

12.5 **Five Weeks.** Each employee who has continuous service of twenty (20) years or more as of December 31 shall be eligible for five (5) weeks' vacation with pay. Employees hired on or after May 1, 1992 shall not be eligible to receive five (5) weeks of vacation.

Comment [FAL{67}]: CI 13.5, KO 10.5, KI 9.5

12.6a **Vacation Pay.** The vacation pay for a commission employee and Transport Driver shall be 1/52nd of the employee's prior year's W-2 earnings for each week of vacation.

Comment [FAL{68}]: KO 10.6

12.6b Vacation pay for all other **Chicago Outside** employees shall be 40, 80, 120, 160 or 200 times the regular straight-time hourly rate, and vacation pay for Special Events Employees shall be 5, 10, 15, 20 or 25 times the employee's daily rate.

12.6c. Vacation pay for **Chicago Inside** shall be defined as 40, 80, 120, 160 or 200 times the employee's regular straight-time hourly rate, inclusive of shift premiums but excluding any other premiums.

Comment [FAL{69}]: CI 13.6, separate because of shift premiums

12.6d Vacation pay for **Kankakee** Hourly employees shall be 40, 80, 120, 160 or 200 times their average straight-time hourly earning immediately preceding their vacation period.

Comment [FAL{70}]: KO 10.6, uses "average" straight-time rate

12.7 **Vacation Credit.** When an employee retires the employee shall receive accrued vacation at the rate of one-twelfth (1/12th) for each month in which the employee worked during the calendar year in which the employee retires.

Comment [FAL{71}]: CI 13.7 KO 10.7, KI 9.7; no heading in KI or KO

12.8a **Chicago Outside and Kankakee Outside Vacation Scheduling.** Vacations shall be granted by the Employer at times most desired by the employees, and the Employer shall make every effort to give vacations between April 1st and November 1st. When more vacations are requested than can be granted for any period, preference will be given to the employees with the most seniority. The final right, however, of scheduling vacations is reserved to the Employer to ensure the efficient and continuous operations of the business.

Comment [FAL{72}]: KO 10.8

12.8b **Chicago Inside Vacation Scheduling.** Vacation shall be granted by the Employer at times most desired by the employees. When more vacations are requested than can be granted for any period, preference will be given to the employees with the most seniority. The final right, however, of scheduling vacations is reserved to the Employer to ensure the efficient and continuous operation of the business; provided, however, employees eligible for four (4) or five (5) weeks' vacation shall be guaranteed a minimum of two (2) weeks' vacation during May, June, July, August or September. The employees shall select their vacations in accordance with a procedure developed by the Employer to allow the vacation selection process to be completed by December 15. An employee who does not select his vacation in accordance with the procedure developed by the Employer will select his vacation from available vacation periods at such time as he is ready prior to December 15.

Comment [FAL{73}]: CI 13.8

12.8c **Kankakee Inside Vacation Scheduling.** Employees shall be given a choice of vacation periods provided such choice does not interfere with the operations of the Company, provided, however, that the final right to schedule vacations rests with the Company.

Comment [FAL{74}]: KI 9.10

12.9 **Chicago Employees No Accumulation.** Vacations shall not be cumulative from one calendar year to the next and in no event shall more than five (5) weeks' vacation be granted in any one year. Employees may split their vacation with permission of the Employer provided such split vacation periods must be selected prior to March 1st for **Chicago Outside** and prior to December 15 for **Chicago Inside** and that the entire

Comment [FAL{75}]: CI 13.9

vacation must be taken in a single calendar year. Vacation eligibility lists shall be posted prior to November 1st of each calendar year and vacation dates shall be selected and assigned as of December 15th of each calendar year.

- 12.10 **Chicago Outside Payment.** Payment of vacation pay shall be made in the week immediately preceding the vacation week or weeks.
- 12.11 **Holiday During Vacation.** Where a holiday and/or birthday falls during the employee's vacation, he shall receive his holiday and/or birthday pay as defined in Articles 13 and 14 below in addition to his vacation pay.
- 12.12 Employees who have been in the continuous service of the Company for less than a full year by December 31, shall be eligible to a portion of a week's vacation to be taken the following calendar year, prorated as follows:

Hire Date	Days of Vacation with Pay
January 1 – February 29	5
March 1 – April 30	4
May 1 – June 30	3
July 1 – August 31	2
September 1 – October 31	1
November 1 – December 31	0

Comment [FAL{76}: CI 13.10, KI 9.7, KO 10.9

Comment [FAL{77}: CI 13.11, KI 9.9, KO 10.10

ARTICLE 13 - Holidays

- 13.1 **Designated Holidays.** The following days shall be considered holidays: New Year's Day, President's Day (**Chicago only**), Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Holidays which fall on Sunday shall be observed on the following Monday. In addition, effective January 1, 2003, employees will be eligible for two (2) "personal" holidays in Chicago and three (3) "personal" holidays in Kankakee. An employee must request a "personal" holiday, in writing, at least five (5) working days, but no more than thirty (30) calendar days, in advance.

Comment [FAL{78}: KO 11.1, 11.3; KI 10.1, 10.3

Comment [FAL{79}: Called Floaters in KO/KI

Comment [FAL{80}: Not in KO/KI

Comment [FAL{81}: KO 11.3, KI 10.3

Kankakee Employees. It may not be scheduled in conjunction with a listed holiday or his vacation. The same work schedule requirements apply as for listed holidays. The Company reserves the right to limit the numbers of employees scheduling in the same day.

Chicago Employees. A "personal" holiday will be granted on a first come, first serve basis and provided it does not interfere with the operations of the business. In the event multiple employees request the same day in a twenty-four (24) hour period the "personal" holiday will be granted to the most senior employee. Response to the request will be made within three (3) working days from the employee's request and if approved cannot be cancelled.

All Employees. If the response to the request for a "personal" holiday is not made within three (3) working days from the employee's request and the employee works on the day requested, the employee will be paid two (2) times the employee's regular straight-time hourly rate for all hours worked that day in addition to the employee's "personal" holiday pay. "Personal" holidays will not incur any points under the attendance policy. The

Employer will make every effort to honor the requests before the end of the year. Any unused "personal" holidays will be paid out at the end of the year in Chicago and in January of the following year in Kankakee.

Comment [FAL{82}]: Not in KO/KI

- 13.2 **Commission Paid Employee and Transport Driver Pay.** Commission employees eligible for holiday pay shall receive, when the holidays enumerated in Section 13.1 are not scheduled days of work, holiday pay of \$75.00. Transport Drivers eligible for holiday pay and "personal" holiday pay shall receive, when holidays enumerated in Section 13.1 are not scheduled days of work, holiday pay of \$130.00. Commission employees eligible for "personal" holiday pay shall receive "personal" holiday pay of \$75.00.

Comment [FAL{83}]: KO 11.4

- 13.3 **Kankakee and Chicago Outside Hourly Paid Employee Pay.** Hourly paid employees eligible for holiday pay shall receive, when the holidays enumerated in 13.1 are not scheduled days of work, holiday pay of eight (8) times their regular straight-time hourly rate if scheduled to work a five (5), eight (8) hour day schedule; ten (10) times their regular straight-time hourly rate if scheduled to work a four (4), ten (10) hour day schedule.

Comment [FAL{84}]: KI 10.4;

Chicago Inside Hourly Paid Employee Pay. An eligible employee not called or put to work when a holiday falls within his schedule, Monday through Sunday, shall receive eight (8) times his regular straight-time hourly rate of pay if scheduled to work a five (5), eight (8) hour day schedule, ten (10) times his regular straight-time hourly rate of pay if scheduled to work a four (4), ten (10) hour day schedule, twelve (12) times his regular straight-time hourly rate if scheduled to work a three (3), twelve (12) hour day schedule, inclusive of shift premium but exclusive of any other premiums.

Comment [FAL{85}]: CI 9.2, Monday – Sunday language, 3x12s and pay includes shift premiums

Chicago Inside Holiday Outside the Regular Schedule. In the event any of the above holidays shall occur outside the employee's regularly scheduled workweek, the holiday shall be paid at the employee's regular rate set forth herein, and such hours shall not be included in the accumulated hours of work for that period. The forty (40) hour guarantee for any week in which a holiday falls shall be reduced to thirty-two (32) hours or four (4) days for that week for those employee scheduled to work five (5) eight (8) hour days; thirty (30) hours or three (3) days for that week for those employees scheduled to work four (4) ten (10) hour days; or twenty-four (24) hours or two (2) days for that week for those employees scheduled to work three (3) twelve (12) hour days.

Comment [FAL{86}]: CI 9.4

- 13.313.4 **Chicago Outside Hourly Worked Pay.** Hourly paid employees eligible for holiday pay who work on any of the holidays enumerated in Section 13.1 shall receive two (2) times their regular straight-time hourly rate of pay in addition to the holiday pay provided for in Section 13.4 above.

Chicago Inside Work on a Holiday. Employees eligible for holiday pay shall receive for all hours worked when they are scheduled to work and actually do work on any one of the holidays enumerated in Section 9.1, two (2) times their straight-time hourly rate of pay for all hours worked on the holiday, in addition to holiday pay as provided in Section 9.2 above. Each employee required to work on a holiday shall be guaranteed four (4) hours of work at double time in addition to the holiday pay provided for in Section 9.2. Under no circumstances shall an employee be required to work on Labor Day.

Comment [FAL{87}]: CI 9.3

- 13.413.5 **Chicago Outside and Kankakee Outside Daily Rate Reduction.** In the event a paid holiday falls during the regular workweek, Monday through Sunday inclusive, commission employees shall receive four (4) days' pay (base pay plus commission or, in

Comment [FAL{88}]: KO 11.5

the case of the Driver Salesman, not less than the weekly guarantee) less his daily rate for any day on which he was not available for work, in addition to the holiday pay as set forth above.

Kankakee Outside Saturday Work During Holiday Weeks. 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.

Comment [FAL{89}]: KO 11.5

13.513.6 **Chicago Outside Guarantee Reduction.** In the event a holiday falls during the hourly paid employee's scheduled workweek, Monday through Sunday, the forty (40) hour guaranteed workweek for hourly paid employees shall be reduced to thirty-two (32) hours or four (4) days. In the event any of the holidays enumerated in **Section 13.1** shall occur outside the employee's scheduled workweek, such holiday pay shall not be included in the accumulated hours of work for that period.

13.613.7 **Eligibility.** To be eligible for holiday pay, all employees must:

- a. **For Chicago Outside,** have continuous service with the Employer of sixty (60) calendar days.
- b. **For Chicago Inside,** have seniority in accordance with Article 15, Seniority, as of the date of the holiday.
- c. **in Kankakee,** in order to receive pay for an unworked holiday, an employee shall be required to work in the pay period before and the pay period after the holiday. **For Kankakee Inside, must be** regular hourly employees other than temporary employees.
- d. work his scheduled workday immediately before and his scheduled workday immediately after a holiday named in **Section 13.1.**

Comment [FAL{90}]: CI 9.5

Comment [FAL{91}]: KO 11.4, KI 10.4

13.713.8 **Chicago Employees Medical Leave.** In cases of prolonged illness or accident, employees eligible for holiday pay shall receive holiday and/or birthday pay for any and all holidays and/or birthday occurring within the first two (2) month period of such absence. The maximum allowances available under this Section shall be two (2) months per calendar year.

Comment [FAL{92}]: CI 9.6

13.813.9 **Holiday as Time Worked for Overtime Computation.** If a holiday falls on an employee's off day, holiday pay only shall be paid as provided above even though an eligible employee may have already worked forty (40) hours in the week in which the holiday falls. If a holiday falls on an employee's regularly scheduled work day for which an employee receives pay for the holiday though not worked, the holiday shall be counted as time worked for the purpose of computing weekly overtime in the same work week.

Comment [FAL{93}]: KO 11.4, KI 10.5

ARTICLE 14 - Birthday Leave

14.1 **Chicago Outside and Kankakee Outside General.** Each commission employee may celebrate his birthday and receive \$75 when not working on said day, provided that he

Comment [FAL{94}]: KO 11.2, 11.4

shall give the Employer five (5) working days' prior notice of his intention not to work. If he works on a scheduled workday which falls on his birthday, he shall receive birthday leave pay in addition to his regular earnings for said day.

Each eligible hourly paid employee may celebrate his birthday and receive the daily base wage rate when not working on said day, provided that he shall give the Employer five (5) working days' prior notice of his intention not to work. If he works on a scheduled workday which falls on his birthday, he shall receive birthday leave pay in addition to his regular earnings for said day.

Comment [FAL{95}]: KI 11.2; CI A10 – define the schedules more so than just saying the "daily base wage rate".

Each eligible Transport Driver may celebrate his birthday and receive \$130.00 when not working on said day, provided that he shall give the Employer five (5) working days' prior notice of his intention not to work. If he works on a scheduled workday which falls on his birthday, he shall receive birthday leave pay in addition to his regular earnings for said day.

Chicago Employees Eligibility. Only employees with sixty (60) calendar days' service with the Employer shall be entitled to this benefit.

- 14.2 **Birthday Leave as Time Worked for Overtime Computation.** If the birthday leave falls on an employee's off day, birthday pay only shall be paid as provided above even though an eligible employee may have already worked forty (40) hours in the week in which the birthday falls. If the birthday leave falls on an employee's regularly scheduled work day for which an employee receives pay for the birthday though not worked, the birthday shall be counted as time worked for the purpose of computing weekly overtime in the same work week.

ARTICLE 15 - Jury Pay

An employee with sixty (60) days of continuous service who is called to and reports for jury duty shall, upon the proof of time served and the compensation received therefor, be paid by the Employer, his base pay plus commissions where applicable for the number of regular workdays that he otherwise would have been scheduled to work. Hourly employees will receive eight (8) times their regular straight-time hourly rate if scheduled to work a five (5), eight (8) hour day schedule; ten (10) times their regular straight-time hourly rate if scheduled to work a four (4), ten (10) hour day schedule, and for Chicago Inside, twelve (12) times his regular straight-time hourly rate if scheduled to work a three (3), twelve (12) hour day schedule. Transport Drivers will receive the difference between jury pay and \$130. The Employer's obligation to pay for jury duty shall be limited to a maximum of fifteen (15) working days. The employee shall give reasonable advance notice to the Employer of his intended absence.

Comment [FAL{96}]: CI A11, KO A19, KI A19

ARTICLE 16 - Bereavement Pay

- 16.1 **Leave.** In the event of a death in the immediate family of an employee, the employee will receive three (3) days off with pay. The pay for each day shall be equal to eight (8) times the employee's regular straight-time hourly rate if scheduled to work a five (5), eight (8) hour day schedule, ten (10) times his regular straight-time hourly rate of pay if scheduled to work a four (4), ten (10) hour day schedule, and for Chicago Inside, twelve (12) times his regular straight-time hourly rate if scheduled to work a three (3), twelve (12) hour day schedule, for each regular workday on which he would have worked but

Comment [FAL{97}]: Pulled from CI 12.1, mirrors KI A18, KO13

for his absence. In the case of a commission employee, the pay for each day shall be \$75, in the case of a Transport Driver, the pay for each day shall be \$130.00 and in the case of all other employees, the pay for each day shall be equal to the employees' daily base rate for each regular workday on which he would have worked but for his absence.:

Comment [FAL{98}]: CI 12.2, KO A13, KI A18

- 16.2 **Notice.** The employee shall give notice to the Employer of his absence for this purpose and the Employer may require proof of death and relationship. Immediate family as used in Sections 16.1 hereof means only the father, mother, brothers, sisters, spouse, current mother-in-law, current father-in-law and children, ~~and~~ step-children of the employee and additionally, in Kankakee, grandparents, brother-in-law and sister-in-law.

- 16.3 **Eligibility.** Only employees with sixty (60) calendar days' service with the Employer shall be entitled to this benefit.

ARTICLE 17 - Medical Leaves

Chicago Employees. A leave of absence of up to a maximum of eighteen (18) months will be granted to an employee who has an occupational or non-occupational injury, with the exception of cases arising under Article 20 and Article 32, section 32.3. The employee must promptly present valid medical evidence of his/her condition which supports the need for such leave. The Employer may periodically request the employee to provide medical verification of his/her status. When an employee has obtained leave for sickness or injury and desires to return to work, he shall furnish the Employer a certificate from his physician certifying that he is physically able to perform the duties of his job.

Comment [FAL{99}]: CI A 14; Touches on this in seniority section in Kankakee, but not the exact same lang so left for Chicago only

ARTICLE 18 - Day's Work for Outside Employees

Comment [FAL{100}]: KO A12;

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. In Chicago Outside, 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. All Outside 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. In Chicago Outside, Employees shall call in after servicing their last account if required to do so by the Employer. In Chicago Outside, Employees shall be given a one-half (½) hour unpaid lunch period per day.

Comment [FAL{101}]: This is in CO only;

Comment [FAL{102}]: CO only

Upon returning to the plant or warehouse, all drivers shall be responsible only to:

- (1) Inventory his truck and turn in his inventory sheet to the Company representative.
- (2) Make out his load order for the next scheduled workday, if required.
- (3) Check in his day's receipts.
- (4) Responsible for removing and reworking their breakage.
- (5) Sort and remove empty shells and pallets as required by management.

He shall have no further responsibility as to the unloading of his truck, or the loading for the next scheduled workday.

Comment [FAL-103]: CI A 16 & A27, KO A16, KI A13

ARTICLE 19 - Uniforms

If the Employer desires employees to wear uniforms, same shall be paid for by the Employer. Said uniforms shall be the property of the Employer and upon the termination of the services of the employee shall be returned to the Employer. Employees shall maintain their uniforms in a clean, neat and presentable condition and pay for the cleaning of same. All necessary repairs shall be paid for by the Employer. The Employer will pay all permanent employees \$50 each year as an allowance for safety shoes. When such employee brings to the Employer his receipt for such new shoes, the Employer will grant said allowance. In Kankakee, uniforms shall be worn by employees during their regular hours of work and during the course of their regular employment only.

For Kankakee Outside and all Chicago Employees, sShorts will be permitted to be worn from April 1 through November 30.

Comment [FAL-104]: CI A24, KO A15, KI A12

ARTICLE 20 - Physical Examinations

Each employee of the Employer shall submit to a physical examination as to health and physical ability at any time designated by the Employer, said examination to be made by a doctor selected by the Employer and the expense thereof to be borne by the Employer. If any employee should be found to be physically unfit to continue his employment, the Employer reserves the right to dispense with his services and the Employer shall notify the employee and the Union, in writing, by certified mail. In the event of a conflict between the Employer's decision and a determination of the employee's physician, the Union may, within fifteen (15) days after receiving written notice of the Employer's decision, elect that the employee be examined by a third doctor to be selected by the parties. The expenses of said examination by said third doctor shall be shared equally by the parties. The Employer may furnish the third doctor with a description of its physical standards and requirements for the job in question and a copy of such description shall be furnished to the Union. The determination of the third doctor as to whether or not the employee meets said physical standards and requirements for the job in question shall be final and binding.

The Employer has the right to implement a drug and alcohol abuse policy.

The employee shall not be allowed to be re-examined by a physician of his own choice where the examination is for the purpose of a drug test.

For Chicago Outside, CDL physical examinations to be paid for by Employer.

For Chicago Outside and Kankakee Outside, the employer shall provide transportation on all shifts to transport employees to clinics, doctors' offices, or hospitals in case of serious injuries.

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

Comment [FAL-105]: CI 17.1, KI 5.1, KO 5.1

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.

Comment [FAL-106]: CO; 5.2; Same reference in KO 6.1

Comment [FAL-107]: CI 17.2, KI 5.2, KO 5.2

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 for Chicago Outside and Kankakee Outside, 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 in Chicago and six (6) in Kankakee equally divided between the Employer and the Union. In Chicago, ~~The~~ Labor Management Committee will meet on the first Tuesday of each month to consider grievances submitted to it unless the parties agree otherwise. In Kankakee, the Labor Management Committee shall meet on the second Wednesday in the months of August, November, February and May. 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. In Kankakee, 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 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. In Chicago, -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 in Chicago. 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.

- (e) The fees and expenses of the arbitrator shall be paid by the losing party. The loser shall be determined by the Arbitrator.

- (f) **Selection of the Arbitrator for Chicago Employees.** In the event a grievance is referred to arbitration, representatives of the Employer and the Union shall meet to select the arbitrator. If the parties are unable to agree on an arbitrator within ten (10) working days after written notice of the referral to arbitration has been served, then the parties shall request the Federal Mediation and Conciliation Service to submit a list of seven (7) arbitrators who are members of the National Academy of Arbitrators whose offices are in the Chicagoland area. For the first arbitration, the winner of a toss of a coin shall determine who shall strike the first name from the panel of arbitrators received from the Federal Mediation and Conciliation Service. (On subsequent arbitrations, the parties will alternate striking the first name.) If none of the Arbitrators on the list is acceptable, the Federal Mediation and Conciliation Service shall be asked to submit a second list. If none of the Arbitrators listed on the second list is acceptable, then the Federal Mediation and Conciliation Service shall be asked to submit a third list. The parties shall strike alternately with each party striking three (3) names, and the person whose name remains shall be the arbitrator. The Union and the Employer and no strike or lock out shall occur pending a final determination, except as hereinafter provided.

Selection of the Arbitrator for Kankakee Employees. In the event a grievance is referred to arbitration, representatives of the Employer and the Union shall meet to select the arbitrator. If the parties are unable to agree on an arbitrator within ten (10) working days after written notice of the referral to arbitration has been served, then the parties shall request the Federal Mediation and Conciliation Service to submit a list of seven (7) arbitrators, with the arbitrator being selected by each party alternately striking a name until one person remains who shall be the arbitrator. The party requesting the arbitration shall strike first. If none of the Arbitrators on the list is acceptable, the Federal Mediation and Conciliation Service shall be asked to submit a second list. If none of the Arbitrators listed on the second list is acceptable, then the Federal Mediation and Conciliation Service shall be asked to submit a third list.

All Employees. The arbitrator shall be notified of his selection by a joint letter from the Employer and the Union requesting that he set a time and place for a hearing subject to the availability of the Employer and the Union. The decision of the arbitrator shall be final and binding upon the parties. The jurisdiction of the

arbitrator shall be only in regard to the particular dispute before him and he shall have no power or authority to add to, subtract from, modify or change in any way the terms of this Agreement. Each party shall pay its own costs of preparation and attorneys' fees.

- 21.3 **Union as Exclusive Representative.** The Union, in the redress of alleged violations by the Employer of this Agreement, shall be the exclusive representative of the interests of each employee covered by this Agreement and only the Executive Board of the Union or its designated representative shall have the right to assert against the Employer any claim, proceeding or action alleging a violation of this Agreement or claiming the right under this Agreement. No employee or former employee shall have any right under this Agreement in any claim, proceeding, action or otherwise on the basis or by reason of any claim that the Union or any Union officer or representative or the Executive Board has acted or failed to act relative to presentation, prosecution or settlement of any grievance or other matter as to which the Union or any Union officer or representative has authority or discretion to act or not to act under the terms of this Agreement.
- 21.4 **No strikes or Lockouts Except as Provided in Section 21.5.** Except as provided in **Section 21.5**, the parties agree that there shall be no strikes or lockouts during the term of this Agreement but instead all differences between the parties shall be settled promptly as provided in this Article.
- 21.5 **Right to Strike.** In the event the Employer violates the provisions of this Agreement relating to payment of the rates or scales of wages referred to in **Articles 5, 8, or 9** or remittance of initiation fees and/or dues pursuant to **Article 4, or Article 30**, Pension Plan **in Chicago**, and thereafter refuses to correct or remedy these said violations within ten (10) days of receipt of written notice from the Union protesting the said violations, then the grievance procedure set forth herein shall have no application to such circumstances and the Union shall be permitted all legal and economic recourse, including the right to strike and to picket, until such violations are corrected, notwithstanding anything to the contrary in this Agreement.
- 21.6 **Chicago Employees and Kankakee Outside Retroactive Limitation.** In no event shall the settlement or resolution of any grievance be retroactive for more than thirty (30) days prior to the date the grievance was presented.
- Chicago Employees.** All disciplinary letters and/or actions must be presented to the employee within fifteen (15) working days from the date the Company knew of the violation or the disciplinary letter and/or action shall be deemed abandoned. It is agreed that the fifteen (15) working days shall not begin until after the Company completes its investigation and determines that a violation has occurred. The Company agrees to complete its investigation within a reasonable period of time based on the facts of the case.
- 21.7 **Chicago Employees Attendance.** The Company and Union recognize the Company utilizes two tracks for discipline: Attendance (under the Company's attendance policy) and performance. Both parties acknowledge these tracks are separate and distinct and will not be combined in moving discipline forward.

Comment [FAL{108}: Does not apply to KI

ARTICLE 22 - Union Stewards

The Employer recognizes the right of the Union to designate job stewards and alternates from the employer's seniority list. The Employer will be notified in writing by an officer of the Union the name of the Steward (and alternate if named). The authority of job 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 with the Employer or designated Company Representative 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 have been:
 - a) Reduced to writing; or
 - b) If not reduced to writing and 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.
 - c) Stewards will be allowed time off work to attend regular monthly Union Meetings provided it does not interfere with the Company's operations. Days off will not be counted as absence. Company will be given a minimum of five (5) working days' notice of such absence. The Employer will be notified thirty (30) days in advance of Steward Training absence.

Job stewards and alternates have no authority to take strike action, or any other action of the Union. The Employer recognizes these limitations upon the authority of job 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.

Stewards shall be permitted reasonable time to investigate, present and process grievances on the company property without loss of time or pay during his regular working hours: and where mutually agreed to by the Union And employer, off the property or other than during his regular schedule without loss of time or pay. Such time spent in handling grievances during the Steward's regular working hours shall be considered working hours in computing daily and/or weekly overtime if within the regular schedule of the steward. When a steward attends a grievance hearing, he does not break his forty (40) hour guarantee.

The union acknowledges that a steward's primary responsibility is to perform their regular job functions and that stewards duties are neither designed to interfere with their job duties nor to create overtime for the Steward.

Bargaining Unit Employees including shop stewards are legally entitled to union representation at any meeting which may lead to discipline. Such meetings or interviews shall not begin until the steward or designated bargaining unit member is present. An Employee who does not want

a Union Steward or available bargaining unit member present at any meeting or interview where the employee has a right to Union representation must waive Union representation in writing. Upon the Union's request for a copy of such written refusal, the Employer shall promptly furnish it.

When requested by the Union or the Employee, there shall be a steward present. If a steward is unavailable, the Employee may designate a bargaining unit member who is available at the location at the time of the meeting to represent him/her.

ARTICLE 23 - Payday

- 23.1 **Weekly Payday.** Payday shall be weekly. For Chicago Outside and Kankakee Outside, the employer will refund monthly to the Driver Salesmen the amounts necessarily spent by them for telephone calls in connection with the Employer's business.
- 23.2 For all regular full-time employees hired on or after April 28, 2002 the Company has the right to directly deposit the employee's compensation in a financial institution of the employee's choice. If the employee does not designate a financial institution within two (2) weeks of starting work, the Company has the right to designate one for the employee.

Comment [FAL-110]: Only listed in KO 6.4 & CO, KO A18

Comment [FAL-111]: KO A29, KI A24, CI A29

ARTICLE 24 - Cash Sales and Charge Accounts

- 24.1 **Chicago Outside Bad Checks.** In the case of bad checks chargeable to the employee, the Employer agrees to wait until the employee collects on the bad checks, leaves the employ of the Employer, or thirty (30) days, whichever is earlier, before charging the amount of the check against the employee. No redeposits are to be made on bad checks. The employee is required to overpay on his check out or days' settlement the amount of such checks the same day he collects thereon. The Employer will continue to assist the employee in collecting on bad checks.
- 24.2 **Chicago Outside Authorized Checks.** Where the employee is authorized by the Employer to accept a check or checks in lieu of cash for merchandise delivered and sold, said employee shall not be held for the validity, bankability or genuineness of check or checks or for the signatures or endorsements thereon; provided, however, that he shall be responsible for any amount of money over and above the amount of invoice for the merchandise sold. The Employer will determine if any account is an authorized check account within three (3) weeks after a request for authorization is made in writing on forms to be furnished by the Employer. The Employer will mark its approval for account payment by check on the account sheet in the route book. The Employer will review its authorized check accounts not less than once per calendar quarter.
- 24.3 **Chicago Outside Temporary Charges.** When the Employer authorizes temporary charges, he shall be responsible for same.
- 24.4 **Chicago Outside and Kankakee Outside Shortages/Overages.** All money shortages and overages and merchandise shortages shall be deducted and/or returned to the employee on no longer than a weekly basis with no carryover.

24.5 Chicago Outside Counterfeit Currency. Outside Driver Employees or Driver Trainees who operate routes shall be held accountable for all counterfeit money or currency accepted and turned in by them. Such accountability shall end when a driver's receipts are verified by the Company cashier.

Comment [FAL-112]: KO 18.1

24.524.6 Kankakee Outside. Whenever there is a charge account sanctioned by the Company, drivers shall not be held responsible for same.

Comment [FAL-113]: CI A26, KO A21, KI A16

ARTICLE 25 - Right of Visitation

An authorized representative of the Union may have access to the Employer's establishment and earnings record of covered employees directly involved in questions under discussion or investigation at all reasonable times, for the purpose of adjusting disputes, investigating working conditions, and ascertaining that the contract is being lived up to. An authorized representative of the Union agrees to follow the security rules of the Employer regarding visitors to its premises.

Comment [FAL-114]: CI A20, KI A17, KO A20

ARTICLE 26 - Time Off for Union Activities

The Employer agrees to grant the necessary time off, without discrimination or loss of seniority rights and without pay, to any employee designated by the Union to attend a labor convention or serve in any capacity or other official Union business; provided, however, that forty-eight (48) hours' written notice is given to the Employer by the Union specifying the length of time off.

ARTICLE 27 - Equal Application of Agreement

27.1 The Employer and the Union agree that the provisions of this Agreement shall apply to all employees covered hereby without discrimination and in carrying out their respective obligations under this Agreement neither will discriminate against any employee on account of race, color, religion, age, sex, national origin or disability as defined under the Americans with Disabilities Act (ADA). Whenever in this agreement the masculine gender is used, it shall be deemed to refer equally to and to include the feminine gender.

Comment [FAL-115]: CI 19.1, KO A26, KI A23

27.2 Chicago Inside Supervisory/Managerial Personnel Working. Supervisory and managerial personnel shall not perform work covered by the classifications of this Agreement that would replace an employee who is available and qualified to perform such work. Management personnel shall, however, perform any work required at any time in the event of:

Comment [FAL-116]: CI 19.2

- a. Emergency. Normal repair of the vending service equipment shall not be considered an "emergency."
- b. Instruction or training.
- c. Necessary experimental development and research work as needed.

In the event of the continuous operations of production lines, the Employer agrees to have sufficient number of Local No. ~~740-727~~ members assigned to cover lunch and break periods.

ARTICLE 28 - Voluntary Severance - Economic Loss

Chicago Outside and Inside and Kankakee Outside. In cases of voluntary severance from employment, an employee shall receive all monies due him only after all Company property has been returned and on request, shall be issued a statement in reference to his character and service. In cases of dismissals for cause, the employee shall receive all monies due him only after all Company property has been returned. All wages shall be paid weekly. **For Kankakee Outside,** in the event that an employee quits, he shall give two (2) week's notice to the Company.

Comment [FAL-117]:
KO 6.5, CI A21

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.

Comment [FAL-118]: KI A20, CI A22, KO A23

Comment [FAL-119]: LOU for KO and KI. Talks specifically about dates of conversion for 2014 that aren't relevant anymore. Everything else is the same.

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.

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

Kankakee

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

*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 in Chicago.*

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

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

Effective June 1, 2002, the employee life insurance benefits will be increased to \$10,000 in Chicago Outside. Effective October 1, 197, the employee life insurance benefit will be increased to \$10,000 in Chicago Inside and Kankakee.

Comment [FAL-120]: CI A23, KI 21, KO 24

ARTICLE 30 - Pension

Chicago PepsiCo employees will begin participation in the PepsiCo Hourly Employees Retirement Plan effective 4/4/13. See attached Letter of Understanding for details.

Kankakee Employees

30.1 Individual Account Accumulation (401(k) Plan). Effective April 29, 2007 the following shall apply:

- (1) The terms and conditions of the Company's plan will govern in all cases.
- (2) Employees may contribute between 2% and 15% of pay on a 401(k) basis. (Employee contributes on a pre-tax basis; that is, employee defers federal income tax on contribution as well as investment earnings.) Change in employee contribution rate shall be made in accordance with the Company's plan.

- (3) Company contributes one-half of the employee contribution up to 2% of pay for each employee who also contributes. (For example: If the employee contributes 2%, the Company will contribute 1%. If the employee contributes 4% or more, the Company will contribute 2%.)
- (4) Effective April 28, 2002, the Company also contributes \$11.50 per week for each employee even if the employee does not contribute.
- (5) Employees are always fully vested in their own contributions.
- (6) Each employee has the investment option for his contribution among the options offered by the Company. All Company contributions will be invested in the same options and in the same percentage as the employee has selected.

24.230.2- Accrued Pension Benefits. The Company will preserve accrued benefits forfeited as a result of the Company's withdrawal from Central States Pension Fund.

2430.3 PEPSICO HOURLY EMPLOYEES RETIREMENT PLAN ("PHERP").

Employees currently covered by the Individual Account Accumulation Plan will no longer participate in such plan at the end of business on December 31, 2013. Effective January 1, 2014, eligible employees will participate in the Account Balance Program as outlined below.

The Account Balance Program is a defined benefit program that provides participating employees with a retirement benefit in the form of an account balance that is increased by "pay credits" and "interest credits."

- **Pay Credits –**
 - For eligible active employees with less than ten (10) years of service with the Company: the account balance of these eligible employees will be credited with an amount equal to 4% of their eligible compensation
 - For eligible active employees with ten (10) or more years of service with the Company: the account balance of these eligible employees will be credited with an amount equal to 5% of their eligible compensation
- **Interest Credits –** A participant's account balance will be increased by an annual interest credit based on the account balance at the end of the prior calendar year equal to the rate of interest on 30-year US Treasury bonds on the measurement date defined in the program document. The method of crediting interest may be amended from time to time.

Eligibility to participate and benefits earned under the respective parts of the PHERP are subject to the terms and conditions of the applicable part(s), as may be amended from time to time.

Eligible employees covered by this agreement are eligible to participate in the PepsiCo 401(k) Program without Company matching contributions. Participation under the 401(k) Program is subject to the standard plan provisions.

ARTICLE 31 – Outside Compliance with Safety and Traffic Laws

- 31.1 Licenses and Overloading. No employee shall be responsible for the purchase or display of City or State license tags, plates or safety stickers on Company owned vehicles. Overloading of trucks shall be the sole responsibility of the Employer. When an employee is issued a summons or arrested because of faulty equipment, failure to display tags, licenses or safety stickers on Company owned vehicles, overloading or overweight and is thereby required to appear in court on behalf of his Employer, the daily wage guarantee applies. The Company may deduct from the employee's pay any fines incurred by the employee and paid by the Company.
- 31.2 Employee Report. It shall be the responsibility of each employee driving equipment to promptly report any faulty equipment. The employee is responsible to immediately report any change in his driving status. **In Kankakee Outside, failure to report faulty equipment and/or knowingly driving faulty equipment shall be cause for discharge.**

ARTICLE 32 - Seniority

- 32.1 **Definition.** Seniority is defined as an employee's length of continuous service from his date of last employment. In the case of multiple hiring on the same day, seniority shall be assigned alphabetically based on the employee's last name.

Chicago Outside. Seniority shall apply on job classification basis within each individual distribution center. The job classification seniority of a Route Driver Salesman shall consist of the total length of continuous service as a regularly assigned Route Driver Salesman from his last date of hire. The job classification seniority in the Pre-sell Driver/Merchandiser classification shall consist of the total length of continuous service from his last day hired as a Pre-sell Driver/Merchandiser. The job classification seniority in the Express Driver classification shall consist of the total length of continuous service from his last day hired as an Express Driver. A Route Driver Salesman may use his seniority as a Route Driver Salesman to establish his seniority as an Express Driver. He may use his seniority as an Express Driver and as a commission Driver Salesman to bid on a commission route. The job classification seniority of a Swingman shall consist of the total length of continuous service as a Swingman from his last date of hire. The job classification seniority of a Merchandiser shall consist of the total length of continuous service as a Merchandiser from his last date of hire. The job classification seniority in the Relief Driver Trainer classification shall consist of the total length of continuous service from his last day hired as a Relief Driver Trainer. Employees in the Relief Driver Trainer classification will have their service in the Relief Driver Trainer classification count concurrently towards the classification from which the employee bid. The job classification seniority in the Full Service Driver classification shall consist of the total length of continuous service from his last day hired as a Full Service Driver.

Chicago Inside. Seniority is defined as an employee's length of continuous service from his date of last employment. In the case of multiple hiring on the same day, seniority shall be assigned alphabetically based upon the employee's surname. Seniority shall apply on a job classification basis within each individual plant or subdivision thereof (Production Department, Warehouse Department and MEM Department). Each

individual plant shall have separate seniority lists for production workers, warehouse employees and MEM employees.

Comment [FAL{123}]: KO 27.1

Kankakee Outside. Seniority is defined as an employee's length of continuous service from his date of last employment. In the case of multiple hiring on the same day, seniority shall be assigned alphabetically based on the employee's last name. Seniority shall apply on a job classification basis. The job classification seniority of a Driver Salesman shall consist of the total length of continuous service as a regular assigned Driver Salesman from his last date of hire. The job classification seniority of a Pre-sell Driver/Merchandiser shall consist of the total length of continuous service as a Pre-sell Driver/Merchandiser from his last date of hire. The job classification seniority of a Swingman shall consist of the total length of continuous service as a Swingman from his last date of hire. The job classification seniority in the Relief Driver Trainer classification shall consist of the total length of continuous service from his last day hired as a Relief Driver Trainer. The job classification seniority in the Full Service Driver classification shall consist of the total length of continuous service from his last day hired as a Full Service Driver. The job classification seniority in the Express Driver classification shall consist of the total length of continuous service from his last day hired as an Express Driver. The job classification seniority in the Merchandiser classification shall consist of the total length of continuous service from his last day hired as a Merchandiser. The job classification seniority in the Field Service Technician classification shall consist of the total length of continuous service from his last day hired as a Field Service Technician.

All Chicago. In the event two (2) or more employees are permanently assigned to the same job classification on the same day, their relative seniority in that job classification shall begin based on their total length of service within the unit at the distribution center.

Comment [FAL{124}]: KI 6.2, CI 15.6, KO 27.2

- 32.2 **Probationary/Seasonal Employees.** New employees and those hired after a break of continuity of service shall be regarded as probationary employees for the first sixty (60) calendar days and shall receive no continuous service credit during such period. Probationary employees retained by the Employer subsequent to their first sixty (60) calendar days shall receive full continuous service credit from the date of last hire. Probationary employees may be terminated or laid off by the Employer and shall have no recourse under this Agreement.

Seasonal employees (employees employed within the period commencing May 1 through the Saturday following Labor Day) shall be considered probationary employees and shall receive no continuous service credit while so classified.

Seasonal employees shall be given an opportunity to qualify as regular full-time employees if available when needed if they meet all qualifications required of new applicants (does not apply to Kankakee Inside). Seasonal employees reclassified as regular full-time employees shall accrue seniority from the date they are classified as regular full-time employees.

Comment [FAL{125}]: This does not apply to Kankakee Inside

Kankakee Inside. Employees who work less than 1213 hours in any calendar year shall be considered temporary employees and shall receive no continuous service credit during such period. Temporary employees retained by the Company subsequent to 1213 hours shall receive full continuous service credit from the date of last hire. Temporary employees shall be excluded from the provisions of this Article.

Comment [FAL{126}]: KI 11.6