Company's Economic Offer for Settlement 4/28/16

1. Agree to Kankakee on call at \$90

- 2. <u>MEM DOT Cards</u> Years 2 and 3: \$.25/hr for those employees holding a DOT card and when actually performing the work.
 - -\$1 year 1 for Kankakee MEM Service tech performing refrigeration.
- 3. Convert Employees to Standard Flex Benefits Program as described in Negotiations.

Transition date effective no later than September 1, 2016.

Short term Disability to be \$500.

The company agrees that the plan design in total and rates (paycheck costs) will be the same as those offered throughout the PBC system for frontline employees.

4. Wages:

	Year 1	Year 2	Year 3	Year 4
Hourly	\$0.50	\$0.40	\$0.45	\$0.45
Transport	\$750	\$600	\$675	\$675

5. Commissioned Drivers (D-Bay & FSV)

CHICAGO

	Year 1	Year 2	Year 3	Year 4
D-Bay	\$1815 (\$0.013)	\$1452 (\$0.0104)	\$1633 (\$0.0117)	\$1633 (\$0.0117)
FSV	\$1318 (\$7/base, \$0.03)	\$1054 (\$5.60/base, \$0.024)	\$1186 (\$6.30/base, \$0.027)	\$1186 (\$6.30/base, \$0.027)

KANKAKEE

	Year 1	Year 2	Year 3	Year 4
D-Bay	\$1,845 (\$0.012)	\$1440 (\$0.0096)	\$1620 (\$0.0108)	\$1620 (\$0.0108)
FSV	\$1,308 (\$7/base, \$0.03)	\$1046 (\$5.60/base, \$0.024)	\$1177 (\$6.30/base, \$0.027)	\$1177 (\$6.30/base, \$0.027)

6. Paid time off for Commissioned drivers (D-Bay and FSV only): \$20 increase for holiday pay each year. (Example: Year 1 pay for holidays for commissioned drivers D-Bay and Full Service \$95 per holiday.)

7. Pension

	Year 1	Year 2	Year 3	Year 4	
Chicago Pension	\$0	\$1 (\$40)	\$1 (\$41)	\$1 (\$42)	

Letter of Understanding Regarding Transport High Fructose Corn Syrup Runs

The parties agree that within six (6) months after the ratification of their collective bargaining agreement that they will meet and confer regarding the scheduling of Transport Drivers for High Fructose Corn Syrup ("HFCS") loads as part the Employee Relations Committee process. The purpose of this meeting will be to discuss any issues that either party may have regarding the Transport delivery of the HFCS loads.

Blue Cards

Blue Cards shall not be used to take a store off of a Merchandiser's route once the Merchandiser has started his/her route, unless a customer service issue arises that cannot be satisfactorily resolved by the Merchandiser.

Blue Card counter 4/28/16

- No OT after 40 hours for blue cards, unless full time employees refuse
- Cap 12.5% of location work force
- 2.5x hourly rate for dues
- Utilize temps in short term emergency situations for maximum of 14 consecutive days
- Blue Cards permitted as above in Kankakee
- The Company's intent in utilizing Blue Card employees ("Blue Cards") is to serve customer needs and grow the business. It will endeavor to use Blue Cards in a manner that does not unduly deprive Merchandisers of overtime opportunities. The parties agree to discuss issues that may arise regarding Blue Cards at the Employee Relations Committee.

April 28, 2016

Kankakee Work Week Counter:

-Workweeks differing from that indicated may be established by the company after first notifying the union. The right to change the workweeks that differ from those listed shall be limited to three (3) times per year and shall require two (2) weeks notice to the workforce.

4/28/16

Company Counter Proposal to Union Article 49 - Training, Equipment and Safety

The company, in each department, will post each December and each July an interest bid sheet for employees to express their interest to be trained to expand their skills. The company, based on their business needs will train employees as needed. Training opportunities will be provided from among those employees who have signed the interest bid sheet by seniority within the department first and then from among those employees who have signed the interest bid sheet by seniority outside the department.

April 28, 2016

Company Counter to Union 5.6 and 7.6

Taken from Union Proposal

22.9 Shift Preference - All locations

Employees will be given a preference of shifts in accordance with their seniority and ability to perform the work. In the event it is necessary to assign senior employees with needed skills and abilities to the afternoon or nightshift, the least senior employee qualified to perform the work shall be assigned unless a senior employee desires the assignment. An employee so reassigned will be returned to his regular shift within thirty (30) days from the time that there are employees with less seniority on such regular shift who are qualified to perform the work. Employees by seniority may select in writing annually on November 1st, their shift preference within their respective job classifications. Such shift preference will be effective January 1st of the following year.

The desires of senior employees as to the starting times in effect in their classification on their shifts will be recognized by the employer whenever practical.

New Company Language: (April 28, 2016)

(7.6) After completing the shift preference (article 22.9 union original merged version) bid, all inside employees will be notified of available job assignments within their classification and on their preferred shift. Employees will then indicate their preferred job assignments which will be assigned in accordance with their seniority, classification and their ability to perform the work. The Company shall not be obligated to honor a job preference if an employee is not qualified to perform the work. The company will periodically offer employee training as outlined in Article X, section Y.

In the event there is a shortage of manpower or a legitimate business need arises that necessitates the company will not be able to honor an employees' job preference, the company will utilize the least senior qualified employees on the shift within the classification to perform the work unless a more senior employee desires the job assignment. Any employee required to perform such duties will be paid the higher of the two rates (between their job preference and the temporary job assignment) based on appendix A.

Previously existing language (Chicago Inside)

Overtime work on regular work on regular workdays shall be assigned as follows: Employees who are actually performing such work immediately prior to the beginning of the overtime work shall continue and complete the overtime work.

ARTICLE 1 - Unauthorized Strike

It is agreed that in all cases of an unauthorized strike, slowdown, walkout, sympathy strike, or any unauthorized cessation of work, that the Union shall not be liable for damage resulting from such unauthorized acts of its members where not authorized by the Union. While the Union shall undertake every reasonable means to induce such employees to return to their jobs during any such period of unauthorized stoppage of work mentioned above, it is specifically understood and agreed that the Employer during the first twenty-four (24) hour period of such unauthorized work stoppage, shall have the sole and complete right of discipline, short of discharge.

After the first twenty-four (24) hour period of such stoppage, however, the Employer shall have the right to immediately discharge any employee participating in any unauthorized strike, slowdown, walkout, sympathy strike, or any other unauthorized cessation of work and such employee shall not be entitled to or have any recourse to any other provision of this Agreement.

In addition to prohibiting the job actions referenced above (e.g., strikes, sympathy strikes...), the parties also agree that there will be no lockouts during the Term of this Agreement.

Notwithstanding any other language in this Agreement to the contrary, it shall not be a violation of this Agreement and it shall not be cause for disciplinary action or discharge if any employee or employees refuse to go through a primary picket line of any union. Except as set forth in the following sentence, i—It is understood that the protection conferred by this section shall only apply if the company involved is not a parent, subsidiary and/or affiliate of Pepsi Beverages Company. The parties agree that it shall not be a violation of this Agreement, and it shall not be cause for disciplinary action or discharge if any employee or employees refuse to go through a lawful, primary picket line of Mechanics' Local 701 or Teamsters Local 673 even if such picket line takes place at a Pepsi Beverage Company facility.

Company Counter to Union 7.2 Transfer Rate 4/28/16

Keep first 3 paragraphs

Only employees classified as Sanitation shall perform sanitation work.

Employees classified as Sanitation will not be scheduled to run production on 1^{st} or 2^{nd} shift, unless OT is required to meet the production demand. In this case Article x – Hours of Work and overtime would apply to the Sanitation worker.