ATTACHMENT #4

COMPANY-UNION CONTRACT

(32 Pages)

AGREEMENT

Between

ASSOCIATED WHOLESALE GROCERS, INC.

and

TEAMSTERS LOCAL UNION NO. 245 AN AFFILIATE OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

THIS AGREEMENT made and entered into as of the 7th day of April, 2008, by and between ASSOCIATED WHOLESALE GROCERS, INC., Springfield, Missouri Division, hereinafter called "Company," and the TEAMSTERS LOCAL UNION NO. 245, an affiliate of the International Brotherhood of Teamsters, hereinafter called "Union."

The purpose of this Agreement is to promote and maintain mutually satisfactory industrial and economical relationships between the Company and the Union. It is recognized by this Agreement to be the duty of the Company, the Union, and the employees to cooperate fully for the advancement of these conditions, including industrial peace, looking towards a profitable operation.

Management will notify the local union representatives prior to implementation of trial or final policies and procedures. Disputes, if any, will be resolved in arbitration with the arbitrator bound to apply the standard set forth in the first paragraph above.

Neither party will be bound by past practice prior to June 2000.

ARTICLE I RECOGNITION

The Company recognizes the Union as the sole bargaining representative for the employees covered herein as to wages, hours and working conditions. The term "employee" as used in this Agreement includes all warehouse employees employed at the Company's Springfield, Missouri, warehouse; including truck drivers, garage and warehouse maintenance employees, production clerks, and inventory control (WRAPS) clerks but excluding office employees, salesmen, factory employees, janitorial employees, night watchmen and supervisors as defined in the National Labor Relations Act.

ARTICLE II NO CONFLICTING AGREEMENTS

The Company agrees not to enter into any agreement with its employees covered hereby, individually or collectively, which in any way conflicts with the terms of this Agreement.

ARTICLE III UNION SECURITY

The Company agrees to require as a condition of continued employment that all present employees subject to the provisions of this Agreement must become members of the Union not later than the thirty-first (31st) day following the beginning of such employment or thirty-one (31) days following the effective date of this Agreement, whichever is the later, and all new or additional employees who become subject to the provisions of this Agreement must become members of the Union not later than the thirty-first (31st) day following the beginning of such employment, and all such employees must remain members of the Union in good standing thereafter by the payment of initiation fees and dues so long as they remain on the Company's payroll.



ARTICLE IV CHECK-OFF

The Company agrees to deduct from the pay of all employees covered by this Agreement dues and any other lawful assessments of the Local Union having jurisdiction over such employees and agrees to remit to said Local Union all such deductions by the 10th of the month for which the deduction is made. Upon such deductions being authorized in writing, and to the extent so authorized, by the employees, the deduction shall be made from wages owing on the last payroll period in any calendar month of the term of this Agreement. Authorizations shall be made on the form required and no deductions shall be made which are prohibited by law.

The Company agrees to deduct from the paychecks of all employees covered by this Agreement for voluntary contributions to DRIVE or other such organization established by or participated in by Teamsters Local 245. DRIVE, or such other similar organization, shall notify the Company of the amount designated by the individual employee that is to be deducted on a weekly basis. The Company shall transmit to DRIVE, or other similar organization's headquarters, on a monthly basis, in one (1) check, the total amount deducted, along with each employee's name, social security number, and the amount deducted from each employee's paycheck.

ARTICLE V HOURS OF WORK FOR EMPLOYEES OTHER THAN TRUCK DRIVERS

The intention of the parties is to establish and maintain optimal efficiency in operations. Hours of work for employees other than truck drivers shall be as follows:

1. The regular work week shall consist of four (4) or five (5) days. Seventy percent (70%) of all employees shall be scheduled to have at least two (2) consecutive days off. Employees who work a four (4) day ten (10) hour shift shall be entitled to at least two (2) consecutive days off.

A. EMPLOYEES WHO WORK A FIVE DAY WORK WEEK

- (1) Employees working five (5) days shall be paid at a rate of one and one-half (1 ½) times the regular hourly rate for all hours in excess of eight (8) hours per day.
- (2) Employees working five (5) days shall be paid at a rate of one and one-half (1 ½) times the regular hourly rate for all hours worked in excess of forty (40) in any one payroll week.
- (3) In weeks in which a holiday falls, all hours of work by employees working a five (5) day work week in excess of thirty-two (32) hours (excluding work performed on the holiday) shall be paid at the rate of one and one-half (1½) times the regular rate of pay.
- (4) All work performed on the employees' regular days off shall be paid for at the rate of one and one-half (1½) times the regular hourly rate.

B. EMPLOYEES WHO WORK A FOUR TEN-HOUR DAY WORK WEEK

- (1) Employees working four (4) days shall be paid at a rate of one and one-half (1½) times the regular hourly rate for all hours in excess of ten (10) hours per day.
- (2) Employees working four (4) days shall be paid at a rate of one and one-half (1½) times the regular hourly rate for all hours worked in excess of forty (40) in one payroll week.
- (3) In weeks in which a holiday falls, all hours of work by employees working a four (4) day work week in excess of thirty (30) hours (excluding work performed on the holiday) shall be paid at the rate of one and one-half (1½) times the regular hourly rate.



- (4) All work performed on the employees' regular days off shall be paid for at the rate of one and one-half (1 ½) times the regular hourly rate.
- (5) Employees working a four (4) ten-hour (10-hour) day work week shall have, at a minimum, at least two (2) consecutive days off.

C. GUARANTEE

- (1) Ninety percent (90%) of all regular full time employees shall be guaranteed forty (40) hours work each regular work week without layoff (except weeks in which a holiday falls) unless due to slack business or causes beyond the Company's control, in which event layoffs shall be made in accordance with the seniority provisions set forth in Article VIII hereof.
- (2) In weeks in which a holiday falls, the guaranteed work for all employees entitled thereto shall be reduced by eight (8) hours if working five (5) eight (8) hour shifts, or ten (10) hours if working four (4) ten-hour (10-hour) shifts.

D. LAYOFFS

- (1) 1) When an employee is laid off due to slack business, he may be recalled for a day's work with no weekly guarantee, and if an employee elects to take time off, such time shall be deducted from his weekly guarantee. In the event of layoffs after a work week has begun, only those regular employees without a guaranteed work week shall be laid off during that particular week and at the end of that particular week any number of employees formerly guaranteed forty (40) hours of work may be laid off and the number of employees working the following week shall form the basis for determining the ninety percent (90%) of employees who are to be guaranteed forty (40) hours of work during that particular week and the same procedure shall apply to any weeks thereafter
- (2) There shall be a regularly scheduled starting time for all regular employees. However, such starting times may vary for different employees or groups of employees. Thirty percent (30%) of all regular employees may have two different start times during the work week. Those start times may not vary by more than one (1) hour unless mutually agreed by the parties. Shift start times must be either on the hour or half hour. Shift start times must not occur more frequently than each hour. The Company may determine the number of full time positions.
 - (a) If the change of hours is more than one (1) hour earlier or one (1) hour later than the original job bid starting time, the job or jobs involved will be rebid. In the event the Company decides to alter or change the scheduled times of its regular employees, it shall give notice thereof not less than one (1) work week prior to such change unless the employees affected thereby agree to such change on shorter notice
 - (b) The Company may delay start times, not to exceed three (3) hours when an extraordinary emergency occurs. Such emergency shall be defined as computer system failures or acts of God (fire, tornado, flood, etc.). The Company shall be required to call all affected employees at least two (2) hours before their regular start time to notify them of such delay and shall not require employees to work beyond twelve (12) hours on any workday that their start time is delayed by such emergency.
- (3) Regular employees called to work before their regularly scheduled starting time shall be paid at the rate of one and one-half (1½) times their regular hourly rate for all work performed prior to their regularly scheduled starting time.
- (4) All regular employees called to work on any work day shall be guaranteed four (4) hours work or four (4) hours pay.
- (5) The Company agrees that, except as may be necessary to perform additional work required because of power failure, breakdown of equipment, work stoppages, concerted



work slowdowns, emergencies or other reasons beyond the Company's control, the Company will not require regular warehouse employees, garage maintenance employees or warehouse maintenance employees to work more than four (4) hours overtime per day beyond the hours regularly scheduled for any day during their regularly scheduled five (5) day work week. No employee working on a four (4) ten-hour (10-hour) day schedule will be required to work more than two (2) hours overtime on a scheduled day beyond their normally scheduled regular hours. For post shift overtime, employees will be allowed to volunteer for up to two (2) or four (4) hours of work at the Company's discretion.

- (6) All employees shall be allowed eight (8) hours off duty before their next scheduled shift, or being required to return for any extra overtime shift, after being released from work. Employees may not be allowed or required to work more than sixteen (16) continuous hours of work. Employees covered by this Article V shall be allowed a ten (10) minute break with pay at approximately the mid-point of each half of a regular shift. However, employees working the four (4) day, ten (10) hour schedule shall be allowed three (3), ten (10) minute breaks during their shift.
- (7) Each employee must complete his current assignment before leaving work if required by Management, up to a one (1) hour maximum. This provision will not apply after an employee has worked twelve (12) hours.
- (8) When the Company schedules employees to work more than one (1) hour of overtime at the end of the shift, they will receive a paid fifteen (15) minute break before starting overtime and thereafter receive a paid fifteen (15) minute break every two (2) hours. In the event that the break is not given until after the first hour of overtime, and work continues, the next break will be given after two (2) total hours of overtime.
- (9) For those employees working the four (4), ten (10) hour day work schedule, the benefits for holiday pay, jury duty, and funeral leave shall be paid as a ten (10) hour benefit instead of an eight (8) hour benefit as may be provided for elsewhere in this Agreement.

E. CASUAL EMPLOYEES

- (1) Notwithstanding any provision in this Agreement to the contrary, the Company may hire and schedule, casual employees in accordance with business needs. Casual employees may be used on a one for one replacement basis plus fifteen (15) Monday through Thursday. On Friday, Saturday and Sunday, casuals may also be utilized on a one for one replacement basis plus fifteen (15). Additionally, there shall be no other restrictions on the Company's use of casual employees on Friday, Saturday and Sunday after work opportunities have been offered to full time employees.
 - (a) Promotion of casual employees to full time status will be based on seniority.
 - (b) Casual employees will not be a part of the regular seniority list.
 - (c) Except pension benefits set forth in Article XIX, casual employees will not be entitled to fringe benefits such as, but not limited to vacations, holidays, funeral leave, jury pay, and health and welfare.
 - (d) Casual employees called to work shall be guaranteed four (4) hours pay.
 - (e) Start times for casuals shall coincide with regular shift start times and, no casual employee shall work shift overtime unless regular employees on that shift have first been offered the opportunity to work such overtime.
 - (f) Casual employees may be worked on either a call in or a scheduled basis and will only be used on the outbound shift, ie. order selection.



- (g) Casual employees who have worked in excess of ninety (90) working days and are being promoted to regular status shall not be required to serve a probationary period.
- (h) The Company agrees not to use casuals while employees in that department are on lay off. However, once the Company has attempted to contact a laid off employee to return to work, either by phone or letter, the waiting period will not be in effect before the Company can use casuals.
- (i) All casual employees will be subject to the provisions of Article III and Article IV effective upon completion of one thousand (1,000) hours or six (6) months of active work, whichever occurs later. Casuals shall be probationary during their first one thousand (1,000) hours or six (6) months of active work, whichever occurs later, and may be laid off, disciplined, or discharged with or without proper cause, and such action by the Company shall not be subject to the grievance and arbitration procedure of this Agreement; provided, however, that the Company may not discharge or discipline for the purpose of evading this Agreement or discriminating against Union members for activity not in violation of this Agreement.

ARTICLE VI HOURS OF WORK FOR TRUCK DRIVERS

The intention of the parties is to establish and maintain optimal efficiency in operations. Hours of work for truck drivers shall be as follows:

- 1. A pay week for truck drivers shall be deemed to commence at 12:01 a.m. on Sunday of each week. D.O.T. Rules and Regulations with regard to hours and rest period between work shifts shall be adhered to. Ninety percent (90%) of all drivers will be granted two (2) consecutive days off each week. For this purpose Saturday and Sunday and any other combination of two (2) consecutive days shall be considered as two (2) consecutive days off. This threshold will be reduced to no less than eighty percent (80%) as new hires are added. No current driver on the seniority list as of April 5th 2008 will be required to have split days off.
- 2. After thirty (30) days of employment, employees in the bottom ten percent (10%) of the driver classification shall be allowed one (1) scheduled day off to be chosen by seniority within that group after the days are initially selected by the Company. This scheduled day off will not be provided during holiday weeks; however, a driver in the bottom ten percent (10%) of the driver classification shall receive another day off in addition to the holiday if entitled in a holiday work week. Said additional day off shall be selected by the Company.
- 3. During weeks in which a holiday occurs, ninety percent (90%) of all drivers, on an individual basis, shall be granted two (2) consecutive days off in addition to the holiday. The drivers who are entitled to two (2) consecutive days off shall be permitted to bid for their days off on a seniority basis; provided, however, that one hundred percent (100%) of said drivers shall be bid for days off on a midnight-to-midnight basis. Ninety percent (90%) of all drivers shall be guaranteed the equivalent of forty (40) hours pay per week and employees in the bottom ten percent (10%) who have been employed for ninety (90) days shall be guaranteed the equivalent of twenty-five (25) hours pay per week except that these guarantees shall not apply during weeks in which a holiday occurs, or in case of slack business or causes beyond the Company's control where layoffs shall be made in accordance with the seniority provisions of Article VIII hereof.
- 4. In weeks in which extra drivers are called in for work, on a one-to-one basis, for each extra driver so employed, one (1) additional driver shall be added to the ninety-percent (90%) of regular drivers that are entitled to the aforesaid guaranteed work week. These drivers will not, however, be granted two (2) consecutive days off as the result of this provision. In weeks in which a holiday falls, for an employee entitled to the holiday, his guarantee will be reduced by the equivalent of eight (8) hours.



- 5. If a driver voluntarily elects to take time off, eight (8) hours shall be deducted from the weekly guarantee. No extra drivers shall be employed at a time when other drivers are laid off.
- 6. The meal allowance shall be fifty (50%) percent of the applicable hourly wage per meal. If an overnight layover is necessary, drivers shall be reimbursed for the reasonable cost of a room therefore, upon presentation of a paid bill; provided, however, the Company shall have the right to designate, in advance, where the lodging shall be obtained. In the event a layover shall exceed ten (10) hours, an employee shall begin receiving his regular hourly rate of pay which shall continue for eight (8) hours and thereafter, shall be off ten (10) hours and on eight (8) hours until the layover is completed. Drivers will be allowed ten (10) hours off duty between trips or legs of overnight trips. In the event a layover should be ten (10) or more hours to pickup a backhaul, the layover period shall include no more than two (2) meal periods. Receipts shall be obtained by all drivers showing actual cost of all expense items incurred (excluding meals) and shall be turned in to the Company with the expense accounts.
- 7. The Company shall allow one (1), three (3) minute call for any driver whose run changes to an overnight run provided said driver is made aware of such change after his departure from the home terminal. Any additional time in excess of three (3) minutes shall be the responsibility of the driver.
- 8. Drivers designated as Hostler (that is, those drivers whose primary duties are handling of trucks and trailers at the Company's warehouse) shall receive overtime pay at the rate of one and one-half (1½) times the regular hourly rate for all hours in excess of eight (8) hours or ten (10) hours in any one (1) work day, respectively, depending on whether it is a four (4) ten hour (10 hour) or five (5) eight hour (8 hour) bid week.
- 9. The Company shall reimburse all employees who are required to obtain D.O.T. physical examinations and for obtaining a CDL. The Company may designate where D.O.T. physicals are to be taken; and such physical examinations shall be taken in Springfield, Missouri.
- 10. Regular drivers shall be given at least one (1) hour's notice, before departure time, when being dispatched. Regular drivers shall be given at least one (1) hour's notice, before their scheduled start time, in the event their scheduled work is canceled. drivers shall notify the Company at least one (1) hour before start time, if they are unable to perform their scheduled work.
- 11. For purposes of run bidding, eighty-one percent (81%) of drivers (exclusive of probationary employees and Hostlers) shall be entitled to bid by seniority any three (3) days runs hereinafter referred to as a "Three Day Bid". Drivers entitled to bid a Three Day Bid shall be allowed to skip two (2) days, of which one (1) must be a Sunday, when assembling their bid runs. Drivers shall be allowed to bid an A.M. and a P.M. run in the same bid day, provided they have ten (10) hours of rest between such dispatches. However, drivers entitled to bid a Three Day Bid shall bid within the mileage parameters of a Three Day Bid as set forth in General Procedure (f) below.
- 12. For each driver entitled to bid who elects to bid "Extra Board", the number of drivers entitled to bid shall be extended by one (1); provided, however, that the bottom ten percent (10%) of drivers shall not be allowed to bid their runs and must be dispatched from the Extra Board.
- 13. Notwithstanding any of the above, fifty percent (50%) of the aforementioned eighty-one (81%) percent of drivers entitled to bid their runs shall be entitled to bid by seniority any three (3), four (4) or five (5) days runs, hereinafter referred to as a "Full Bid". Drivers shall be allowed to bid an A.M. and a P.M. run in the same bid day, provided they have ten (10) hours of rest between such dispatches. However, drivers entitled to bid a Full Bid shall bid within the mileage parameters of a Full Bid as set forth in General Procedure (f) below. Drivers entitled to bid a Full Bid who elect to bid only three (3) days runs shall not be limited by the mileage maximum of a Three Day Bid nor the mileage minimum of a Full Bid.
- 14. For every driver entitled to bid a Full Bid who elects to bid a Three Day Bid or Extra Board the number of drivers entitled to bid a Full Bid shall be extended by one (1).
- 15. Drivers will be dispatched by seniority from the Extra Board on days that they skipped when bidding. However, the following rules shall apply to Sunday work. Drivers who did not bid Sunday



as a day off shall be obligated to work, first, by seniority as a volunteer and, next, by inverse seniority as a forced driver. Drivers forced by inverse seniority for Sunday work shall be dispatched the available work by seniority. Drivers may bid any runs within their bid work week that fall within the parameters of this provision so long as they have the necessary hours of rest between bids.

GENERAL PROCEDURES

- (a) Bids shall be posted for at least one (1) week prior to the time bidding commences. Bid packages that include all runs and Hostler bids available for bid shall be provided to each driver entitled to bid, at least one (1) week prior to the time bidding commences. The bid package shall also include a complete schedule listing the date and time for each driver to call the bidding line to bid. The completed bid shall be posted at least one (1) week prior to the time the bid is placed into operation. The bidding shall be administered by two (2) driver/Union Stewards on Company premises using Company equipment by teleconference with each individual driver. One Steward shall be paid by the Company and the other Steward by the Union at the hourly rate of ten (10) hours pay per day or the expected daily earnings under ABC, whichever is greater. Drivers may also place their bid in person at the same location where bids are taken by teleconference. All bids are subject to final approval by the Company. Should technology require a change in the bidding process, the Company and the Union agree to modify the procedure to meet such changes.
- (b) All bid runs and available Hostler bids shall be posted and bid at least three (3) times per year. Bids must not exceed five (5) months in duration. Hostlers must stay in the position for two (2) consecutive bids. Fifty (50%) percent of hostling jobs will be posted each bid.
- (c) All holiday weeks are to be nonbid work weeks. However, notwithstanding the classification of nonbid work week, if a driver is available for dispatch and his bid run is available for dispatch, the bid driver shall be dispatched to his bid run.
 - (d) Days off shall be bid at the same time that runs are being bid.
- (e) All regular runs and back hauls available before the posting period shall be posted for bid.
- (f) Drivers entitled to bid a Three Day Bid shall structure their bids so that the total miles bid by each driver is not less than one thousand (1,000) nor greater than one thousand three hundred ninety nine (1,399). Drivers entitled to bid a Full Bid shall structure their bids so that the total miles bid by each driver is no less than one thousand four hundred (1,400) nor greater than one thousand nine hundred (1,900). These preceding mileage minimums and caps may be changed by the Company, subject to the Grievance and Arbitration procedure. The Company shall determine the expected miles for each run.
- (g) Any driver entitled to bid who fails to bid within his allotted and scheduled time shall forfeit his right to bid and shall be placed on the Extra Board by default for the remainder of the bid term. Any aforementioned driver forfeiting his right to bid shall be assigned the last available combination of days off by default for the remainder of the bid term. However, any aforementioned driver forfeiting his right to bid shall be allowed to bid anytime thereafter before the bidding is closed; provided, however, no driver may be allowed to change, delay or shorten the allotted and scheduled bid time of any other driver. No driver's bid may be changed after any subsequent driver's bid is placed.
- (h) New or additional runs added during a bid period shall be dispatched by seniority from the Extra Board until the next bid period. (For the purpose of this Agreement, "Extra Board" means the pool of drivers available for assignment by seniority by the Company).

SPECIAL PROCEDURES

(a) If a bid run is cancelled, the driver assigned to such bid run shall be dispatched by seniority from the Extra Board. The Company shall dispatch the driver so that said driver will be available for his next bid run.



- (b) If a bid run is split, the bid driver shall be assigned to the portion of the run with the most expected earnings; provided, however, if the split run also combines with another driver's bid run the most senior driver of the split/combination will be assigned to the portion of the split/combination with the most expected earnings. The remainder of a split bid run not assigned per this Special Procedure (b) shall be dispatched from the Extra Board and any affected driver(s) left unassigned to any portion of said driver's bid run shall be dispatched by seniority from the Extra Board.
- (c) If two (2) or more bid runs combine, the senior driver shall be assigned to the combined run. The other driver(s) shall be dispatched by seniority from the Extra Board.
- (d) If a bid run is advanced or delayed over two (2) hours from the original bid starting time, the driver for that run shall be dispatched by seniority from the Extra Board. Notwithstanding any of the above, if a driver is removed from a bid run as a result of this provision it shall not preclude said driver from being dispatched the same run from the Extra Board.
- (e) A back haul can be added or canceled on a bid run at any time and the driver assigned to the bid run involved shall remain assigned to such bid run.
- (f) If a driver assigned to a bid run is delayed due to a breakdown, bad weather, road conditions, or any other reason and, as a result is not available for said driver's next bid run, said driver shall be dispatched by seniority from the Extra Board and said bid run shall be dispatched from the Extra Board.
- (g) If, for any reason (other than a reason covered by Special Procedure (f) above), a driver is unavailable to take his other bid run at its scheduled starting time, at the Company's discretion, such driver may be dispatched by seniority from the Extra Board.
 - (h) "Bumping" is not authorized.
- (i) If a bid run is permanently canceled, such affected driver shall be allowed to bid any runs that were left unbid at the end of the bidding process provided said new bid remains within the mileage parameters of said driver's bid classification (Three Day Bid or Full Bid). However, notwithstanding any of the above, said driver may elect to work from the Extra Board for that particular run for the remainder of the bid period. Any driver choosing to work from the Extra Board, as outlined here in this Special Procedure (i), shall not be held to any minimum bid mile rule if said driver's original bid was within the mileage parameters.
- (j) If a bid that is bid as a "turn" becomes an "overnighter," such bid driver shall be given the choice of the overnight run or a turn run dispatched by seniority from the Extra Board. Drivers not wanting to go overnight on these bids must indicate their preference during the bidding process and said preference shall be recorded at the time of the bid.
- (k) If a bid run that is bid as an "overnighter" becomes a "turn", such bid driver shall be given the choice of the turn run or an overnight run dispatched by seniority from the Extra Board. Drivers not wanting to turn on these bids must indicate their preference during the bidding process and said preference shall be recorded. However, notwithstanding any of the above, the Company shall not circumvent seniority when dispatching or reassigning a driver affected as in Special Procedure (j) above.
- (I) Drivers may bid match up runs from overnight runs as long as this does not create an additional unplanned overnight run. If this creates an overnight run, the driver must go to the Extra Board for the match.
- 16. Truck drivers who have been off work due to medical disability, and who are physically able to return to work on a light duty basis, shall be allowed to return to work on a light duty basis under the following guidelines:
 - The light duty request has to be medically documented by a licensed physician.



- B. In cases where the medical disability is the result of an on-the-job injury, such release for light duty must come from a Company-authorized physician.
- C. In cases where the medical disability is not the result of an on-the-job injury, any light duty release from the employee's personal physician shall, at the Company's discretion, be reviewed by a Company-authorized physician. Should the Company-authorized physician diagnose such employee as fit for full duty, the employee shall return to his regular job duties on an unrestricted basis. If the employee's doctor and the Company's authorized doctor disagree as to the employee's fitness for regular duty, the two doctors shall designate a mutually agreeable third physician whose determination as to the employee's fitness shall be final and binding. The expense of the third physician's examination and diagnosis shall be bome by the Company.
 - D. The duration of such light duty shall not exceed thirty (30) calendar days.
- E. Light duty shall be defined in accordance with the physical restrictions which the physicians involved place upon the employee released for such duty.
- F. Light duty runs shall only come from the Extra Board. The Company may assign runs appropriate to the physical restrictions of the light duty employee without regard to seniority.
 - G. Weekly guarantee will not apply when an individual is on light duty.
- 17. Upon completion of a driver's work day that allows such driver to reach or surpass the guaranteed work week, all additional days of work shall be offered, first, by total seniority and, next, by inverse seniority force to drivers not on their bid days off and, then, by inverse seniority to drivers on their bid days off. It is understood that such driver has to have available D.O.T. hours to work before volunteering or being required for such work.

ARTICLE VII NO PYRAMIDING OF OVERTIME

There shall be no pyramiding of overtime pay.

ARTICLE VIII SENIORITY

- 1. Seniority by department shall prevail with respect to bidding for shifts, days off, job classifications, warehouse mechanical handling equipment, vacation scheduling, and holiday scheduling. Recognized departments shall be truck drivers, warehouse, warehouse maintenance, and garage maintenance. Seniority by length of service shall govern in laying off and recalling employees. Seniority also shall prevail in transfers providing the employee is qualified to perform the work. An agreed upon seniority list shall be established and such list shall be available to the Union at all times.
- 2. Preference for working pre-shift or daily overtime will be given to employees in the department, on the shift:
 - Top down is voluntary;
 - B. Bottom up is mandatory; and
 - C. Day off overtime will be distributed within the department by seniority (as above) except that the Company retains the right to schedule employees whose pay rate would be one and one-half (1½) times for such day off overtime.
- 3. An employee's continuous service shall be broken and seniority shall be lost if the employee: (a) voluntarily quits, (b) is discharged for proper cause, (c) has performed no work for a period of more than three (3) years, (d) is absent for two (2) consecutive working days without notification to the Company, or (e) is called back to work after a layoff and does not report for work within a reasonable time



under the then existing circumstances, but in no case later than seven (7) days from the date of notification.

- 4. Seniority in the sub-department of Inventory Control Clerks will be separate for vacation and holiday scheduling purposes. Inventory Control Clerks shall be a sub-department in the warehouse department. New employees bumping or bidding into the Inventory Control Clerks' sub-department or present employees who leave and, subsequently, bump or bid back must retain the Inventory Clerk bid for a period of one (1) year.
- 5. During the term of this agreement, Inventory Control Clerks shall continue the performance of the functions that they have traditionally performed. The Union recognizes that the Inventory Control function has some shared responsibility with management employees (non-union employees), and that they may be assigned to different tasks in order to meet the needs of the business. If there is a technical change in Inventory Control work, the Company recognizes the Union's right to grieve and arbitrate in an effort to preserve bargaining unit work. Inventory Control employees, who are not in the protected ("Red Circled") group are subject to being bumped by senior employees who have been displaced from their job or during the regular job bid procedure. Jamie Mooneyham, Steve Ward and Mike Roper shall be Red Circled, so long as they voluntarily continue their bid in the Inventory Control sub-department.
- 6. Subject to significant changes in business levels, the Company will employ no less than five (5) Inventory Control positions. This addition from four (4) to five (5) positions will occur in the event that the Appointment Clerk's position is eliminated.
- 7. Inventory Control Clerks shall bid on vacations and holidays by total warehouse seniority, but only two (2) Inventory Control Clerks may be on vacation in any given week. Inventory Control Clerks may also take vacation in full day or half day increments, subject to the maximum of two (2) being scheduled off at any given time. Employees bumping or bidding into the Inventory Control Clerk subdepartment after vacation scheduling is completed shall be allowed to take their vacation as it was originally scheduled. In the unlikely event this occurs, the Union shall not challenge use of management discretion to accomplish the work in that particular week.
- 8. The Red Circled clerks identified in Article VIII, paragraph 5 above shall not be displaced as a result of a "bump," and shall be protected in their job and hours of work. If any of these Red Circled clerks bid out to another job in the Warehouse or other department, that job shall be posted and they shall lose all protected status and shall, upon completion of a thirty (30) calendar day trial period in their new job, retain their Company seniority. If unsuccessful, such employee shall be returned to the Inventory Control Clerk Classification, and shall retain their protected status.
- 9. Openings in the Inventory Control Clerks' sub-department shall be subject to the bidding provisions of this Agreement, first to Warehouse Department Employees, and next to other departments. Current Inventory Control Clerks shall be allowed to bid hours before new bids are posted.
- 10. Layoff and recalls shall be based on seniority of the Inventory Control Clerks with the exception of the Red Circled clerks identified in Article VIII, paragraph 5 above. Thus, employees not on the Red Circled list shall be laid off first, and then shall be allowed to return to the Warehouse Department with their Company seniority.
- 11. In the event of a layoff of any of the Red Circled group, the person laid off shall be allowed to bump into the Warehouse Department with full seniority or, the person can bid on openings in other departments as provided in this Agreement while retaining recall rights to the Inventory Control Clerk position for the period provided in this Agreement.
- 12. In the event any employee bids to another department and satisfactorily completes a thirty (30) calendar day trial period in the new department, his seniority with the Company shall be transferred to the new department.



- 13. Any employee who bids to maintenance shall go the bottom of the seniority list and work his way up as a new employee and will have a thirty (30) calendar day probationary period. If successful, he shall retain total seniority for the purpose of earned vacation.
- 14. All Garage Maintenance jobs and Warehouse Maintenance jobs will be posted for bid at least once each year. These bids shall occur at the same time as vacation bidding.
- 15. Employees shall be permitted to bid, by seniority, within their department, for their desired shift, classification and days off. There shall be at least three (3) bids during each year of the Agreement. Between bids, all vacancies shall be posted. Vacancies are defined as new jobs, positions left open due to quits, terminations, or retirements, and positions where employees are off for periods greater than thirty (30) calendar days. Employees (other than drivers) who are off work due to illness or injury at the time of job bid and who are not expected to return within thirty (30) calendar days of the new bid, shall not be allowed to bid, but shall have bumping rights when they return to regular duty.
- 16. Except as noted in below, there shall be no transfers from one department to another unless there is a job open. Where a job is open in a department, employees in such department shall be given first opportunity to fill the job by bidding and employees from the other departments desiring to transfer, if any, shall be given the next opportunity to fill the job by bidding. The Company shall have the right to pass upon employees' qualifications to make any transfers from one department to another, provided there shall be no discrimination practiced in determining same, subject to the grievance and arbitration procedure.
- 17. When a new job is open or a vacancy occurs, the job will be posted for bid for three (3) working days and the job shall be awarded two (2) days after the expiration of the three (3) day posting period; provided, however, that it is understood and agreed that (a) the bid may be posted with a specified later effective date, (b) the posted job may be canceled at any time before it is awarded, and (c) in the event the job bid involves any change of job starting time, the bid job will not become effective until the later of the effective date posted, or the first day of the new bid job following the expiration of the current work week of the successful bidder.
- 18. No employee shall be permitted to withdraw a bid after the award of the bid is posted. He must accept the job.
- 19. Truck drivers who become physically disqualified to perform their duties as drivers under D.O.T. regulations or any other governmental order may, at their option, transfer to the warehouse with full seniority; provided, however, they must satisfactorily complete a thirty (30) calendar day probationary period. These truck drivers will be eligible to bid immediately upon any open job in the warehouse.
- 20. In the event that drivers are laid off, such laid off drivers may be permitted to work in the warehouse as Order Selectors and such drivers will work ahead of Casuals, subject to the following conditions:
 - A. Such drivers shall be paid the Casual hourly rate of pay, but shall retain all regular benefits.
 - B. Drivers shall be held to all minimum performance standards (B through G).
 - C. During their first forty (40) hours of work, such drivers are expected to make every reasonable effort to attain the daily and weekly standards.
 - D. During their second forty (40) hours of work, such drivers are expected to perform at a daily minimum of seventy-five percent (75%) of standards. Upon completion of their second forty (40) hours, such drivers must have worked at a weekly minimum of eighty percent (80%) of standards.

- E. During their third forty (40) hours of work, such drivers are expected to perform at a daily minimum of eighty percent (80%) of standards. Upon completion of their third forty (40) hours, such drivers must have worked at a weekly minimum of eighty-five (85%) of standards.
- F. During their fourth forty (40) hours of work, such drivers are expected to perform at a daily minimum of eighty-five percent (85%) of standards. Upon completion of their second forty (40) hours, such drivers must have worked at a weekly minimum of ninety (90%) of standards.
- G. Thereafter, such employees are required to perform at the full daily and weekly standard.
 - H. Laid off drivers shall have no seniority within the warehouse
- I. Laid off drivers shall be eligible to bid on job openings in accordance with the terms of this Agreement.
- J. The Company reserves the right to limit the number of drivers that may transfer into the warehouse under this Agreement.
- 21. In the event of a layoff in the Garage Maintenance or Warehouse Maintenance department, employees in one of the above departments may displace employees who are less senior in the other. Such employees will be probationary for a thirty (30) calendar day period and, if discharged, will maintain layoff status in their prior department. Any employee on layoff status will be offered to bid on openings in other departments before hiring from the outside. If awarded, such employee shall be placed at the bottom of the seniority list in the department in which he is employed and will be a probationary employee for a thirty (30) calendar day period. If discharged during the probationary period, such employee will maintain layoff status in his prior department.
- 22. Each month the Company shall furnish the Union with a list of all employees laid off, discharged, hired or recalled during the period month.
- 23. When an employee's regularly assigned job is not required, the employee will be allowed to choose by seniority any job declared by the Company to be open and available. Least senior employees will move first if there are insufficient volunteers.
- 24. The Company agrees to give five (5) calendar days' notification to all employees in the event of layoff; however, it is clearly understood that such notification is not required for employees who are not covered by the guaranteed work week provisions, and that such notice is not applicable in cases of discharge or causes beyond the Company's control.
- 25. The Company shall bid vacation replacement employees on a weekly basis. The number of positions bid will be no more than five percent (5%) above the maximum number of employees allowed to be on weekly vacation on any given week. These employees will fill all known weekly vacations. They will also fill daily vacations, holidays, open jobs, or extra jobs as determined by the Company on a weekly basis. Start times for any extra jobs will correspond to a start time on the current job bid, unless mutually agreed to or based on a specific Company need. Any vacation replacement employee not filling a job listed above will default to a straight week Dry Order Selection job.
- 26. Bidding will be by seniority and each employee shall bid on the day and during the time designated by the Company. Any employee failing to bid during the designated time shall forfeit his right to bid until he notifies the Company that he is ready to bid. At that time, he can bid on the jobs still open and available. Successful bidders will be assigned to posted jobs on the basis of seniority.

ARTICLE IX MANAGEMENT

- 1. The management of the plant and the direction of the working force, including the right to hire, suspend or discharge for proper cause and to relieve employees from duty for any legitimate reasons, to make rules and regulations for the conduct of the Company's business are vested exclusively in the Company, provided such action by the Company does not conflict with the provisions of this Agreement.
- 2. The question of whether or not a work rule violates the Agreement shall be subject to grievance and arbitration. The Company shall furnish the Union a copy of any written Company rule ten (10) days in advance of its enforcement.
- 3. The Union agrees to uphold, and the employees shall abide by the rules and regulations of the Company in regard to punctual and steady attendance, proper and sufficient notification in case of necessary absence, conduct on the job, and all other reasonable rules and regulations established by the Company.
 - 4. Management has the right to determine qualifications. The Union has the right to grieve.

ARTICLE X SAFETY

The Company shall not require employees to use any unsafe equipment or to take out on the streets or highways any vehicle which is not in safe operating condition or any vehicle that is not equipped with safety appliances prescribed by law. All vehicles shall be equipped with air conditioning, heated mirrors, heaters, defrosters, power steering, and air seats. All employees shall promptly report in writing any defect or deficiency in any such equipment or vehicle. All air conditioners shall be kept in good operating condition.

ARTICLE XI UNIFORMS

- 1. For regular employees assigned to the freezer, the Company shall provide freezer suits and boots similar to those being currently used. Employees assigned as meat room fork-lift operators shall be provided freezer suits. Meat room selectors, perishable fork lift operators and perishable freight haulers shall be provided freezer suits to the extent of existing practice. The suits and boots will be replaced by the Company each twelve (12) months of actual use; provided, however, that replacement may be made at any time, the Company, in the exercise of its discretion, determines that a freezer suit or boots are worn out and need replacement. Freezer suits and boots which are so provided to employees by the Company shall become the property of the employees after twelve (12) months of actual use. The freezer employees shall maintain and be responsible for their suits and boots and shall keep themselves properly attired to do freezer work. The Company will continue to replace gloves for freezer employees as needed. Warehouse maintenance employees shall, individually, be provided freezer suits for their use and these suits shall be maintained in the maintenance area.
- 2. For employees-working in the dairy cooler, poultry cooler, meat cooler, produce area and perishable dock, the Company shall furnish coveralls, similar to those being currently used, to the employees and it shall be the responsibility of the employees to maintain them. These coveralls shall belong to the employees at the end of the twelve (12) months of actual use. The Company will furnish jersey gloves for employees in the dairy cooler, meat cooler, poultry cooler, produce area and perishable dock as needed.
- 3. Employees who are furnished suits and coveralls under the provisions of Article XI, paragraphs 1 and 2 above shall be provided lockers for storage of same; and replacement of suits under this section shall be subject to the grievance and arbitration provisions of Article XX of this Agreement.



- 4. The Company shall furnish coveralls or uniforms for shop employees, fuel men and Hostlers and shall launder them. Hostlers shall be furnished adequate rain gear and insulated coveralls. Garage/Maintenance employees shall each be furnished one (1) freezer suit, every thirty six (36) months. Suits shall be maintained in the Garage/Maintenance area. These suits may be replaced earlier by the Company, when in the exercise of its discretion, it determines that a pair of insulated coveralls or freezer suits are worn out and need replacement. At the end of the thirty six (36) months, the suits will become the property of the employee to whom they were issued. Fuel men shall be assigned freezer suits, rain gear, and boots with liners for their use. These garments shall be the property of the Company and shall be used on the premises only. The Company may require any one or group of employees to wear uniforms designated by it. The Company shall furnish one (1) pair of leather work gloves to each driver every four (4) months.
 - Inventory clerks shall be furnished freezer suits, boots, hoods and gloves as needed.
- 6. If the Company requires safety shoes to be worn, the Company will pay a sum of Fifty Dollars (\$50) per annum to each affected employee. This will be paid no later than the end of April each year. New hires will receive this amount when they have completed their probationary period.

ARTICLE XII PROBATIONARY AND REGULAR EMPLOYEES

New employees shall be on probation during the first thirty (30) calendar days after employment and, during such probationary period, may be laid off or discharged with or without cause. Employees retained in service beyond such thirty (30) days (at the request of management and agreed by the appropriate union steward, the probationary period can be extended by an additional thirty (30) calendar days) shall be and become regular employees and subject to the Seniority Clause and all the rights of this Agreement; provided, however, that the Company may not discharge or discipline for the purpose of evading this Agreement, or discriminating against Union members.

VACATIONS

1. Employees under this Agreement shall receive vacation pay based on length of continuous employment as follows:

1 Year of Employment
3 Years of Employment
8 Years of Employment
1 week of vacation
2 weeks of vacation
3 weeks of vacation
4 weeks of vacation
5 Years of Employment
5 weeks of vacation

- 2. For employees hired prior to June 2000, vacation pay shall be computed by multiplying forty-two (42) hours by the prevailing straight-time hourly rate at the time employees receive their vacation. For employees hired after June 2000, forty (40) hours will be used for the purpose of vacation calculation.
- 3. During the first year of employment, an employee must work sixty percent (60%) of the year in order to obtain his vacation and must have been employed for the full year. During the second and subsequent years, employees need not comply with this sixty percent (60%) rule but must not have been on lay off or absent due to sickness or on-the-job injury, in excess of one (1) year to be eligible for the vacation. On-the-job injuries shall count as days worked for first-year employees. No more than one (1) vacation will be taken in any calendar year.
- 4. All earned vacations must be taken by employees and no employee shall be entitled to vacation pay in lieu of vacation, except time for unused daily vacation referred to in paragraph 8 below. Unused personal holidays and unused holidays falling within vacations shall be treated in the same manner as unused daily vacation.



- 5. The Company's vacation period shall be from January 1 through December 31 of each calendar year. The Company will post its departmental vacation schedule no earlier than November 1 of each year and employees shall select their vacation period by departmental seniority, consistent with the efficient operation of the Company's business. Eight (8%) percent of warehouse employees may be on vacation each week during the period commencing Memorial Day week and ending the second full week in August. Five (5) percent of warehouse employees may be on vacation in all other weeks.
- 6. Two (2) warehouse maintenance employees shall be allowed to be on full weekly vacation in any given week, but shall be limited to one such employee per shift (1st, 2nd and 3rd).
- 7. Employees shall qualify for a vacation as follows: First-year employees shall not qualify until they have completed an anniversary year; thereafter employees shall qualify for subsequent vacations on a calendar year basis. Employees who have been discharged for dishonesty or insubordination shall not be entitled to vacation pay. Employees who quit after qualifying for a vacation but before taking same shall be entitled to vacation pay for the vacation time earned but not taken, provided that such employee shall have worked sixty percent (60%) or more of his last anniversary year but not otherwise. However, retiring employees on the payroll through the last period of the year will be entitled to their vacation and two (2) personal days. In the event an employee transfers to a different department, such transferred employee's vacation period, if scheduled, shall be rescheduled in accordance with the vacation schedule applicable to the department into which such employee is transferring and the period of such employee's scheduled vacation shall not conflict with any vacation periods of other employees within such department that were scheduled prior to the effective date of transfer of such transferee.
- 8. Employees will be allowed to take up to two (2) weeks of vacation one (1) day at a time, provided the employee schedules such time of vacation twenty-four (24) hours in advance. Such vacation scheduling shall be by seniority at the time of vacation scheduling and thereafter on a first come first serve basis.
 - A. Warehouse, Maintenance and Garage employees shall be allowed to take the above daily vacation in one half (½) day increments.
 - B. The maximum number of employees who may schedule vacation days and floating holidays referred to in Article XIV shall be limited to nine (9) warehouse employees for full days and four (4) warehouse employees for one half ($\frac{1}{2}$) days, and one (1) maintenance and one (1) garage employee for full days or one (1) maintenance and one (1) garage employee for one half ($\frac{1}{2}$) days on the same work day. Six (6) transportation employees per day may take two (2) weeks of full days off, as per these provisions. In every case, half ($\frac{1}{2}$) days shall only apply to vacation as stated above, not holidays.
- 9. Vacation shall start the day immediately following the employee's last regularly scheduled work day and shall end at the starting time of his next regularly scheduled work day.

ARTICLE XIV HOLIDAYS

1. Employees shall be paid eight (8) hours or ten (10) hours pay respectively, depending on whether they work a five (5), eight hour (8 hour) or four (4), ten hour (10 hour) shift at the straight time hourly rate for the following holidays:

First Year of Employment

Thanksgiving Day and Christmas Day only

Second Year of Employment

Add two personal days (Birthday and Anniversary for

those hired prior to June 2000)

Third Year of Employment

Add New Years Day and Labor Day

Fourth Year of Employment

Add Independence Day and Memorial Day



- 2. Employees shall receive holiday pay even when not worked and regardless of the day of the week on which it falls, provided they comply with all qualifications set forth in this Article XIV.
- 3. In order to qualify for eight (8) hours or ten (10) hours of straight time pay for a holiday not worked, a regular employee must work his regularly scheduled work day which immediately precedes and his regularly scheduled work day which immediately follows the holiday, except in cases of proven illness, or unless an absence is mutually agreed to by the Company. If a truck driver's birthday or employment anniversary date occurs on a regularly scheduled day off or on a holiday, such employee may, with the supervisor's permission, either take as such employee's birthday or employment anniversary date the first work day prior to such birthday, employment anniversary date, or holiday or the first scheduled work day after the birthday, employment anniversary date or holiday. When a holiday falls on one of the regularly scheduled days off for Hostlers and for employees other than truck drivers, such holiday shall be observed either the last regularly scheduled work day prior to such holiday or the next regularly scheduled work day following such holiday depending on which is the closest to such holiday. It is understood that the provisions of this sentence are not to be construed to apply to truck drivers.
- 4. In the event a holiday(s) falls within an employee's vacation period, he shall be granted an additional day(s) vacation with pay and may reschedule the holiday in accordance with paragraph 7 below.
- 5. Employees who are serving their thirty (30) day probationary period are not entitled to holiday pay for holidays falling within the probationary period.
- 6. If an emergency requires work on Thanksgiving, Christmas or New Years, the regular employees working on such holiday shall receive the holiday pay referred to above plus one and one-half (1½) times their regular rate of pay for the hours worked on the holiday. On Memorial Day, Independence Day and Labor Day, employees working their holiday will have the choice of either three (3) times the regular hourly rate for all hours worked or two (2) times the regular hourly rate for all hours worked, plus an alternate paid day off to be scheduled by November 1st.
- 7. Employees may schedule their birthday and anniversary date of employment holidays and holidays that fall within an employee's vacation period as floating holidays provided the employee schedules such days of vacation twenty-four (24) hours in advance. Such holiday scheduling shall be first by seniority at the time of vacation scheduling and thereafter on a first come first serve basis. The maximum number of employees who may schedule holidays and vacation days under this provision and under Article XIII, paragraph 8 shall be limited to nine (9) warehouse employees, six (6) transportation employees, one (1) maintenance employee, and one (1) garage employee on the same work day.

ARTICLE XV WAGES

1. The following shall be the classifications and the rates of pay for the respective periods set forth:

	4/6/2008		4/5/2009		4/4/2010		4/3/2011	
Truck Drivers	\$	19.41	\$	19.91	\$	20.41	\$	20.91
Freezermen	\$	19.46	\$	19.96	\$	20.46	\$	20.96
Receiving Clerk	\$	19.46	\$	19.96	\$	20.46	\$	20.96
Warehousemen	\$	19.10	\$	19.60	\$	20.10	\$	20.60
Production Clerk	\$	19.10	\$	19.60	\$	20.10	\$	20.60
Maintenance I	\$	19.80	\$	20.30	\$	20.80	\$	21.30
Maintenance II	\$	19.20	\$	19.70	\$	20.20	\$	20.70
Maintenance III	\$	19.10	\$	19.60	\$	20.10	\$	20.60
Casual	\$	14.33	\$	14.70	\$	15.08	\$	15.45
Inventory Control Clerk	\$	19.10	\$	19.60	\$	20.10	\$	20.60



Casuals

Casual employees shall receive seventy-five percent (75%) of the above regular rate of pay.

Warehousemen

First Year of Employment - 75% of regular rate of pay
Second Year of Employment - 80% of regular rate of pay
Third Year of Employment - 85% of regular rate of pay
Fourth Year of Employment - 90% of regular rate of pay
End of Fourth Year - 100% of regular rate of pay

Casuals Promoted to full-time will be credited with fifty percent (50%) of their service time as a casual employee for purposes of the new hire wages and benefits for warehousemen set forth above.

Drivers, Maintenance & Mechanics

Start of Employment - 85% of regular rate of pay
Three (3) Months of Employment - 100% of regular rate of pay

- 2. The parties shall determine the wage, pension and health and welfare increase, if any, to be applicable in the final three (3) years of this Agreement. If the parties are unable to agree within a reasonable period of time not to exceed thirty (30) days, the increases shall be determined through last best offer interest arbitration (Baseball Rule) before an arbitrator, based on criteria including the Consumer Price Index, current industry settlements, and the Company's inability to pay. The Company shall not be required to provide the Union with financial data unless the Company asserts an inability to pay.
- 3. Drivers will be paid according to an Activity Based Compensation plan as outlined in the Activity Based Compensation Drivers Supplement attached hereto.
- 4. The various jobs available in the warehouse for employees consist of loaders, unloaders, order fillers, receiving clerks, forklift operators, freezermen, cooler, produce, salvage, checkers, cleanup, repack, cigarette machine, will call, vacation relief, dual function jobs, perishables, and other possible bid jobs. The above jobs will continue to be posted as necessary and a description, if necessary, shall be posted with the job. The Company shall not be restricted to the above listed job openings nor necessarily continue the above jobs, and it is understood that the above jobs can be eliminated, combined, or added to for the better operation of the warehouse at the Company's discretion. Any employee whose job is permanently abolished shall be allowed to move to any job in his department based on his seniority within his department. If a job is worked fifty percent (50%) of the time or more for a period of thirty (30) days, it shall be posted for bid.
- 5. Employees shall perform any work supervision may direct. When an employee is temporarily assigned to a job with a lesser rate of pay, he shall be paid his regular rate of pay. If no work is available in an employee's regular classification, he may voluntarily elect to take a lower rated job and classification rather than accept a layoff. If an employee is assigned to a job classification for which a higher pay is applicable, the employee shall be entitled to receive the higher rate of pay for all time actually worked on the higher pay classified job.
- 6. A premium of twenty (20) cents per hour shall be paid for work performed on a regular shift between the hours of 6:00 p.m. and 6:00 a.m. This premium pay for night work does not apply to truck drivers or to day workers working on overtime rates, but does apply to Hostlers. It is understood and agreed that if the major portion of the hours of a regular shift fall within the premium hours, the premium will be paid for all hours worked on that shift. If, however, the major portion of the hours of any shift fall between 6:00 a.m. and 6:00 p.m., no premium shall be paid for any hours on such shift. If the number of hours is equal, the Company will pay the premium.



- 7. Maintenance I employees are required to furnish their own hand tools and will receive a \$550 allowance each year. Maintenance II employees are required to furnish their own hand tools and will receive \$350 allowance each year. To receive the allowance, the employee must be on the payroll on April 1st. The payment will be made by the end of April. The Company shall provide all special tools, equipment and supplies, exclusive of hand tools, that the Company shall determine are necessary for the performance of work by Maintenance I or Maintenance II employees.
- 8. Any warehouse, maintenance or Hostler employee injured on the job who requires medical attention will be paid for the remainder of such employee's regular shift (not to exceed eight (8) hours or ten (10) hours, respectively) and truck drivers will be paid for all ABC elements not worked that trip, if the doctor states that the employee cannot return to work that day or trip. The employee shall also be paid lost hours (not to exceed eight (8) or ten (10) hours or ABC elements, respectively) due to his first return trip to the doctor related to an on-the-job injury. The employee shall upon returning to work bring the doctor's statement stating that the employee was not able to return to work on the day or trip of injury.
- 9. Maintenance employees shall be paid "cold pay" of 36 cents (\$0.36) per hour for all time spent working within the freezer providing the freezer is operational (at temperature) during the time of such work.
- 10. If the Company establishes a new classification with a primary function not previously performed by bargaining unit employees, the Company shall initially establish a rate applicable to that classification which shall not be below the minimum current existing rate for a regular employee in the department involved.
 - A. Within thirty (30) days following the commencement of work in the new classification, the Union may file a grievance concerning the rate assigned to the classification. If an adjustment in the rate is agreed on during the processing of that grievance, any change in rate shall be retroactive and shall apply to all work performed prior to the change in rate.
 - B. If the parties are unable to agree on appropriate rate, that issue may be appealed to arbitration as provided in Article XX. However, the jurisdiction of an arbitrator in determining the appropriate rate shall be limited to selection between the final positions of the parties at the conclusion of the processing of the grievance. The arbitrator shall determine, in consideration of the bargaining unit wage structure, which final position is most appropriate and shall direct that the classification be compensated at that level. The arbitration award shall apply retroactive to all work performed following the establishment of the classification.

ARTICLE XVI REDUCTION OF PAY

No employee shall suffer a reduction of pay due to the adoption of this Agreement.

ARTICLE XVII FEDERAL OR STATE LAW

Should any Federal or State law be enacted affecting the hours or wages covered by this Agreement and requiring change therein, this Agreement shall be open for the purpose of adjusting the part or parts affected thereby.

ARTICLE XVIII FUNERAL LEAVE

1. Should a death occur in the immediate family, upon request, a regular employee who attends the funeral shall be granted three (3) consecutive workdays to attend such funeral and do other necessary things. An employee who attends the funeral of their spouse or child shall be granted five (5) consecutive workdays of paid leave, one day of which must be the day of the funeral. The employee shall be compensated for the scheduled days he would have worked within the applicable period had such death not occurred at his regular rate of pay at eight (8) hours per day. Employees may be granted



additional unpaid funeral leave based on reasonable employee need and approved by the Company. Immediate family shall mean mother, father, mother-in-law, father-in-law, stepmother, stepfather, brother-in-law, sister-in-law, brother, sister, stepchild, stepbrother, stepsister, grandparents, grandchildren, spouse's grandparents and any other relatives residing with employee.

- 2. Warehouse and Maintenance employees normally scheduled to work ten (10) hour shifts shall receive a ten (10) hour benefit instead of an eight (8) hour benefit as provided in this Article. This ten (10) hour benefit shall also cover truck drivers. This would allow thirty (30) hours' pay for the three (3) day funeral leave and forty (40) hours of pay for a spouse or child. Funeral leave shall not count as hours worked for the purpose of computing overtime
- 3. If a death occurs while an employee is on vacation, such funeral leave will commence at the end of the vacation period, so long as the employee attends the funeral.

ARTICLE XIX PENSIONS

The Company shall contribute to the Central States Southeast and Southwest Areas Pension Fund as follows:

- 1. The Company shall make weekly contributions for the pension program hereby established for each week worked by regular employees, even though an employee may work only part-time for the Company during a given week. If an employee is absent from work during any week because of illness or noncompensable injury and notifies the Company of his absence, the Company shall continue to make the required weekly contributions for a period of not more than four (4) weeks, so long as the employee is on the Company's regular seniority list. If an employee is absent from work during any week due to compensable injury, the Company shall continue to make such weekly payments for a period of not more than six (6) months, so long as the employee is on the Company's regular seniority list.
- 2. If a regular employee is absent from work during any week due to layoff or leave of absence granted by the Company, the Company shall not be required to make any weekly contribution for such employee. However, if any regular employee so desires, he may continue his pension program contributions so long as he is on the Company's regular seniority list by making prior arrangements with the Company. The Company shall collect from the employee a sum sufficient to enable the Company to make the weekly contributions due the pension fund.
- 3. The following rates will be contributed for each casual or regular warehouse employee who has completed three (3) years of service. Drivers and Maintenance employees shall receive such contributions after thirty (30) calendar days of employment.

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6<sup>th</sup> April 2008 - $179.30 per week
5<sup>th</sup> April 2009 - $193.60 per week
4<sup>th</sup> April 2010 - $209.10 per week
3<sup>rd</sup> April 2011 - $225.80 per week
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- 4. After thirty (30) calendar days of employment, casual and warehouse employees with less than three (3) years of service will receive contributions of 50% of the above weekly rate.
 - 5. The Company reserves the right, in its sole discretion, to alter the payment method for casuals and new hires and pay one hundred percent (100%) of contributions after the completion of one thousand (1000) hours of employment.
- 6. The Company also agrees to enter into appropriate trust agreements necessary for the administration of such pension fund and to designate the Company's trustees under such Agreement, hereby waiving all notices thereof and ratifying all actions already taken or to be taken by such trustees within the scope of their authority.



7. Failure of the Company to make any contribution for the pension program as hereinabove provided shall relieve the Union of the no-strike obligation set forth in this Agreement, unless there is a bona fide dispute as to the amount owed, in which case the matter shall be resolved under the provisions of Article XX hereof.

ARTICLE XX GRIEVANCE PROCEDURE AND ARBITRATION PROCEDURE

Should differences arise between the Company and the Union, or any employees of the Company, as to the meaning or application of the provisions of this Agreement, such differences shall be settled in the following manner:

- 1. The aggrieved employee or employees shall first take the matter up orally with the Department Supervisor and Shop Steward. If a satisfactory settlement is not reached with the Company the employee shall submit the grievance in writing to the Company within seven (7) calendar days.
- 2. If a satisfactory adjustment is not agreed upon, the matter shall be referred by the Steward, or in the absence of a Steward, then by the Business Agent of the Union, to the Designated representative of the Company, or some other executive of the Company with authority to act, who shall review the alleged grievance or grievances and offer a decision within seven (7) working days after receipt thereof.
- If no Agreement is reached under Section 1 or Section 2, the matter may be submitted to the Labor-Management Council. For a grievance to be heard by the Council, agenda items must be submitted ten (10) calendar days prior to the Council's hearing dates. The parties may waive this ten (10) day period by mutual agreement. The Council shall have four (4) members and shall be a joint council between Local 245, Local 886, Local 955 and the Company. Two (2) Labor members of such Council shall be designated by the Union and two (2) Management members shall be designated by the Company. The Labor members appointed to the Council may not be from the Local Union presenting the grievance. The Management members appointed may not be from the Associated Wholesale Grocers Distribution Center involved with the grievance. Such Council shall have the power and authority to settle the grievances, and such settlement shall be final and binding on the parties. Meetings of the Council will be held monthly, and will rotate to the city of each Local and Distribution Center. Decisions shall be based on a majority vote of the Council members and shall be given in writing to the parties. The Council shall notify the Company and the Union in writing of its failure to reach agreement with respect to any grievance. Proceedings of the Labor Council shall be governed by rules, if any, on which the parties agree. Discharge cases may be heard, regardless of Local or Distribution Center location, at the next Labor Council so long as the ten (10) day agenda notice is met.
- 4. If no agreement has been reached pursuant to the procedure specified in paragraphs 1, 2 and 3, either the Union or the Company shall have the right to request arbitration of the dispute, and when such is done, the Company and the Union agree to submit the grievance to an arbitrator as herein provided. Except when mutually agreed by the parties, requests for arbitration must be made within forty-five (45) days of the written decision of the Labor Council. Failure to abide by this time limitation will render the grievance null and void.
- 5. Upon either party requesting arbitration, the parties shall endeavor in good faith to agree upon an arbitrator. If the Company and the Union fail to agree upon an arbitrator, either party may request the United States Mediation and Conciliation Service to furnish the names of seven (7) arbitrators, from which one is to be selected. The Company shall first strike a name and so on until but one (1) arbitrator is left on the panel and this person shall be the Arbitrator. Either party may reject one panel. Both parties agree to act promptly before the Arbitrator in order to obtain an early decision. The Arbitrator shall have the right to construe this Agreement but not to change any of its provisions. The decision of the Arbitrator shall be final and binding upon both parties. The expenses of the Arbitrator shall be borne equally by the Company and the Union.



ARTICLE XXI STEWARDS

- 1. The Company recognizes the right of the Union to designate job stewards and alternates from the Company's seniority list. 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:
 - A. The investigation and presentation of grievances to the Company or the designated Company representatives in accordance with the provisions of the Collective Bargaining Agreement.
 - B. The collection of dues when authorized by appropriate Local Union action.
 - C. 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:
 - (1) Have been reduced to writing, or
 - (2) If not reduced to writing, are of a routine nature and do not involve work stoppages, slow downs, refusal to handle goods, or any other interference with the Company's business.
- 2. Job stewards and alternates have no authority to take strike action, or any other action interrupting the Company's business, except as specifically authorized by official action of the Union. The Union agrees that in the event any such action is so authorized by the Union, to notify the Company thereof in writing. Prior to any such action in writing, it shall be presumed that it is unauthorized action in breach of this Agreement and the Company may take any disciplinary action it may see fit. The Union agrees in such event to, at the same time, do all in its power to remedy the breach and unauthorized action.
- 3. The Company recognizes these limitations upon the authority of job stewards and their alternates and shall not hold the Union liable for unauthorized acts.
- 4. Any employee who may have a grievance may report to the employee's immediate supervisor and explain said grievance; if not resolved by immediate supervisor, employee may ask to see the appropriate Steward and the supervisor will either grant immediate permission to see the Steward, depending upon the nature of the grievance, or will grant permission for the employee to see the Steward as soon as possible but not more than two (2) hours from the time of the request. The employee and Steward shall have a private conversation period of not more than five (5) minutes and thereafter Company supervisory personnel will be present during the remainder of the employee's meeting with the Steward, if such meeting is on Company time.

ARTICLE XXII ACCIDENT AND HEALTH INSURANCE

1. The Company shall contribute to a fund, which is to be administered through Trust Agreement of the Central States, Southeast and Southwest Areas Health and Welfare Fund. These contributions shall be made for each employee covered by this Agreement who has been on the payroll for thirty (30) calendar days or more. By the execution of this Agreement, the Company authorizes the Central States, Southeast and Southwest Areas Employer's Association to enter into an appropriate Trust Agreement necessary for the Administration of such Fund, and to designate the Company Trustees under such Agreement, hereby waiving all notice thereof and ratifying all actions already taken or to be taken by such trustees within the scope of their authority.



2. The Company will contribute the following amounts for insurance benefits:

6th April 2008 - \$237.70 per week 5th April 2009 - \$251.70 per week 4th April 2010 - \$265.70 per week

3rd April 2011 - The Company will contribute up to \$0.35 per hour or \$14 per week.

Should all of the money not be needed in 2011, the unused portion will be directed to any increases in Healthcare costs in 2012. If the cost exceeds fourteen (\$14) dollars, the remainder will be paid by the employee.

- 3. If an employee is absent because of illness or off-the-job injury and notifies the Company of such absence, the Company shall continue to make the required contributions for a period of four (4) weeks. If any employee is injured on the job, the Company shall continue to make the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than six (6) months. If an employee is granted a leave of absence, the Company shall collect from said employee, prior to the leave of absence being effective, sufficient monies to pay the required contributions into the Health and Welfare Fund during the period of absence.
- 4. Contributions to the Health and Welfare Fund shall be made for each week on each employee on the general seniority list, including weeks where no work is performed under the provisions of this Agreement, and although contributions may be made for those weeks into some other Health and Welfare Fund. This provision does not apply in cases of layoff.

ARTICLE XXIII STRIKES AND PICKETING

- 1. During the term of this Agreement, the Union agrees that it will not cause or permit its members to cause nor will any member of the Union take part in any strike or activity which interferes with production of the Company. Neither the Union nor any of its officers or representatives shall be held liable for any damages resulting from unauthorized or "wildcat" strikes not called, directed or ratified by them unless they fail to use their best efforts to bring about a cessation to any such unauthorized or "wildcat" strike. The Company may discharge any member of the Union who violates any provision of this Article XXIII. The Company agrees that it will not lock out any of its employees during the term of this Agreement.
- 2. It shall not be a violation of this Agreement nor grounds for discipline, discharge or replacement of employees for persons covered hereunder to refuse to cross a primary picket line and perform work in any instance where a picket line has been authorized by Local 245 sanctioned and ratified by Joint Council 56, Kansas City, Missouri.

ARTICLE XXIV JURY DUTY

Each regular employee serving on jury duty shall present a statement signed by an officer of the court involved, signifying the time he served on the jury. The employee will "sign over" any jury duty pay he has received to the Company in order to receive his regular rate of pay for the time he is required to be absent from his job. Total compensated jury duty pay shall not exceed ten (10) working days in any one (1) contract year.

- 1. If the employee must miss over half of his shift due to jury service (over four (4) hours for an eight (8) hour shift, or over five (5) hours for a ten (10) hour shift) the employee does not need to return to work the day of jury duty.
- 2. If the employee is discharged from jury duty prior to missing half of his shift, he must return to work for the last half of his shift.



3. When the conditions above are met, employees eligible for Jury Duty pay will receive a full eight (8) hours or ten (10) hours of pay at their regular rate, respectively, when required to report for Jury Duty. Drivers who are unable to take their bid run will receive eight (8) hours pay.

ARTICLE XXV MAINTENANCE TRAINING PROGRAM

- 1. The Company shall determine the qualifications of maintenance employees who bid on jobs posted in the maintenance department. An employee selected to fill the posted job who does not meet the necessary requirements during a fifteen (15) working day trial period, will be returned during or at the end of such period to the employee's previous job. The Company may not discriminate in determining qualifications and any complaint of discrimination is expressly subject to the grievance and arbitration procedure set forth in Article XX above. When a new job is open or a vacancy occurs, the job will be posted for bid for three (3) working days, excluding Saturday and Sunday. The provisions of this paragraph are applicable to maintenance employees only.
- 2. The Company agrees that those employees on the roster as of the signing of this Agreement in the Warehouse Maintenance and Garage Maintenance departments, including laid off employees, should have an opportunity to bid on open or additional Maintenance I positions and receive training to help qualify for such positions. The following terms and conditions apply to the training program:
 - A. The employee desiring to enter the program must be able to demonstrate reasonable skill levels and must show reasonable progress throughout the training program, if accepted.
 - B. The training program shall be six (6) months in duration.
 - During the period of training, the employee shall be paid at his former rate of pay.
 - D. Training sessions made available at the AWG facility with attendance required will be paid for at the employee's regular straight time hourly rate whether on or off the employee's normal shift.
 - E. Any outside classes, seminars, home study courses, etc., required by the Company will be paid one-half (½) by the Company and one-half (½) by the employee. Requirement of these types of classes is vested solely with the Company.

ARTICLE XXVI LEAVE OF ABSENCE

- 1. The Company shall not unreasonably deny unpaid leaves of absence, for not less than one (1) week nor more than ninety (90) days, for compelling personal reasons. Compelling personal reasons shall include family illness or death, performance of civic duties, and other individual and family matters about which the requesting employee shall provide a reasonably specific identification to the Company. Any employee using a leave of absence as a subterfuge shall forfeit his seniority rights and job. The Union will be notified in writing of all leaves of absence. Such leaves may be extended for additional periods of time by mutual agreement of the Company and the Union. No leave of absence shall be granted to any employee for the purpose of trying another job, with the exception of a job for the Local Union.
- 2. The parties agree to comply with the Family and Medical Leave Act (FMLA). Employees on intermittent FMLA leave are required to first utilize all accrued but unused paid time-off. Employees on non-intermittent FMLA leave are required to first utilize fifty percent (50%) of all accrued but unused paid time off, up to a maximum of two (2) weeks.



ARTICLE XXVII UNION ACCESS

The Union business representative(s) shall have access to the warehouse during working hours for official Union business, after notifying the Distribution Manager in charge, or his designee, provided there shall be no interference with production or the work of the employees. The Union and Company shall notify each other in writing of the names of its authorized representatives or designees

ARTICLE XXVIII BULLETIN BOARDS

The Company will provide suitable space for Union bulletin boards in the warehouse, garage, drivers' rooms, and breakroom. Posting by the Union on such bulletin boards will be confined to items involving Union business. A Union official and/or Steward will police the board from time to time.

ARTICLE XXIX SUBCONTRACTING

It is the intent of the Company and the Union that Company's use of subcontracting and direct delivery from the vendors and/or manufacturers to the retail stores shall not result in the layoff or keeping on layoff of any of the Company's present employees. Additionally, in the Maintenance Department, while the parties acknowledge the reserved right of the Company to determine whether particular work shall be assigned to bargaining unit employees or others, when the Company contemplates that substantial projects or activities (such as major renovation, remodeling or reconstruction of facilities) will be performed by subcontractors, the Company shall inform the Union business representative of that fact. Upon request, the Company shall meet and negotiate with the Union concerning the use of bargaining unit employees to do such work prior to any decision to utilize subcontractors for such major projects, but agreement of the Union to the subcontracting shall not be required and the final decision shall not be unduly delayed due to the unavailability of Union representatives. This notification requirement shall not be applicable to those situations where the work involved is of an emergency or urgent nature requiring expedited action by the Company. The Union may challenge such decision if it feels the Company has been unreasonable and arbitrary in making such decision.

ARTICLE XXX PHYSICAL EXAMINATIONS

- 1. An employee's medical fitness to work shall be determined by licensed physician of the employee and/or the Company.
- 2. Should a dispute arise between the employee's doctor and the Company doctor concerning the employee's ability to work or return to work, the dispute shall be settled by and between the doctors involved and if no agreement is reached, those doctors shall refer the matter to a third doctor (to be selected by them) who shall be a specialist in the field most directly related to the employee's condition. The decision of the third doctor shall be final and binding on all parties. Employees found fit to work or return to work shall be compensated for all time lost, if any, between the opinion of the second doctor and the third doctor. The time period between seeing the first doctor and the second doctor shall not exceed fourteen (14) days. The fees of the third doctor shall be borne equally, fifty percent (50%) by the Company and fifty percent (50%) by the Union. Neither the Company nor the Union will attempt to circumvent the decision of the third doctor.

ARTICLE XXXI

This Agreement shall be effective as of 12:01 a.m., April 6, 2008, except as otherwise provided, and shall remain in effect through April 4, 2015.



day of April , 2008.	to have executed this Agreement on this, the
COMPANY:	UNION:
ASSOCIATED WHOLESALE GROCERS, INC., Springfield, Missouri Division	TEAMSTERS LOCAL UNION NO. 245, an affiliate of the International Brotherhood of Teamsters
By:	Ву:
Mike Rand, Executive Vice President; Wholesale Operations	Jim Kabell, Secretary/Treasurer

Activity Based Compensation Drivers Supplement

i. <u>Introduction</u>

Activity Based Compensation ("ABC") is a method of compensating drivers according to individual productivity.

II. General Principles of AWG's ABC Plan

- A. ABC provides an opportunity for drivers to increase their compensation by increasing productivity, as all runs are compensated on a mileage and activity basis.
- B. Mileage rates will be adjusted based on increase(s) in the hourly rate.
- C. Barring unforeseen delays, drivers are expected to achieve on-time delivery based on delivery routes established by AWG's routing technology (currently Trucks). AWG will work with the stores and vendors on an ongoing basis to minimize or eliminate delays and inefficiencies in the operation.
- D. Unless otherwise provided, the only activities that will be paid on an hourly rates under the ABC plan is hostling, approved delay time, and work carried out under the specific direction of a dispatch supervisor.
- E. Unless otherwise provided, drivers working on mileage will not be paid breaks, rest periods, overtime, or premium pay.
- F. ABC plans rely, to some extent, on information provided by the drivers. All work rules, including rules related to dishonesty, are fully applicable.

III. Pay Elements

A. Mileage Pay - Drivers will be paid mileage pay from point to point according to a route determined by AWG's routing technology (currently TRUCKS). No off-route miles will be paid, except under specific instruction of the Transportation Manager. Each mile will be paid at:

		4/6/2008		4/5/2009		4/4/2010		4/3/2011	
Rate Country	\$	0.412	\$	0.422	\$	0.433	\$	0.443	
Rate City	\$	0.520	\$	0.534	\$	0.547	\$	0.561	
Hourly Rate	\$	19.41	\$	19.91	\$	20.41	\$	20.91	
MPH Country		47.155		47.155		47.155		47.155	
MPH City		37.295		37.295		37.295		37.295	

Mileage rates will be calculated by dividing the hourly rate by the miles per hour.

- 1. All runs within a twenty (20) mile radius of the Springfield Distribution Center (currently per mileage calculation from TRUCKS) shall be considered "City" stores and all stores beyond the twenty (20) mile radius of the Springfield Distribution Center shall be considered "Country" stores.
- City and Country loads can be pulled in any single shift and the driver will be paid at the appropriate rate for each load.
- If City and Country stores are combined on the same load, the Country mileage rate shall prevail for the entire load.

04/11/2008



- 4. In the event driving plus hostling work is performed on the same shift, the hostling will be paid at the applicable rate for actual hours worked. ABC hours are not used for the purpose of overtime calculations.
- B. Time Payments Compensation for the time elements discussed below will be adjusted to reflect the negotiated increases in hourly rates.
 - Pre Trip Procedures: Pre-trip activities will be paid as nineteen (19) minutes. Pre-trip activities shall include, but shall not be limited to the following: check in at dispatch; receive assignment; acquire bills, and all documents including shuttle mail; get tractor from assigned parking area; log into the EOBC; hook up to assigned trailer, open the back door and check that load is correct store number, seal the load if seal is provided, complete pre-trip inspection of equipment for safe operation; scale and slide tandems as necessary to achieve legal axle ratings; and exit the property.
 - 2. Deliveries: Deliveries will be paid as follows:

Set up time per each stop:

Dock Stores - 12 minute set up Walk and Stack Store - 12 minute set up Scissor Lift - 11 minute set up Throw Off - 14 minute set up

Unload load time per floor pallet position:

Dock Stores - 2 minutes/pallet position
Walk and Stack Store - 2 minutes/pallet position
Scissor Lift - 3 minutes/pallet position
Throw Off - 10 minutes/pallet position

Salvage and Store Returns – 1.7 minutes/pallet position. This includes repositioning due to multi stops.

Outbound pallet configuration will be determined by routing technology (currently TRUCKS).

Store set up time begins as soon as the driver "bumps the dock" and includes but is not limited to: store notification of arrival; completion of mail and other paperwork, includes driver signature and store authorization where required, preparing equipment for unloading; assisting with unloading of all product, and chocking of trailer wheels.

A floor pallet shall mean a pallet on the floor stacked up to trailer height usage per the loading diagram for a store.

Product stacked on the floor per the loading diagram shall be counted as a pallet.

The floor pallet rate includes driver piece counting of fresh meat and cigarettes if required (note: these elements are already included in the standard), accounting and recording all other pallets on the loading document. Shortages are to be noted on the delivery ticket and signed for by the authorized store representative and the driver.

Drivers delivering to stores that have multiple docks will be paid one additional store setup if required to move the trailer to another dock.



Salvage or store returns loaded shall be a pallet on the floor stacked to reasonable height in the trailer. Record all information on the back portion of the load diagram sheet. Return pallet information will be subject to ongoing audit.

Every driver should clean up salvage, store returns and authorized pickups on each delivery unless otherwise authorized.

Authorized credits will be returned stacked on pallets and at the proper temperature and with the proper paperwork signed by the driver and store personnel.

Drivers will insure all returns will be properly secured to ride intact to the warehouse.

Ice Cream Bunkers – Stores on the AWG ice cream drop program will have no change in the ABC pallet position minutes compensated. The normal unload and reload time elements by store delivery types will apply. Drivers unloading bunkers at time of delivery will receive ten minutes for each pallet position involving ice cream and/or any product stacked on top of the bunker, including but not limited to unloading, reloading, repositioning, and/or completing required paperwork including the recording of bunker serial numbers.

3. Vendor Pick-ups/ Backhauls: Pick-ups/Backhauls will be paid as 60 minutes.

All runs are subject to freight pickups (back hauls). Drivers will be responsible to verify that all product signed for is on the trailer on driver count loads and that the trailer is properly chocked, if provided and sealed after completion. Drivers will properly fill out all paperwork to include, but not be limited to, pallets in and out, trailer number, plant hours, seal number, etc.

Drivers, who are required to "scale" on the road, will be provided with an additional 10-minute allowance. This allowance does not apply to backhauls where scales are available.

4. Drop & Hook: Drivers who are required to drop and hook trailers at stores or swap trailers will be paid per occurrence, irrespective of the trailer contents. Drivers will be paid for 15 minutes for drop and hook and 10 minutes for a drop or hook only. Drop and pick up trailers at stores include notification of arrival; mail and proper paperwork filled out completely and signed by the store and the driver.

Drivers who are required to drop and hook trailers at vendors (back hauls) will be paid 20 minutes, irrespective of the trailer contents, 10 minutes for a drop only or hook only.

Drivers who are re-dispatched will be paid 25 minutes for the drop, hook and re-dispatch event.

Doane backhaul in Joplin will pay for actual time for drop and hook. Carthage back haul at the cave will pay 1-hour drop and hook.

5. Post-trip Procedure: Post-trip activities will be paid as 20 minutes.

The required post-trip procedure shall require, but not be limited to the following: check in with dispatch supervisor to see if any other work is required, clean out cab, all glass must be clear, drop trailer in assigned area, park tractor in assigned parking space, complete driver write up of vehicle condition, report all vehicle



defects, log out of EOBC, down load EOBC, check and sign driver log, complete and turn in all documents required in dispatch.

For layovers, drivers will be paid as follows: 10 minutes for motel check- in, 10 minutes for check out, 10 minutes for pre & 10 minutes for post trip. A maximum of 40 total minutes will be paid per layover.

AWG will provide comfortable sanitary lodging.

- 6. Meal Allowances: Two (2) meal allowances (dinner and breakfast) will be paid per night to drivers on layover. No other meal allowances will be paid. Each meal allowance will be equal to one half of the base hourly rate
- Delays: Payment will be made at drivers' applicable hourly rates for delays due to impassable roads, and delays at stores and pick up points only.

The first 20 minutes of any delay listed above will not be paid. Compensable delays will be paid after 20 minutes.

Onsite delays due to loads not ready, unavailability of equipment or mechanical problems will be paid at the base hourly rate.

In the event drivers do incur delays, the following rules will be applied:

At stores and vendors, the delay time must be written on the drivers' sheet (back portion of the load diagram sheet) and certified by a responsible person at the store or vendor.

Onsite delays, including but not limited to those created by mechanical problems, must be certified by a dispatcher or Garage supervisor

Drivers who are delayed as a result of impassable roads shall be paid at their applicable straight time hourly rate for all time spent on such delays, commencing 20 minutes after the start of the delay but not to exceed eight hours for each 24 hour period, except when the driver is required to remain with his equipment during such delay, and then he shall be paid at the applicable straight time hourly rate. Such pay shall be in addition to money earned for mileage and/or work performed as provided elsewhere.

Drivers who are delayed as a result of breakdowns shall be paid at their applicable straight time hourly rate for all time spent on such delays. But not to exceed 8 hours for each 24-hour period, except when the driver is required to remain with his equipment during such delay, and then he shall be paid at the applicable straight time hourly rate. Such pay shall be in addition to money earned for mileage and/or work performed as provided elsewhere.

Delays due to breakdowns or impassable road delays must be signed off by the driver and the dispatcher upon return.

Drivers who are delayed due to accidents involving the AWG driver will not be subject to the 20 minute unpaid delay provision.

Delays must be entered into the EOBC, which will be used for verification.

When drivers arrive earlier than their store delivery time at the first stop, and the store cannot unload, no payment will be made. Drivers must call in within 15 minutes of the time the delay begins and at the end of each 30 minutes thereafter (or as instructed by the supervisor/dispatcher).



IV. Procedural Elements

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- A. Payroll Procedures: The dispatch system, which is driven by loads carried, will generate accurate earnings information which will include all time elements earned, mileage pay earned and paid delay which supports the total pay amount appearing on the check stub. This information will be made available to each driver not later than the end of the driver's next shift. ABC time element for researching pay the employee will provide pertinent documents and the employee will be paid 5 minutes if the paycheck is in error.
- B. Weekly Allowance: All full time drivers working under the ABC Plan shall be paid \$25 per week, including vacation weeks, as a special allowance in addition to the driver's weekly compensation and shall not be the basis for any other payments, premiums or contributions by AWG, nor shall it count against the weekly guarantee. This special allowance is a fair and reasonable method per Arbitrator O'Grady in a mediated settlement to adequately address any delay issues as well as any elements or rates that the Union has contended are inadequate.
- C. Communication/On-road Reporting: Breakdowns must be call checked to dispatch ASAP. Driver must call when a layover starts and ends. All drivers must call within 30 minutes of arrival at a backhaul plant.
- D. Holiday Pay: Holiday pay is eight times the base hourly rate. For work on a holiday, the driver will also receive 1.5 times his/her ABC earnings for the day or 4 hours straight time plus ABC, whichever is greater.

Exceptions for holiday pay are listed below:

Drivers who are eligible for holiday pay will receive compensation for work performed on the actual calendar date of the holiday, as follows:

- Memorial Day Choice of: 3 times the regular ABC earnings, or 2 times the regular ABC earnings, plus an alternate paid day off to be scheduled by November 1st.
- 2. 4th of July Choice of: 3 times the regular ABC earnings, or 2 times the regular ABC earnings, plus an alternate paid day off to be scheduled by November 1st.
- 3. Labor Day Choice of: 3 times the regular ABC earnings, or 2 times the regular ABC earnings, plus an alternate paid day off to be scheduled by November 1st.
- 4. Additional provisions Hostlers holidays are paid per the Warehouse section of the collective bargaining agreement.
- E. Call-In/Show-up Pay: Call-in/show-up pay will remain unchanged.

Drivers or hostlers called in to work shall be guaranteed six (6) hours pay or the equivalent in ABC elements.

Drivers who are dispatched in to their day off and continue to work more than two (2) hours shall be paid premium pay.

Drivers returning on their day off from a layover shall receive premium pay.

Drivers who are re-dispatched after the beginning of their day off shall receive premium pay.



Drivers will receive 1.5 times the applicable base hourly rate for actual hours worked if scheduled to hostle on their regular day off.

All drivers who are required to report to work on their day off will be paid four (4) hours pay at the equivalent straight time hourly rate, in addition to their regular ABC earnings on that day. Drivers are reminded they are expected to report for work on their day as provided for in the current collective bargaining agreement.

- F. Inclement Weather: At the driver's request, AWG will pay excess time caused by inclement weather at the applicable straight-time rate (plus ABC earnings), where such inclement weather significantly slows driving and/or activity time. Payments will be subject to verification by AWG. The intention is to limit requests to significant excess time caused by truly inclement weather, requests should not be made for normal, seasonal weather.
- G. Miscellaneous Processes: Before requiring drivers to operate powered material handling equipment at stores, the Company shall provide and pay for drivers to receive the necessary OSHA training.

All activity associated with picking up pallets at the distribution center and re-dispatch will be compensated according to the ABC Plan.

Both parties recognize and observe the O'Grady decision and award dated April 10, 2003.

Vehicle Washing: Drivers will be responsible to keep their tractors clean. This will include but not be limited to keeping all glass clear, driving the combination (tractor and trailer) through the truck wash will pay an additional 10 minutes. Drivers will be paid 7.5 minutes for tractor only wash. Drivers will dispose all trash from the cab interior daily and the inside of the cab will be swept out or vacuumed daily.

Dispatch Sheets and Estimated Run Payment Sheets will be posted daily.

- 2. Refueling: Drivers required to "fuel" on the road will be provided with an additional 10-minute allowance. This also applies to fueling on the lot if matching up from an overnight run.
- 3. Trailer Sweep: Drivers will be paid a 10-minute maximum allowance for sweeping the trailer at backhaul locations and stores if authorized.
- Driver Bid and Dispatch Procedure: Starting times and/or dispatch times will be established by AWG. AWG will determine how many driver positions are to be established at each start time.

All bids will contain the following information:

- starting time
- days off
- expected layover trips to be indicated, and approximate geographic areas

Drivers to have at least ten (10) hours off between shifts and or as required by DOT in the future.

