13.55	\$13.95	\$14.35

6. *Discuss Transport pay structure for new hires into the department; Article 8.4 – Hours of Work*

**Transport Drivers**

Transport Drivers will be compensated for each trip using the mileage rate plus the run rate in accordance with the following chart:

Effective May 1, 2011

Mileage Band	From	To	Mileage Rate	Run Rate
Band 1	1	14	\$1.06	\$13.25
Band 2	15	49	\$.80	\$13.25
Band 3	50+		\$.68	\$13.25

Transport	4/29/12	4/29/13	4/29/14	4/29/15
Lump Sum	\$750.00	\$750.00	\$750.00	\$750.00

The mileage to a destination will be determined using a publicly available internet based source selected by the Company (e.g., Rand McNally). Mileage will be rounded up to the nearest whole mile.

In addition, Transport Drivers will receive \$10.00 for daily fueling and inspection.

7. *Flexibility on Dbay days off and clarify bulk days off (attachment of proposed schedules)*

## **ARTICLE 8 - Hours of Work**

- 8.1 **Work Schedules.** Express Drivers, Transport Drivers and Pre-sell Driver/Merchandisers may be scheduled to work eight (8) hours any five (5) consecutive days, or ten (10) hours any four (4) consecutive days Monday through Saturday. However, notwithstanding anything to the contrary in this Agreement, the regular work week for all employees hired after December 31, 2007 regardless of their job classification shall be any five (5) and/or any four (4) days Monday through Sunday. Employees scheduled to work a four (4) ten (10) hour day schedule will have at least two (2) consecutive days off during the week. The Pre-sell Driver/Merchandiser shall receive the same weekly guarantee provided to Route Salesmen under Article 5, Section 5.3.

*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 Kankakee proposals**  
**March 22, 2016**

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

**ARTICLE 23 - Health & Welfare Fund**

Effective April 29, 2007, the Company shall provide an insurance program affording certain benefits to regular full-time employees covered by this Agreement meeting the eligibility requirements of the program and certain benefits to their dependents as set forth in the Company's benefit booklet. Such program and/or benefits may be subject to change. All benefit coverages will cease if an employee is on a leave of absence, 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.

The manner in which benefits will be provided shall be a matter of Company discretion, i.e., an insurance carrier of its choice, self-insuring or any other manner deemed appropriate.

The cost of the benefits shall be borne by the Company except that each covered employee shall contribute per the following schedule to his own coverage and additional per week toward coverage for his spouse and/or dependents.

Employee	\$ 17.62
Employee + Spouse or Employee + Child(ren)*	\$ 26.43
Employee + Spouse & Child(ren)*	\$ 35.25

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\*For one or more Child(ren)

The employee contribution shall be taken on a pre-tax basis in accordance with federal, state, and local tax guidelines.

The Company retains the right to modernize and change the above noted contributions when required with the understanding that the modernization will not exceed 12% of the prior year's rates each year of the contract. The Company will notify the Union before such changes are implemented.

Dependent dental coverage will only be provided to regular full-time employees who have dependent medical coverage. If an employee waives medical benefits, he also waives dental benefits and visa versa. However, the employee will still have STD, AD&D and life insurance benefits.

Employee life insurance, accidental death and weekly sickness benefits to employees will be maintained at their current levels during the term of this Agreement.

Effective October 1, 1997, the employee life insurance benefit will be increased to \$10,000.

<b>Short Term Disability</b>	<b>4/29/12</b>	<b>4/29/13</b>	<b>4/29/14</b>	<b>4/29/15</b>
	\$160.00	\$170.00	\$180.00	\$190.00

**3. Discuss working a Saturday post-holiday**

## **ARTICLE 11 - Paid Holidays**

- 11.5. In the event a paid holiday falls during the regular workweek, Monday through Sunday inclusive, Driver Salesmen, and Pre-sell Driver/Merchandisers shall not be required to work on the Saturday immediately following such paid holiday nor on the Saturday immediately prior to a paid holiday which occurs on a Monday. For such workweek, the Driver Salesman, and Pre-sell Driver/Merchandiser shall receive four (4) days' pay (base pay plus commissions or, in the case of the Driver Salesman and Pre-sell Driver/Merchandiser, not less than the weekly guarantee) less his daily rate for any day on which he was not available for work, in addition to holiday pay as set forth above.

**4. Type 1 AND Type 2 certification for MEM**

The minimum scale of compensation for Field Service Technicians shall be as follows:

	<b>4/29/12</b>	<b>4/29/13</b>	<b>4/29/14</b>	<b>4/29/15</b>
Field Service Technician	\$20.20	\$20.60	\$21.00	\$21.40

The starting rate for the above classification is one dollar and seventy-five cents (\$1.75) less than the full rate for the first six months; one dollar and twenty-five cents (\$1.25) less for the second six months; seventy-five cents (\$.75) less for the third six months, fifty (\$.50) less for the fourth six months and then the full rate. Field Service Technicians must be certified in refrigeration within nine (9) months of employment in order to maintain their employment.

A Field Service Technician who is required to carry a pager will receive \$80 per week in addition to one and one half times his regular straight-time hourly rate for all hours worked over 40.

All regular full-time employees hired prior to April 29, 2007 shall receive a one-time gross lump sum payment of \$1,500.

The Company reserves the right to hire a Field Service Technician at any of the above step rates or at the full rate. Once the starting rate is established, the employee's wage rate will increase to the next higher rate every six months until he is at the full rate.

### **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.

The Company has the right to designate an employee to be a leadman who will act as a leadman when designated by the Company. The leadman will receive \$1.00 an hour above the regular rate for the job classification.

#### *5. Add Blue Card MOU*

### **Memorandum of Understanding - "Blue-Card" Employees**

This Memorandum of Understanding is entered into by and between Pepsi Beverages Company (hereinafter called the "Employer") and the HIGHWAY DRIVERS, DOCKMEN, SPOTTERS, RAMPMEN, MEAT PACKING HOUSE AND ALLIED PRODUCTS DRIVERS AND HELPERS, OFFICE WORKERS AND MISCELLANEOUS EMPLOYEES LOCAL UNION 710, affiliated with the International Brotherhood of Teamsters (hereinafter called the "Union").

WHEREAS, the Employer and the Union are parties to a collective bargaining agreement on behalf of the "Soft Drink Inside and Outside Workers" employed by the Employer, the term of which is effective from April 29, 2012 – April 28, 2016; and

WHEREAS, the Employer "recognizes the Union as the exclusive bargaining agent with respect to wages, hours and other conditions of employment for all production, warehouse, and MEM employees Regular Route Driver Salesmen, Special Events Men, Express Drivers, Transport Drivers, Pre-sell Driver/Merchandisers, Full Service Drivers, Food Service Drivers, On-Premise Utility Drivers, Swingmen, Relief Driver Trainers and Merchandisers in the Employer's plants, but excluding however, all office, clerical, administrative and professional employees, process control employees, checkers and supervisory employees with authority to hire, discharge, discipline or change the status of an employee or effectively recommend such action, and all employees presently represented by other labor organizations" (Article 2 Recognition, Section 2.1 General); and

WHEREAS, the Employer employs temporary day-to-day employees, referred to by the Employer as "Blue-Card" employees, who perform the same work as that performed by the above recognized classifications; and

WHEREAS, the Employer and the Union have met and discussed the matter of the obligation of the Employer to recognize such "Blue-Card" employees as bargaining unit employees;

NOW, THEREFORE, the parties hereby understand and agree to the following:

Pepsi Beverages Company shall be permitted to hire temporary day-to-day "Blue-Card" employees in accordance with the provision set forth below.

1. The Employer hereby recognizes the Union as the sole and exclusive bargaining agent for all "Blue-Card" employees.
2. "Blue-Card" employees are temporary day-to-day employees performing bargaining unit work and shall be covered under the section of the agreement dealing with union recognition.
3. The number of "Blue-Card" employees shall not exceed 15% of the number of regular full-time employees at each location covered by the collective bargaining agreement.
4. "Blue-Card" employees shall not be eligible for paid leave or other fringe benefits applicable to regular full-time employees and the Employer shall not be obligated to make any payments for any and/or provide such benefits.
5. "Blue-Card" employees shall not accrue seniority while so employed as "Blue-Card" employees. However, the Employer agrees that a "Blue-Card" employee will be selected to fill regular full-time vacancies if available when needed provided they meet all qualifications required of new applicants. "Blue-Card" employees reclassified as regular employees shall accrue seniority from the date they are classified as regular employees.
6. "Blue-Card" employees will be paid as follows:

<b>4/29/12</b>	<b>4/29/13</b>	<b>4/29/14</b>	<b>4/29/15</b>
<b>\$13.15</b>	<b>\$13.55</b>	<b>\$13.95</b>	<b>\$14.35</b>

7. The Employer will identify "Blue-Card" employees on the monthly union dues report.
8. The Employer will identify "temporary" employees, as defined in Article 15.6 (Inside CBA) / Article 32.1 (Outside CBA) on the monthly union dues report.
9. "Blue-Card" employees shall become and remain members of the Union as a condition of employment on or after the 31<sup>st</sup> day following the beginning of their employment. This provision shall be made and become effective as of such time as it may be made and become effective under the provisions of the National Labor Relations Act, but not retroactively.

The term "member" shall be limited to the payment of the initiation fee and membership dues uniformly required as a condition of acquiring or retaining membership and shall be a financial obligation only. Nothing in this agreement shall require the actual joining or formal membership in the Union.

10. "Blue-Card" employees will be subject to the same physical, mental or other examination requirements as regular employees.

11. All "Blue-Card" employees performing bargaining unit work shall be considered temporary day-to-day employees and may complete a TEMPORARY OR PART TIME EMPLOYEE CHECKOFF AUTHORIZATION AND ASSIGNMENT (Form No. 802T). This form is only required to be completed once at the Employer by the temporary day-to-day employee who is offered work with the Employer, regardless of the frequency or infrequency of work provided.

On the receipt of written authorization from each "Blue-Card" employee, after 30 days of employment have been completed, the Employer agrees to deduct from the pay of that employee an amount equal to \$2.00 for each day worked, for a maximum of 12 working days in any calendar month, and remit same to the Union on the same report on which it remits the dues and fees of its regular employees. In any month, where the amount remitted is greater than that month's dues amount, the excess remitted beyond the monthly dues obligations, up to and including the current month, will be applied to initiation fee, reinitiation fee or transfer fee obligations.

12. If it is judicially determined that the payment of dues by "Blue-Card" employees is improper and/or unlawful the Employer will be permitted to cease the dues checkoff and "Blue-Card" employees will no longer be required to pay any dues to the Union as condition of employment. Despite such cessation of the dues checkoff, the Employer will be permitted to employ "Blue-Card" employees. The Employer and the Union will meet to discuss the payment of dues or fees by "Blue-Card" employees to determine if a proper and/or lawful provision can be agreed upon.
13. The Union shall indemnify and save the Employer harmless against any and all claims, demands, suits, or other forms of liability that shall arise out of, or by reason of, action taken or not taken by the Employer for purpose of complying with any provision of this agreement.
14. This agreement will be effective from April 29, 2012 – April 28, 2016.

**6. Remove Labor Management from Grievance Procedure**

**ARTICLE 5 - Grievance Procedure**

- 5.1. **Entire Agreement.** This Agreement is the entire agreement between the parties and is the result of extensive negotiations in which both parties had the right and the opportunity to submit proposals and to negotiate their proposals with the other party. Consequently, neither party is obligated to bargain during the term of this Agreement except as herein otherwise provided in Article 6, paragraph 6.1, and except to bargain for a new agreement upon the expiration of this Agreement.
- 5.2. **Grievance Procedure.** All differences arising out of the interpretation or application of any provision of this Agreement except grievances involving Article 7, Section 7.3, shall be processed as follows, except for discipline and discharge grievances which shall be processed as provided in paragraph (d):

- (a) The grievance shall be presented within thirty (30) days from the date of the occurrence of the grievance or said grievance shall be deemed abandoned.
- (b) An employee having a grievance shall promptly report his grievance to his immediate supervisor who shall attempt to adjust the grievance within five (5) working days. Upon failure of the supervisor to adjust the grievance, the employee may promptly submit his grievance in writing to the Employer with a copy to the duly constituted officials of the Union. Within ten (10) working days after the filing of the said written grievance, the Employer and the Union shall meet as a grievance committee and attempt to reach a settlement which shall be final and binding.
- (c) ~~If the parties fail to meet or to reach a settlement, within the aforesaid ten (10) working days, then the matter may be submitted to a Labor Management Committee consisting of six (6) representatives equally divided between the Employer and the Union. The Labor Management Committee shall meet on the second Wednesday in the months of August, November, February and May, when grievances have been submitted to them, but at the request of either the Union or the Employer, other meetings may be scheduled promptly in an effort to dispose of any grievances. Grievances submitted to the Labor Management Committee shall be resolved by a majority vote of those voting; provided, however, that the presence of not less than two (2) Employer representatives and two (2) representatives of the Union shall be required as a quorum for the transaction of business. The two (2) representatives present may cast the vote of the absent representative of their own group.~~
- ~~The resolution of a grievance by the Labor Management Committee shall be final and binding upon the parties and the employees involved in the grievance. If the Labor Management Committee is deadlocked on the disposition of the grievance, then either party may elect to submit the grievance to arbitration by notice in writing to the other party within ten (10) days from the date of their written decision, or the right to arbitration shall be deemed to be abandoned. The Labor Management Committee may adopt such rules of procedure as it deems necessary and the parties involved shall produce before the Labor Management Committee such evidence as is pertinent to the grievance.~~
- (d) **Discharge or Discipline Grievances.** All grievances relating solely to the discharge or discipline of an employee must be presented within five (5) working days after the occurrence or said grievance shall be deemed abandoned.

*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.*