

ARTICLE 1

Parties to the Agreement

This Agreement made and entered into as of the 1st, day of April, 2015 between N.K.S. DISTRIBUTORS, INC. (hereinafter called the "Employer") and GENERAL TEAMSTERS LOCAL UNION NO. 326, (hereinafter called the "Union" or "Local Union"), affiliated with the International Brotherhood of Teamsters.

Section 1

Successors and Assigns

This agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns. In the event that an entire operation or any part thereof is sold, transferred or taken over by the merger, sale, transfer, receivership or bankruptcy, proceedings and such sale or transfer includes any work as a part thereof, such operation or part thereof shall continue to be subject to the terms and conditions of this Agreement. The Company shall give notice of the existence of this Agreement to any purchaser, transferee, receiver or trustee of the business or operation, said notice, to be in writing with a copy furnished the Union not later than the effective day of the sale.

ARTICLE 2

Scope of Agreement

Section 1

Operations Covered

(a) The execution of this Agreement on the part of the Employer shall cover all operations of the Employer which are covered by this Agreement and shall have application to the work performed within the classifications defined and set forth in this Agreement.

(b) All operations and work covered herein shall be performed by employees covered by this Agreement, except as specifically provided in this Agreement. On any day in which all seniority listed employees of each individual location, are working or have been offered work it shall be permissible for management employees to perform work covered by this Agreement.

It shall be permissible any day for Non-Union employees to make deliveries to customers where such deliveries do not constitute a day's work based on an eight (8) hour day.

Section 2

Employees Covered

Employees covered by this Agreement shall be construed to mean, any driver, or driver-helper operating a truck, tractor, or any other vehicle operated on the highway, streets for transportation and delivery of product. The term employee also includes all employees used in dock work, stacking, loading, unloading, shipping, receiving, switching, jockeying and forklift. Concerning fork truck equipment, it shall not be a violation of this Agreement for non-union employees to operate fork truck equipment when the use of such equipment does not involve the transportation or movement of product. Concerning stacking and handling, it shall not be a violation of this Agreement for non-union employees to be stacking and handling product when such activities are a function of physical inventory or checking.

Section 3

Additions to Operations

The provisions of this Agreement shall be applied without evidence of Union representation of the employees involved, to all subsequent additions to, and extensions of, current operations which adjoin and are controlled and utilized as a part of such current operation, and newly established facility and consolidations of facilities which are controlled and utilized as a part of such current operations.

The scope of recognition granted in this section shall only apply to those additions to operations in which the Employer has an interest that is involved in the warehousing and delivery of N.K.S. products to retail customers.

ARTICLE 3

Recognition and Check-Off

Section 1

Recognition

(a) The Employer recognizes and acknowledges that General Teamsters Local Union No. 326, (hereinafter referred to as the "Union" or "Local Union"), is the exclusive bargaining representative of all employees in the classifications of work covered by this Agreement for the purposes of collective bargaining, as provided by the National Labor Relations Act.

This provision shall apply to all present and subsequently acquired local operations and facilities of the Employer which business it is to warehouse and distribute N.K.S. products to retail customers.

Union Shop

(b) All present employees who are members of the Local Union on the effective date of this subsection or on the date of execution of this Agreement, whichever is the later, shall remain members of the Local Union in good standing as a condition of employment. All present employees who are not members of the Local Union and all employees who are hired hereafter shall become and/or remain members of the Local Union as a condition of employment. An employee who has failed to acquire, or thereafter maintained, membership in the Union as herein provided, shall be terminated seventy-two (72) hours after the Employer has received written notice from an authorized representative of the Local Union, certifying that membership has been, and is continuing to be, offered to such employee on the same basis as all other members and further, that the Employee has had notice and opportunity to make all dues or initiation fee payments. This provision shall be made and become effective as of such time as it may be made and become effective under the provisions of the National Labor Relations Act, but not retroactively.

This section shall apply to those employees who have gained status on the seniority list and are considered a regular employee or an employee who has gained probationary status. The employee who has gained probationary status shall pay a service fee to the Local Union. The service fee shall be determined by the Local Union and be applied until the employee has completed probationary status.

Agency Shop

(c) If any agency shop clause is permissible in any state where the provisions of this Article relating to the Union Shop cannot apply, the following Agency Clause shall prevail:

(1) Membership in the Local Union is not compulsory. Employees have the right to join, not join, maintain or drop their membership in the Local Union, as they see fit. Neither party shall exert any pressure on, or discriminate against, any employee as regards to such matters.

(2) Membership in the Local Union is separate, apart, and distinct from the assumption by one of his equal obligation to the extent that he receives equal benefits. The Local Union is required under this Agreement to represent all of the employees in the bargaining unit fairly and equally, without regard to whether or not an employee is a member of the Local Union. The terms of this Agreement have been made for all employees in the bargaining unit and not only for members in the Local Union, and this Agreement has been executed by the Employer after it has satisfied itself that the Local Union is the choice of a majority of the employees in the bargaining unit. Accordingly, it is fair that each employee in the bargaining unit pays his own way and assumes his fair share of the obligation along with the grant of equal benefit contained in this Agreement.

(3) In accordance with the policy set forth under sub-paragraphs (1) and (2) of this Section all regular employees shall, as a condition of continued employment, pay to the Local Union the employee's exclusive collective bargaining representative, an amount of money equal to that paid by other employees in the bargaining unit who are members of the Local Union, which shall be limited to an amount of money equal to the Local Union's regular and usual initiation fees and its regular and usual dues. For present employees, such payments shall commence thirty-one (31) days following the effective date or on the date of execution of this Agreement, whichever is the later, and for new employees, the payment shall start thirty-one (31) days after gaining status as a regular employee.

No Violation of Law

- (d) Nothing contained in this Section shall be construed so as to require the Employer to violate any applicable law.

Section 2

Check-Off

The Employer agrees to deduct from the pay of all employees covered by this Agreement the dues, initiation fees, service fees and/or uniform assessments of the Local Union and agrees to remit to said Local Union all such deductions prior to the end of the month for which the deduction is made. Where laws require written authorization by the employee, the same is to be furnished in the form required. The Local Union shall certify to the Employer in writing each month a list of its members working for the Employer who have furnished to the Employer the required authorization, together with an itemized statement of dues, initiation fees, and/or uniform assessments owed and to be deducted for such month from the pay of such member, and the Employer shall deduct such amount from the first paycheck following receipt of statement of certification of the member and remit to the Local Union in one lump sum. Check off shall be on a monthly or quarterly basis at the option of the Union.

When the Employer actually makes a deduction for dues, initiation fees, and/or uniform assessments in accordance with the statement received from an appropriate Local Union, he shall remit same no later than thirty (30) days from the date such deduction was made. In the event that the Employer has been determined to be in violation of this Article by an appropriate grievance decision, and if the Employer subsequently is in violation thereof after receipt of seventy-two (72) hours written notice of specific delinquencies, the Local Union may strike to enforce this Article. However, such strike shall be terminated upon the delivery thereof. Errors or inadvertent omissions relating to individual employees shall not constitute a violation which would entitle the Union to strike.

The Employer will recognize authorization for deductions from wages, if in compliance with state law, to be transmitted to the Local Union or to such other organization as the Union may request. No such authorization shall be recognized if in violation of state or federal law. No deductions shall be made which is prohibited by applicable law.

Section 3

Credit Union Check-Off

The Employer agrees to deduct on a weekly basis, from the base wage rate for any one Credit Union as designated by the Local Union, an amount specified by any employee who is working under this Agreement, and who has signed and delivered to the Employer the proper legal authorization for such deductions. The weekly amount once specified cannot be changed for a period of six (6) months. An individual may withdraw from the Credit Union deduction anytime during the year. However, re-enrollment may only be made after six (6) months from the date authorization was withdrawn. It is further provided that Credit Union deductions will only be made in the weeks the employee has sufficient moneys earned, recognizing that Union dues shall have first priority. Payments shall be forwarded to the Credit Union once a month within ten (10) days after the final deduction is made each month.

Section 4

Upon receipt of the proper authorization, the employer agrees to deduct on a weekly basis, from the base pay an amount specified by the employee to the Teamsters National Drive Political Action Committee.

ARTICLE 4

Stewards

The Employer recognizes the right of the Union to designate Job Steward and alternates from the Employer'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 with his Employer or the designated company representative in accordance with the provisions of the collective bargaining agreement;
- (b) The collection of dues when authorized by appropriate Union action;
- (c) The transmission of such messages and information, which shall originate with, and are authorized by the Union of 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, slowdowns, refusal to handle goods, or any other interference with the Employer's business.

(d) Job Stewards and alternates have no authority to take strike action, or any other action interrupting the Employer's business, except as authorized by official action of the authority of the Union. The Employer and the Union recognize these limitations upon the authority of Job Stewards and their alternates. The Union shall not be held liable for any unauthorized acts taken or initiated by the Job Steward. The Employer in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event the steward or his designated alternate has taken unauthorized strike action, slowdown or work stoppage in violation of this Agreement.

(e) Job Stewards shall be entitled to attend arbitration hearings but they will not be compensated by the Employer for any time spent, unless the Employer has required the Steward to be present.

(f) For contract negotiation meetings the Employer shall compensate Job Stewards for the first ten (10) meetings of contract negotiations between the Union and the Company. The Job Stewards shall be compensated for eight (8) hours at their current regular hourly rate of pay. There shall be no overtime pay for Job Stewards attending contract negotiation meetings. To receive this compensation the Job Steward must attend the meeting.

(g) The Job Steward, or his designated alternate shall be permitted reasonable time to investigate, present and process grievances on the company property without loss of time or pay during his regular working hours without causing interruption of the Employer's operation by calling group meetings; and where mutually agreed to by the Union and Employer, off the property or other than during his regular schedule without loss of time or pay. Such time spent in handling grievances during the Steward's regular working hours shall be considered working hours in computing applicable daily and/or weekly overtime if within the regular schedule of the "Job Steward." Stewards on commission compensation shall receive straight time hourly compensation for time involved in handling grievances, in addition to any other compensation earned each day, including per diem base and commission.

ARTICLE 5

Work Stoppages

(a) The parties agree that all grievances and questions of interpretation arising from the provisions of this Agreement shall be submitted to the grievance procedure for determination. Accordingly, except as specifically provided in other Articles of this Agreement, no work stoppage, slowdown, walkout or lockout shall be deemed permitted or authorized by this Agreement except:

(1) Failure to comply with an arbitrator's decision under the grievance procedure contained in this Agreement;

(2) Failure to make health and welfare and pension payments in the manner required by this Agreement.

(3) Refusal to pay the negotiated hourly, per-diem/commission rates of pay provided by this Agreement. However, bona fide contentions that the amounts claimed by the employee of the Local Union are not due under the terms of the Agreement shall be subject to the grievance procedure and the contract provisions related thereto. A claim of inability to pay or refusal to pay by the Employer shall not be considered a bona fide contention.

The Local Union shall give the Employer a seventy-two (72) hour prior written notice of the Local Union's authority of strike action which notice shall specify the arbitrator's decision, or specify other reasons providing the basis for such authorization. The Local Union shall comply with other provisions provided in this Agreement relating to strike action resulting from delinquencies in the payment of pension contributions.

(b) It is mutually agreed that the Local Union will, within two weeks of the date of the signing of this Agreement, serve upon the Employer a written notice listing the Union's authorized representatives who will deal with the Employer, make commitments for the Local Union generally, in particular, those individuals having the sole authority to act for the Local Union in calling or instituting strikes or any stoppages of work which are not in violation of this Agreement. The Local Union may from time to time amend its listing of authorized representatives by mail.

ARTICLE 6

Protection of Rights

Section 1

Picket Lines

It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action nor shall such employee be permanently replaced in the event an employee refuses to enter upon any property involved in a primary labor dispute, or refuses to go through or work behind any primary picket line, including the primary picket line of Union's party to this Agreement, and including primary picket lines at the Employer's places of business.

Section 2

Struck Goods

It shall not be a violation of this Agreement. And it shall not be cause for discharge or disciplinary action nor shall such employee be permanently replaced if any employee refuses to perform any service which his Employer undertakes to perform as an ally of an Employer or persons whose employees are on strike, and which service, but for such strikes, would be performed by employees of the Employer or person on strike.

Section 3

If the Employer has a competitor who sells to an account or location at which there is a primary picket line where union employees will not deliver, in accordance with this agreement, the Employer shall have the right, and it will not be a violation of this Agreement, to service and deliver products to such accounts or locations using non-union employees or contract labor.

ARTICLE 7

Loss or Damage

Employees shall not be charged for loss or damage unless proof of negligence is shown. This Article is not to be construed as permitting charges for loss or damage to motor vehicle equipment under any circumstances. No deduction of any kind shall be made without a hearing with the Local Union.

ARTICLE 8

Uniforms

Section 1

The Employer shall furnish uniforms to all active regular N.K.S. employees, at no cost to the employees. Employees shall be required to wear complete uniform for their entire tour of duty. A complete uniform shall consist of company furnished pants, shirts, jackets, vests, and hats. Once an employee has been issued their uniforms they shall not be permitted to wear non-uniform clothing while on duty. Failure to wear the complete uniform for the entire tour of duty shall subject the employee to disciplinary action in accordance with the company work rules.

Uniforms furnished shall be from a supplier of approved Anheuser-Busch clothing and shall be of a style and quality consistent with uniforms furnished in the past. Each employee shall receive an initial set of uniforms which will consist of the following: five (5) short sleeve shirts, five (5) long sleeve shirts, five (5) winter trousers, five (5) summer trousers, one (1) jacket with liner, one (1) insulated vest, and five (5) logo identified hats. Three (3) pairs of shorts shall be supplied to those employees requesting them. Summer style uniforms shall be supplied to employees on or before March 1st of each year and the winter uniforms shall be supplied to employees on or before September 1st of each year. Provided such is available.

After initial issuance, uniforms shall be replaced on an as needed basis.

Uniforms shall at all times remain the property of N.K.S. Distributors, Inc. Upon separation of employment for any reason, any and all uniform clothing shall be returned to the Employer.

Employees shall be required to properly care for and maintain their uniforms.

The Employer shall replace all clothing, glasses, hearing aids, and/or dentures not covered by company insurance or Workman's Compensation which are destroyed or damaged in a wreck or fire with company equipment.

The Employer shall furnish company T-shirts as part of an employee's uniform clothing. These shall be the only T-shirts employees shall be permitted to wear while on duty. Once issued the company T-shirts may only be worn by employees from April 1 – September 30 of any calendar year. The Employer may require an employee to wear a regular uniform shirt at any time.

The company shall supply rain jackets to each employee on an as needed basis. The employee shall be required to turn in worn rain jackets in order to receive replacements.

Section 2

The Employer has the right to establish and maintain reasonable standards for wearing apparel and personal grooming. No employee will be permitted to wear any logo identified articles of any competing brands. Any shirt worn that has shirt tails; employee must have the shirt tails tucked-in.

Article 19

Passengers

No driver shall allow anyone, other than employees of the Employer, who are on duty, to ride on his truck except by written authorization of the Employer, except in cases of emergency arising out of disabled commercial equipment or an Act of God.

No more than two (2) people shall ride in the cab of a tractor unless required by government agencies or the necessity of checking of equipment. This shall not prohibit drivers from picking up other drivers, helpers or others in wrecked or broken down motor equipment and transporting them to the first available point of communication, repair, lodging or available medical attention.

ARTICLE 10

Compensation Claims

The Employer agrees to cooperate toward the prompt disposition of employee on-the-job injury claims. The Employer shall provide workmen's compensation protection for all employees even though not required by state law or the equivalent thereof if the injury arose out of or in the course of employment. An employee who is injured on the job, and is sent home, or to a hospital, or who must obtain medical attention, shall receive pay at the applicable hourly rate for the balance of his regular shift on that day. An employee who has returned to his regular duties after sustaining a compensable injury who is required by the workmen's compensation doctor to receive additional medical treatment during his regularly scheduled working hours shall receive his regular hourly rate of pay for such time.

Any employee sustaining injuries which are compensable under the Workmen's Compensation Act, but which do not prevent him from performing his usual duties, but require that he visit the offices of Employer's designated physicians for the purpose of obtaining further treatment during working hours, shall suffer no loss of wages because of such visit.

Any employee sustaining injuries which are compensable under the Workmen's Compensation Act which prevents him from performing all work available to him at Employer's terminal shall sustain no loss of pay for the balance of the day on which he was injured. Ability to perform work shall be determined by a doctor's or hospital report.

In the event that an employee sustains an occupational illness or injury while on a run away from his home terminal the Employer shall provide transportation to his home terminal if and when directed by a doctor.

The Employer agrees to provide any employee injured locally, transportation at the time of injury, from the job to the medical facility and return to the job, or to his home if required.

In the event of a fatality, arising in the course of employment, while away from the home terminal, the Employer shall return the deceased to his home at the point of domicile.

The Employer may publish safety rules and procedures and must provide the Local Union with a copy. Failure to observe such company safety rules and/or procedures shall subject the employee to disciplinary action up to and including discharge. However, the time limitation relative to prior offenses shall be waived to permit consideration of the employee's entire record of failure to observe company safety rules and/or procedures resulting in lost time or personal injuries.

Employees must report all incidents and/or occurrences of on the job injuries to the Employer immediately. The report must be made to the employee's immediate supervisor. Where immediate medical treatment is not required the employee must submit a written report of the injury. This report shall be completed on forms supplied by the employer and must be completed before the end of the employees tour of duty. If the injury requires immediate medical attention such report must be completed by the employee or his designee within forty-eight (48) hours of the incident.

Employees agree to cooperate with the Employer in the investigation of all on the job injuries and accidents.

ARTICLE 11

Military Clause

Employees enlisting or entering the military or naval service of the United States, pursuant to the provisions of the Military Selective Service Act of 1967, as amended, shall be granted all rights and privileges provided by the Act.

The Employer shall pay for an employee's health care benefits and Pension Fund contributions while an employee is on leave of absence for training in the military reserves or National Guard but not to exceed fourteen (14) days in any calendar year.

ARTICLE 12

Equipment and Safety

Section 1

Equipment

The Employer shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition, including but not limited to acknowledged overweight or not equipped with the safety appliances prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment unless such refusal is unjustified. All equipment which is refused because not mechanically sound or properly equipped, shall be appropriately tagged so that it cannot be used by other drivers until the maintenance department has adjusted the complaint. After equipment is repaired, the Employer shall place on such equipment an "OK" in a conspicuous place so the driver can see the same.

Section 2

Dangerous Conditions

Under no circumstances will an employee be required or assigned to engage in any activity involving dangerous conditions of work or danger to person or property or in violation of any applicable statute or court order, or in violation of a government regulation relating to safety of person or equipment.

The term "dangerous conditions of work" does not relate to the type of cargo which is hauled or handled.

Section 3

Accident Reports

Any employee involved in any accident shall immediately report said accident and any physical injury sustained. The employee shall be required to complete an accident report in writing on forms furnished by the Employer before the end of his tour of duty. The employee shall complete the entire form furnishing all requested information.

The employee shall receive a copy of the accident report that he submits to the Employer. The refusal of the employee to comply with this provision shall subject such employee to disciplinary action by the Employer up to and including discharge.

Section 4

Equipment Reports

Employees shall immediately, or at the end of their shift, report all defects and damage to equipment.

Such reports shall be made on a suitable form furnished by the Employer and shall be made in multiple copies, one copy to be retained by the employee and one copy to be made available for inspection by the next driver operating such unit. The Employer shall not ask or require any employee to take out equipment that has been reported by any other employee as being in an unsafe operating condition until same has been approved as being safe by the mechanical department.

Section 5

Qualification on Equipment

If the Employer, or any government agency requests or requires a regular employee to qualify on equipment requiring a special license or in the event an employee is required to qualify (recognizing seniority) on such equipment in order to obtain a better job opportunity with the Employer, the Employer shall allow such regular employee the use of the equipment in order to take the examination.

Section 6 CDL LICENSE REQUIREMENT

(a) It shall be a condition of employment for all seniority listed employees to have a Commercial Driver's License (CDL) without a manual shift restriction. It shall be each employee's responsibility to maintain their CDL and to comply with all Federal and State Laws, rules and regulations concerning the requirements of their commercial driver's status. The only exception to this provision shall be those employees who are on the seniority list as of the signing of this agreement who cannot medically qualify for a CDL. Any employee who cannot medically qualify for a CDL, seniority permitting, must bid into a job not requiring a CDL and a job where his lack of a CDL does not affect the seniority rights of other employees. If by mutual agreement, between the Company and the Union, an employee who is not qualified as a CDL-A driver is permitted to remain in a starting time where drivers and helpers bid their runs; such employee shall not be prevented from bidding on or being assigned a daily position regardless of seniority.

Probationary employees shall not qualify for seniority list status unless they have a valid CDL A license and are able to meet Department of Transportation requirements. Drivers currently on the seniority list as of the signing of this agreement shall not be required to obtain a CDL A as a condition of continued employment; however, in order to bid as a daytime driver, all drivers will be required to have a CDL A license.

(b) Suspension or Revocation of Driver's License

In the event an employee receives a traffic citation for a moving violation, including DUI offenses, which would contribute to a suspension or revocation of his ability to drive the employer's equipment for any reason, he must notify the employer in writing immediately. Failure to comply will subject the employee to disciplinary action up to and including discharge. If such suspension or revocation comes as a result of his complying with his company's instruction, which results in a succession of size and weight penalties or because he complied with his employer's instruction to drive company equipment which is in violation of D.O.T. regulations relating to equipment, and if the employee has notified the employer of the citation, in writing, for such violation as above mentioned, the employer shall provide employment to such employee at not less than his regular earnings at the time of such suspension for the entire period thereof.

Section 7

Insurability

(a) If at any time, if the Employer's insurance carrier informs the company that any employee or employees, with a valid CDL must be excluded from insurance coverage while operating company equipment, or that insurance costs, because of a specific employee or employees will be significantly increased, the Employer and the Union will jointly seek coverage for the Employer that is comparable in both type of coverage and cost. Should the parties jointly be unable to find an insurance carrier able to satisfy the Employer's required coverage at a comparable cost, the effected employee(s) shall be afforded work opportunity, consistent with their seniority standing, in a non-driving position of their seniority choice. Said employee(s) shall remain in a non-driving capacity until such time as their driving record allows for coverage consistent with that of other employees.

(b) Employees who have their driver's license suspended or revoked shall be placed at the bottom of the seniority list for the entire period of their license suspension or revocation. Upon being re-licensed they shall be afforded full driving opportunity in accordance with the contract, their seniority position, and (a) above.

(c) Any employee convicted of two (2) DUI violations off the job in a three (3) year period shall be subject to disciplinary action up to and including discharge.

Section 8

Hand trucks and Clipboards

Upon gaining seniority list status all active day shift employees shall be issued a hand truck and invoice clipboard. The employees shall have the responsibility to care for this equipment against loss and/or

damage. Except for normal wear and tear, it shall be the employee's responsibility to replace, at the employee's expense, any lost or damaged hand trucks and/or invoice clipboards. If requested by the employee, the company shall purchase new equipment to replace lost or damaged equipment and, except for normal wear and tear, will be reimbursed through a one-time payroll deduction.

Section 9

Authority of Vehicle Mechanics

Mechanics employed or hired by the company shall have the authority to determine if a company vehicle is mechanically safe to be operated by a company driver. Mechanics employed or hired by the company who respond on road jobs shall determine if a truck is safe to drive and by whom. The Mechanic shall not authorize the use or operation of any company vehicle unless it fully complies with all Federal, State, and D.O.T. rules and regulations. Company drivers shall be required to comply with a company mechanics decision. Failure to abide by a mechanics decision will result in disciplinary action up to and including discharge.

Section 10

Employees shall be prohibited from using any cell phones, texting, ear bud listening devices while immediately operating any company equipment, including but not limited to, delivery vehicles, fork trucks, and other warehouse equipment. Further the use of ear bud/headphone listening devices shall be prohibited while on duty.

Section 11

Employees are prohibited from smoking on any company property, including delivery vehicles. Smoking shall be permitted in posted designated areas only.

ARTICLE 13

Posting

Section 1

Posting of Agreement

A copy of this Agreement shall be posted in a conspicuous place in each garage, terminal or facility.

Section 2

Union Bulletin Boards

The Employer agrees to supply a Union bulletin board and suitable space for the terminal or place of work. Postings by the Union on such boards are to be confined to official business of the Union.

ARTICLE 14

Separation of Employment

Upon separation of employment the employer shall pay all money due the Employee on the payday in the week following such separation.

ARTICLE 15

Time Sheets

The Employer shall not require any employee to keep a time card or trip sheet for any purpose except to punch in and punch out at his home domicile or terminal at the beginning and end of each daily tour of duty. Employees must punch their time card in and out for every tour of duty; employee's shall not tamper with, handle, or access other employees' time cards.

ARTICLE 16

Garnishments

In the event of notice to an Employer of a garnishment or impending garnishment the Employer may take disciplinary action if the employee fails to satisfy such garnishment within a seventy-two (72) hour period (limited to working days) after notice to the employee. However, the Employer may not discharge any employee by reason of the fact that his earnings have been subject to garnishment for any one indebtedness. If the Employer is notified of three garnishments irrespective of whether satisfied by the employee within the seventy-two (72) hour period, the employee may be subject to discipline, including discharge in extreme cases. However, if the Employer has an established practice of discipline or discharge with a fewer number of garnishments or impending garnishments if the employee fails to adjust the matter within the seventy-two (72) hour period, such past practice shall be applicable in those cases.

ARTICLE 17

Employee's Bail

Employees will be bailed out of jail if accused of any offense in connection with the faithful discharge of their duties, and any employee forced to spend time in jail or in courts shall be compensated at his regular rate of pay. In addition, he shall be entitled to reimbursement for his meals, transportation, court costs, etc. Provided, however, that faithful discharge of duties shall in no case include compliance with any order involving commission of a felony. In case an employee shall be subpoenaed as a Company witness he shall be reimbursed for all time lost and expenses incurred.

ARTICLE 18

Non-Discrimination

Section 1

The Employer and the Union agree not to discriminate against any individual with respect to his hiring, compensation, terms or condition of employment because such individual's race, color, religion, sex, national origin, pregnancy, or age, nor will they limit, segregate or classify employees in any way to deprive any individual employee of employment opportunities because of his race, color, religion, sex, national origin, pregnancy, or age, or engage in any other discriminatory acts prohibited by law.

Nothing contained herein (in seniority or other provisions or supplements) shall be construed or applied to deny any employee the employment opportunities set forth above.

Any alleged denial of the foresaid opportunities in violation of this Article shall be submitted to the grievance procedure.

Section 2

The Company and the Union agree that there will be no discrimination by the Company or the Union against any employee because of his or her membership in the Union, or because of any employee's lawful activity and/or support of the Union.

Section 3

The term "he" or "his" as used in this Agreement is not meant to be discriminatory and shall apply equally to male and female employees.

ARTICLE 19

Personal Days/Jury Duty

Section 1

This agreement shall provide for six (6) days of personal leave per calendar year. Personal leave not used by December 1 of any calendar year shall be used or cashed out between December 1 and December 31, and the employee's choice for said day(s) used must be approved by the employer in writing. Each day of personal leave will be paid for on the basis of eight (8) hours straight time pay.

Employees must be listed on the seniority roster (active or inactive) at the commencement of each calendar year (January 1) and have remained continuously on such seniority roster at the time personal leave payments are claimed.

Employees who are not active prior to January 1 of a calendar year for any reason are not eligible to receive personal leave. Once the employee returns to work, he shall be eligible for personal leave occurring after that date on a prorated basis.

Section 2

Employees requesting personal time off with pay must submit a written request. To receive personal time off with pay the request must be approved by the employer, in writing.

Section 3

Jury Duty

All seniority listed employees called for jury duty will receive eight (8) hours pay at their applicable hourly rate, for each day of jury duty to a maximum of the (10) days for each calendar year. Employees must provide the Employer with a copy of their jury service paperwork.

When such employees report for jury service on a scheduled workday, they will be required to report for work if released from jury service prior to the end of their regular shift.

Time spent on jury duty service will be considered time worked for purposes of Employer contributions to the pension fund, vacation eligibility and payment, holidays and seniority, in accordance with the applicable provisions of this Agreement to a maximum of ten (10) days for each contract year.

ARTICLE 20
Leave of Absence

Section 1

General

Any employee desiring a leave of absence from his employment, without discrimination or loss of seniority rights and without pay, shall secure written permission from the Employer and the Union. The maximum leave of absence shall be for sixty (60) days and may be extended for like periods. Permission for same must be secured from both the Union and the Employer. During the period of absence, the employee shall not engage in gainful employment in the same industry in classifications covered by this Agreement. Failure to comply with this provision shall result in the complete loss of seniority rights for the employee involved.

Section 2

Time Off For Union Activities

The Employer agrees to grant the necessary and reasonable time off, without discrimination or loss of seniority rights and without pay, to any employee designated by the Union to attend a labor convention or serve as an elected or appointed officer, business agent or organizer, provided forty-eight (48) hours written notice is given to the Employer by the Union, specifying the length of time he may be off. The Union agrees in making its request for time off for Union activities that due consideration shall be given to the number of men affected in order that there shall be no disruption of the Employer's operation due to a lack of available employees. If the employer determines that the requested time off for union activities will cause a disruption in the company's operation, the Employer may deny the requested time off.

Section 3

(a) Time off during any leave of absence shall be included in the total length of service for determining the number of weeks of vacation which an employee shall receive, but this time off shall not be counted as days worked for purposes of qualifying for a vacation or a holiday.

(b) If an employee is granted a leave of absence, the employee shall have the option to make arrangements for the continuation of health plan benefits and pension fund contributions. Employees on a leave of absence, if they want to maintain their benefits, will be required to pay the full 100% cost of the health benefits plan and their pension fund contributions prior to the leave of absence being effective, or, if sufficient vacation time has been accrued, that could cover the full 100% cost of benefits, the employee may use that vacation time to cover the cost of continuation of benefits during their leave of absence.

ARTICLE 21

Seniority

Section 1

Terminal seniority rights for employees shall prevail, unless other provisions of the Agreement provide specifically to the contrary. The extent to which seniority shall be applied and accrued as well as the methods and procedures of such application shall be clearly set forth in the agreement.

Section 2

(a) Casual Employee - An employee who has worked less than ninety days for the company.

(b) Probationary Employee - An employee who has worked for the company ninety (90) days as a casual is then elevated to probationary status. He shall remain a probationary employee until he has worked ninety (90) days in a twelve (12) month period.

(c) Regular Employee - An employee who has obtained seniority by first working ninety (90) days during an unlimited period of time as a casual, as provided in (a) above. After having worked ninety (90) days as a casual, the employee shall enter into probationary employee status. The employee must then work ninety (90) days within any twelve (12) consecutive month period as a probationary in order to qualify for "Regular Employee" status, as provided in (b) above. To qualify for "Regular Employee" status an employee must have a valid A CDL, and must be D.O.T. qualified to drive

(d) Casual Employees may be called to work in any order.

(e) Probationary Employees will be called to work in order of their seniority out of the employees in the probationary status. After a probationary employee has worked ninety (90) days he shall gain seniority status and his seniority date on the seniority list shall revert to the first day worked of his ninety (90) day probationary period. If the employee is not properly licensed and/or does not have his D.O.T. medical certification after his ninety (90) day probationary period his listed seniority date shall be the day which he acquires his proper qualifications.

(f) All casual and probationary employees shall work under the provisions of this agreement and shall be employed only on a trial basis during which period he may be terminated without recourse; provided however, that the Employer may not terminate or discipline for the purpose of evading this Agreement or discriminating against Union members.

(g) The Union and the Employer may agree to extend the probationary period but the probationary employee must agree to such extension in writing. The Employer may waive the casual and or probationary period(s) at any time.

Section 3

(a) Seniority shall be terminated only by:

- (1) Discharge.
- (2) Voluntary quit. (Willful)
- (3) A layoff for a period of 12 consecutive calendar months.
- (4) Failure to respond to notice of recall as set forth herein.
- (5) Failure to attain or comply with leave of absence provisions as set forth herein.
- (6) Receipt of first check from the Pension Fund for normal or early retirement; the union shall be required to notify the company of receipt of first pension fund check.
- (7) Three (3) consecutive days, no call no show.

(b) The Union shall be entitled to a seniority list each six months upon request. Within thirty (30) days after signing this Agreement and at least annually thereafter the Employer shall post in a place at the employee's home terminal, and shall mail to the Union, a list of the regular employees covered by this Agreement arranged according to their seniority. Protests to any employee's seniority date or position on such list must be made, in writing, to the Employer within thirty (30) calendar days after such seniority date or position first appears, and if no protests are timely made, the dates and positions posted shall be deemed correct. Any such protest which is timely filed may be submitted to the Grievance Procedure.

(c) Any employee on the seniority list who is absent because of illness or injury shall continue to accrue seniority during such absence for the purpose of determining his place on the seniority list. However, upon being able to return to work, he shall immediately inform the Employer of his return date in writing twenty-four (24) hours prior to his return.

(d) In the event of recall, a laid-off employee shall be given two (2) weeks' notice of recall mailed to his last known address by registered mail, certified mail, or e-mail with verification of delivery. The employee must notify the Employer within three (3) days (excluding Saturday, Sunday or Holidays) after receipt thereof as to whether or not he intends to report for work and must actually report for work within two (2) weeks after receipt thereof, unless otherwise mutually agreed to. In the event the employee fails to comply with the above, he shall lose all seniority rights under this Agreement.

For use under this section (d) only, a lay-off shall be defined as five (5) consecutive work days during which an employee has not been afforded work opportunity. An employee so affected may request a written lay-off notice, with copies to the shop steward and Union, and further, require the Employer to implement the recall procedure as provided herein. This is not intended to relieve the Employer of his obligation to offer the employee, consistent with his seniority standing, such daily employment as may occur during periods of layoff, prior to formal recall, nor shall it change current practices relative to an employee's opportunity to bump as provided in Article 21, Section 4(f) & (g).

(e) If requested by the Local Union in writing within sixty (60) days after the effective date of this agreement, one steward shall be granted super-seniority for lay-off and recall. Any additional application of super-seniority for stewards must be justified as being directly related to the proper performance of the steward's duties as steward and permitted by applicable law.

(f) The Local Union and the Employer shall agree, on circumstances under which persons who leave the classification of work covered by this Agreement, but remain in the employ of the Employer in some other capacity, may retain seniority rights upon their return to their original unit. In the absence of such agreement, such employee shall lose all seniority rights upon leaving.

Section 4

(a) Seniority shall prevail in that the Employer recognizes the general principle that senior employees shall have preference to choose on a permanent basis the job where the rate is highest, and have the choice of day or night shift, provided such employee is qualified for such work. Loads, runs, positions, starting times, classifications and shifts, are subject to seniority and shall be posted for bids. The Employer will not post starting times which are less than fifteen (15) minutes apart. Posting shall be in a conspicuous place so that all eligible employees will receive notice of the run, load or position open for bid, and such posting of bids shall be made not more than once each calendar year, except for loads, runs, or positions which shall be bid daily as provided in Section 4(e). Vacancies, new runs, new positions shall be posted for bid at the Employers discretion.

(b) Starting and quitting times shall be left to the option of the Company and may be changed from time to time due to varying operating conditions.

(c) Employees must remain available for work until 8:15 AM on any given day. Employees may not accept work elsewhere until after 8:15 AM on any given day. Employees not notified by 8:15 AM on any given day shall be free to accept daily employment elsewhere.

(d) An employee who is temporarily laid-off from his bid starting time (either daily lay-off or letter of lay-off) may be called in if work develops. If such work is available at his regular starting time he

must be paid from his regular bid starting time. If such work becomes available on another shift at a different starting time, the employee accepting such work, shall be paid from the commencement of the other shift or starting time. Provided, however, the starting time for an employee called in for work on any given shift as a daily replacement for an employee reporting off, shall commence upon the employee reporting for work. A maximum of one (1) hour reporting time shall be allowed to report for work unless otherwise mutually agreed to.

(e) Runs, loads, or positions are subject to seniority and shall be bid daily. The bid posting shall include a general description of the territory covered, whether the truck is loaded or not, total number of cases, half kegs and quarter kegs, number of stops, truck number, the commission value of the load and the weight of the load

(f) Runs, loads, or positions will be made available a minimum of fifteen (15) minutes prior to the earliest starting time each day and will be bid each day in seniority order. The employees, in seniority order, shall be awarded the runs or loads of their choice. Runs, loads, or positions will begin at the starting time of the employee choosing the run, load, or position. Provided, however, special or party runs or loads will be dispatched at the Employer's discretion.

Runs, loads, or positions must be covered by at least one seniority employee, unless mutually agreed to. If on any given day the number of loads, runs, or positions to be dispatched exceeds the number of available seniority employees, the Employer reserves the right to set aside, prior to the commencement of bidding, a number of loads, runs, or positions equal to the total number of loads, runs or positions exceeding the total number of seniority employees available that day. Those set aside loads, runs, or positions may then be assigned and dispatched at the discretion of the Employer.

Provided, however, any employee desiring a set aside load, run, or position but deprived of same, shall be compensated for any monetary difference between his load, run or position for that day and the desired load, run, or position set aside. Further provided that the employee has chosen the highest paying load available at the time of their pick in the bid process.

The bidding process must be completed within fifteen (15) minutes subsequent to each shift starting time, unless the Employer fails to post bids in a timely fashion as provided above. Should the employees, on any given day, cause the bidding process to exceed the fifteen (15) minutes subsequent to each shift, the Employer may, on the day following, void for that one day the daily bid process and make run or load assignments.

Any employee who is tardy (a minimum of one click of the clock beyond the employee's scheduled starting time) shall be passed over in the bid process and fall to the bottom seniority position within that starting time for bid purposes on that particular day.

All non-seniority employees shall be subject to assignment at the Employer's discretion, in accordance with the set aside load, run, or position language above.

(g) When it becomes necessary to reduce the working force, the last man hired in a job classification shall be laid off first, and when the force is again increased, the men are to return to work in the reverse order in which they were laid off according to their seniority roster. If still not scheduled for work on a Monday following five (5) consecutive days of lay-off, as defined elsewhere in this Agreement, employees with greater terminal seniority, if qualified, may bump employees with lesser terminal seniority.

(h) Once an employee exercises his right to bump, that employee must remain in that position for the duration of the annual bid, unless he is again unscheduled for work on a Monday following five (5) consecutive days of lay-off, seniority permitting he would then be able to bump again.

Employees wishing to bump in accordance with this provision must notify the Employer on a Friday, so the changes can be made for the following Monday. Employees who are affected by a bump may themselves bump the day they are notified and all terms of this provision shall apply.

(i) "EXTRA WAREHOUSE"

On any given regular work day when "EXTRA WAREHOUSE" position(s) are bid during the morning daily bid process the following shall apply;

- Daily bid "EXTRA WAREHOUSE" personnel may be assigned to make "HOT SHOT" deliveries at management's discretion.
- Daily bid "EXTRA WAREHOUSE" personnel have no ability to decline a "HOT SHOT" delivery assignment.
- When there is more than one (1) "EXTRA WAREHOUSE" position bid on any given day the employee's in these positions may exercise their seniority position to defer a "HOT SHOT" delivery assignment to a lessor seniority employee working in the same "EXTRA WAREHOUSE" position.

Section 5

Closing, Partial Closing of Terminal-Transfer of Work When branches, terminals, facilities, divisions, or operations (hereinafter "facilities") are closed or partially closed and the work of such

facility(s) is transferred, in whole or in part, to another facility(s) of the same employer, or when a product handled by the employer is transferred to another facility of the same employer, the employees at the closed or partially closed facility(s), or at the facility from which the product is being transferred (“The losing facility”), shall have the right to bid into a master seniority roster comprised of bidders from the seniority rosters of closed or partially closed facility(s) in seniority order of their continuous seniority. Employees shall bid from the combined master seniority roster into openings at the facility into which the work is transferred. Employees transferring shall be “dovetailed” into the appropriate seniority roster at the new facility in the order of their continuous company seniority.

If any of the above shall take place the company will provide the union the necessary case volume information to determine the number of employees affected, before such change takes place. When the company and the union agree as to the number of men affected, that number of men will be permitted to exercise their seniority rights as specified above.

ARTICLE 22

Grievance Machinery

Section 1

The purpose of this Article is to provide the sole and exclusive method for the Employer and/or Union to orderly and amicably settle any dispute with the Employer arising out of the application, interpretation or alleged violation of a specific provision or work procedure of this Agreement. Such a dispute shall be considered a grievance and must be presented to management within ten (10) working days of its occurrence.

In cases of disciplinary action that does not involve disciplinary time off, the Union may file a protest letter in lieu of a grievance and preserve the issue for a future grievance. Appeals from warning letters will not be processed to arbitration until the grievant has been given disciplinary time off or has been discharged.

Step 1

The grievance must be reduced to writing, stating the facts, the specific Article(s) of the Agreement violated and the remedy requested. The Employer shall respond to the grievant, Shop Steward and Union in writing within ten (10) working days of when the Union presented the grievance to the company.

Step 2

If the dispute cannot be settled by the Employer and the Union, the Union shall submit the dispute to arbitration within ten (10) working days upon the Union's receipt of the Company's written response. The time limits contained in this Article may be waived by mutual agreement.

Section 2

The arbitrator will be selected in accordance with voluntary rules of the American Arbitrator Association.

Section 3

No matter, other than a grievance as defined in Section 1 above can be reviewed on the merits by the arbitrator.

Section 4

The arbitrator shall have no authority to add to, subtract from, modify, change, or alter this Agreement. The decision of the arbitrator shall be final and binding on the parties.

Section 5

Each party shall bear the expense of its representatives, participants, witnesses and for the preparation and presentation of its own case. The fees and expenses of the arbitrator, the hearing room, and any other expenses incidental to the arbitration hearing, shall be borne equally by the parties. Transcription fees shall only be shared if both parties request a copy of same.

Section 6

The grievance or arbitration provision of this Agreement shall not be available in cases involving the interpretation, application, or violation of the No/Strike Provision. The Employer shall be free to seek appropriate relief for any alleged violation of the No/Strike Provision in the applicable court.

Section 7

No employee covered hereby shall have the right to institute any court action based upon this Agreement for wrongful discharge or because of any breach of this Agreement. In the event any claim is made at any time by agreement, and agreement or adjustment made by or between the Union and the Company with respect to such dispute shall be final and binding upon the employee.

Section 8

The parties agree that they will follow the foregoing steps, time limits, and conditions contained therein. If, in any step the Employer's representative fails to give a written answer within the time limit set forth, the grievance may be appealed to the next step at the expiration of such time limit. If the employee or the Union fail to follow the foregoing grievance procedure in accordance with the steps, time limits, and conditions contained therein, the grievance shall be deemed null and void.

Section 9

No Strike – No Lockout

(a) Neither the Union nor any of its agents nor any of its members will collectively, concertedly, or in any manner whatsoever engage in, incite, or participate in any picketing, strike, sit-down, stay-in, slow-down, boycott, informational picket, work stoppage, or sympathy strike during the term of this Agreement. The Employer agrees that during the term of this Agreement, it shall not lock out any of the employees covered by this Agreement. It is further understood that the duly authorized representatives of the Union shall use their best efforts on behalf of the Union to actively encourage the employees engaging in a violation in this Section to cease such conduct.

(b) Employees found to have violated the terms in this Article shall be subject to discharge. The parties agree to arbitrate only the questions of whether or not the employee(s) was/were in fact engaged in the prohibited conduct. In which case, the arbitrator must sustain the disciplinary action administered by the Employer.

ARTICLE 23

Discharge or Suspension

Section 1

The Employer shall not discharge nor suspend an employee except for just cause. Except where the provisions of this Article provide for immediate discharge, the Employer shall not suspend or discharge an employee without first having given the Union notice by E-mail or fax of his intent to discharge or suspend such employee.

A representative of the Local Union must be in personal contact with the Employer within twenty-four (24) hours after the Employer has sent notice by E-mail or fax to the Local Union of his intent to discharge or suspend the employee. If there is no response by a Local Union representative within the twenty-four (24) hour period, the Employer may take appropriate action subject to appeal through the grievance procedure.

Section 2

(a) Discharge or suspension must be for just cause, and written notice of such discharge or suspension must be given by the Employer to the employee, and a copy of such written notice given to the Local Union.

(b) In respect to discharge or suspension, the Employer shall give written warning notice of such complaint against such employee to the employee and a copy of same to the Local Union prior to the Employer taking such action, except that no written warning notice need be given to an employee before he is discharged, if the cause of such discharge is:

- (1) Calling an unauthorized strike or walkout.
- (2) Drunkenness, drinking during working hours (including lunch time), or being under the influence of liquor or drugs during working hours (including lunch time).
- (3) Proven theft or dishonesty.
- (4) Unprovoked physical assault on his Employer or his Employer's representative during working hours.
- (5) Carrying unauthorized passengers in Employer's vehicle.
- (6) Insubordinate behavior.

Section 3

The warning notice as herein provided and letters of reprimand shall remain in effect for purposes of progressive disciplinary action for a period of twelve (12) months from the date of such warning notice or disciplinary action. Provided, however, disciplinary offenses involving driving and or the operation of company vehicles and equipment shall remain in effect for the purposes of progressive disciplinary action for a period of twenty-four (24) months from the date of such warning notice/reprimand or disciplinary action.

Section 4

Reasonable Uniform rules and regulations, work rules, company rules, safety rules and procedures with respect to disciplinary action may be drafted by the company and must be copied to the Union before being put into effect.

Section 5

Any employee discharged away from his home terminal shall be provided the fastest available transportation to his home terminal at the Employer's expense. If such transportation is on Company equipment, the discharged employee must be furnished adequate seating, properly secured

ARTICLE 24

Examination and Identification Fees

Section 1

Examinations

(a) Employees shall promptly comply with the taking of any or all physical, mental or other examinations required by government body or the Employer. The Employer shall pay for such examinations. The Employer shall not pay for the time spent by job applicants taking examinations. The employer shall be responsible to regular employees for time spent at the place of examination or examinations where the time spent by the employee exceeds two (2) hours, and in that case, only for those hours in excess of said two (2) hours. Examinations are to be taken at the employee's home domicile.

(b) The Employer reserves the right to select its own medical examiner or physician, and the Union may, if it believes an injustice has been done an employee, have said re-examined at the Union's expense.

(c) If the two (2) physicians disagree as to the employee's physical or mental condition, such two (2) physicians shall mutually select a third (3rd) impartial physician within seven (7) days, whose opinion shall be final and binding on the Company, the Union and the Employee. Such third (3rd) impartial physician shall be required to physically examine the employee and all of the employee's previous relevant medical records and history, including the findings of the first two (2) physicians, and based upon such examination, to give his opinion as to whether or not the employee is physically or mentally capable of performing work. The Company, the Union, nor the employee will attempt to circumvent the decision. Disputes concerning back pay shall be subject to the grievance procedure. The expense of the third (3rd) physician shall be equally divided between the Employer and the Union.

Section 2

Doctor's Certificate

(a) An employee who misses work as a result of an injury must present a doctor's certificate to the Employer, if requested, prior to his scheduled starting time on the day upon which he returns to work, certifying that the employee is physically capable of performing his normal duties.

(b) Any employee who misses three (3) consecutive workdays as a result of sickness or injury, if requested, must present a doctor's certificate to the Employer prior to his scheduled starting time upon the day on which he returns to work, certifying that the employee was in fact unable to work, due to sickness or injury and that he is presently physically capable of performing his normal duties.

Section 3

Identification

(a) The Employer may require employees to carry personal identification. The cost of such personal identification shall be borne by the Employer.

(b) While on duty all employees must carry their state issued driver's license. If they do not have a driver's license they must carry a state issued identification card.

ARTICLE 25

Meal Period

Section 1

Employees may take one (1) continuous meal period per tour of duty. Such meal period will be for a maximum of thirty (30) minutes. Except by mutual agreement made on a given day between the employee and the employer the meal period must be started and completed during the fifth and sixth hours after an employee starts his tour of duty. For example; an employee who begins work at 8:30 am shall not be required to begin his meal period before 12:30 p.m. He may not, nor shall he be required by the Employer to take any part of his meal period after 2:30 p.m.

Drivers taking a meal period must make their meal stop in the general vicinity of their route.

Section 2

The Employer may direct any employee to work all or part of his meal period, in which event the employee shall receive twenty (20) minutes to eat on the Employers time and the employee shall receive an additional thirty (30) minutes paid at the applicable hourly rate.

Section 3

Employees will not be permitted to take lunch boxes, gym bags, back packs, coolers, bags, containers etc. into any area of the warehouse other than the locker area and the break area. If brought into the warehouse any and all types of containers, as mentioned above, shall be subject to inspection by the Employer before being taken out of the warehouse.

Violators of this section shall be subject to disciplinary action up to and including discharge.

Section 4

No employee shall use employer's equipment to drive home to lunch, or for any other reason, without the expressed approval of the Employer

ARTICLE 26

Safety Violations

Section 1

(a) Whenever employees are required to operate overloaded equipment and are penalized because of such overload, the Employer shall bear all cost in connection with such overload penalty and shall pay for all damages assessed against the employee, including accrued overtime for delay and/or lost earning opportunity that he might suffer.

(b) In the event the employee shall suffer a revocation of his chauffeur's license because of violation of any laws by Employer, Employer shall provide suitable and continued employment for such employee at not less than his regular earnings at the time of revocation of license for the entire period of revocation of license and the employee shall be reinstated, in the seniority he held, prior to revocation of his driver's license, after his driver's license is restored.

Section 2

Employees are required to report all accidents, spillage, breakage, injuries, and damage of vehicles, equipment and property immediately. If requested by the Employer the employee will submit a written report of any such incident. Reports will be completed on forms supplied by the Employer.

Section 3

The company shall require an employee involved in an incident and/or accident that results in \$750.00 worth of property damage and/or physical injury, to the employee or any other person involved, which results in any lost time from work to submit to post incident/accident breath alcohol and drug testing. Such testing shall be conducted as soon as possible following the qualifying incident and/or accident. If the lost time from work does not occur immediately but manifests within forty-eight (48) hours of the incident and/or accident the testing shall be required. The disciplinary action for any positive test result, or refusal to submit to testing, shall be in accordance with Article 36 section 3.

ARTICLE 27

Pay Period

Section 1

All employees covered by this Agreement shall be paid weekly. Not more than one (1) week's pay shall be held on an employee.

Section 2

The regular pay day shall be Friday of each week, except when closed on a Friday pay day shall be on Thursday.

ARTICLE 28

Paid For Time

Section 1

General

(a) All employees covered by this Agreement shall be paid for time spent in the service of the Employer.

(b) The employer shall maintain a daily time record at his place of business. The Employer shall have time clocks at all terminal unless otherwise mutually agreed to.

(c) Employees are required to punch their own time card in and out each tour of duty. Employees who work in the warehouse must punch out and in if they leave the property for a meal period or break.

(d) Employees reporting to work late or returning from a meal period or break late will be docked a minimum one-quarter (1/4) hour and in quarter (1/4) hour increments thereafter, i.e. five (5) minutes late docked fifteen (15) minutes, sixteen (16) minutes late docked thirty (30) minutes.

(e) Any employee who is called to work or who starts to work on any day shall be paid for a full day's work of eight (8) hours, except for employees paid daily per diem and commission rates and except as provided in Article 29 Sections 3 (A) and 4 (A). Any employee who leaves work before the end of his shift voluntarily with mutual agreement or due to sickness shall only be paid for time actually worked.

(f) There shall be no split shifts.

Section 2

Funeral Leave

(a) In case of death of an employee's spouse, mother, father, sister, brother, or child, such employee shall be allowed not less than two (2) nor more than four (4) days off with pay for attending or making a bona fide effort to attend the funeral. The employee shall be paid for such days off unless the employee is on vacation, leave of absence, bona fide lay-off, or while unable to work because of illness or injury. Pay for such days off shall be for eight (8) hours for each day at the straight time hourly rate

(b) The relatives designated in (a) of this section shall include brother and sisters having one parent in common, and those relatives generally called "step", providing persons in such relationship were raised in the same home and have continued an active family relationship.

(c) Death certificate or other satisfactory proof of death must be submitted to the Employer. The employee must be on the seniority list for at least six (6) months to be eligible for the above funeral leave.

Section 3

The company shall have the right to schedule mandatory attendance meetings that shall be held during an employee's regular working hours. All employees attending shall be compensated at the applicable straight time hourly rate for actual time in attendance; for employees in Milford, travel time shall be included.

ARTICLE 29

Local Area Operations

Section 1

(a) 1. The regular work week in local area operations for Day shift/1st shift and Mid-shift/2nd shift shall consist of five (5) days of eight (8) hours each, exclusive of the meal period, Monday through Friday

2. The regular work week in local area operations for Night shift/3rd shift shall consist of five (5) days of eight (8) hours each, exclusive of the meal period, Sunday through Thursday. Work performed beyond the regular work week for Night shift/3rd shift employees on Friday shall be paid at one and one-half (1 ½) times the hourly rate as set forth herein. Work performed beyond the regular work week for Night shift/3rd shift employees on Saturday shall be paid at the rate of double (2) times the hourly rate as set forth herein. The starting time for 3rd shift employees on Sunday night shall be 10:00 PM, hours worked on Sunday night prior to 10:00 PM shall be compensated at 2 times the applicable hourly rate for all hours worked prior to the 10:00 pm starting time. The four (4) hour minimum or work beyond four (4)

hours leading to eight (8) hours pay on premium days shall apply; for Night shift/3rd shift employee's premium days shall be Friday and Saturday.

3. Night shift/3rd shift employees called to work before their regular starting time, during their regular work week, shall be paid at one and one-half (1 ½) times the hourly rate herein. In addition they shall be entitled to work their regular eight (8) hour shift.

Hourly compensation shall be as follows:

	<u>April 1, 2015</u>	<u>April 1, 2016</u>	<u>April 1, 2017</u>	<u>April 1, 2018</u>
<u>Drivers</u>	18.13	18.67	19.23	19.61
Probationary	15.00	15.00	15.00	15.00
Casual	13.50	13.50	13.50	13.50
<u>Warehouse/Helper</u>	17.20	17.70	18.23	18.59
Probationary	15.00	15.00	15.00	15.00
Casual	13.50	13.50	13.50	13.50
<u>Service Mechanic</u>	21.80	22.45	23.12	23.58
Probationary	18.00	18.00	18.00	18.00
Casual	16.00	16.00	16.00	16.00

Super Seniority Wage Rate

Employees with twenty (20) years of service shall be compensated the following hourly wage rates for all hourly compensated work, vacation, and personal time.

	<u>April 1, 2015</u>	<u>April 1, 2016</u>	<u>April 1, 2017</u>	<u>April 1, 2018</u>
<u>Super Seniority</u>	19.98	20.58	21.20	21.62

All employees with ten (10) years seniority, but less than twenty (20) years seniority, except service mechanics and helpers, shall be compensated at the driver's hourly rate regardless of classification or work performed. Helpers on commission loads shall be compensated as indicated in this Agreement.

(b)

(1) Hourly compensated employees may be required to work in excess of their normal shift on a daily basis or forty (40) hours in any week. In such an event, they shall be compensated for each hour worked in excess of forty (40) hours in a week, at the rate of time and one-half (1 1/2) the rate set forth for the particular classification of employee in question.

(2) Counting towards the forty (40) hours in any week shall be all compensable time (vacation days, personal days, and holidays). For commission employees a shift worked shall count as eight (8) hours.

(3) Exception; hourly employees who work less than forty (40) hours in any week may qualify for overtime pay, so long as they work all of their regularly scheduled shifts in any one week, i.e. an employee on a eight (8) hour per day five (5) day per week classification is scheduled for and works three (3) days in one week. If he works in excess of eight (8) hours in any one day and he does not miss any of his scheduled time, he shall receive the overtime rate for all hours in excess of twenty-four (24). If he misses any scheduled time he shall receive straight time pay for all hours worked.

(c) Drivers and helpers on commission compensated loads shall not be required to work in the warehouse upon completion of their daily delivery responsibilities. Driver daily delivery responsibilities include, but are not limited to; checking their truck in the morning, adjusting their load (add-ons, take-offs, fixing loading mistakes, rearranging their load), D.O.T. pre and post trip inspections, fueling their truck, unloading all full beer returns, unloading all breakage, putting returned items in their designated areas of the warehouse, keeping truck cabs and bays clear of trash, having their pallets and empties stacked neatly and consolidated, completing their daily return load sheet, properly signing all of their delivery invoices, putting their hand truck away, turning in all route paperwork, roll all truck windows up, close bay doors when instructed, park their truck as instructed by supervision, and standing by to answer any questions until driver check-in process is complete. Refusal to work in the warehouse shall not affect their daily compensation as provided in this Article, or their full daily pension contributions.

Section 2

Compensation for N.K.S. Drivers - Base and Commission Rates

Except as otherwise provided for elsewhere in this Agreement, all Drivers regular, probationary and casual) shall be compensated as follows.

Except as otherwise provided for elsewhere in this Agreement, all seniority listed Helpers on a base and commission compensated run shall be paid 85% of the drivers earnings for that date. Casual and Probationary helpers shall be paid 75% of the driver's earnings for that date.

	<u>April 1, 2015</u>	<u>April 1, 2016</u>	<u>April 1, 2017</u>	<u>April 1, 2018</u>
Per Diem Base	51.50	53.00	54.60	55.69
Commission				
<u>Per</u>	.24	.245	.25	.255
<u>Case Delivered</u>				

<u>Twelve (12) Packs</u>	.165	.17	.175	.179
Not Mother Packed				

Wine & Spirit .365 Solid

(a) For commission compensation purposes, 1/2 kegs shall equal seven (7) cases, 1/4 kegs equal 3.5 cases, 1/6 kegs and party balls shall equal 2.5 cases, 1 case of cups shall equal four (4) cases. Mothered packs of twelve (12) pack product shall also be considered one (1) case.

(b) Drivers shall be compensated \$.05 for each empty case of export bottles or shell and \$.40 for each keg they pick up.

(c) Pickups authorized by the company, overage and aging beer pickups shall be compensated for at the applicable delivery rate. Pickups due to errors at time of delivery shall not be additionally compensated for.

(d) Drivers shall be compensated \$2.00 per stop for each stop in excess of thirteen (13) in any tour of duty.

(e) Drivers unable to deliver product for any reason shall be required to call in to supervision prior to departure from the stop to inform supervision of the situation. If conditions at the customer are such that a call from the customer's premises would not be prudent, the driver shall then call as soon as possible after departure.

(f) Commission shall not be paid on orders delivered using a drop truck or trailer. They shall be paid at the applicable hourly rate for the time involved.

(g) All picnics and special events shall be compensated at minimum, the applicable hourly driver's rate.

(h) Warehouse personnel may be used to make deliveries. A warehouse employee who makes a delivery(s) will receive the driver's hourly rate of pay for the entire shift. Warehouse employees making deliveries will not receive commission or per diem for cases they deliver.

(i) All trucks should be loaded. Should a truck not be fully loaded and ready for delivery, the driver shall be paid the straight time hourly driver's rate for all time spent waiting, loading and/or unloading, in excess of two (2) hours beyond his starting time.

(j) For each dispatch after their initial dispatch, drivers shall be compensated an additional fifteen (\$15.00) per dispatch and commission compensation for all cases delivered from that dispatch.

(k) In the event of a vehicle breakdown, the driver will be compensated at the straight time hourly driver's rate for all cumulative breakdown time in excess of one (1) hours per day, in addition to any other compensation earned that day, including per diem base and commission.

(l) Delays not otherwise covered elsewhere herein, caused by Employer decisions during the course of the workday will be compensated for at the straight time hourly driver's rate, in addition to any other compensation earned that day, including per diem base and commission.

(m) Drivers required to merge with another driver at a stop other than his own, will be paid a "flat rate" fifth teen dollars (\$15.00) per merge. Both drivers shall receive the full applicable commission compensation for cases requiring two-man delivery only, not for the entire order. Commission on the pick-up of empties will be paid to both drivers if the pick-up requires two-men.

(n) Employees shall be required to place products in a cooler, and will be required to place products where the customer requests, so long as it may be safely accomplished. On cooler deliveries where the customer refuses to turn off the cooler fan, specifics should be reported to the Union and the Employer. The Union will write a letter to the customer and send a copy to the Employer. The Employer agrees to cooperate. Drivers will not be required to stock store shelves by pulling bottles or cans either individually, in 6pks or 12pks from their mother carton and placing the same on the shelf for sale or display. Drivers shall be required, when requested by the customer, to place full cases of product on shelves, platforms, storage racks, and any other location in the retail store so long as it may be safely accomplished while standing with both feet flat on the floor.

(o) Drivers shall be required to rotate stock. Drivers will not be permitted to place new stock in front of old. Drivers found in violation of this section shall be subject to disciplinary action up to and including discharge, upon a third violation.

(p) Commission employees shall be guaranteed a minimum daily compensation equal to eight (8) hours at the applicable driver's hourly rate for work performed Monday through Friday. All full beer returns will be subtracted from the driver's total pay.

(q) Drivers who lose commission as a result of undelivered product, consisting of fifty (50) or more cases in a day, or fifty (50) or more cases in a work week, shall be entitled to work in the warehouse to make up lost commissions, if they so choose, and shall be compensated at the rate of one and one-half times (1 1/2) the drivers' hourly rate of pay for all warehouse work performed.

(r) On COD deliveries, the driver must confirm with the customer their ability to pay COD before bringing any product into the account, customers shall be prepared to present/write a check once the driver has made all calculations and presented the customer with the invoice. If the customer is not prepared to present/write a check, the driver shall call in to the company using telephone number (302) 324-4060 for

New Castle and (302) 422-1220 for Milford and inform the company of the situation. If no answer, the driver shall leave a message containing the date, time, customer name and number, situation concerning the customers COD payment and the telephone number that they can be reached back. Upon speaking to the company or leaving a message, the company shall be given fifth teen (15) minutes to resolve any issue of payment, after fifth teen minutes the driver shall be released from that stop. If a driver is dispatched to return to that stop at any time during the same day, he shall receive re-dispatch pay. Any lost commission shall be subject to the provisions of Article 29, Section 2 (q).

(s) The Union and company agree that, on any day in which a load or run becomes available, which meets or exceeds the daily minimum guarantee in effect at that time, the Company will attempt to contact any/all laid off drivers, in seniority order and offer work opportunity to those laid off drivers, prior to sending out said load or run with the yearly bid warehouseman.

Section 3

Saturday Work

(a) Employees accepting work on Saturday shall be guaranteed four (4) hours of work or pay and shall be paid at one and one-half (1 1/2) times the hourly rate as set forth herein. If an employee is required or requested to remain on duty in excess of four (4) hours, he shall be guaranteed a minimum of eight (8) hours work or pay.

(b) Employees who are assigned to work their regular shift on a Saturday evening and whose work ends on Sunday shall work the hours necessary to complete that day's work at the Saturday rate. All hours worked in excess of eight (8) hours will be at the Sunday rate.

(c) Employees accepting driving work for loads normally paid per diem and commission shall be paid in accordance with (A) above or the applicable per diem and commission rates at one and one-half (1 1/2) those rates set forth herein for the cases they deliver, whichever is greater.

Section 4

Sunday Work

(a) Employees accepting work on Sunday shall be guaranteed four (4) hours of work or pay and shall be at the rate of double straight time except as provided in (b) below. If an employee is required or requested to remain on duty in excess of four (4) hours, he shall be guaranteed a minimum of eight (8) hours work or pay.

(b) Employees accepting driving work for loads normally paid per diem and commission shall be paid in accordance with (A) above or the applicable per diem and commission rates at double (2x) those rates as set forth herein for the cases they deliver, whichever is greater.

Section 5

Helpers

(a) Helpers shall be assigned to assist in the delivery of certain specific stops designated as two-man stops. Physical layout, presence of safety hazards, the security of the area, and the volume of a customer's order shall be considered when designating a stop as two-man.

(b) The Company and the Union will together develop a written list of two-man stops in conjunction with this Agreement. The list will become an attachment to the Agreement. The list shall include the specific conditions for each stop that determine the need for a two-man delivery. If delivery conditions change a stop may change from either one or two man delivery. The list of two man stops shall be updated every six (6) months and/or as situations warrant.

In general, two-man stops that have an order amounting to three (3) hand truck loads or less, that are not a security concern, may be delivered using one (1) man.

(c) No helper shall be required if the customer provides the driver help.

(d) The parties agree that deliveries and/or pickups, and the discharge of an employee's duties, shall be handled as efficiently as possible, recognizing however, that in no instance will efficiency and customer service or customer/employer demands be placed ahead of employee safety, therefore jeopardizing the well-being of employees.

(e) Where deliveries or pickups involve such a hardship that they cannot be safely accomplished by the employee(s) assigned, and the shipper or consignee does not provide adequate help as provided elsewhere herein, the Employer agrees to dispatch the additional employees necessary to safely complete the delivery or pickup. Determination of delivery and/or safety hardship shall be determined consistent with the existing practices and guidelines. It is further agreed that the Employer will not attempt to compel employees to make pickups or deliveries when an employee has indicated need for additional help. However, lacking extenuating circumstances, one man will be expected to make deliveries to customers that are not designated as two-man stops.

(f) Hardship shall recognize both an employee's safe physical limitations and in situations of physical danger presented by the assignment surroundings.

(g) Also include within the definitions of safety shall be delivery areas that may present a threat to the safety and security of the driver, product and/or equipment.

(h) Individual employees may, but shall not be required to pick up or top half barrel kegs, other than empty.

Section 6

(a) On or before April 1 of each year, the Union shall notify the Company of the amount of wages, if any, to be diverted into the Teamsters Pension fund.

ARTICLE 30

Work In Other Classifications

Section 1

When an employee works in a higher rated classification, for the entire day or any portion thereof, he shall receive the higher rate of pay for the entire day in which such work is performed. When an employee is requested, and works in a lower rated classification for an entire day, he shall receive the lower rate of pay for the entire day in which such work is performed; except that the employee shall receive the higher rate of pay for the entire day when the higher rated work is available to him but he has been required by the employer to work in the lower rated classification.

This shall apply when a licensed A CDL driver is required to take a run on a class A vehicle when his seniority would entitle him to take a higher paying load on a class B vehicle. In such case the licensed A class CDL driver shall be paid the difference between his load and the higher paying load he was denied. Only one driver per load can claim such difference in pay.

Section 2

Employees who are on a regular day shift bid shall be called to work in seniority order and shall be required to work in the classification(s) of the jobs which are available on any given day. I.e. employees on a driving bid will be called in for work and shall be required to report, consistent with other provisions of this Agreement, even if there is no driving work available. They may be required to work as helpers or warehousemen. Such available work will be posted for daily bid.

ARTICLE 31

Vacations

Section 1

Every regular employee who has been continuously employed shall receive paid vacation as set forth below.

Initial Year of being seniority listed

Listed January 1 through June 30	- 5 days (40 hrs)
Listed July 1 through December 31	-0 days (0 hrs)

Subsequent Years of employment

Listed prior to June 30 and with One (1) year of completed service	-10 days (80hrs)
Employed 10 years through 14 years	-15 days (120hrs)
Employed 15 years through 19 years	-20 days (160hrs)
Employed 20 years or more	-25 days (200hrs)

Section 2

(a) To qualify for a one (1) week vacation under Section 1 above, an employee must become seniority listed between January 1 and June 30 of his initial year of employment. For other employees to qualify under the above, they must have worked, or have been compensated, a minimum of 145 days in each year of eligibility after the first year, between January 1 and December 31.

(b) Time lost through sickness or injury shall not disrupt the continuity of employment with respect to seniority but does not count as time worked toward the one-hundred and forty-five (145) day requirement.

(c) Vacation time earned must be taken between January 1 and December 31. Employees who have not used, or have an approved schedule, their full complement of earned vacation during this time frame shall, effective with the first full workweek subsequent to November 1st, be assigned consecutive days of vacation necessary to exhaust the employee's unused vacation prior to December 31. There shall be no carry-over of vacation time from one calendar year to the next. During the aforementioned period of assigned vacation, the affected employee shall be required to relinquish his seniority position and shall work at the bottom of his classification seniority list, if he chooses to work any portion thereof.

In the event more than one (1) employee is affected, placement at the bottom of the classification seniority shall be in seniority order.

(d) For use under this Section all compensable days shall count towards the one hundred and forty-five (145) day qualifier.

(e) For employees having less than one hundred and forty-five (145) compensable days, they will receive their vacation on a pro-rata basis. This includes employees that resign or are discharged.

Section 3

(a) The Employer shall have the right to schedule the number of men in each classification who shall receive vacations at a particular time. Employees within a particular classification must select their vacations according to their seniority, unless otherwise mutually agreed to by the Union and the Employer.

The vacation period of each qualified employee shall be set with due regard to the desire, seniority and preference of the employees, consistent with the efficient operation of the Employer's business. Subject to the other provisions of this paragraph, vacations shall be scheduled at any time during the eleven (11) months following the anniversary date on which the employee qualified for such vacation.

(b) If any of the guaranteed paid holidays listed hereafter, for which the employee is eligible, shall occur within his vacation period, such affected employee shall receive one additional day of vacation pay.

(c) As to a man eligible for a 4th and/or 5th week(s) vacation the Employer shall have the option, after working same out with the Union, of paying the man or having him take the 4th and/or 5th week(s) off. Where he takes the 4th and/or 5th week(s) off, the 4th or 5th week(s) vacation need not be consecutive.

When the man works the 4th and/or 5th week(s), the man shall receive his vacation pay plus pay for time worked.

Vacation may be taken in consecutive weeks provided, however, that as to any employee who is entitled to more than two (2) weeks' vacation, the Employer may schedule the weeks in excess of two (2) separate from the other two (2) weeks' vacation.

Section 4

(a) When requested by the employee, vacation pay shall be paid the eligible employee before he starts his vacation.

(b) For each week of vacation for which they qualify, employees shall be paid forty (40) straight time hours at his applicable hourly rate.

(c) A returning serviceman entitled to the benefits of the Universal Military Training and Service Act, as amended, and the Reserve Forces Act of 1955, as amended, who would have had an

opportunity to qualify for vacation had he not been in the military service during a portion of this anniversary year shall receive a vacation as set forth below.

An employee who enters military service shall be paid pro rate vacation for the period from his anniversary date to his last date of employment before entering military service. An employee who returns from military service shall, at his anniversary date, qualify for prorated vacation for the period between the date he returned to work after military service to his anniversary date. Such pro-rata vacations shall be computed as set forth in Section 2 of this Article.

Section 5

Employees may request to work all or part of their vacation but shall be placed at the bottom of the regular seniority list in determining available work opportunity.

Section 6

All seniority listed employees shall have the opportunity to place an annual vacation bid. This shall provide an opportunity for all seniority listed employees the ability to plan their vacation in advance. A bid notice will be given to each seniority listed employee on or before February 1st of each calendar year. For those employees who choose to place a vacation bid; all bids must be received by supervision on or before the last Friday in March of the applicable calendar year.

After the last Friday in March the bids shall be reviewed by supervision and vacations shall be scheduled in seniority order and based on Management's decision of how many men can be permitted off at any one time. Seniority shall prevail and weekly vacation bids shall take priority over daily bids.

Vacation requests submitted in writing before the last Friday in March shall be approved, or not, on a first come basis. (This is only for vacations taken before the last Friday in March)

Employees are not required to submit a vacation bid. However, after the last Friday in March of the current calendar year vacation requests will be approved, or not, based on availability and on a first come basis, not by seniority.

Once the vacation bids have been reviewed, approved, and posted there shall be no ability for senior men to bump junior men off of a scheduled vacation.

ARTICLE 32

Holidays

Section 1

(a) Regular employees shall not be required to work and shall be paid eight (8) hours pay at the applicable straight time hourly rate for each holiday provided for herein.

(b) The following holidays shall be observed:

NEW YEARS DAY	LABOR DAY
PRESIDENTS DAY	FEDERAL ELECTION DAY
GOOD FRIDAY	THAN.K.S.GIVING DAY
MEMORIAL DAY	FRIDAY AFTER THAN.K.S.GIVING
FOURTH OF JULY	CHRISTMAS DAY

(c) Holidays specified in this Article shall be celebrated in accordance with the Federal Monday Holiday Act. Holidays falling on Saturday shall at the Employer's discretion be observed on the preceding Friday or the Saturday, and holidays falling on Sunday shall be observed on the following Monday.

(d) The Employer shall have the option with the approval of a majority of the employees involved and the Local Union, to substitute four (4) of the above-listed holiday.

Section 2

(a) All hourly compensated employees who work on the day of their designated holiday shall be paid a minimum of eight (8) hours pay at double the regular straight time hourly rate.

(b) All commission compensated employees who work on the day of their designated holiday shall be paid a minimum of two (2) times the daily per diem rate and two (2) times the per case commission rate, with a minimum guarantee of eight (8) hours pay at double the straight time hourly rate.

(c) All hourly compensated employees who work more than eight (8) hours on any of the above named holidays, including holidays on Saturdays shall be paid for such hours worked in excess of eight (8) at three (3) times the regular straight time hourly rate.

(d) Employees who are assigned to work their regular shift on an evening prior to the holiday, and whose work ends on the holiday, shall work the hours necessary to complete the day's work at the regular rate. All hours worked in excess of their regular tour of duty will be at the holiday rate of double the regular straight time hourly rate.

(e) (1) During a week in which holiday(s) falls overtime shall commence after an employee works or is paid, a full shift for each of the other regular work days in that week (compensable time,

holidays, personal days, and vacation days shall count as hours worked). If a holiday falls on Monday, overtime shall commence after thirty-two (32) hours worked.

(2) For employees afforded less than a full week of work refer to Article 29 Sec. 1 (c) regarding the application of overtime pay.

Section 3

In order to qualify for compensation for a holiday not worked, it is provided that regular employees must work the regularly scheduled workday which precedes and follows the holiday, except in cases of proven illness or unless the absence is mutually agreed to. The employee will be required to work his entire shift on his regularly scheduled workday preceding and following the holiday to qualify for holiday pay.

Section 4

(a) A regular employee is entitled to holiday pay if the holiday falls within the thirty (30) day period following an employee's layoff due to lack of work. If such employee is recalled to work during the same thirty (30) day period, but did not receive any holiday pay, then in such case he shall receive an extra day's pay for each holiday in the week in which he returns to work. Said extra day's pay shall be as provided for in Section 1 (a) or (b) specified above. An employee who was laid off because of lack of work and is not recalled to work within the aforementioned thirty (30) day period is not entitled to the extra pay upon his return. If a regular employee is unable to work due to a proven illness, he shall be paid for all holidays occurring within thirty (30) calendar days from the first day of illness.

(b) Senior employees may refuse to work on a holiday; however, all jobs must be covered by junior men on the seniority list.

ARTICLE 33

Vehicle Maintenance Shop

While the shop and drivers/warehousemen are one unit, for the purposes of bidding, the vehicle maintenance shop shall be maintained on a seniority list apart and separate from the drivers/warehousemen. There shall be no "jumping" between lists. However, in the event of a permanent elimination of a position, the effected employee shall be permitted the ability to slot into either seniority list, provided said effected employee is qualified to perform the work.

ARTICLE 34
Attendance Policy

Section 1

The Employer and the Union agree that for the Company to maintain quality customer service and to efficiently handle our daily company business it is vitally important that all employees report to work as scheduled, and that they remain at work until the end of their scheduled shift.

Section 2

All employees that are going to be absent must call their supervisor or his designee a minimum of one (1) hour prior to their scheduled starting time. The employee must call in each day they are absent unless specifically instructed otherwise.

Section 3

Employees shall be permitted four (4) occurrences of absence per rolling twelve (12) month period. Once an employee reaches four (4) occurrences he shall be subject to disciplinary action.

An occurrence shall be defined as any scheduled work time missed. Such as calling off for an entire shift or leaving work before the end of the shift. Consecutive days absent would be considered one (1) occurrence.

Section 4

Disciplinary steps shall be as follows:

- First Offense: Employee has four (4) occurrences. - Verbal Warning -
Within rolling 12 month period
- Second Offense: Employee has a fifth (5th) occurrence within the rolling twelve (12) month period- Written Reprimand
- Third Offense: Employee has a sixth (6th) occurrence within the rolling twelve month period-
One day suspension
- Fourth Offense: Employee has a seventh (7th) occurrence within the rolling twelve month period- Three (3) day suspension.
- Fifth Offense: Employee has an eighth (8th) occurrence within a rolling twelve month period-
Discharge

Each calendar month that an employee has no occurrences one occurrence shall be removed from his record. (For purposes of disciplinary action only) the deleted occurrence will be the oldest.

ARTICLE 35
Employee Breaks

Section 1

Employees shall be permitted two (2) fifteen (15) minute breaks per tour of duty. One (1) shall be taken in the first half of his tour and one (1) shall be taken in the second half of his tour.

Section 2

The Employer shall have the right to schedule breaks.

Section 3

Drivers taking a break must take their break in the vicinity of their route.

Section 4

Employees required to work more than two (2) hours overtime shall be entitled to a third break of fifteen (15) minutes after working two (2) hours overtime. But only if they are required to continue working beyond the two (2) hours.

Section 5

There shall be no other breaks other than those provided in this Article.

ARTICLE 36
Substance Abuse Policy

The Employer and the Union recognize that the use and/or abuse of alcohol and drugs by employees during the performance of their duties present a serious threat to the safety and health of the employee(s) and the general public.

The parties agree that the application of this Article will be in compliance with the United States Department of Transportation (DOT) and the Federal Highway Administration (FHWA) rules and regulations. The parties agree that if new Federal or State mandated changes are brought about, they too will become part of this Agreement.

Section 1

Random Testing

(a) All employees will be subject to random drug and alcohol testing. Employees sent for testing shall be paid their applicable straight time hourly rate for all time spent at the testing site.

(b) Employees to be tested shall be randomly selected using a computerized program administered by our collection site or other third party. Testing shall be evenly spaced throughout the year.

(c) For use under this Article any employee, as a result of what is deemed a positive drug test, who is required to see a substance abuse professional (SAP) shall be responsible for any and all costs for the services provided by the SAP and shall receive a five (5) day suspension..

No employee shall be discharged as a result of a first random positive drug test so long as he agrees to meet with the SAP and cooperate with and complete any recommended treatment or rehabilitation program. Employee shall be required to have a negative return to duty test upon completion of SAP treatment requirements before returning to regular duty.

The cost of any rehabilitation or treatment will be covered to the extent provided for by the employee's health plan. Rehabilitation or treatment not covered by the employee's health plan shall be the responsibility of the employee.

A refusal to meet with the SAP and to comply with any recommended treatment shall result in immediate discharge. The employee must register into the recommended program when instructed to do so by the SAP. Failure to do so will be considered failure to comply and will result in immediate discharge.

Upon completion of the SAP's evaluation, a re-test with a negative result and if necessary the completion of any recommended treatment program, the employee shall be returned to his position. From the date of his return to work, the employee shall be subject to six (6) follow-up tests for drugs and/or alcohol without prior notice for one year.

If the employee thereafter has a second confirmed positive test result for drugs, he shall be subject to discharge. Employees testing positive under a random test shall be given a "one time life time" opportunity.

Under the Substance Abuse Policy the cost of all follow-up testing shall be the responsibility of the employee. The company shall inform the employee of the cost and after testing the cost shall be paid by the employee through payroll deduction.

Section 2

Probable Suspicion Testing

(a) All employees shall be subject to probable suspicion testing. In cases which an employee is acting in an abnormal manner and at least one (1) supervisor, two (2) if available, have probable suspicion to believe that the employee is under the influence of alcohol or controlled substances, the Employer may require the employee (in the presence of a union shop steward, if immediately possible) to go to a medical clinic to provide both urine and breath specimens for laboratory testing.

The supervisor(s) must have received training in the signs of drug intoxication in a prescribed training program which is endorsed by the Employer. Probable suspicion means suspicion based on specific

personal observations that the Employer representative(s) can describe concerning the appearance, behavior, speech and/or breath odor of the employee.

The supervisor(s) must make a written statement of these observations within twenty-four (24) hours. A copy must be provided to the shop steward or other union official after the employee is discharged.

Suspicion is not probable and thus not a basis for testing if it is based solely on third (3) party observation and reports.

If requested, the employee will sign a consent form authorizing the clinic to perform the tests and release the results to his Employer's Medical Review Officer. The employee shall be removed from service without pay pending the results of the test(s). If the test(s) results are negative, the employee shall be reimbursed for lost time.

For all purposes herein, the parties agree that the terms "probable suspicion" and "reasonable cause" shall be synonymous.

(b) An employee may raise an affirmative defense that the positive test result was attributable to the proper use of a prescription medication. If the employee raises such a defense to the Employer, at the employee's request, the company shall refer the employee to a qualified physician to discuss the employee's explanation for the positive test result. The qualified physician may decide that there is a legitimate explanation and declare the drug test to be negative. The employee may be required to provide evidence that a prescription has been lawfully prescribed by a physician.

(c) A refusal to provide either a breath or urine specimen will constitute a presumption of intoxication and the employee will be subject to discharge without the receipt of a prior warning letter.

(d) Any employee who has a confirmed positive test result based on a Probable Suspicion or Post Accident test shall be subject to immediate discharge without prior warning or offense.

Section 3

Disciplinary Action Based on positive drug and/or alcohol test results.

(a) **Alcohol**

Positive Test Result; Random, Probable Suspicion, and Post Accident Testing

1. State DWI/DUI Limit and above subject to discharge on first offense. (Currently 0.08%)
2. 0.02% - 0.079% BAC and involved in an accident resulting in a fatality, personal injury to any person who requires medical treatment, or serious property damage in excess of one-thousand (\$1,000.00) dollars subject to discharge on first offense.

3. 0.02% - 0.079% BAC, subject to suspension on first offense, subject to discharge on second offense.

(b) Drugs

Positive Test Result;

1. Random in accordance with Article 36 Section 1c.
2. Probable Suspicion; subject to discharge on first offense.
3. Post-Accident Testing; subject to discharge on first offense.

(c) Other disciplinary action in accordance with other sections of this Article.

(d) An employee's refusal to submit to any drug and/or alcohol test will subject said employee to discharge.

Section 4

Leave of Absence Prior to Testing

(a) An employee shall be permitted to take leave of absence for the purpose of undergoing treatment pursuant to an approved program of alcoholism or drug use. The leave of absence must be requested prior to the commission of any act subject to disciplinary action.

(b) Such leave of absence shall be granted on a one (1) time basis and shall be for a maximum of sixty (60) days unless extended by mutual agreement. While on such leave, the employee shall not receive any of the benefits provided by this Agreement or Supplements thereto except continued accrual of seniority, nor does this provision amend or alter the disciplinary provision.

(c) Employees requesting to return to work from a leave of absence for drug use or alcoholism shall be required to submit to a return to duty drug and alcohol test. The results of such tests must be negative. Failure to do so will subject the employee to discipline including discharge without the receipt of a prior warning letter.

(d) The provisions of this Section shall not apply to casual and probationary employees.

ARTICLE 37

Light Duty Work and Modified Work

1. The Employer shall have the right to require employees to perform light duty work and modified work. Such work may be assigned to employees who are injured on the job or during the course of employment.

2. All light duty jobs and modified work jobs will have job duties and written job descriptions consistent with the employees most recent medical evaluation.

3. The term "light duty" shall be applied to all jobs that are considered covered jobs as specifically provided for under his Agreement. For employees working a light duty job all regular seniority provisions apply.

4. The term "modified work" shall be applied to jobs that are not considered covered jobs as specifically provided for under this Agreement.

For employees working in a modified job status, an employee with lesser seniority may have a job, so long as he has it first, even if an employee with greater seniority becomes available for such job.

Those jobs not covered would not be considered as covered jobs due to employees working them in a modified work status.

5. All employees working light duty and modified jobs would at all times be covered by this Agreement.

6. There shall be no guarantee of light duty and modified work jobs. Availability of such work will be at the employer's discretion.

7. Employees working in a light duty or modified work capacity will be compensated 85% of their applicable hourly rate.

8. The purpose of this Article is to help employees to return to their regular jobs.

ARTICLE 38

Health Plan

Section 1

(a) The company shall provide health care insurance to all active regular employees, their spouse, and legally dependent children. However, spouses who are offered medical and/or dental plan coverage benefits from their employer will be ineligible for coverage under the N.K.S. company health plan. A spouse who is not on the N.K.S. medical plan may be on the N.K.S. dental plan if their employer does not offer same.

(b) Eligibility shall be in compliance with applicable Affordable Health Care Act (ACA) rules/regulations.

(c) Casual and Probationary employees who do not meet the definition of full-time under the ACA shall be considered "variable and/or Seasonal" employees and shall be ineligible for the N.K.S. company health plan.

Casual and Probationary employees who do meet the definition of full-time under the ACA shall be eligible for single health plan coverage under the terms and conditions provided herein.

(d) Should any Casual or Probationary employee meet the definition of full-time employee under the ACA thereby mandating that coverage be provided, the Employer shall pay its applicable share for the employee only coverage. Should the Casual or Probationary employee that is eligible for coverage opt for dependent coverage as well, the Casual or Probationary employee shall be responsible for the full premium differential.

(e) New employees meeting all of the following requirements shall be eligible for the N.K.S. company health plan;

- Completion of ninety (90) work days as a casual employee.
- Completion of ninety (90) work days as a probationary employee.
- Must be a licensed qualified CDL-A driver without manual shift restriction.
- Must pass and qualify a DOT physical certification.

(f) Should any plan provided by N.K.S. to its employees, including employees covered by this Agreement, exceed the threshold for any excise tax under the ACA or any other applicable law, the parties agree that N.K.S. will revise the plan of benefits in order to insure that the plan falls below the threshold of assessment of any excise tax.

All other conditions of eligibility shall be in accordance with the company's health and dental plan benefit providers.

Section 2

Employees shall be required to notify the company in writing, via an annual employee census, on forms supplied by the company, of their spouse's current place of employment and whether or not they are offered medical and/or dental benefits. This form may contain requests for other information necessary for the employers personnel files, such as but not limited to current address, E-mail address, marital status, if applicable spouses name/employer/benefits status, and emergency contact information. Employees shall be required to complete the entire form.

Section 3

Cost of benefits to the Employee

Rates listed are weekly rates to be paid by the employee through weekly payroll deduction, and represent 25% of the true premium cost. If for any reason an employee does not have a pay check for any

certain week or weeks, the health plan deductions shall be made in the next payroll when the employee does have wages, at which time the entire contribution amounts due will be deducted.

<u>Plan Type</u>	<u>July 1, 2015</u>	<u>July 1, 2016</u>	<u>July 1, 2017</u>	<u>July 1, 2018</u>
Single	\$34.84			
Subscriber & Child(ren)	\$79.44			
Subscriber & Spouse	\$57.06			
Family	\$98.40			

For years 2016, 2017, and 2018 the employee health plan care contribution rate shall be 25% of true health and dental benefit cost. Annual increases of employee contributions shall be capped at a maximum of 10%. Employee contribution rate increases shall be effective July 1 of each year over the duration of this Agreement. If the proposed annual increase to the IPA health plan, including dental rates, to the company from the current provider(s) is 12.5% or greater in any one renewal year/period the company and the union shall open Article 38 for negotiations. The above rates will provide for medical and dental benefits, STD, LTD, and life insurance.

For the N.K.S. employee only, the plans provided shall cover medical benefits, dental benefits, STD (short term disability) and LTD (long term disability), and life insurance policy in the amount of \$50,000.00. Family members covered under the N.K.S. Health Plan are not eligible or covered for STD, LTD, or life insurance.

Section 4

(a) If an employee is injured on or off the job, the employer shall maintain health/dental plan eligibility for a period of one-hundred eighty (180) days. At all times employees shall be required to contribute their 25% of the current true cost of their health/dental plan.

(b) An employee who is seniority listed but not working shall be considered "inactive". Inactive employees are ineligible for the company benefits plan except under circumstances as in (a) of this section.

Section 5

An employee who is covered by their spouse's employers' medical health plan may elect not to participate in the company plan. Those employees shall receive an additional \$1.00 per hour for each hour of compensable time, not to exceed forty (40) hours in any one week. The additional \$1.00 per hour shall

not be used in computing overtime rates of pay. Employees who choose this option must sign a waiver declining the health and dental benefits offered by the company.

(a) Employees shall not be permitted to decline the company health plan and be without health care coverage.

(b) Employees shall not be permitted to decline the company health plan to “opt” into the health care “exchange”.

Section 6

Under the benefits provided for in the IPA health plan, except as mandated by the Company’s insurance carrier, or except as necessary to comply with Section 1 (f) above, the present benefits and benefit levels in the IPA Health Plan will be continued for the life of this Agreement, and all existing benefits provided for within the IPA Health Plan program, both individually and collectively, shall be maintained at not less than the highest benefit levels in effect at the signing of this Agreement. The “standard” health plan offered/provided by the company is and shall remain the IPA plan. Prior to the signing of this agreement and during the term of this agreement the company has offered a “buy-up” PPO health plan option to all employees. Employees voluntarily electing the PPO plan shall pay the entire difference between the cost of the IPA and PPO plan based on 25% of the true plan costs. At any time during the term of this agreement the company may elect to eliminate the PPO health plan option. Within the IPA plan any changes in benefits, and/or benefit levels, provided for in Article 38, provided for any other employees of the Employer during the term of this Agreement shall be offered to the employees covered by this Agreement, members of Teamsters Local 326. It is further understood and agreed that the employee cost for the benefits provided in the Company’s IPA Health Care Plan, which are outlined in this Article, shall not be increased beyond those amounts provided for herein.

ARTICLE 39

Pension

Section 1

The Employer will contribute to the Teamster Pension Trust Fund of Philadelphia, Pennsylvania and vicinity (herein after referred to as the “Pension Fund”) in the manner described in the sections below.

Section 2

March 31, 2015, the Employer’s contribution rate to the Fund was \$4.425 per hour. The Trustees to the Pension Fund have adopted a Funding Improvement Plan as required by the Pension Protection Act

which requires that contributions shall be increased by 5% each year. The parties to the Agreement have adopted the Funding Improvement Plan and have agreed that the contribution rate shall be increased by 5% per year for the life of the Contract so long as the Funding Improvement Plan remains in place, whichever occurs first. Consequently, contributions to the plan shall be as follows; effective April 1, 2015 the Employer contribution rate to the Fund shall be four dollars and sixty-five cents per hour (\$ \$4.65), thirty seven dollars and twenty cents per day. The parties have agreed that the contribution rate increases required for the Funding Improvement Plan shall be made by reducing the Drivers per diem rate or the Employee's hourly rate as necessary.

The contribution rate, effective April 1, 2016, is four dollars and eighty eight and one-half cents per hour (\$\$4.885), thirty-nine dollars and eight cents (\$\$39.08) per day. The parties have agreed that the contribution rate increases required for the Funding Improvement Plan shall be made by reducing the Drivers per diem rate or the Employee's hourly rate as necessary.

The contribution rate, effective April 1, 2017, is five dollars and thirteen cents per hour (\$\$5.13), forty-one dollars and four cents (\$ \$41.04) per day. The parties have agreed that the contribution rate increases required for the Funding Improvement Plan shall be made by reducing the Drivers per diem rate or the Employee's hourly rate as necessary.

The contribution rate, effective April 1, 2018, shall be set in accordance with the Funding Improvement Plan if such Funding Improvement Plan is still in place. Any increase in the employer's contribution rate shall be made by reducing the Drivers per diem rate or the Employee's hourly rate as necessary.

Section 3

All regular seniority listed employees shall be required to participate in the Teamsters Pension Fund.

The Employer agrees to offer the Teamsters National 401 (k) Tax Deferred Savings Plan to employees covered by this Agreement. Employee participation shall be optional. No Employer contributions to this plan will be required. Employees participating in this plan shall specify an amount, in writing, which the Employer shall deduct from the employee's paycheck on a weekly basis and forwarded to the Teamsters National 401 (k) Tax Deferred Savings Plan monthly. Eligibility and participation in the Teamsters National 401 (k) Tax Deferred Savings Plan shall be in accordance with the said plan.

Employees currently participating in the Company 401K plan shall be permitted to roll over their existing balance into the Teamsters-National 401K Savings Plan.

Section 4

Contributions to the fund shall be made as set forth in Section 2 above for the first forty (40) hours worked each week for each seniority employee, or if not worked, paid for pursuant to the terms of this Agreement covering Holidays, vacations, and paid personal time (not worked), to a maximum of forty (40) hours per week. The Employer shall contribute, for employees on commission compensation, a minimum of eight (8) hours for each day worked, or portion thereof, or compensated with a maximum of forty (40) hours contribution in any workweek.

Section 5

The sums required by section 2 above shall be remitted monthly to the Pension Fund. Such monthly payments shall be submitted to the Fund on or before the 28th day of the month following the month in which these monies were accrued.

Section 6

Notwithstanding, the provisions of Article 5 and Article 22 Section 9, the Union may suspend the operations of the Employer thirty (30) calendar days after receipt of a verification by telegram, registered, or certified mail, that the Employer is delinquent. Copies of the verification shall be sent by the Administrator of the Pension fund to the Employer, the Local Union and the Employer Association of which the Employer may be a member.

Section 7

Failure on the part of the Employer to contribute as specified hereinabove shall make him liable for all claims, damages, attorneys' fees, court costs, all arrears in payment, plus ten percent (10%) as liquidated damages if the employer's contribution is post marked more than five (5) business days late.

Section 8

Any employee assigned by the Employer for any period with leased or rental equipment to a non-union or non-affiliated operator, shall for Pension Fund purposes continue to be the employee of the lessor-operator, whose obligation it shall be to continue payment of pension contributions for such employee throughout any such period.

Section 9

(a) The Employer shall complete and deliver to the Pension Fund, on forms supplied by the Pension Fund, an Employer's report stating the name and Social Security number, for each regular employee employed by the Employer during the previous calendar month.

(b) The Trustees of the Pension Fund shall have the right to require the Employer covered by this Agreement to make available to the Trustees or their duly accredited representatives, all time cards, payroll records, social security records, withholding tax records, and state or municipal wage and income tax records for any or all employees covered by this Agreement.

Section 10

By execution of this Agreement the Employer agrees to enter into appropriate trust agreements necessary for the administration of such Fund, and to designate the Employer 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.

Section 11

If an employee is granted a leave of absence, the employee shall have the option to make suitable arrangements for continuation of pension benefits, and if he chooses to do so, may pay the Employer, prior to the leave of absence being effective, sufficient monies to pay the required contributions into the Pension Fund during the period of absence.

Section 12

An employee shall be required to retire in accordance with rules established by the Board of Trustees of the Pension Fund.

Section 13

If a regular employee is absent because of illness or off the job injury for two (2) consecutive weeks and notifies the Employer of such absence, the Employer shall make the required contributions from the first day for a maximum of four (4) weeks. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, during any period of such on the job injury such contribution shall not be paid for a period of more than six (6) months.

Section 14

The Union shall designate a portion of earned wages to be diverted into the Teamsters Pension fund. The following rates have been designated herein;

-April 1, 2015 \$0.225/hr or equal portion of driver's daily per diem.

-April 1, 2016 \$0.235/hr or equal portion of driver's daily per diem.

-April 1, 2017 \$0.245/hr or equal portion of driver's daily per diem.

-April 1, 2018 any increase in pension contribution shall come from earned wages, amount to be determined.

ARTICLE 40

Bonds

Should the Employer require any employee to give bond, cash bond shall not be compulsory, and any premium involved shall be paid by the Employer. The primary obligation to procure the bonds shall be on the Employer. If the Employer cannot arrange for a bond within ninety (90) days, he must so notify the employee in writing. Failure to so notify shall relieve the employee of the bonding requirement. If proper notice is given, the employee shall be allowed thirty (30) days from the date of such notice to make his own bonding requirements, standard premiums only on said bond to be paid by the Employer. A standard premium shall be that premium paid by the Employer for bonds applicable to all other of its employees in similar classifications. Any excess premium is to be paid by the employee. Cancellation of a bond after once issued shall not be cause for discharge unless the bond is cancelled for cause which occurs during working hours, or due to the employee having given a fraudulent statement in obtaining such bond.

ARTICLE 41

Subcontracting

For the purpose of preserving work and job opportunities for the employees of the Employer covered by this Agreement, the Employer agrees that no operation, work or services of the kind, nature or type covered by, or presently performed, or hereinafter assigned to the collective bargaining unit, by the employer, will be subcontracted, transferred, leased, diverted, assigned or conveyed in full or in part (hereinafter referred to as "divert" or "subcontract"), by the Employer to any other plant, business, person, facility, terminal or non-unit employees, or to any other mode of operation, unless specifically provided and permitted in the Agreement. This subcontracting provision is also applicable to the establishment or continuation by the Employer of a transportation company or business which engages in the exact same

type of operation covered by this Agreement, which company or business is owned or controlled by the Employer.

In accordance with this Article, the Employer agrees that it will not, subcontract or divert the work presently performed by, or hereinafter assigned to, its employees or other business entities owned and/or controlled by the Employer, or its parent, subsidiaries or affiliates. Nor will the Employer use owner-operators in any capacity, except for incoming shipments from suppliers.

This Article does not apply to mechanical work performed on N.K.S. vehicles in the N.K.S. vehicle maintenance shop. It is and shall remain under the discretion of the employer the nature and scope of all work that may or may not be performed by N.K.S. mechanic(s) on company owned vehicles.

ARTICLE 42

Inspection Privilege

Authorized agents of the Union shall have access to the Employer's establishment during working hours for the purpose of adjusting disputes, investigating working conditions, collection of dues, and ascertaining that the Agreement is being adhered to; provided, however, there is no interruption of the company's working schedule.

ARTICLE 43

Transfer of Product between New Castle and Milford

It is agreed that employees covered herein, members of Local 326 shall have the exclusive right to transfer all product between the N.K.S. Distributors, Inc. New Castle, Delaware facilities and the Milford, Delaware facilities, unless mutually agreed or less than thirty (30) cases or equivalent thereof.

ARTICLE 44

Management Rights

Except as otherwise limited or restricted by a provision of this Agreement, the Employer has and shall retain the full right to manage the business and direct the work force. These management rights shall include, but not be limited to, the management of the business; to plan, control, increase, decrease, change or discontinue routes or operations in whole or in part; to introduce new or improved methods, techniques, and/or equipment; to hire, suspend, transfer, discharge, or discipline covered employees for good cause; to lay-off employees for lack of work, and terminate casual and probationary employees during the trial period without recourse; to add to or reduce the number of shifts; to establish or change work schedules to meet

customer demands; to schedule overtime hours to be worked; to determine the number and qualifications of employees to be employed; to define jobs it now has or may create in the future; and assign existing employees to meet current work needs; and to adopt and from time to time modify, rescind, or change reasonable safety rules and work rules so long as such rules are not inconsistent with any existing provision of this Agreement, and to enforce such rules. The failure of Management to exercise any rights contained herein shall not be constituted as a waiver of those rights.

ARTICLE 45

Miscellaneous

It is agreed that during the negotiations leading to the execution of this Agreement, the parties have had full opportunity to submit all items appropriate to collective bargaining; that the parties expressly waive the right to submit any additional item for negotiations during the term of this Agreement, whether or not such item is referred to or covered in this Agreement, or whether the item was or was not discussed during the course of negotiations leading to the execution of this Agreement; and that this Agreement incorporates their full and complete understanding, superseding and invalidating all previous commitments of any kind, oral or written, past practices, existing conditions, and all prior employee and Union rights and benefits not specifically incorporated herein.

ARTICLE 46

Separability

Should any article or provision of the Agreement be rendered illegal by reason of any existing or subsequently enacted legislation, court decision or by any authorized government agency, including the National Labor Relations Board, such invalidation shall not affect the remaining articles or provisions of the Agreement.

ARTICLE 47

Duration

The Agreement shall be in full force and effective from April 1, 2015, to and including March 31, 2019.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this 21 day of MAY 2015, to be effective as of April 1, 2015, except as to those areas where it has been otherwise agreed between parties.

IN WITNESS WHEREOF the undersigned duly executes this Agreement.

FOR THE COMPANY

N.K.S. DISTRIBUTORS, INCORPORATED

BY:

[Signature]

TITLE:

Executive VP/GM

BY:

TITLE:

DATE:

5/21/15

FOR THE UNION

GENERAL TEAMSTERS LOCAL UNION NO. 326

Affiliate of the International Brotherhood of Teamsters

BY:

[Signature]

TITLE:

Vice President

DATE:

5/21/15